Financial Statements

Borough of Yeadon

December 31, 2020

Rainer & Company
A Professional Corporation
Certified Public Accountants

Rainer & Company
A Professional Corporation
Certified Public Accountants
Business Consultants

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INDEPENDENT AUDITORS' REPORT

Borough Council
Borough of Yeadon
Yeadon, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Borough of Yeadon as of and for the year ended December 31, 2020, and the related notes to the financial statements. We were not engaged to audit the financial statements of the aggregate discretely presented component units. These financial statements collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Because of the matter described in the "Basis for Disclaimer of Opinion" paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the aggregate discretely presented component units.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Borough's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Except for the matter described in the "Basis for Disclaimer of Opinion on the Aggregate Discretely Presented Component Units" paragraph, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Unmodified
Business-Type Activities	Unmodified

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Aggregate Discretely Presented Component Units	Disclaimer
Governmental Funds (General Fund, Special Revenue, Capital Projects Fund	Unmodified
Proprietary Funds (Sewer and Refuse Funds)	Unmodified
Fiduciary Funds (Police Pension and Municipal Pension Funds)	Unmodified

Basis for Disclaimer of Opinion on the Aggregate Discretely Presented Component Units

The financial statements of Yeadon Public Library have not been audited, and we were not engaged to audit the Yeadon Public Library's financial statements as part of our audit of the Borough's basic financial statements. Yeadon Public Library's activities are included in the Borough's basic financial statements as a discretely presented component unit and represent 4%, 11% and 46% of the assets, net position, and revenues, respectively, of the Borough's aggregate discretely presented component units.

Disclaimer of Opinion

Because of the significance of the matter described in the "Basis for Disclaimer of Opinion on the Aggregate Discretely Presented Component Units" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the aggregate discretely presented component units of the Borough of Yeadon. Accordingly, we do not express an opinion on those financial statements.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Borough of Yeadon, as of December 31, 2020, and the respective changes in in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 16, budgetary comparison information on page 51, the schedule of changes in the net police pension plan liability and related ratios on page 52, the schedule of Borough's pension plan contributions on page 53, and the schedule of post-employment benefit obligation funding progress on page 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Rainer & Company

Newtown Square, PA
March 10, 2023

BOROUGH OF YEADON
Management's Discussion and Analysis (Unaudited)
December 31, 2020

Our discussion and analysis of the Borough of Yeadon, Pennsylvania provides an overview of the Borough's financial performance for the calendar year ended December 31, 2020. Professional standards require the inclusion of certain comparative information in the Management's Discussion and Analysis (MD&A). Please consider the information presented here in conjunction with the Borough's financial statements, which begin on page 17.

FINANCIAL HIGHLIGHTS

Highlights for Government-Wide Financial Statements (Full Accrual Basis):

The government-wide financial statements report information about the Borough as a whole using the economic resources measurement focus and accrual basis of accounting.

- The Borough's net position (deficit) was $4,742,637as of December 31, 2020 (representing its net position for governmental activities). The deficit is the result of the inclusion of $10,290,665 for the net OPEB liability and $2,097,954 for the net pension liability.

- Total revenues of the Borough's 2018 governmental activities were $7.6 million, and expenditures totaled $8.6 million. This compares to 2019 activity of $6.8 million in revenue and $8.4 million in expenditures. A significant portion of the increased revenues was reflected by a slight increase in the collection of delinquent real estate taxes. Expenses were increased primarily in the area of governmental services and police and fire services.

- Borough revenues of business-type activities for 2019 were $3.2 million and expenses were $3.4 million. In 2019, revenues totaled $3.1 million and expenses totaled $3 million.

Highlights for Fund Financial Statements (Modified Accrual):

The fund financial statements provide more detailed information about the Borough's most significant funds using the current financial resources measurement focus and modified accrual basis of accounting:

- The Borough's governmental funds reported a consolidated fund balance of $3,989,857 as of December 31, 2018. As of December 31, 2017, governmental funds reported a fund balance of $4,723,760.

  At December 31, 2018, the General Fund reported a fund balance of $3,045,494 compared to a December 31, 2017 balance of $3,826,680. The Borough's general fund's fund balance represents approximately 46 percent of general fund expenditures and 52 percent of general fund revenues, well within recommended fund balance levels.

BOROUGH OF YEADON
Management's Discussion and Analysis (Unaudited)
December 31, 2020

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (pages 17 and 18) present information about the activities of the Borough as a whole and present a longer-term view of Yeadon Borough's finances. Fund financial statements begin on page 19. For governmental activities, these statements explain how services were financed in the short term as well as what remains for future spending. The governmental proprietary fund financial statements also report the Borough's operations in more detail than the entity-wide statements by providing information about the Borough's most significant funds. The remaining statements provide financial information about activities for which the Borough acts solely as a trustee or agent for the benefit of those outside of the government.

The accompanying financial statements have been prepared in accordance with GASB Statement 34 and present both government-wide and fund level financial statements using both the accrual and modified accrual basis of accounting, respectively.

Government-Wide Financial Statements

The first two statements are government-wide financial statements - the Statement of Net Position and the Statement of Activities. These provide both long-term and short-term information about the Borough's overall financial status.

The government-wide statements report information about the Borough as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the Borough's net position and how they have changed. Net position, the difference between the Borough's assets and liabilities, are one way to measure the Borough's financial health or position. Over time, increases or decreases in the Borough's net position are an indication of whether its financial health is improving or deteriorating, respectively.

In the Statement of Net Position and Statement of Activities, we divide the Borough into three kinds of categories:

- Governmental Activities - Most of the Borough's basic services are included here, such as general government, public safety, public works, culture and recreation. Property taxes finance most of these activities.

- Business-Type Activities - The Borough fees to help it cover the costs of certain services it provides, such as refuse and sewer services.

- Component Unit - Although legally separate, the Yeadon Public Library is important because the Borough is financially accountable for it.

Fund Level Financial Statements

Our analysis of the Borough's major funds provides detailed information about the most significant funds - not the Borough as a whole. Some funds are required to be established by State law and by bond covenants. However, the Board of Supervisors establishes other funds to help it control and manage money for particular purposes (Special Revenue Funds) or to show that it is meeting legal responsibilities for using certain taxes, grants and other money (Capital Projects Fund). The Borough's three kinds of funds - governmental, proprietary and fiduciary - use different accounting approaches.

- ***Governmental Funds*** - Most of the Borough's activities are reported in governmental funds, which focus on the determination of financial position and change in financial position, not on income determination. Governmental funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Borough's operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Borough's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

- ***Proprietary Funds*** - When the Borough charges homeowners and businesses for the services it provides, these charges are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position.

- ***Fiduciary Funds*** - The Borough is the trustee, or fiduciary, responsible for other assets that because of a trust arrangement can be used only for the trust beneficiaries. All of the Borough's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. We exclude these activities from the Borough's other financial statements because the Borough cannot use these assets to finance its operations. The Borough is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Infrastructure Assets

The Borough implemented the all model portions of GASB Statement No. 34, including the reporting of infrastructure. Historically, a government's largest group of assets (infrastructure - roads, bridges, storm sewers, etc.) had not been reported nor depreciated in governmental financial statements. This statement requires that these assets be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must either (1) depreciate these assets over their estimated useful lives, or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system, (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Borough has elected to depreciate all assets over their useful lives.

BOROUGH OF YEADON
Management's Discussion and Analysis (Unaudited)
December 31, 2020

FINANCIAL ANALYSIS OF THE BOROUGH - GOVERNMENT-WIDE STATEMENTS

The Borough's net position (deficit) was $4,742,637 as of December 31, 2020 (representing its net position for governmental activities).

For more detailed information about this table (Schedule of Net Position) refer to the Statement of Net Position (page 17).

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
ASSETS:						
Current and Other Assets	$ 4,071,196	$ 4,256,034	$ 1,683,354	$ 1,922,957	$ 5,754,550	$ 6,178,991
Capital Assets, Net of Depreciation	3,367,366	3,642,550	2,570,328	2,660,769	5,937,694	6,303,319
Deferred Outflows of Resources	2,473,458	1,152,946	0	0	2,473,458	1,152,946
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 9,912,020	$ 9,051,530	$ 4,253,682	$ 4,583,726	$ 14,165,702	$ 13,635,256
LIABILITIES:						
Current Liabilities	$ 576,064	$ 543,950	$ 310,463	$ 571,253	$ 886,527	$ 1,115,203
Long-Term Liabilities	13,627,119	11,994,077	1,234,528	1,095,000	14,861,647	13,089,077
Deferred Inflows of Resources	451,474	263,394	0	0	451,474	263,394
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	14,654,657	12,801,421	1,544,991	1,666,253	16,199,648	14,467,674
NET POSITION:						
Invested in Capital Assets, Net of Related Debt	3,228,010	3,401,824	1,240,800	1,473,769	4,468,810	4,875,593
Restricted	745,702	903,515	0	0	745,702	903,515
Unrestricted	(8,716,349)	(8,055,230)	1,467,891	1,443,704	(7,248,458)	(6,611,526)
TOTAL NET POSITION	(4,742,637)	(3,749,891)	2,708,691	2,917,473	(2,033,946)	(832,418)
TOTAL LIABILITIES AND NET POSITION	$ 9,912,020	$ 9,051,530	$ 4,253,682	$ 4,583,726	$ 14,165,702	$ 13,635,256

BOROUGH OF YEADON
Management's Discussion and Analysis (Unaudited)
December 31, 2020

When comparing the 2020 Statement of Net Position to 2018, there was a decrease in total net position of $1,576,199). Governmental activities decreased by $992,746 and business activities decreased $208,782.

