CITY OF WILLIAMSPORT, PENNSYLANIA

FINANCIAL STATEMENTS
and SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2022

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Independent Auditor's Report

To the Members of City Council
City of Williamsport, Pennsylvania
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Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Williamsport ("City"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

We do not express an opinion on the accompanying financial statements of the City. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for Disclaimer of Opinion

Due to the unavailability of audit information, turnover in key accounting and management positions, pending/ongoing investigations with state/federal agencies, and omission of the River Valley Transit and Williamsport Parking Authority financial statements, a business- type activity and proprietary fund and discretely presented component unit, respectively, we were unable to perform the necessary audit procedures over the City's financial statements. The effects of the matters listed in the previous sentence on the City's financial statements at this time is undeterminable and we are unable to quantify any misstatement(s) that might be necessary to the City's financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of City's financial statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.

Other Matters

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinions on the financial statements are not affected by this missing information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedules of Changes in Net Pension Liability and Related Ratios - Pension Trust Funds on pages 50 through 52, Schedules of Employer Contributions - Pension Trust Funds and Schedules Investment Returns - Pension Trust Funds on pages 53 through 54, and Schedule of Changes in the City's Total OPEB Liability and Related Ratios on page 56 be presented to supplement the basic financial statements. Such information, is the responsibility of management and, 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.

Other Information

The combining nonmajor governmental and fiduciary fund financial statements on pages 57 through 60 are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering the City's internal control over financial reporting and compliance.

Zelenkofske Axelrod LLC

Zelenkofske Axelrod LLC

Harrisburg, Pennsylvania
May 27, 2025

CITY OF WILLIAMSPORT, PENNSYLVANIA
STATEMENT OF NET POSITION (DEFICIT)
DECEMBER 31, 2022

	Governmental Activities
Assets	
Cash and cash equivalents	$ 11,153,841
Restricted cash	20,110,204
Receivables (net of allowance for uncollectible):	
Taxes	2,273,545
Loans	3,559,180
Other	2,377,325
Due from other governments	7,986,577
Inventories, at cost	4,555
Capital assets, net:	
Land	2,313,864
Land improvements	3,243,443
Infrastructure	19,568,766
Buildings and improvements	4,334,449
Vehicles and equipment	7,452,584
Construction in progress	12,027
Total Assets	84,390,360
Deferred Outflows of Resources	
Deferred outflows of resources for OPEB	1,051,629
Deferred outflows of resources for pensions	14,650,166
Total Deferred Outflows of Resources	15,701,795
Liabilities	
Accounts payable and accrued expenses	2,057,867
Accrued liabilities	516,382
Compensated absences	135,415
Due to other governments	2,209,186
Unearned revenues	23,275,845
Portion due or payable within one year:	
Financed purchases payable	67,289
Notes and bonds payable	1,184,809
Portion due or payable after one year:	
Compensated absences payable	1,845,958
Financed purchases payable	120,262
Notes and bonds payable	16,231,025
Other postemployment benefits	96,059,937
Net pension liability	28,285,141
Total Liabilities	171,989,116
Deferred Inflows of Resources	
Deferred inflows of resources for OPEB	53,063,439
Deferred inflows of resources for pensions	132,078
Total deferred inflows of resources	53,195,517
Net Position	
Net investment in capital assets	19,673,890
Restricted for:	
HOME activities	1,015,826
Grant purposes	3,452,029
Liquid fuels tax purposes	567,882
Home rehabilitation	51,823
Culture and recreation	48,335
Redevelopment activities	1,570
Unrestricted (Deficit)	(149,903,833)
Total Net Position (Deficit)	$ (125,092,478)

The accompanying notes are an integral part of these financial statements.