The following comparison illustrates revenues and expenses of governmental activities and business-type activities for fiscal years 2020 and 2019 in a detailed format:

Borough of Yeadon
Changes In Net Position

	Governmental Activities		Business-Type Activities		Total	
REVENUES:	2020	2019	2020	2019	2020	2019
Program Services:						
Charges for Services	$ 541,492	$ 511,845	$ 3,213,704	$3,043,878	$ 3,755,196	$ 3,555,723
Operating Grants and Contributions	621,977	551,407	0	0	621,977	551,407
General Revenues:						
Property Taxes	3,820,452	3,350,755	0	0	3,820,452	3,350,755
Earned Income Taxes	2,110,255	1,889,768	0	0	2,110,255	1,889,768
Realty Transfer Taxes	121,728	105,135	0	0	121,728	105,135
Local Services Tax	85,721	91,372	0	0	85,721	91,372
Franchise Fee - Cable TV	181,441	231,785	0	0	181,441	231,785
Other Revenue	108,854	56,484	2,797	19,248	111,651	75,732
TOTAL REVENUES	7,591,920	6,788,551	3,216,501	3,063,126	10,808,421	9,851,677
EXPENSES:						
General Government	1,597,416	1,625,461	0	0	1,597,416	1,625,461
Public Safety	4,647,332	4,668,866	0	0	4,647,332	4,668,866
Public Works	792,983	794,859	0	0	792,983	794,859
Library	468,021	454,482	0	0	468,021	454,482
Culture and Recreation	292,759	141,025	0	0	292,759	141,025
Interest on Long-Term Debt	41,893	33,475	29,636	33,414	71,529	66,889
Pension	469,078	425,551	0	0	469,078	425,551
Unallocated Depreciation Expense	275,184	294,634	0	0	275,184	294,634
Refuse Fund	0	0	955,925	858,881	955,925	858,881
Sewer Fund	0	0	2,439,722	2,097,228	2,439,722	2,097,228
TOTAL EXPENSES	8,584,666	8,438,353	3,425,283	2,989,523	12,009,949	11,427,876
Transfers	0	0	0	0	0	0
CHANGE IN NET POSITION	$ (992,746)	$(1,649,802)	$ (208,782)	$ 73,603	$ (1,201,528)	$(1,576,199)

There are eight basic impacts that can affect revenues and expenses on an annual basis. They are as follows:

Revenues:

1. **Economic Condition** can reflect a declining, stable or growing economic environment and has a substantial impact on property, business, mercantile or other tax revenue, as well as public spending habits for building permits and elective user fees.

2. **Changes in Borough Approved Rates** - While certain tax rates are set by statute, the Borough Council has significant authority to impose and periodically increase or decrease rates (real estate tax millage, sewer rental fee, refuse fees, building fees, user fees, etc.).

3. **Changing Patterns in Intergovernmental and Grant Revenue (Recurring and Non-recurring)** - Certain recurring revenues (state-shared revenues, block grant, etc.) may experience significant changes periodically, while non-recurring (or one time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

4. **Market Impacts on Investment Income** - The Borough's investment portfolio is managed using a longer average maturity on capital funds. Market conditions cause investment income to fluctuate with the economic environment.

Expenses:

1. **Introduction of New Programs** - Within the functional expense categories (public safety, public works, refuse, sewer, etc.), individual programs may be added or deleted to meet changing community needs and requirements.

2. **Increase in Authorized Personnel** - Changes in service demand may cause the Borough Board to increase or decrease authorized staffing. Personnel costs (salary and related benefits) represent approximately 50% of the Borough's primary program expenses.

3. **Salary Increases (Annual Adjustments and Merit)** - The ability to attract and retain human resources requires Yeadon Borough to strive to approach a competitive salary and range position in the marketplace.

4. **Inflation** - While overall inflation appears to be reasonably modest, the Borough is a major consumer of certain commodities such as supplies, fuels, and parts. Some functions experience unusual commodity-specific increases.

Governmental Activities - Changes in Net Position

Revenue from Yeadon Borough's governmental activities in 2020 totaled $7,591,920, an increase of $803,369. Sources of revenue were primarily from property taxes, realty transfer taxes, public safety related charges and operating grants and contributions. Taxes comprise the largest source of Borough revenues (80%), amounting to $6,183,156 in 2020. Property taxes represent $3,820,452 (53% of revenue) with earned income, business and deed transfer taxes accounting for the balance.

Expenses of all governmental activities this year totaled $8,584,666, an increase of $146,313 from 2019. As the statement of activities indicates, public safety is the largest program with expenses of $4,647,332 or 54% of governmental expenses.

Business-Type Activities - Changes in Net Position

Yeadon Borough maintains a sewer fund and a refuse fund. The combined revenue from these funds was $3,213,704 in 2020.

For business-type activities, total expenses for 2020 were $3,425,283, including interest expense.

Cost of Services - Expenses Analysis

The schedule on the following page highlights the cost of services for Governmental Activities and Business-Type Activities. The total cost of services column includes all costs related to the programs and the net cost column shows how much of the total amount was not covered by program revenues. In other words, net costs are costs that must be covered by local taxes or other general revenue or transfers.

Net cost of Governmental Activities is 86.4% of total cost of services in 2020. This reflects a continued reliance on taxes and other general revenue sources to fund the cost of services.

Borough of Yeadon
Cost of Services - Expense Analysis

	2020		2019	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Governmental Activities:				
General Government	$ 1,597,416	$1,442,577	$ 1,625,461	$1,560,339
Public Safety	4,647,332	4,230,552	4,668,866	4,250,786
Public Works	792,983	412,858	794,859	464,247
Library	468,021	468,021	454,482	454,482
Culture and Recreation	292,759	292,759	141,025	132,250
Interest on Long-Term Debt	41,893	41,893	33,475	33,475
Pension	469,078	257,353	425,551	184,888
Unallocated Depreciation and Amortization	275,184	275,184	294,634	294,634
TOTAL GOVERNMENTAL ACTIVITIES	$ 8,584,666	$7,421,197	$ 8,438,353	$7,375,101
Business-Type Activities:				
Sewer Fund	$ 2,439,722	$ (42,586)	$ 2,097,228	$ (68,888)
Refuse Fund	955,925	(139,357)	858,881	(18,881)
TOTAL BUSINESS-TYPE ACTIVITIES	$ 3,395,647	$ (181,943)	$ 2,956,109	$ (87,769)

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

The Borough uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. The focus of the Borough's governmental funds is to provide information on near-term inflows, outflows and balances of expendable resources. Such data is useful in assessing the Borough's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year.

As the Borough completed the year, its governmental funds (as presented in the balance sheet on page 19) reported a combined fund balance of $3,200,170. The Borough's general fund unassigned fund balance was $2,454,468 as of December 31, 2020, which equals 33% of 2020 total revenues and 34% of total expenditures, excluding other financing sources and uses.

Maintaining a reasonable fund balance provides a "safety net" in the event of emergencies, economic downturns or other unforeseen circumstances. Without an adequate level of fund balance, these unforeseen amounts could create the need for a significant tax increase in a future period or create the need for borrowing. Bond rating services and the Governmental Finance Officers Association (GFOA) recommend, at a minimum, an unreserved fund balance of 5 to 15 percent of regular general fund operating revenues.

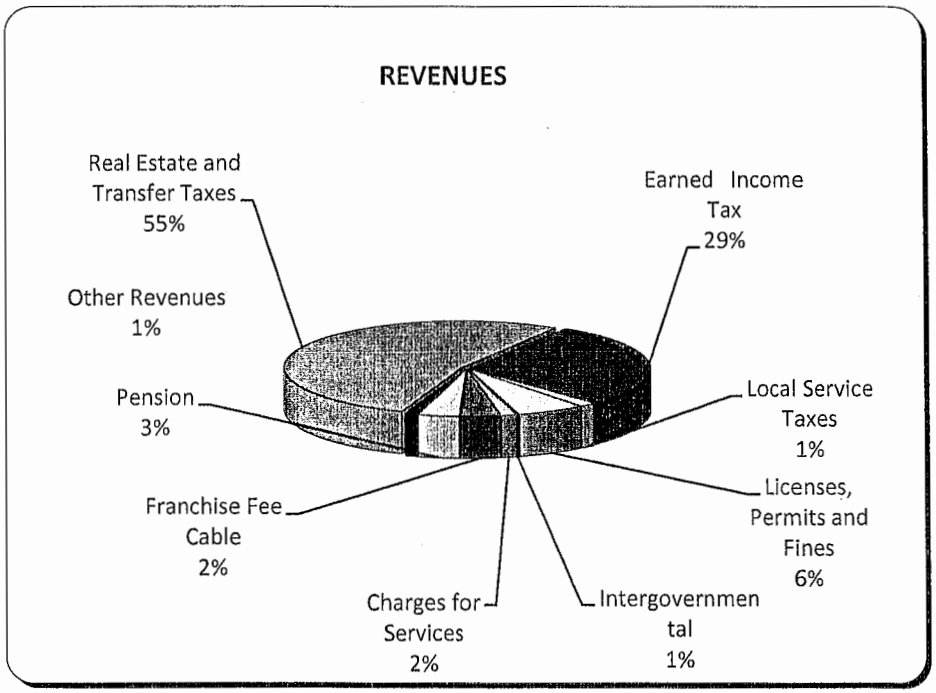
BOROUGH OF YEADON
Management's Discussion and Analysis (Unaudited)
December 31, 2020

General Fund Revenue Analysis:

Borough of Yeadon
Revenue Comparison

	2020	2019	Increase (Decrease)
Revenues:			
Real Estate and Transfer Taxes	$ 4,067,379	$ 3,451,687	$ 615,692
Earned Income Tax	2,110,255	1,889,768	220,487
Local Service Taxes	85,721	91,372	(5,651)
Licenses, Permits and Fines	423,328	399,324	24,004
Intergovernmental	74,502	9,610	64,892
Charges for Services	116,113	89,743	26,370
Franchise Fee - Cable TV	181,441	231,785	(50,344)
Act 205 Pension	211,725	240,663	(28,938)
Other Revenues	109,793	78,237	31,556
TOTAL REVENUES	7,380,257	6,482,189	898,068
Other Financing Sources:			
Transfers In	0	0	0
Refunds of Prior Years Expenditures	0	0	0
	0	0	0
TOTAL REVENUES AND OTHER FINANCING SOURCES	$ 7,380,257	$ 6,482,189	$ 898,068

Revenues and other financing sources for 2020 totaled $7,380,257. This was an increase from the previous year of $898,068. The major factors contributing to this decrease were the result of an increase of $615,692 in real estate and transfer taxes and an increase of $220,487.

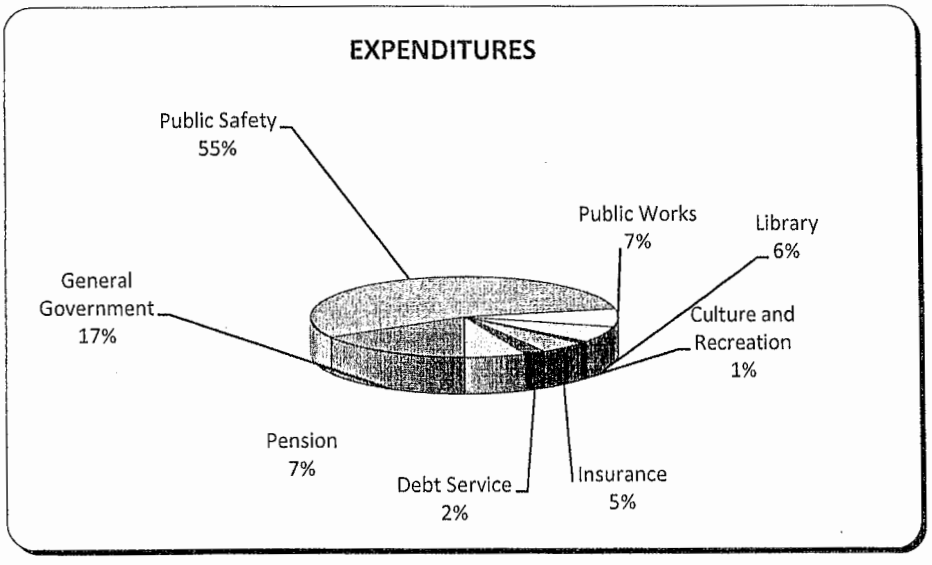


General Fund Expenditure Analysis:

Borough of Yeadon
Expenditure Comparison

	2020	2019	Increase (Decrease)
Expenditures:			
General Government	$ 1,210,236	$ 1,163,865	$ 46,371
Public Safety	4,039,596	3,737,199	302,397
Public Works	522,628	564,090	(41,462)
Library	468,021	534,208	(66,187)
Culture and Recreation	63,773	98,727	(34,954)
Insurance	368,834	449,292	(80,458)
Debt Service	160,912	149,749	11,163
Pension	469,078	425,551	43,527
TOTAL EXPENDITURES	7,303,078	7,122,681	180,397
Other Financing Uses:			
Refund of Prior Years Revenue	21,190	6,523	14,667
TOTAL EXPENDITURES AND OTHER FINANCING USES	$ 7,324,268	$ 7,129,204	$ 195,064

Total expenditures and other financing uses were $7,324,268 in 2020. This represents an increase of $195,064 or 2.7% over the previous year. The major factors contributing to this in was that public safety expenses increased $302,397.



FINANCIAL ANALYSIS OF PROPRIETARY FUNDS (Business-Type)

Business-type funds are used to account for operations that are financed and operated in a manner similar to private businesses. The intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public, on a continuing basis, be financed or recovered primarily through user charges and fees. Yeadon Borough maintains two such funds; the Sewer Fund and the Refuse Fund. The following is a comparative analysis of the Statements of Revenue and Expenses for:

Proprietary Funds

Total proprietary fund revenue in 2020 increased $153.375. This was a result of increased charges for services. Total proprietary fund expenses in 2020 increased $435,760.

GENERAL FUND BUDGETARY HIGHLIGHTS

Revenues

The statement comparing the Borough's budget to actual results can be found on page 50. Total actual revenues ended the year under budget by $1,155,809. The key factors were:

- Real estate collections were consistent with 2020, as the collection rate remained the same, although collections were under budget. Earned income tax collections increased significantly higher than budgetary expectations.
- Earned income taxes were over budget by $448,884.
- Franchise Fees - Cable TV came in $38,559 under budget.
- Investment earnings were under budget by $42,447 due to favorable rates.

Expenditures

Actual Expenditures, including other financing sources and uses, ended the year with a net, unfavorable budget variance of $452,626. Contributing to this position were several factors:

- Public Safety- Public safety costs were increased over the prior year as a result of increased salaries and related benefits as well as capital purchase costs and vehicle leasing expenditures. In addition, police costs also increased this past year for charges of engineering and architectural costs related to building improvements.
- Public Works - Public Works costs were $60,738 over budget.
- Insurance - Insurance costs were $18,650 under budget.
- Debt service - Expenses were $4,041 under budget.

CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION

Capital Assets - Governmental Activities

The Borough's investment in capital assets for its governmental activities for calendar year ended December 31, 2020 is $3,367,366 net of accumulated depreciation.

Schedule of Capital Assets
For the Year Ended December 31, 2020

Governmental Activities:	Beginning Balance	Increase/ (Decrease)	Ending Balance
Capital Assets:			
Land	$ 404,957	$ 0	$ 404,957
Building and Improvements	2,683,351	0	2,683,351
Infrastructure	2,071,705	0	2,071,705
Machinery, Vehicles, Furniture and Equipment	2,548,075	0	2,548,075
Software	21,040	0	21,040
TOTAL CAPITAL ASSETS	7,729,128	0	7,729,128
Accumulated Depreciation for:			
Building and Improvements	1,226,484	68,206	1,294,690
Infrastructure	1,027,796	82,453	1,110,249
Machinery, Vehicles, Furniture and Equipment	1,811,258	124,525	1,935,783
Software	21,040	0	21,040
TOTAL ACCUMULATED DEPRECIATION	4,086,578	275,184	4,361,762
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 3,642,550	$ (275,184)	$ 3,367,366

CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION (continued)

Capital Assets - Business-Type Activities

The Borough's investment in capital assets for its business-type activities for calendar year ended December 31, 2020 is $2,570,328 net of accumulated depreciation.

Schedule of Capital Assets
For the Year Ended December 31, 2020

Business-Type Activities:	Beginning Balance	Increase/ (Decrease)	Ending Balance
Capital Assets:			
Infrastructure	$ 3,325,428	$ 0	$ 3,325,428
Equipment	342,475	0	342,475
TOTAL CAPITAL ASSETS	3,667,903	0	3,667,903
Accumulated Depreciation for:			
Infrastructure	682,913	82,731	765,644
Equipment	324,221	7,710	331,931
TOTAL ACCUMULATED DEPRECIATION	1,007,134	90,441	1,097,575
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 2,660,769	$ (90,441)	$ 2,570,328

Long-Term Debt

As of December 31, 2020, Yeadon Borough's outstanding debt portfolio consisted of $2,237,000 in bonds and $235,528 in notes payable. During 2020 the Borough made principal payments of $212,000, and incurred the issuance of new debt in the amount of $235,528. This represented a 1% increase in outstanding debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 250 percent of its average borrowing base (average revenues over the past three years). The Borough's current allowable debt borrowing base is approximately $14,700,415. As of December 31, 2020, the Borough's borrowing level is only at 17% capacity. This is a relatively favorable position.

Additional information about the Borough's long-term debt can be found in Note 9 on pages 38 through 40 of this report.

CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION (continued)

Long-Term Debt (continued)

Debt Service Schedule
For the Year Ended December 31, 2020

	Principal Outstanding 1/1/2020	Maturities	Additions	Principal Outstanding 12/31/2020
General Obligation Bond Series B of 2010	$ 761,000	$ 118,000	$ 0	$ 643,000
General Obligation Bond Series A of 2010	501,000	1,000	0	500,000
General Obligation Bond Series 2010 Sewer Revenue Note	1,187,000	93,000	0	1,094,000
Note Payable Series Loan	0	0	235,528	235,528
LONG-TERM DEBT	$ 2,449,000	$ 212,000	$ 235,528	$ 2,472,528

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the borough's finances and to demonstrate the borough's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Borough Manager, Borough of Yeadon, Church Lane and Bailey Road, Yeadon, PA 19050.

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BOROUGH OF YEADON
Statement of Net Position
As of December 31, 2020

ASSETS	Governmental Activities	Business-Type Activities	Total	Component Unit
Current:				
Cash and Cash Equivalents	$ 2,359,118	$ 1,147,067	$ 3,506,185	$ 195,083
Accounts Receivable, Net	134,346	1,057,121	1,191,467	0
Due From Other Governments	12,353	0	12,353	0
Taxes Receivable	1,044,545	0	1,044,545	0
Internal Balances	520,834	(520,834)	0	0
Prepaid Expense	0	0	0	0
TOTAL CURRENT ASSETS	4,071,196	1,683,354	5,754,550	195,083
Capital Assets, Net of Accumulated Depreciation	3,367,366	2,570,328	5,937,694	321,696
TOTAL ASSETS	7,438,562	4,253,682	11,692,244	516,779
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources: OPEB	2,467,102	0	2,467,102	0
Deferred Outflows of Resources: Pension Plan	6,356	0	6,356	0
TOTAL DEFERRED OUTFLOWS OF RESOURCES	2,473,458	0	2,473,458	0
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 9,912,020	$ 4,253,682	$ 14,165,702	$ 516,779
LIABILITIES				
Current:				
Accounts Payable and Other Current Liabilities	$ 228,807	$ 208,037	$ 436,844	$ 8,810
Accrued Salaries	60,285	7,426	67,711	0
Accrued Interest	5,930	0	5,930	0
Escrow Deposits	88,260	0	88,260	0
Bonds and Notes Payable Due Within One Year	127,000	95,000	222,000	0
Capital Leases Due Within One Year	65,782	0	65,782	0
TOTAL CURRENT LIABILITIES	576,064	310,463	886,527	8,810
Long-Term:				
Bonds and Notes Payable Due After One Year	1,016,000	1,234,528	2,250,528	0
Capital Leases Due After One Year	73,574	0	73,574	0
Net Pension Liability	2,097,954	0	2,097,954	0
Accrued Severance	148,926	0	148,926	0
Net OPEB Liability	10,290,665	0	10,290,665	0
TOTAL LONG-TERM LIABILITIES	13,627,119	1,234,528	14,861,647	0
TOTAL LIABILITIES	14,203,183	1,544,991	15,748,174	8,810
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources: Pension Plan	451,474	0	451,474	0
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	14,654,657	1,544,991	16,199,648	8,810
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	3,228,010	1,240,800	4,468,810	321,696
Restricted	745,702	0	745,702	0
Unrestricted	(8,716,349)	1,467,891	(7,248,458)	186,273
TOTAL NET POSITION	(4,742,637)	2,708,691	(2,033,946)	507,969
TOTAL LIABILITIES AND NET POSITION	$ 9,912,020	$ 4,253,682	$ 14,165,702	$ 516,779

The accompanying notes are an integral part of this statement.