CITY OF WILLIAMSPORT, PENNSYLVANIA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

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 Position/(Deficit): Governmental Activities	Net (Expense) Revenue and Changes in Net Position/(Deficit): Total
Primary government:						
Governmental activities:						
General government	$ 1,871,694	$ 1,469,279	$ 3,298	$ -	$ (399,117)	$ (399,117)
Public works - highways and streets	6,734,664	85,973	910,424	496,105	(5,242,162)	(5,242,162)
Other public works enterprises	685,084	-	20,665	-	(664,419)	(664,419)
Public safety	14,445,324	177,678	1,353,899	-	(12,913,747)	(12,913,747)
Culture and recreation	752,957	52,094	3,650	-	(697,213)	(697,213)
Economic development	537,148	-	1,644,417	-	1,107,269	1,107,269
Revolving loans and grants	33,392	73,261	148,021	-	187,890	187,890
Interest on long-term debt	664,779	-	-	-	(664,779)	(664,779)
Total governmental activities	25,725,042	1,858,285	4,084,374	496,105	(19,286,278)	(19,286,278)
General revenues:						
Real estate					15,146,300	15,146,300
Earned income					2,475,430	2,475,430
Business privilege					2,696,178	2,696,178
Local services					1,002,500	1,002,500
Real estate transfer					637,671	637,671
Other					20,809	20,809
Grants and charges not restricted to specific programs					7,226,408	7,226,408
Unrestricted investment earnings					257,113	257,113
Miscellaneous					63,210	63,210
Total general revenues and transfers					29,525,619	29,525,619
Change in Net Position					10,239,341	10,239,341
Net Position (Deficit):						
Beginning of year					(135,331,819)	(135,331,819)
End of year					$ (125,092,478)	$ (125,092,478)

The accompanying notes are an integral part of these financial statements.

CITY OF WILLIAMSPORT, PENNSYLVANIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

Assets	General	HOME	Capital Projects	American Rescue Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 5,229,039	$ 998,169	$ 1,972,703	$ -	$ 2,722,278	$ 10,922,189
Restricted cash	264,337	-	-	19,668,554	177,313	20,110,204
Receivables, net:						
Taxes	2,273,545	-	-	-	-	2,273,545
Loans	-	2,520,201	-	-	1,038,979	3,559,180
Other	1,864,850	-	26,789	-	133,544	2,025,183
Due from other funds	592,079	24,902	28,841	-	1,203,112	1,848,934
Due from other governments	913,253	-	636,250	-	217,314	1,766,817
Inventories, at cost	4,555	-	-	-	-	4,555
Total Assets	$ 11,141,658	$ 3,543,272	$ 2,664,583	$ 19,668,554	$ 5,492,540	$ 42,510,607
Liabilities, Deferred Inflows of Resources, and Fund Balance						
Liabilities:						
Vouchers payable	$ 969,186	$ 7,245	$ 552,426	$ 14,127	$ 514,883	$ 2,057,867
Accrued liabilities	486,668	-	-	-	3,243	489,911
Compensated absences	135,415	-	-	-	-	135,415
Due to other funds	326,447	-	28,253	129,820	1,576,730	2,061,250
Due to other governments	483,758	-	1,692,478	-	-	2,176,236
Unearned revenue	-	2,520,201	82,047	19,524,607	1,148,990	23,275,845
Total Liabilities	2,401,474	2,527,446	2,355,204	19,668,554	3,243,846	30,196,524
Deferred Inflows of Resources:						
Unavailable revenue - taxes	1,532,928	-	-	-	-	1,532,928
Unavailable revenue - grants	-	-	600,000	-	-	600,000
Total Deferred Inflows of Resources	1,532,928	-	600,000	-	-	2,132,928
Fund Balance:						
Nonspendable	4,555	-	-	-	-	4,555
Restricted	-	1,015,826	-	-	3,521,639	4,537,465
Assigned	2,831,548	-	-	-	-	2,831,548
Unassigned	4,371,153	-	(290,621)	-	(1,272,945)	2,807,587
Total Fund Balance	7,207,256	1,015,826	(290,621)	-	2,248,694	10,181,155
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 11,141,658	$ 3,543,272	$ 2,664,583	$ 19,668,554	$ 5,492,540	$ 42,510,607

The accompanying notes are an integral part of these financial statements.