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BOROUGH OF YEADON
Statement of Activities
For the Year Ended December 31, 2020

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Business-Type Activities	Net (Expense) Revenue and Changes in Net Assets: Total	Component Unit: Yeadon Library
Governmental Activities:								
General Government	$ 1,597,416	$ (85,437)	$ (69,402)	$ 0	$ (1,442,577)	$ 0	$ (1,442,577)	$ 0
Public Safety	4,647,332	(416,780)	0	0	(4,230,552)	0	(4,230,552)	0
Public Works	792,983	(39,275)	(340,850)	0	(412,858)	0	(412,858)	0
Library	468,021	0	0	0	(468,021)	0	(468,021)	0
Culture and Recreation	292,759	0	0	0	(292,759)	0	(292,759)	0
Interest on Long-Term Debt	41,893	0	0	0	(41,893)	(29,636)	(71,529)	0
Pension	469,078	0	(211,725)	0	(257,353)	0	(257,353)	0
Unallocated Depreciation and Amortization Expense	275,184	0	0	0	(275,184)	0	(275,184)	0
TOTAL GOVERNMENTAL ACTIVITIES	8,584,666	(541,492)	(621,977)	0	(7,421,197)	(29,636)	(7,450,833)	0
Business-Type Activities:								
Sewer Fund	2,439,722	(2,397,136)	0	0	0	(42,586)	(42,586)	0
Refuse Fund	955,925	(816,568)	0	0	0	(139,357)	(139,357)	0
TOTAL BUSINESS-TYPE ACTIVITIES	3,395,647	(3,213,704)	0	0	0	(181,943)	(181,943)	0
TOTAL PRIMARY GOVERNMENT	$ 11,980,313	$ (3,755,196)	$ (621,977)	$ 0	$ (7,421,197)	$ (211,579)	$ (7,632,776)	$ 0
Component Unit:								
Library	$ 458,588	$ (15,155)	$ (467,201)	$ (322)				$ 24,090
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes, Net					$ 3,820,452	0	3,820,452	0
Earned Income Taxes					2,110,255	0	2,110,255	0
Realty Transfer Taxes					121,728	0	121,728	0
Local Services Tax					85,721	0	85,721	0
Franchise Fee - Cable TV					181,441	0	181,441	0
Investment Earnings					4,692	2,797	7,489	590
Miscellaneous Income					104,162	0	104,162	0
TOTAL GENERAL REVENUES AND SPECIAL ITEMS					6,428,451	2,797	6,431,248	590
CHANGE IN NET POSITION					(992,746)	(208,782)	(1,201,528)	24,680
Net Position - January 1, 2019					(3,749,891)	2,917,473	(832,418)	483,289
NET POSITION (DEFICIT) - DECEMBER 31, 2019					$ (4,742,637)	$ 2,708,691	$ (2,033,946)	$ 507,969

The accompanying notes are an integral part of this statement.

BOROUGH OF YEADON
Balance Sheet
Governmental Funds
December 31, 2020

ASSETS	General Fund	Special Revenue Funds	Capital Projects Fund	Total Governmental Funds
Cash and Cash Equivalents	1,686,994	575,910	96,216	$ 2,359,120
Taxes Receivable	1,044,545	0	0	1,044,545
Accounts Receivable, Net	134,346	0	0	134,346
Due from Other Governments	12,353	0	0	12,353
Due from Other Funds	617,136	76,784	2,031	695,951
Prepaid Expenditures	0	0	0	0
TOTAL ASSETS	$ 3,495,374	$ 652,694	$ 98,247	$ 4,246,315
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	223,566	5,239	0	$ 228,805
Due to Other Funds	175,117	0	0	175,117
Accrued Wages and Payroll Taxes Payable	60,285	0	0	60,285
Escrow Deposits	88,260	0	0	88,260
TOTAL LIABILITIES	547,228	5,239	0	552,467
Deferred Inflows of Resources:				
Unavailable Revenue - Property Taxes	493,678	0	0	493,678
Fund Balances:				
Nonspendable Fund Balance	0	0	0	0
Restricted Fund Balance	0	647,455	0	647,455
Assigned Fund Balance	0	0	98,247	98,247
Unassigned Fund Balance	2,454,468	0	0	2,454,468
TOTAL FUND BALANCES	2,454,468	647,455	98,247	3,200,170
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 3,495,374	$ 652,694	$ 98,247	$ 4,246,315

The accompanying notes are an integral part of this statement.

BOROUGH OF YEADON
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2020

Total Fund Balances - Governmental Funds		$ 3,200,170
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of assets is $7,729,127, and the accumulated depreciation is $4,361,761		3,367,366
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds		493,674
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
Bonds Payable	$ (1,143,000)	
Capital Leases	(139,356)	
Accrued Interest on the Capital Leases	(5,930)	
Net Pension Liability	(2,097,954)	
Accrued Severance	(148,926)	
Net OPEB Liability	(10,290,665)	(13,825,831)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the fund statements		
Deferred Outflows of Resources - OPEB		2,467,102
Deferred Outflows of Resources - Pension Plan		6,356
Deferred Inflows of Resources - Pension Plan		(451,474)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		$ (4,742,637)

The accompanying notes are an integral part of this statement.

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BOROUGH OF YEADON
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
For the Year Ended December 31, 2020

	General Fund	Special Revenue Funds	Capital Projects Fund	Total Governmental Funds
Revenues:				
Local Sources:				
Real Estate Taxes	$ 3,945,650	$ 0	$ 0	$ 3,945,650
Earned Income Tax	2,110,255	0	0	2,110,255
Transfer Taxes	121,729	0	0	121,729
Local Services Tax	85,721	0	0	85,721
Licenses and Permits	331,617	0	0	331,617
Fines and Forfeits	91,711	0	0	91,711
Intergovernmental	69,402	340,850	0	410,252
Act 205 Pension	211,725	0	0	211,725
Charges for Services	116,113	0	0	116,113
Franchise Fee - Cable TV	181,441	0	0	181,441
Public Utility Tax	5,100	0	0	5,100
Investment Earnings	3,716	869	107	4,692
Miscellaneous	106,077	0	0	106,077
TOTAL REVENUES	7,380,257	341,719	107	7,722,083
Expenditures:				
General Government	1,210,236	0	0	1,210,236
Public Safety	4,039,596	0	0	4,039,596
Public Works	522,628	270,355	0	792,983
Library	468,021	0	0	468,021
Culture and Recreation	63,773	0	0	63,773
Insurance	368,834	0	0	368,834
Debt Service	160,912	0	0	160,912
Pension	469,078	0	0	469,078
Capital Projects	0	0	229,284	229,284
TOTAL EXPENDITURES	7,303,078	270,355	229,284	7,802,717
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	77,179	71,364	(229,177)	(80,634)
Other Financing Uses:				
Refunds of Prior Years Revenue	(21,190)	0	0	(21,190)
NET CHANGE IN FUND BALANCES	55,989	71,364	(229,177)	(101,824)
Fund Balance - January 1	2,398,479	576,091	327,424	3,301,994
FUND BALANCE - DECEMBER 31	$ 2,454,468	$ 647,455	$ 98,247	$ 3,200,170

The accompanying notes are an integral part of this statement.

BOROUGH OF YEADON
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
For the Year Ended December 31, 2020

Total Net Change in Fund Balances - Governmental Funds		$ (101,824)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Outlay	0	
Depreciation Expense	(275,184)	(275,184)
Repayment of bond principal is an expenditure in the governmental funds, but the repayments reduce long-term liabilities in the statement net position.		119,000
Revenue in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(130,166)
Some of the expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Net OPEB Liability	91,522	
Net Pension Liability	(845,665)	
Principal Payments of Capital Lease Obligations	101,370	
Accrued Interest on the Bonds	320	
Compensated Absences	47,881	(604,572)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ (992,746)

The accompanying notes are an integral part of this statement.

BOROUGH OF YEADON
Statement of Net Position
Proprietary Funds
December 31, 2020

ASSETS	Sewer Fund	Refuse Fund	Total
Current:			
Cash and Cash Equivalents	$ 522,659	$ 624,408	$ 1,147,067
Accounts Receivable, Net of Allowance for Uncollectibles	833,831	223,290	1,057,121
Due from Other Funds	0	285,605	285,605
TOTAL CURRENT ASSETS	1,356,490	1,133,303	2,489,793
Capital Assets, Net of Accumulated Depreciation	2,556,903	13,425	2,570,328
TOTAL ASSETS	$ 3,913,393	$ 1,146,728	$ 5,060,121
LIABILITIES			
Current:			
Accounts Payable	$ 146,841	$ 61,196	$ 208,037
Accrued Expenses	3,713	3,713	7,426
Bonds Payable Due Within One Year	95,000	0	95,000
Due to Other Funds	409,129	397,310	806,439
TOTAL CURRENT LIABILITIES	654,683	462,219	1,116,902
Long-term:			
Bonds Payable Due After One Year	1,234,528	0	1,234,528
TOTAL LIABILITIES	1,889,211	462,219	2,351,430
NET POSITION			
Net Investment in Capital Assets	1,227,375	13,425	1,240,800
Unrestricted	796,807	671,084	1,467,891
TOTAL NET POSITION	2,024,182	684,509	2,708,691
TOTAL LIABILITIES AND NET POSITION	$ 3,913,393	$ 1,146,728	$ 5,060,121

The accompanying notes are an integral part of this statement.

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BOROUGH OF YEADON
Statement of Revenues, Expenses and
Changes in Net Position -
Proprietary Funds
For the Year Ended December 31, 2020

	Sewer Fund	Refuse Fund	Total
Operating Revenues:			
Charges for Services	$ 2,397,136	$ 816,268	$ 3,213,404
Miscellaneous Income	0	300	300
TOTAL OPERATING REVENUES	2,397,136	816,568	3,213,704
Operating Expenses:			
Salaries and Wages	$ 101,369	$ 179,910	281,279
Employee Benefits	1,804	9,148	10,952
Treatment Charges - Sewer Authorities	2,140,286	0	2,140,286
Treatment Charges - Waste Management Authorities	0	704,750	704,750
Repairs and Maintenance	8,679	0	8,679
Supplies	2,940	2,999	5,939
Other Services and Charges	97,690	55,631	153,321
Depreciation Expense	86,954	3,487	90,441
TOTAL OPERATING EXPENSES	2,439,722	955,925	3,395,647
OPERATING LOSS	(42,586)	(139,357)	(181,943)
Non-Operating Revenues (Expenses):			
Investment Earnings	1,666	1,131	2,797
Interest Expense	(29,636)	0	(29,636)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(27,970)	1,131	(26,839)
CHANGE IN NET ASSETS	(70,556)	(138,226)	(208,782)
Net Position - Beginning	2,094,738	822,735	2,917,473
NET POSITION - ENDING	$ 2,024,182	$ 684,509	$ 2,708,691

The accompanying notes are an integral part of this statement.

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BOROUGH OF YEADON
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Sewer Fund	Refuse Fund	Total
Cash Flows From Operating Activities:			
Cash Received from Users	$ 2,380,313	$ 778,696	$ 3,159,009
Cash Payments to Suppliers for Goods and Services	(2,611,794)	(957,202)	(3,568,996)
NET CASH USED BY OPERATING ACTIVITIES	(231,481)	(178,506)	(409,987)
Cash Flows From Capital and Related Financing Activities:			
Principal Paid on Debt Obligations	(93,000)	0	(93,000)
Proceeds from Borrowing	235,528	0	235,528
Interest Paid on Debt Obligations	(29,636)	0	(29,636)
NET CASH PROVIDED BY FINANCING ACTIVITIES	112,892	0	112,892
Cash Flows From Investing Activities:			
Investment Earnings	1,666	1,131	2,797
NET INCREASE IN CASH AND CASH EQUIVALENTS	(116,923)	(177,375)	(294,298)
Cash and Cash Equivalents - Beginning	639,582	801,783	1,441,365
CASH AND CASH EQUIVALENTS - ENDING	$ 522,659	$ 624,408	$ 1,147,067

Reconciliation of Operating Loss to Net Cash Used by Operating Activities:

Operating Loss	$ (42,586)	$ (139,357)	$ (181,943)
Adjustments to Reconcile Operating Losss to Net Cash Used by Operating Activities:			
Depreciation Expense	86,954	3,487	90,441
Changes in Assets and Liabilities:			
Accounts Receivable	(16,823)	(37,872)	(54,695)
Due from Other Funds	0	0	-
Accounts Payable and Accrued Expenses	(259,026)	(4,764)	(263,790)
Due to Other Funds	0	0	0
NET CASH USED BY OPERATING ACTIVITIES	$ (231,481)	$ (178,506)	$ (409,987)

The accompanying notes are an integral part of this statement.

BOROUGH OF YEADON
Statement of Fiduciary Net Position
December 31, 2020

	Police Pension Fund	Municipal Pension Fund	Total
ASSETS			
Cash	$ 326,547	$ 0	$ 326,547
Investments (At Market Value)	6,014,128	825,713	6,839,841
Other Assets	52,245	2,253	54,498
TOTAL ASSETS	$ 6,392,920	$ 827,966	$ 7,220,886
NET POSITION			
Reserve for Employees' Retirement Systems	$ 6,392,920	$ 827,965	$ 7,220,885

The accompanying notes are an integral part of this statement.

BOROUGH OF YEADON
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2020

	Police Pension Fund	Municipal Pension Fund	Total (Memorandum Only)
Additions:			
Contributions	$ 525,856	$ 66,150	$ 592,006
Investment Earnings:			
Net Appreciation in Fair Value of Investments	700,982	0	700,982
Investment Earnings	114,032	104,989	219,021
TOTAL INVESTMENT EARNINGS	815,014	104,989	920,003
TOTAL ADDITIONS	1,340,870	171,139	1,512,009
Deductions:			
Pension Benefits	545,679	30,661	576,340
Other Services and Charges	28,793	4,221	33,014
TOTAL DEDUCTIONS	574,472	34,882	609,354
CHANGE IN NET POSITION	766,398	136,257	902,655
Net Position - Beginning	5,626,522	691,708	6,318,230
NET POSITION - ENDING	$ 6,392,920	$ 827,965	$ 7,220,885

The accompanying notes are an integral part of this statement.

BOROUGH OF YEADON
Notes to Financial Statements
December 31, 2020

NOTE 1 - Summary of Significant Accounting Policies

The Borough's financial statements are prepared in accordance with accounting principles generally accepted in the Unites States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Borough has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Borough has chosen not to do so. The more significant accounting policies established in GAAP and used by the Borough are discussed below.

A. Reporting Entity

The Borough is a municipal corporation existing under the laws of the Commonwealth of Pennsylvania. The Borough operates under a council-mayor form of government in accordance with the Pennsylvania Borough Code. Accounting principles generally accepted in the United States of America require that the financial statements present the Borough and its component units, entities for which the Borough is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Borough's operations and so data from these units are required to be combined with data of the primary Borough. Each discretely presented component unit, on the other hand, is required to be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the Borough.

Discretely Presented Component Unit:

The Yeadon Borough Public Library serves the residents of Yeadon Borough as well as the residents of Delaware County. The Library's governing board approves its own budget. However, the Library is fiscally dependent upon the Borough because it receives a substantial portion of its operating funds from them. The Library is presented as a governmental fund type and has a December 31 year end. Copies of the Library's financial statements may be obtained at the Library administrative office.

B. Basis of Presentation

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Borough and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Borough considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only a portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Borough.

The Borough reports the following major government funds:

General Fund - The General Fund is the Borough's primary operating fund. It accounts for all financial resources, except those required to be accounted for in another fund.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by enterprise operations.

Special Revenue Funds - The following governmental funds of the Borough are considered non-major (presented in a single column).

- The Motor License Fund accounts for receipts from state motor license fund to be used for highway related expenses and improvements and the transfer of funds to the General Fund to cover other allowable highway-related expenditures.

- The Vehicle Replacement Fund is a fund used to account for financial resources to be used for the acquisition of major vehicles.

NOTE 1 - Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The Borough reports the following major proprietary funds:

Sewer Fund - The Sewer Fund is used to account for the operations of the Borough's sewer treatment systems.

Refuse Fund - The Refuse Fund is used to account for the activities of the Borough's trash collection operations. The primary source of revenue is from refuse collection fees.

Additionally, the Borough reports the following fund types:

Fiduciary Funds - Fiduciary Funds are used to account for assets held by the Borough in a trustee capacity or as an agent for individuals, private organizations, or other governments. Pension Trust Funds are fiduciary funds which account for the activities of the Police and Municipal Pension Plans, which accumulate resources for the pension benefit payments to qualified employees.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Borough has elected not to follow subsequent private-sector guidance.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Borough's Enterprise Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

For purposes of the statements of cash flows of proprietary funds, cash equivalents include all highly liquid debt instruments with original maturities of three months or less.

When both restricted and unrestricted resources are available for use, it is the Borough's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 1 - Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

With the exception of the Pension Trust Funds, the Borough is permitted under state law to invest funds consistent with sound business practices in the following types of investments:

Obligations of (a) the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, (b) the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth, or (c) any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.

Deposits in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation to the extent that such accounts are so insured and, for any amounts above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of any allowance for uncollectibles. The allowance for uncollectibles was $105,152 at December 31, 2020.

Capital Assets

Capital assets, which include property, equipment, construction in progress, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Borough as assets with an initial, individual cost of more than $5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	10-100 Years
Infrastructure	20-40 Years
Machinery, Vehicles, Furniture and Equipment	5-30 Years
Software	5 Years
Book Collection	5 Years

NOTE 1 - Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

Deferred Outflows of Resources

The Borough reports decreases in net assets that relate to future periods as deferred outflows of resources in the government-wide and proprietary funds statement of net position. The Borough reports deferred outflows of resources for the difference between projected and actual earnings on the Borough's defined benefit pension plan investments.

Deferred Inflows of Resources

The Borough's governmental funds balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in fund balance that applies to a future period(s). Deferred inflows of resources are reported in the governmental funds for revenues that are not considered available. The Borough will not recognize the related revenues until they are available (collected not later than 60 days after the end of the Borough's fiscal year) under the modified accrual basis of accounting. Accordingly, unavailable revenues from property taxes are reported in the governmental funds balance sheet.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, if any, are expensed in the year of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as support service expenditures.

Government-Wide and Proprietary Fund Net Position

Government-wide and proprietary fund net position is divided into three components:

Invested in Capital Assets, Net of Related Debt - Consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

Restricted - Consists of the capital projects fund fund-balance that is restricted by the Borough for capital outlays, as well as the special revenue funds fund-balances that are restricted for highway related expenses and the acquisition of motor vehicles.

Unrestricted - Consists of all other net position reported in this category.

BOROUGH OF YEADON
Notes to Financial Statements
December 31, 2020

NOTE 1 - Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - Amounts that can be used only for specific purposes because of state or federal laws, or externally imposed by grantors or creditors.

Committed - Amounts that can be used only for specific purposes determined by a formal action by the Board of Supervisors resolution.

Assigned - Amounts the Borough intends to use for a specific purpose. Intent can be expressed by the Board of Supervisors or by an official or body to which the Board of Supervisors delegates the authority.

Unassigned - Amounts available for any purpose. Positive amounts are reported only in the General Fund.

The Borough Council establishes (and modifies and rescinds) fund balance commitments by passage of a resolution. The Borough's policy is to first apply expenditure toward restricted fund balances followed by committed fund balances and then to assigned fund balances before using unassigned fund balances.

NOTE 2 - Budgetary Information

Budgets are prepared on the same basis of accounting as the financial statements. Each fall, the Borough Council adopts an annual budget for the following year for the general and special revenue funds as set forth in the Borough code. Legal budgetary control is at the fund level.

Budget amounts are reported as originally adopted. Unexpended budget amounts lapse at the end of the year. The Council may take specific action to commit or assign fund equity.

NOTE 3 - Deposits and Investments

Deposits - At year end, the total carrying amount of the Borough's checking, savings and money market deposits was $3,701,268, and the corresponding bank balance was $4,102,258. By State statute, the Borough may appoint one or more depositories for Borough funds and approve collateral consisting of obligations of the United States of the Commonwealth of Pennsylvania, or any political subdivision thereof, deposited with the bank or trust company. Pennsylvania Act 72 of 1971, as amended, allows depositories to satisfy the collateralization requirement by pooling eligible investments to cover total public funds on deposit in excess of federal insurance. Such pooled collateral is pledged with the financial institution's trust department.

BOROUGH OF YEADON
Notes to Financial Statements
December 31, 2020

NOTE 3 - Deposits and Investments (Continued)

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Borough's deposits may not be returned to it. The Borough does not have a policy for custodial credit risk. In the normal course of business, the Borough may have deposits that exceed insured balances. The remaining balances over insured limits are covered by collateral held by the institution's trust department on a pooled basis not in the name of the Borough.

Custodial Credit Risk - Investments - For an investment, custodial risk is the risk that in the event of the failure of the counterparty, The Borough will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The Borough has no investments subject to custodial credit risk.

Investments - Statutes authorize the Borough to invest in U.S. Government Agency bonds, time or share accounts or institutions insured by the Federal Deposit Insurance Corporation or Federal Savings and Loan Insurance Corporation or in certificates of deposit when they are secured by proper bond or collateral, repurchase agreements, State Treasurer's Investment pools, or mutual funds.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment or deposit. The Borough has no investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Credit risk is the risk that an issue or other counterparty to an investment will not fulfill its obligations. The Borough has no investment policy that would limit its investment choices to certain credit ratings.

Concentration of Credit Risk - The Borough does have an investment policy that addresses the amount the Borough may invest in one issuer.

The Borough's investments at December 31, 2020 consisted of the following:

	Market Value	Credit Rating
Police Pension Plan:		
Mutual Funds - Exchange Traded Funds	$ 6,014,128	Not Applicable
Municipal Pension Plan:		
Mutual Funds – Bonds	825.713	Not Applicable
TOTAL INVESTMENTS - FIDUCIARY FUNDS	$ 6,839,841	

BOROUGH OF YEADON
Notes to Financial Statements
December 31, 2020

NOTE 4 - Taxes Receivable

	General	Other Funds	Total
Real Estate Taxes	$ 640,281	$ 0	$ 640,281
Earned Income Taxes	404,264	0	404,264
TOTAL TAXES RECEIVABLE	$1,044,545	$ 0	$1,044,545

At the end of the current fiscal year, the Borough reported deferred inflows of resources, related to unavailable real estate tax revenue, in the amount of $493,678 in the governmental funds.