CITY OF WILLIAMSPORT, PENNSYLVANIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022

Total Fund Balance - Governmental Funds		$ 10,181,155
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		36,925,133
Long-term liabilities, including bonds payable, are not paid with current financial resources, and therefore: are not reported as liabilities in the funds. Long term liabilities at year end are,		
Notes and bonds payable	$ (17,415,834)	
Financed purchases payable	(187,551)	
Compensated absences (long-term)	(1,845,958)	
Other postemployment benefits liability	(96,059,937)	
Net pension liability	(28,285,141)	
		(143,794,421)
Deferred outflows related to the net pension liability are not reported in the governmental funds, however are reported in the statement of net position.		14,650,166
Deferred inflows related to the net pension liability are not reported in the governmental funds, however are reported in the statement of net position.		(132,078)
Deferred outflows related to the OPEB liability are not reported in the governmental funds, however are reported in the statement of net position.		1,051,629
Deferred inflows related to the OPEB liability are not reported in the governmental funds, however are reported in the statement of net position.		(53,063,439)
Long-Term receivables do not represent current financial resources and therefore are not reported as assets in the funds. This amount represents a long-term receivable from the Williamsport Parking Authority related to debt issued through the City of Williamsport and a receivable for River Valley Transit Authority's contractual obligation for their share of the OPEB obligation.		6,571,902
Some of the City's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as unavailable revenue in the funds.		1,532,928
Some of the City's grant funding will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as unavailable revenue in the funds.		600,000
Internal service funds are used by management to charge the operating costs of City Hall to individual funds. The assets and liabilities of the internal service fund ("City Hall Operating Fund") are included in the governmental activities statement of net position.		384,547
Total Net Position - Governmental Activities		$ (125,092,478)

The accompanying notes are an integral part of these financial statements.

CITY OF WILLIAMSPORT, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

Revenues:	General	HOME	Capital Projects	American Rescue Plan Fund	Nonmajor Governmental Funds	Total
Taxes	$ 21,954,742	$ -	$ -	$ -	$ -	$ 21,954,742
Licenses and permits	1,159,577	-	-	-	-	1,159,577
Fines and forfeits	83,667	-	-	-	-	83,667
Interest, rents and royalties	232,637	2,107	181	-	22,188	257,113
Intergovernmental revenues						
Federal	-	50,781	-	5,953,194	1,594,890	7,598,865
State	1,375,708	-	-	-	1,529,878	2,905,586
Local	526,146	-	496,105	-	210,819	1,233,070
Charges for services	431,868	-	-	-	91,976	523,844
Collection on loans	-	148,021	-	-	73,190	221,211
Miscellaneous	15,203	-	15,629	-	15,436	46,268
Total revenues	25,779,548	200,909	511,915	5,953,194	3,538,377	35,983,943
Expenditures:						
Current:						
General government	2,199,034	-	-	53,910	126,484	2,379,428
Public works	3,621,619	-	-	735,095	460,077	4,816,791
Other public works enterprises	227,935	-	509,530	-	-	737,465
Public safety	16,559,048	-	15,629	65,401	22,935	16,663,013
Culture and recreation	180,185	-	-	-	15,428	195,613
Economic development	25,468	32,344	-	-	479,336	537,148
Revolving loans and grants	-	40,852	-	-	-	40,852
Capital outlay	84,945	-	528,736	4,138,788	2,061,689	6,814,158
Debt service	127,864	-	-	-	1,994,517	2,122,381
Total expenditures	23,026,098	73,196	1,053,895	4,993,194	5,160,466	34,306,849
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,753,450	127,713	(541,980)	960,000	(1,622,089)	1,677,094
Other Financing Sources (Uses):						
Transfers in	960,000	-	623,414	-	1,862,965	3,446,379
Transfers out	(1,535,443)	-	-	(960,000)	(915,936)	(3,411,379)
Total other financing sources (uses)	(575,443)	-	623,414	(960,000)	947,029	35,000
Net Change in Fund Balance	2,178,007	127,713	81,434	-	(675,060)	1,712,094
Fund Balance:						
Beginning of year	5,029,249	888,113	(372,055)	-	2,923,754	8,469,061
End of year	$ 7,207,256	$ 1,015,826	$ (290,621)	$ -	$ 2,248,694	$ 10,181,155

The accompanying notes are an integral part of these financial statements.

CITY OF WILLIAMSPORT, PENNSYLVANIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

Net Change in Fund Balance - Governmental Funds	$	1,712,094
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures ($6,814,158). However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense ($4,040,371). This is the amount of capital assets recorded in the current period, net of depreciation expense.		2,773,787
The repayment of principal on leases is expended in the funds; however, such payments reduce the lease liability within the statement of net position. This amount represents the dollar value of principal payments made on leases payable for the year ended December 31, 2022.		227,500
Certain compensated absences payable are considered long-term in nature and, are not reported as liabilities within the funds. Such liabilities are, however, reported within the statement of net position, and changes in these liabilities are reflected within the statement of activities. This amount represents the change in long-term compensated absences payable for the year ended December 31, 2022.		(124,006)
Other postemployment benefits payable are considered long-term in nature and, are not reported as liabilities within the funds. Such liabilities are, however, reported within the statement of net position, and changes in these liabilities are reflected within the statement of activities. This represents the change in the other postemployment benefits liability and related deferred outflows and inflows related to the City's other postemployment benefits plans.		10,123,827
Reduction in long-term receivable with Williamsport Parking Authority		(22,897)
Internal service funds are used by management to charge the operating costs of City Hall to individual funds. The operating loss of the internal service fund (City Hall Operating Fund) is reported within the governmental activities.		(215,977)
Issuance of long-term debt provides current financial resources to governmental funds. Also, government funds report the effect of original issue discounts or premiums when debt is first issued, where as these amounts are deferred and amortized in the statement of activities and are included here as a reconciling item.		
Reconciling items relating to long-term debt activities are as follows:		
Repayment of principal		1,189,413
Accretion of original issue premium/discount		40,689
Net pension liability is considered long-term in nature, and is not reported as a liability within the funds. Such liability is, however, reported within the statement of net position, and changes in the liability are reflected within the statement of net position. This represents the change in pension liability and related deferred outflows and deferred inflows related to the City's pension plans.		(5,468,426)
Revenues related to real estate taxes in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.		3,337
Change in Net Position - Governmental Activities	$	10,239,341

The accompanying notes are an integral part of these financial statements.

City of Williamsport, Pennsylvania
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual - General Fund
Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	$ 22,749,299	$ 22,749,299	$ 21,954,742	$ (794,557)
Licenses and permits	830,000	830,000	1,159,577	329,577
Fines and forfeits	122,500	122,500	83,667	(38,833)
Interest, rents and royalties	5,500	5,500	232,637	227,137
Intergovernmental revenues	1,864,543	1,864,543	1,901,854	37,311
Charges for services	617,300	617,300	431,868	(185,432)
Miscellaneous	300,000	300,000	15,203	(284,797)
Total revenues	26,489,142	26,489,142	25,779,548	(709,594)
Expenditures:				
Current:				
General government	2,581,385	2,581,385	2,199,034	382,351
Public works	3,646,409	3,646,409	3,621,619	24,790
Other public works enterprises	328,437	328,437	227,935	100,502
Public safety	17,924,195	17,924,195	16,559,048	1,365,147
Culture and recreation	315,008	315,008	180,185	134,823
Economic development	126,000	126,000	25,468	100,532
Capital outlay	-	-	84,945	(84,945)
Debt service	-	-	127,864	(127,864)
Total expenditures	24,921,434	24,921,434	23,026,098	1,895,336
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,567,708	1,567,708	2,753,450	1,185,742
Other Financing Sources (Uses):				
Transfers in	960,000	960,000	960,000	-
Transfers out	(3,716,110)	(3,716,110)	(1,535,443)	2,180,667
Total other financing sources (uses)	(2,756,110)	(2,756,110)	(575,443)	2,180,667
Net Change in Fund Balance	(1,188,402)	(1,188,402)	2,178,007	3,366,409
Fund Balance:				
Beginning of year	1,391,774	1,391,774	5,029,249	3,637,475
End of year	$ 203,372	$ 203,372	$ 7,207,256	$ 7,003,884

The accompanying notes are an integral part of these financial statements.