NOTE 5 - Accounts Receivable

	General Fund	Proprietary Funds
Fees	$ 106,835	$1,162,273
Franchise Fee - Cable TV Receivable	27,511	0
	134.346	1,162,273
Less: Allowance for Uncollectibles	0	(105,152)
ACCOUNTS RECEIVABLE	$ 134,346	$1,057,121

NOTE 6 - Interfund Receivables and Payables

	Interfund Receivables	Interfund Payables
General Fund	$ 617,136	$ 175,117
Motor License Fund	34,357	0
Vehicle Replacement Fund	42,427	0
Sewer Fund	0	409,129
Refuse Fund	285,605	397,310
Capital Projects Fund	2,031	0
	$ 981,556	$ 981,556

BOROUGH OF YEADON
Notes to Financial Statements
December 31, 2020

NOTE 7 - Capital Assets

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets:				
Land	$ 404,957	$ 0	$ 0	$ 404,957
Building Improvements	2,683,351	0	0	2,683,351
Infrastructure	2,071,705	0	0	2,071,705
Machinery, Vehicles, Furniture and Equipment	2,548,075	0	0	2,548,075
Software	21,040	0	0	21,040
TOTAL CAPITAL ASSETS	7,729,128	0	0	7,729,128
Accumulated Depreciation for:				
Buildings and Improvements	1,226,484	68,206	0	1,294,690
Infrastructure	1,027,796	82,453	0	1,110,249
Machinery, Vehicles, Furniture and Equipment	1,811,258	124,525	0	1,935,783
Software	21,040	0	0	21,040
TOTAL ACCUMULATED DEPRECIATION	4,086,578	275,184	0	4,361,762
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 3,642,550	$(275,184)	$ 0	$3,367,366

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets:				
Infrastructure	$ 3,325,428	$ 0	$ 0	$3,325,428
Equipment	342,475	0	0	342,475
TOTAL CAPITAL ASSETS	3,667,903	0	0	3,667,903
Accumulated Depreciation for:				
Infrastructure	682,913	82,731	0	765,644
Equipment	324,221	7,710	0	331,931
TOTAL ACCUMULATED DEPRECIATION	1,007,134	90,441	0	1,097,575
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	$ 2,660,769	$ (90,441)	$ 0	$2,570,328

BOROUGH OF YEADON
Notes to Financial Statements
December 31, 2020

NOTE 7 - Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Component Unit Activities:				
Capital Assets:				
Furniture and Equipment	$ 104,475	$ 5,152	$ 0	$ 109,627
Improvements	139,457	0	0	139,457
TOTAL CAPITAL ASSETS	243,932	5,152	0	249,084
Accumulated Depreciation for:				
Furniture and Equipment	42,742	13,054	0	55,796
Improvements	22,609	4,042	0	26,651
TOTAL ACCUMULATED DEPRECIATION	65,351	17,096	0	82,447
COMPONENT UNIT ACTIVITIES CAPITAL ASSETS, NET	$ 178,581	$(11,944)	$ 0	$ 166,637
Book Collection:				
Exhaustible Book Collection	$ 415,974	$ 21,199	$ 0	$ 437,173
Accumulated Depreciation for:				
Exhaustible Book Collection	248,173	33,941	0	282,114
COMPONENT UNIT ACTIVITIES BOOK COLLECTION, NET	$ 167,801	$(12,742)	$ 0	$ 155,059

Depreciation expense was charged to functions/programs of the Borough as follows:

Governmental Activities – Unallocated	$ 275,184
Business-Type Activities – Unallocated	90,441
Component Unit - Yeadon Public Library	51,037
TOTAL DEPRECIATION EXPENSE	$ 416,662

NOTE 8 - Changes in Other Long-Term Liabilities

	Balance January 1, 2020	Additions	Reductions	Balance December 31, 2020
Governmental Activities:				
Accrued Severance and Sick Days	$ 196,807	$ 0	$ 47,881	$ 148,926

BOROUGH OF YEADON
Notes to Financial Statements
December 31, 2020

NOTE 9 - Long-Term Debt

	Principal Outstanding January 1, 2020	Maturities	Additions	Principal Outstanding December 31, 2020
General Obligation Notes Series A of 2010	$ 761,000	$ 118,000	$ 0	$ 643,000
General Obligation Notes Series B of 2010	501,000	1,000	0	500,000
General Obligation Notes Series 2010 Sewer Revenue Notes	1,187,000	93,000	0	1,094,000
Note Payable Sewer Loan	0	0	235,528	235,528
LONG-TERM DEBT	$ 2,655,000	$ 212,000	$235,528	$ 2,472,528

	Current Outstanding Principal
General Obligation Notes, Series A of 2010. Original principal amount of $1,665,000, maturing through June 25, 2025, bearing interest at a variable rate. Interest is payable monthly on the 25th.	$ 643,000
General Obligation Notes, Series B of 2010. Original principal amount of $510,000, maturing through June 25, 2030, bearing interest at a variable rate. Interest is payable monthly on the 25th.	500,000
General Obligation Notes, Sewer Revenue Note, Series 2010. Original principal amount of $1,900,000, maturing through June 25, 2030, bearing interest at a variable rate. Interest is payable monthly on the 25th.	1,094,000
Note Payable - Sewer revolving loan. Original loan amount is $1,782,451, of which $258,258 has been drawn as of 12/31/20. Interest only payments for the first 36 months, adjusted to 1.497% for years one through five, and 2.056% thereafter.	258,528
TOTAL	$ 2,472,528

The annual requirements to amortize all debts outstanding as of December 31, 2020 are as follows:

Year Ended:	Principal	Interest	Total
2021	$ 222,000	$ 68,782	$ 290,782
2022	229,000	60,582	289,582
2023	236,000	59,827	295,827
2024	239,000	54,682	293,682
2025	109,000	35,818	144,818
2026-2030	1,437,258	99,228	1,536,486
TOTAL MATURITIES	$ 2,472,258	$ 378,919	$ 2,851,177

NOTE 9 - Long-Term Debt (Continued)

Interest Rate Management Plan

The Series A of 2010 Notes, Series B of 2010 Notes, and the Sewer Revenue Series 2010 were issued to the Delaware Valley Regional Finance Authority (DVRFA). In order to provide funds for loans (Loan Program) the DVRFA has issued Local Government Revenue Bonds (DVRFA Bonds). The DVRFA has entered into an interest rate swap agreement with Bank of America, N.A.(BOA), secured by municipal bond insurance policies in the loan program and to enhance the ability of participants to manage their interest rate risks. The DVRFA Swap Agreement is a "Qualified Interest Rate Management Agreement" as such term is defined in the Pennsylvania *Local Government Unit Debt Act*.

Under the terms of the loan agreements, the interest payments due from the borough are calculated to fund:

- The debt service payments on the DVRFA bonds.
- The net payments due under the DVRFA Swap Agreement.
- All other costs and expenses necessary for the operation of the Loan Program, amounts required to maintain the liquidity of the Loan Program, and any termination payment due under the DVRFA Swap Agreement

Interest Rate Risk - The Borough has the option under the loan agreements to pay a variable rate of interest or a fixed rate. If the Borough elects the variable rate, the interest rate, based upon the Securities Industry and Financial Markets Association Index (SIFMA Index), adjusts weekly with a maximum interest rate at the Borough of 15%. If the Borough elects a fixed rate, the rate, with terms and conditions selected by the Borough, would be set based upon the fixed rate swap market at that time with a new confirm executed by DVRFA and BOA under the DVRFA Swap Agreement. The Borough has the option to convert all or a portion of the variable rate notes to a fixed rate at any time to mitigate the exposure to rising short-term interest rates.

Since the Borough is not considered to be a signatory on the current interest rate swap agreements between DVRFA and BOA, management has concluded that the Borough would not be required to report the transaction in accordance with Governmental Accounting Standards Board (GASB) No. 53 Accounting and Financial Reporting for Derivative Instruments. Therefore, the fair value of the interest rate swap agreements is not recorded on the statement of net position. In addition, no evaluation has been made to whether the interest rate swaps are effective cash flow hedges.

Credit Risk - Rating downgrades by Moody's and Standard & Poor's ("S&P") can precipitate collateralization requirements under the DVRFA Swap Agreement. The failure to post collateral when it is required constitutes an event of default under the DVRFA Swap Agreement and may result in termination.

- If the long term, unsecured, senior debt ratings of BANA are reduced below "A2" by Moody's or "A" by S&P and if DVRFA would receive a payment from BOA upon termination, BOA is required to post' collateral equal to the market value of each of the swap agreements executed with DVRFA. BOA's current ratings are "Aa3/A+", with stable outlooks by Moody's and S&P, respectively.
- If the long term, unsecured, senior debt ratings of BOA are downgraded below "Baa3" by Moody's and "BBB-" by S&P, DVRFA may terminate the swap agreements executed by BOA. If (i) the claims paying ability ratings of Ambac are reduced below "Baa3" by Moody's or "BBB-" by S&P and (ii) DVRFA has defaulted or DVRFA does not have published ratings of at least "Baa3" by Moody's and "BBB-" by S&P, BOA may terminate the DVRFA Swap Agreements.

NOTE 9 - Long-Term Debt (Continued)

Interest Rate Management Plan (Continued)

Termination Risk - The Borough is obligated to pay a termination payment associated with the portion of the DVRFA Swap Agreement allocable to the applicable note. A termination payment may be incurred due to the termination of all or a portion of the DVRFA Swap Agreement with the mutual consent of DVRFA, BOA, Ambac, and the Borough. These termination payments could be triggered in the event of (i) a payment default by the Borough under the Loan Agreement, (ii) a payment default by DVRFA, BOA or Ambac under the DVRFA Swap Agreement, (iii) the occurrence of events that may precipitate a payment default by DVRFA, BOA or Ambac, or (iv) the downgrading of the claims paying ability of Ambac or long term, unsecured, senior debt rating of DVRFA or BOA. In all instances of termination except a payment default on the note converted to a fixed rate, DVRFA would seek to replace the DVRFA Swap Agreement with a new interest rate swap agreement with similar terms and conditions.

The amount of the termination payment is determined by the market value of the DVRFA Swap Agreement; therefore, the cost or income of the replacement swap should offset the cost or income from the Termination Payment. DVRFA may not be able to secure the replacement interest rate swap if the swap market is not functioning normally or if DVRFA does not have access to the swap market.

The estimated termination payment (i.e., the market value) for the DVRFA Swap Agreement allocable to the Borough's notes as of December 31, 2019, is shown in the table below. In the event of a termination payment, DVRFA would assess the net loss, if any, to the Borough. Any net gain on the termination payment allocable to variable rate Notes would be retained by DVRFA.