CITY OF WILLIAMSPORT, PENNSYLVANIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022

	Governmental Activities
	Internal Service Fund (CHO)
Assets	
Current assets:	
Cash and cash equivalents	$ 231,652
Due from other funds	250,000
Total current assets	481,652
Noncurrent assets:	
Capital assets:	
Land and improvements	1
Buildings and improvements	1,434,633
Equipment	150,857
Less accumulated depreciation	(1,427,560)
Net capital assets	157,931
Total assets	639,583
Liabilities	
Current liabilities:	
Vouchers payable	26,471
Due to other funds	37,684
Due to other governments	32,950
Total current liabilities	97,105
Total Liabilities	97,105
Net Position	
Net investment in capital assets	157,931
Unrestricted	384,547
Total Net Position	$ 542,478

The accompanying notes are an integral part of these financial statements.

CITY OF WILLIAMSPORT, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET POSITION - PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2022

	Governmental Activities
	Internal Service Fund (CHO)
Operating Expenses:	
Depreciation	$ 35,963
Employee benefits	238
Materials and supplies	130,805
Maintenance	49,934
Total operating expenses	216,940
Operating Loss	(216,940)
Loss before transfers	(216,940)
Operating transfers out	(35,000)
Total transfers out	(35,000)
Net Loss	(251,940)
Net Position:	
Beginning of year	794,418
End of Year	$ 542,478

The accompanying notes are an integral part of these financial statements.

CITY OF WILLIAMSPORT, PENNSYLVANIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2022

	Governmental Activities
	Internal Service Fund (CHO)
Cash Flows From Operating Activities:	
Payments to suppliers for services	$ (155,037)
Payments to employees	(238)
Net cash provided by (used in) operating activities	(155,275)
Cash Flows From Non-Capital Financing Activities:	
Transfers out	(35,000)
Net cash used in non-capital financing activities	(35,000)
Net Increase (Decrease) in Cash and Cash	(190,275)
Cash and Cash Equivalents:	
Beginning of year	421,927
End of year	$ 231,652
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	$ (216,940)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation expense	35,963
Changes in:	
Interfund activity	817
Accounts payable	(8,065)
Due to other governments	32,950
Total adjustments	61,665
Net cash provided by (used in) operating activities	$ (155,275)

The accompanying notes are an integral part of these financial statements.

CITY OF WILLIAMSPORT, PENNSYLVANIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2022

	Component Unit	
	Pension Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents	$ 6,510,222	$ 588,424
Investments, at fair value:		
U.S. government securities	17,293,930	-
Domestic corporate bonds	13,495,267	-
Certificates of deposit	1,166,945	-
Domestic equity securities	55,748,398	-
Mutual funds	10,977,162	-
Total Investments	98,681,702	-
Receivables, other	230,302	-
Total Assets	105,422,226	588,424
Liabilities		
Due to school district	-	528,283
Accounts payable	690,809	9,130
Total Liabilities	690,809	537,413
Net Position		
Net Position (Restricted)	$ 104,731,417	$ 51,011

The accompanying notes are an integral part of these financial statements.

CITY OF WILLIAMSPORT, PENNSYLVANIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2022

	Component Unit Pension Trust Funds	Custodial Funds
Additions:		
Tax collection	$ -	$ 13,372,920
Other entity contributions	-	21,352
Contributions:		
Employer	2,833,068	-
Commonwealth of PA	1,305,473	-
Plan members	585,689	-
Total contributions	4,724,230	13,394,272
Investment income:		
Net depreciation in fair value of investments	(17,017,920)	-
Interest and dividends	3,020,865	133
Less investment expenses	(380,870)	-
Net investment income/(loss)	(14,377,925)	133
Total additions, net	(9,653,695)	13,394,405
Deductions:		
Payments to other governments	-	13,372,920
Veterans Memorial account	-	27,575
Benefits paid to participants	9,392,510	-
Administrative and other fees	55,659	-
Total deductions	9,448,169	13,400,495
Change in Net Position	(19,101,864)	(6,090)
Net Position:		
Beginning of year - as restated (Note 16)	123,833,281	57,101
End of year	$ 104,731,417	$ 51,011

The accompanying notes are an integral part of these financial statements.

1. Summary of Significant Accounting Policies

The following notes to the basic financial statements are an integral part of the City of Williamsport, Pennsylvania's (the "City"), financial statements.

Reporting Entity

Williamsport is the largest city in north-central Pennsylvania. It is a city of the third class, incorporated on January 15, 1866, and operates under an elected Mayor-Council form of government. The City provides many services to its estimated 30,000 residents, including general government services, public safety (police, fire, emergency management and protective inspection), maintenance of streets and parks, and community enrichment programs.

The financial statements of the City include the accounts of the City's primary government and one blended component unit, the Redevelopment Authority of the City of Williamsport, over which the City exercises significant influence. The financial statements of the River Valley Transit and Williamsport Parking Authority, a business-type activity and proprietary fund and a discretely presented component unit, respectively, have not been included in the financial reporting entity for the 2022 reporting year. Significant influence or accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships). The City Council and/or the City's Mayor appoints a voting majority to the Board of Directors of the component units. Separately issued financial statements of the Redevelopment Authority of the City of Williamsport (the "Redevelopment Authority") can also be obtained from its office, located at 100 West Third Street, Williamsport, Pennsylvania 17701. On July 1, 2022, the River Valley Transit, a Business-Type Activity and Proprietary fund, became a separate legal entity from the City, and is now doing business as the River Valley Transit Authority.

Blended Component Unit	Brief Description of Activities and Relationship to the City
The Redevelopment Authority provides for the acquisition and demolition of properties, economic development and shopsteading loans, and historic rehabilitation and preservation. This assistance is funded primarily through federal grants from the City's Community Development Block Grant ("CDBG") program.	A continuing financial relationship exists between the City and the Redevelopment Authority under the terms of a cooperative agreement between the City and the Redevelopment Authority. According to the terms of this agreement, the Redevelopment Authority will, among other things, provide CDBG and other funding as necessary, prepare loan agreements and mortgages and obtain collateral for loans. In addition, the City's Mayor appoints a voting majority to the Board of Directors of the Redevelopment Authority. In 2024, the Redevelopment Authority separated operations from the City.

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 nonfiduciary activities of the primary government. 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 is 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 property included among program revenues are reported as *general revenues.*

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 government considers revenues to be available if they are collected within 365 days of the end of the current fiscal period with the exception of property taxes, which must be received within 60 days of the end of the current fiscal period to be deemed available.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service, compensated absences, net pension and other post-employment benefit liabilities expenditures are recorded only when payment is due.

Property taxes, intergovernmental revenues, charges to services and interest associated with the current fiscal period are all generally considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include charges to customers or applicants for goods, services, or privileges provided and operating grants and contributions. 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 *nonoperating* items. Operating revenues and expenses generally results from providing services and producing and delivering goods in connection with proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges for services. Operating expenses for the enterprise fund include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- *Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

- *Unrestricted Net Position* – This category represents net position of the City, not restricted for any project or other purpose.

Governmental Funds

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for within this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid by other fund are paid from the General Fund. The General Fund is always a major fund.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to specified purposes. The major Special Revenue Funds reported by the City under this generic heading are the HOME fund and American Rescue Plan Fund. The HOME fund does not adopt an annual operating budget; rather, the City prepares a multi-year budget that coincides with the federally mandated period of availability of funds. The American Rescue Plan Fund adopts a multi-year budget. Other nonmajor Special Revenue funds reported by the City include:

- The Community Development Block Grant ("CDBG") Fund accounts for the City's annual CDBG allocation from the U.S. Department of Housing and Urban Development. This funding is used by the City for loans meeting certain program requirements, various City projects and program administration.

- Non-Revenue Escrow Fund primarily consists of capital escrow funds and grant proceeds, which will be spent over several years.

- The Liquid Fuels Fund accounts for state aid revenues used for building, improving and maintaining City streets.

- The Home Rehabilitation Fund accounts for the operations of the City's Home Rehabilitation program, which was funded in part by federal funds whose use is restricted for the provision of specified home rehabilitation services to eligible City residents.