Type	Option Selected	Notional Amount	Issue Date	Maturity Date	Income (Loss)
GON Series A of 2010	Fixed	$ 500,000	1/25/2010	6/25/2030	$ 905
GON Series B of 2010	Fixed	$ 643,000	9/15/2010	6/25/2025	$ (35,445)
Sewer Notes - Note A	Fixed	$ 434,000	1/25/2010	6/25/2030	$ (1,390)
Sewer Notes - Note B	Fixed	$ 441,000	1/25/2010	6/25/2030	$ (2,188)
Sewer Notes – Note V	Variable	$ 219,000	1/25/2010	6/25/2030	$ 640)

NOTE 10 - Capital Leases

Governmental Activities

Assets recorded under capital leases, included in machinery, vehicles, furniture and equipment in the governmental activities schedule of capital assets in Note 7, are as follows:

Machinery, Vehicles, Furniture and Equipment	$ 936,647
Less: Accumulated Depreciation	715,728
	$ 220,919

Amortization of equipment under capital leases is included in depreciation expense.

The following is a schedule of future minimum lease payments under capital leases together with the present value of net minimum lease payments as of December 31, 2020:

2020	$ 70,870
2022	41,514
2023	41,514
TOTAL	153,898
Less: Amount Representing Interest	14,542
PRESENT VALUE OF MINIMUM PAYMENTS	$ 139.356
Current Portion	$ 65,782
Long-Term Portion	73,574
TOTAL	$ 139,356

BOROUGH OF YEADON
Notes to Financial Statements
December 31, 2020

NOTE 11 - Property Tax

Property taxes attach as an enforceable lien on property as of March 1 of the following year. Taxes are levied on February 1 and payable in the following periods:

Discount Period - February 1 to March 31 - 2% of Gross Levy
Flat Period - April 1 to May 31
Penalty Period - June 1 to Collection - 10% of Gross Levy

The following is a detail analysis of current year tax revenues:

Assessed Valuation, Adjusted by Authorized Revisions	$ 318,881,059
Approved Tax Rate in Mills	9.89
GROSS LEVY	3,152,577
Plus Penalties Applied and Double Payments	23.119
Deductions:	
Discounts	41,852
Taxes Receivable	297,528
NET TAXES COLLECTED	$ 2,836,316

NOTE 12 - Defined Benefit Pension Plan

Plan Description

The Borough contributes to a public employee retirement system (PERS), for its uniformed employees. The Police Pension Plan (uniformed) is a single employer PERS, administered by the Borough. The plan is a defined benefit pension plan. The Police Pension Plan covers all full-time uniformed employees.

Pension plan financial statements are prepared using the accrual basis of accounting. Plan pension payments and member/employer contributions are recognized in the period in which they are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investments are reported at fair value.

Police Pension Plan - Members may retire upon reaching age 50 and completion of 25 years of service. Early retirement may occur after 20 years of service; vesting occurs after completion of 12 years of vesting service. Retirement benefit is equal to 50% of the average monthly compensation averaged over the last 36 months, plus an additional service increment of $100 per month if the member has 26 years of service or more up to a maximum of $300. Survivor benefit is available at 50% of pension if a member is retired or eligible for retirement. Disability benefit if service related is 75% of base salary at the time of disability offset by social security benefits for the same injury. An active member who has met the eligibility requirements for normal retirement may elect to participate in the Act 44 Deferred Retirement Option Program for a period of up to 36 months. Member contributions are 5% of pay. Interest is credited to members' contributions at the rate of 4.5%.

NOTE 12 - Defined Benefit Pension Plan (Continued)

Plan Membership

The following table provides information concerning types of covered employees and benefit provisions for the Police Pension Plan as of December 31, 2020:

	Police
Inactive plan members currently receiving benefits	19
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	16
TOTAL	35

Contributions

Pennsylvania Act 205 of 1984 (as amended) requires that annual contributions be based upon the Minimum Municipal Obligation ("MMO"), which is based on the Plans' biennial actuarial valuation. The MMO includes the normal cost, estimated administrative expenses and an amortization contribution of the unfunded actuarial accrued liability, less estimated member contributions, and a credit equal to 10% of the excess (if any) of the actuarial value of assets over the actuarial accrued liability. The state provides an allocation of funds, which must be used for pension funding. Any financial requirement established by the MMO which exceeds state and member contributions must be funded by the employer.

Police participants are required to contribute 5% of their compensation to the plan. This contribution is governed by the plan's governing ordinances and collective bargaining. Administrative costs, which may include but are not limited to investment management fees and actuarial services, are charged to the Plans and funded through the MMO and/or plan earnings.

Investments

Investment Policy - The plans' investment policy in regard to the allocation of invested assets is established and may be amended by the Borough Council and Pension Board. The objective of the investment strategy is to provide modest capital appreciation and income by balancing reasonable return expectations with appropriate levels of risk. The plans' formal investment policy statement, which is revised periodically, provides more comprehensive details on investment strategy and authorized investments.

The plans' investment policy establishes the following target allocation across asset classes:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equities	45.50%	4.63%
International Equities	24.50%	6.01%
Fixed Income	27.00%	0.68%
Cash	3.00%	(0.38)%
	100.00%	3.74%

NOTE 12 - Defined Benefit Pension Plan (Continued)

Investments (Continued)

The long-term expected rate of return on pension plan investments was determined using an asset allocation study conducted by the plan's investment management consultant in December 2019 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the plan's target asset allocation as of December 31, 2019 are listed in the table above.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributable to the magnitude of a plan's investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement. The plans do have a formal investment policy that addresses concentrations of credit risk. As of December 31, 2020, no investment in any one organization represented 5% or more of the plan's respective fiduciary net position.

Rate of Return - For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.49%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Police Pension)

	Total Police Pension Liability	Police Plan Fiduciary Net Position	Net Police Pension Liability
Beginning Balance - January 1, 2020	$8,203,341	$5,626,522	$ 2,576,819
Changes For the Year:			
Service Cost	185,022	0	185,022
Interest	649,201	0	649,201
Differences Between Expected and Actual Experience	0	0	0
Benefit Payments	(546,690)	(546,690)	0
Contributions - State Aid	0	211,725	(211,725)
Contributions - Employer	0	231,620	(231,620)
Contributions - Member	0	82,511	(82,511)
Net Investment Income	0	794,032	(794,032)
Administrative Expenses	0	(6,800)	6,800
NET CHANGES	287,533	766,398	(478,865)
BALANCE - DECEMBER 31, 2020	$8,490,874	$ 6,392,920	$ 2,097,954

Plan fiduciary net position as a percentage of the total pension liability related to the police pension at December 31, 2020 was 75.3%.

NOTE 12 - Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Police Pension) (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Police Pension) - The following presents the net pension liability, calculated using the discount rate of 8.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (7.00%) or 1-percentage point higher (9.00%) than the current rate:

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
Net Pension Liability	$ 2,924,288	$ 2,097,954	$ 1,389,441

For the year ended December 31, 2019, the Borough recognized pension expense of $457,852 related to the police pension. At December 31, 2019, the Borough reported deferred outflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 0	$ (25,037)
Changes in Assumptions	6,356	0
Net Difference between Projected and Actual Investment Earnings	0	(426,437)
	$ 6,356	$ (451,474)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

Year ending December 31:	
2021	$ (168,269)
2022	(72,926)
2023	(164,007)
2024	(46,090)
2025	6,174
Total	$ (445,118)

NOTE 12 - Defined Benefit Pension Plan (Continued)

Actuarial Assumptions (Police Pension)

The total pension liability as of December 31, 2019 was determined by rolling forward the System's total pension liability as of the January 1, 2019 actuarial valuation to December 31, 2019 using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation - 2.25%
- Salary increases - 5.50%
- Investment rate of return - 8.00% (net of pension plan investment expenses, including inflation)
- Retirement Age - 50
- Mortality rates were based on the Blue Collar RP-2000 Mortality Tables projected to 2017 using Scale AA.

Discount Rate - The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that municipal contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the police pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 13 - Defined Contribution Pension Plan

The Borough contributes to a public employee retirement system (PERS), for its non-uniformed employees. The Non-Uniformed Pension Plan is a single employer PERS, administered by the Borough. The plan is a defined contribution pension plan. The Non-Uniformed Pension Plan covers all full-time non-uniformed employees.

Pension plan financial statements are prepared using the accrual basis of accounting. Plan pension payments and member/employer contributions are recognized in the period in which they are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investments are reported at fair value.

Non-Uniformed Pension Plan

The Plan was initially established on January 1, 2001, but was revised on October 1, 2004. Members hired prior to October 1, 2004 are considered 100% vested in the Plan. Members hired on or after October 1, 2004 are 100% vested after 5 years or more of service.

Plan Membership

As of December 31, 2019, membership consisted of 13 active members.

BOROUGH OF YEADON
Notes to Financial Statements
December 31, 2020

NOTE 14 - Other Post-Employment Benefits

Plan Description

The Borough provides a defined benefit post-employment healthcare benefit, which provides medical benefits to eligible retirees and their spouses. The plan is available for the Borough's uniformed employees. All uniformed employees are eligible for the plan after reaching a minimum age of 50 and completing 25 years of service for the Borough.

Funding Policy

As of December 31, 2020, the Borough has not segregated assets to fund this liability. It is the intention of the Borough to pay healthcare premiums and costs as they are incurred.

Employee Covered by the Plan

Membership in the OPEB plan consisted of the following at January 1, 2020

Fully Eligible Active Employees	1
Other Active Employees Not Fully Eligible	12
Retirees and Beneficiaries Currently Receiving Benefits	10
	23

Actuarial Methods and Assumptions

In the January 1, 2020 actuarial valuation, the following actuarial assumptions were used:

Economic Assumptions

- Investment Return - There are no invested assets.
- Salary Increases - 5.5 compounded annually.
- Discount Rate - 3.26%

Healthcare Cost Trend Rate

- Non-Medicare medical and prescription drug cost trend rate is assumed to be 0% during 2020 and 2021, 7.5% in 2022 reduced 0.25% per year thereafter to an ultimate level of 5% per year.
- Medicare medical and prescription drug coverage trend rate is assumed to be 0% during 2020 and 2021, 5.75% in 2022 reduced 0.25% per year thereafter to an ultimate level of 5% per year.
- Dental costs are assumed to increase at a rate of 0% during 2020 and 2021 and 2.5% per year thereafter.
- Vision costs are assumed to increase at a rate of 0% during 2020 and 2021 and 2.5% per year thereafter.
- The Medicare Part B premium is assumed to be 5% for three years and 4% per year thereafter.