- The Redevelopment Authority of the City of Williamsport is a blended component unit of the City. Additional details pertaining to the operations of the Redevelopment Authority may be found elsewhere in this section.

- The Act 13 Fund accounts for funds received from the Pennsylvania Public Utility Commission under Act 13 – The Unconventional Gas Well Impact Fee. These funds may be used for a number of eligible purposes including roadways, bridges, public infrastructure, housing, information systems, and planning, among other things.

- The Pool Repair Fund accounts for revenues and expenditures related to the ongoing maintenance and repair of the City's Memorial pool.

Capital Projects Fund

The Capital Projects Fund (a major fund) is used to account for financial resources to be used for the acquisition or construction of major capital facilities or assets (other than those financed by proprietary funds and trust funds).

Debt Service Fund

The Debt Service Fund (a nonmajor fund) is used to account for financial resources to be used for the payment of principal and interest on the City's long-term debt obligations.

Proprietary Funds

Internal Service Fund, City Hall Operating Fund

This fund is used to account for the financing of good or services provided by one department to other departments of the City on a cost-reimbursement basis. The City Hall Operating Fund comprises this fund type. The City Hall Operating Fund is used to allocate the cost of the operations of City Hall among the various departments of programs that occupy the building.

Fiduciary Funds

Pension Trust Funds

Pension trust funds are used to report the resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans. The City maintains three single-employer defined pension trust funds; the Fire Pension Trust Fund, the Police Pension Trust Fund, and the Officers and Employees Pension Trust Fund.

Custodial Funds

Custodial funds are used to report resources held by the City in a purely custodial capacity. Custodial funds reported by the City in the accompanying financial statements include the Tax Collecting Fund and certain sub-funds the City holds as a fiscal agent that are accounted for within the Non-Revenue Escrow Fund (which are presented separately for financial reporting purposes).

Government Accounting Standards Board (GASB) Pronouncements

The City adopted the remaining provisions of Statement No. 87, "*Leases*". The adoption of this statement had no effect on previously reported amounts.

The City adopted the provisions of Statement No. 91, "*Conduit Debt Obligations".* The adoption of this statement had no effect on previously reported amounts.

The City adopted the provisions of Statement No. 92, "*Omnibus 2020*". The adoption of this statement had no effect on previously reported amounts.

The City adopted the required provisions of Statement No. 93, "*Replacement of Interbank Offered Rates*". The adoption of this statement had no effect on previously reported amounts.

Pending Governmental Accounting Standards Board (GASB) Statements

In March 2020, the GASB issued Statement No. 93, "*Replacement of Interbank Offered Rates*". The City is required to adopt Statement No. 93, paragraphs 11b, 13, and 14 for its calendar year 2023 financial statements.

In March 2020, the GASB issued Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Arrangements*". The City is required to adopt the provisions of Statement No. 94 for its calendar year 2023 financial statements.

In May 2020, the GASB issued Statement No. 96, "*Subscription-Based Information Technology Arrangements*". The City is required to adopt Statement No. 96 for its calendar year 2023 statements.

In April 2022, the GASB issued Statement No. 99, "*Omnibus 2022*". The City is required to adopt the provisions related to leases, PPP's, and SBITA's for its calendar year 2023 financial statements, while the provisions relating to financial guarantees and the classification and reporting of derivative instruments are required to be adopted by the City for its calendar year 2024 financial statements.

In June 2022, the GASB issued Statement No. 100, "*Accounting Changes and Error Corrections*". The City is required to adopt Statement No.100 for its calendar year 2024 financial statements.

In June 2022, the GASB issued Statement No. 101, "*Compensated Absences*". The City is required to adopt Statement No.101 for its calendar year 2024 financial statements.

In December 2023, the GASB issued Statement No. 102, "*Certain Risk Disclosures*". The City is required to adopt Statement No.102 for its calendar year 2025 financial statements.

In April 2024, the GASB issued Statement No. 103, "*Financial Reporting Model Improvements"*. The City is required to adopt Statement No. 103 for its calendar year 2026 financial statements.