NOTE 14 - Other Post-Employment Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

Demographic Assumptions

- Pre-Retirement Mortality - 2010 Public Safety Amount Based Male and Female Employee Mortality Tables projected to 2024 using Scale MP-2018.
- Post-Retirement Mortality - 2010 Public Safety Amount Based Male and Female Employee Mortality Tables projected to 2024 using Scale MP-2018.
- Post-Disability Mortality - 2010 Public Safety Amount Based Male and Female Employee Disability Tables projected to 2024 using Scale MP-2018.
- Spouse Mortality - 2010 Public Safety Amount Based Male and Female Contingent Spouse Mortality Tables projected to 2024 using Scale MP-2018.
- Withdrawal - Withdrawal rates at selected ages as follows:

Age	Male	Female
25	10.0%	15.0%
40	3.0%	5.0%
55	0.0%	0.0%

- Disability – 100% UAW Disability Table for Males and Females.
- Retirement is assumed to occur at a minimum of age 50 with 25 years of service.
- Retirement Participation – 100% of retirees who are eligible to participate are assumed to do so.
- Spouse Participation
  - Non-Medicare Spouses - It is assumed that 25% of spouses will participate in Borough coverage.
  - Medicare Spouses - It is assumed that 100% of spouses will participate in Borough coverage.
  - Surviving Spouses - It is assumed that 75% of surviving spouses will participate in Borough coverage.
- Marriage - 90% of all future retirees are assumed to be married.
- Ages - Males spouses are assumed to be three (3) years older than female spouses.

Changes in Net OPEB Liability

The following table shows the components of the Borough Net OPEB liability, which include costs for the year, the amount actually contributed to the plan and the changes in the Borough's Net OPEB liability.

Net OPEB Liability:	
Balance as of January 1, 2020	$ 7,925,225
Service Cost	498,153
Changes in Assumptions & Cost Method	1,896,962
Interest Expense	196,995
Employer Contributions	(226,670)
NET OPEB LIABILITY AS OF DECEMBER 31, 2020	$ 10,290,665

NOTE 14 - Other Post-Employment Benefits (Continued)

OPEB Expense

OPEB expense for the year ended December 31, 2019:.

Service Cost	$ 498,153
Interest on Total OPEB Liability	196,995
Differences Between Expected and Actual Experience	92,248
Changes in Assumptions & Cost Method	480,418
NET OPEB EXPENSE	$ 1,267,814

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 344,083	$ 0
Changes in Assumptions	2,123,019	0
Net Difference between Projected and Actual Investment Earnings on OPEB Plan Investments	0	0
	$ 2,467,102	$ 0

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

Year ending December 31:	
2021	$ 572,666
2022	572,666
2023	572,666
2024	507,432
2025	241,672
Total	$ 2,467,102

Net OPEB Liability Sensitivity - Discount Rate

The following is a sensitivity analysis of the net OPEB liability to changes in the discount rate. The table presents the net OPEB liability calculated using the discount rate of 1.93%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (.93%) or 1 percent higher (2.93%) than the current rate:

	1% Decrease .93%	Current Discount Rate 1.93%	1% Increase 2.93%
Net OPEB Liability	$ 12,256,960	$ 10,290,665	$ 8,745,148

NOTE 14 - Other Post-Employment Benefits (Continued)

Net OPEB Liability Sensitivity -- Healthcare Trend

The following is a sensitivity analysis of the net OPEB liability to changes in the healthcare trend rate. The table presents the net OPEB liability calculated using the current healthcare trend, as well as what the net OPEB liability would be if it were calculated using a healthcare trend rate that is 1 percent higher or 1 percent lower than expected:

	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability	$ 8,408,919	$ 10,290,665	$ 12,772,969

NOTE 15 - Deficit Net Position

A deficit of $4,742,637 exists in the District's Governmental Activities net position as of December 31, 2020. The deficit is a result of the District's adoption of Government Accounting Standards Board Statement No.75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*

NOTE 16 - Subsequent Events

The Borough has evaluated subsequent events through March 10, 2023, which represents the date the financial statements were available to be issued.

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. As a result, economic uncertainties have arisen which are likely to negatively impact operating activity. Other financial impact could occur though such potential impact is unknown at this time.

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BOROUGH OF YEADON
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2020

	Original Budget	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Real Estate Taxes	$ 3,165,984	$ 3,165,984	$ 3,945,650	$ 779,666
Earned Income Tax	1,661,371	1,661,371	2,110,255	448,884
Transfer Taxes	89,453	89,453	121,729	32,276
Local Services Tax	89,523	89,523	85,721	(3,802)
Licenses and Permits	300,250	300,250	331,617	31,367
Fines and Forfeits	127,100	127,100	91,711	(35,389)
Intergovernmental	78,900	78,900	69,402	(9,498)
Act 205 Pension	275,000	275,000	211,725	(63,275)
Charges for Services	51,204	51,204	116,113	64,909
Franchise Fee - Cable TV	220,000	220,000	181,441	(38,559)
Public Utility Tax	5,000	5,000	5,100	100
Investment Earnings	46,163	46,163	3,716	(42,447)
Miscellaneous	114,500	114,500	106,077	(8,423)
TOTAL REVENUES	6,224,448	6,224,448	7,380,257	1,155,809
Expenditures:				
General Government	1,200,337	1,200,337	1,210,236	(9,899)
Public Safety	3,544,327	3,544,327	4,039,596	(495,269)
Public Works	461,890	461,890	522,628	(60,738)
Library	493,492	493,492	468,021	25,471
Culture and Recreation	124,093	124,093	63,773	60,320
Insurance	387,484	387,484	368,834	18,650
Debt Service	165,710	165,710	160,912	4,798
Pension	473,119	473,119	469,078	4,041
TOTAL EXPENDITURES	6,850,452	6,850,452	7,303,078	(452,626)
DEFICIENCY OF REVENUES OVER EXPENDITURES	(626,004)	(626,004)	77,179	703,183
Other Financing Sources (Uses):				
Refunds of Prior Years' Revenues	(21,000)	(21,000)	(21,190)	(190)
Refunds of Prior Years' Expenditures	250,000	250,000	0	(250,000)
Transfers Out	0	0		
Transfers In	451,089	451,089	0	(451,089)
TOTAL OTHER FINANCING SOURCES (USES)	680,089	680,089	(21,190)	(701,279)
NET CHANGE IN FUND BALANCE	54,085	54,085	55,989	1,904
Fund Balance - January 1, 2020	2,398,479	2,398,479	2,398,479	0
FUND BALANCE - DECEMBER 31, 2020	$ 2,452,564	$ 2,452,564	$ 2,454,468	$ 1,904

BOROUGH OF YEADON

Schedule of Changes in the Net Police Pension Plan Liability and Related Ratios (Unaudited)
For the Year Ended December 31, 2020

	2020	2019	2018	2017	2016
Total Police Pension Liability:					
Service Cost	185,022	175,376	158,697	150,424	126,876
Interest	649,201	626,700	593,429	582,663	602,096
Changes of Benefit Terms	0	0	27,905	0	0
Differences Between Expected and Actual Experience	0	154,302	0	(439,395)	0
Changes of Assumptions	0	0	0	21,492	0
Benefit Payments	(546,690)	(514,225)	(500,209)	(769,164)	(385,899)
NET CHANGE IN TOTAL POLICE PENSION LIABILITY	287,533	442,153	279,822	(453,980)	343,073
Total Police Pension Liability - Beginning	8,203,341	7,761,188	7,481,366	7,935,346	7,592,273
TOTAL POLICE PENSION LIABILITY - ENDING	$ 8,490,874	$ 8,203,341	$ 7,761,188	$ 7,481,366	$ 7,935,346
Plan Fiduciary Net Position					
Contributions - State Aid	211,725	240,663	192,060	192,707	170,611
Contributions - Employer	231,620	135,797	156,865	112,271	72,591
Contributions - Member	82,511	70,538	76,403	64,782	59,536
Net Investment Income (Loss)	794,032	958,630	(305,117)	722,082	326,763
Benefit Payments	(546,690)	(514,225)	(500,209)	(769,164)	(385,899)
Administrative Expense	(6,800)	(11,200)	(8,000)	(5,500)	(5,183)
NET CHANGE IN POLICE PENSION FIDUCIARY NET POSITION	766,398	880,203	(387,998)	317,178	238,419
Total Police Pension Fiduciary Net Position - Beginning	5,626,522	4,746,319	5,134,317	4,817,139	4,578,720
NET POLICE FIDUCIARY NET POSITION, ENDING	6,392,920	5,626,522	4,746,319	5,134,317	4,817,139
NET POLICE PENSION LIABILITY - ENDING	$ 2,097,954	$ 2,576,819	$ 3,014,869	$ 2,347,049	$ 3,118,207
Plan Fiduciary Net Position as a Percentage of the Total Police Pension Plan Liabilty	75.29%	68.59%	61.15%	68.63%	60.70%
Covered Employee Payroll	$ 1,414,406	$ 1,653,360	$ 1,292,006	$ 1,206,148	$ 959,874
Net Pension Liability as a Percentage of Covered Employee Payroll	148.33%	155.85%	233.35%	194.59%	324.86%

SCHEDULE OF INVESTMENT RETURNS

	2020	2019	2018	2017	2016
Annual Money-Weighted Rate of Return, Net of Investment Expense	15.49%	21.04%	-6.47%	16.60%	7.89%

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BOROUGH OF YEADON
Schedule of Pension Plan Contributions
For the Year Ended December 31, 2020

UNIFORMED EMPLOYEES' PERS

Fiscal Year	Actuarilly Determined Contribution	Contributions in Relation to Actuarilly Determined Contribution	Contribution Excess (Deficiency)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2014	$ 250,751	$ 250,751	$ 0	$ 1,210,724	20.71%
2015	243,786	243,786	0	920,986	26.47%
2016	243,202	243,202	0	959,874	25.34%
2017	304,978	304,978	0	1,206,148	25.29%
2018	348,925	348,925	0	1,292,006	27.01%
2019	376,460	376,460	0	1,653,360	22.77%
2020	443,345	443,345	0	1,414,406	31.34%

BOROUGH OF YEADON

Schedule of Changes in the Net OPEB Liability and Related Ratios (Unaudited)
For the Year Ended December 31, 2020

	2020	2019	2018	2017
Total OPEB Liability:				
Service Cost	498,153	326,162	245,075	232,299
Interest	196,995	254,197	186,793	179,031
Changes of Benefit Terms	0	374,386	0	0
Differences Between Expected and Actual Experience	0	528,579	0	0
Changes of Assumptions	1,896,962	855,835	0	0
Benefit Payments	(226,670)	(252,861)	(190,662)	(179,931)
NET CHANGE IN TOTAL POLICE PENSION LIABILITY	2,365,440	2,086,298	241,206	231,399
Total Police Pension Liability - Beginning	7,925,225	5,838,927	5,597,721	5,366,322
TOTAL POLICE PENSION LIABILITY - ENDING	$ 10,290,665	$ 7,925,225	$ 5,838,927	$ 5,597,721
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liabilty	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	$ 1,274,303	$ 1,207,870	$ 1,626,231	$ 1,541,451
Net Pension Liability as a Percentage of Covered Employee Payroll	807.55%	656.13%	359.05%	363.15%