In September 2024, the GASB issued Statement No. 104, "*Disclosure of Certain Capital Assets*". The City is required to adopt Statement No. 104 for its calendar year 2026 financial statements.

The City is currently in the process of determining the impact that the above GASB Statements will have on the financial statements.

Cash Equivalents

The City considers highly liquid short-term instruments purchased with a maturity of three month or less (excluding certain short-term instruments which are classified as investments) to be cash equivalents.

Investments

Investments of the Officers' and Employees', Firemen's and Police pension plans are stated at fair value for both reporting and actuarial purposes. Investment purchases are recorded as of the trade date. Securities traded on a national or international exchange are valued as the last report sales price at current exchange rates. Investments that do not have an established market are generally reported at cost, which is not expected to be materially different from fair value.

Receivables

All trade and property tax receivables are shown net of allowance for uncollectibles.

Property Tax Calendar

The City is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions, including the schools within the City. Taxes are due in one installment on or before June 30 following the levy date. Taxes not paid or exonerated become delinquent on December 31. The City collects taxes up to December 31 of the same year (payments post-marked by December 31 but received shortly after year-end are considered as having been collected for accounting purposes). Subsequent to year-end, all unpaid property taxes are certified to the Lycoming County Delinquent Tax Office for further collection and possible tax sales over an additional 36-month period. Current tax collections for the year ended December 31, 2022 were 93.19 percent of the tax levy.

Inventory

Inventories in the General Fund consist of gasoline and postage. Inventory is valued at the lower of cost (first-in, first-out) or market.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated acquisition value at the time of acquisition.

Beginning on January 1, 2003, the City began to prospectively capitalize its investment in infrastructure assets pursuant to GASB Statement No. 34. Infrastructure assets include long-lived, immovable capital assets such as road systems, bridges, curbs and gutters, sidewalks, drainage systems and lighting systems. During 2007, the City retroactively reported its major general infrastructure acquired significantly reconstructed, or significantly improved from January 1, 1980 through December 31, 2002, pursuant to GASB Statement No. 34. As a general rule, infrastructure acquired prior to 1980 is not capitalized.

Normal maintenance and repairs are charged to expense as incurred; major renewals or betterments which extend the life or increase the value of assets are capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	Governmental Activities
Buildings and improvements	40 years
Machinery and equipment	10-20 years
Furniture and fixtures	15-20 years
Office equipment	5-15 years
Computer equipment	5 years
Vehicles	5-10 years
Streets and roadways	20 years
Curbing and sidewalks	20 years

Liabilities for Compensated Absences

City employees are awarded vacations each year based upon the number of years served through December 31 of the preceding year. The City's policy generally provides that employees will be compensated for earned but unused vacation at retirement or termination.

The City's sick leave policy provides sick time to each employee. Employees are permitted unlimited accumulation of sick time. Detail of the sick leave policies in effect for the individual labor contracts are as follows:

- City Firemen are compensated at the rate of 30 percent of the employee's regular rate at retirement, for all unused sick time accumulated from January 1, 1999 through the date of retirement, not to exceed 120 days. In addition to this, City Firemen are compensated at the rate of one day per three days of sick leave accumulated through December 31, 1998, at the employee's regular rate at that date;

- City Policemen are compensated at the rate of 15 percent of the employee's regular rate for accumulated sick leave upon retirements, up to a maximum of 240 days;

- Employees covered under the AFSCME labor contract are compensated $20 for each three day unit of unused sick time, up to a maximum of 160 three day units (360 days) for a maximum of $3,200 upon retirement. All other accumulated sick time is forfeited at that time, and;

- All other non-contract employees utilize the same plan as the employees covered under the AFSCME contract.

Under the Fair Labor Standards Act, employees are permitted to accrue up to 240 hours (480 hours for police and firemen) of compensatory ("Comp") time for hours worked beyond 40 hours in any one week. Comp time is awarded at the premium rate of time and one-half for hours worked over a 40 hour period. Upon termination of employment, any accumulated Comp time will be paid at a rate not less than the average regular rate of pay over the employee's last three years of employment or the final regular rate, whichever is higher.

Unearned Revenue

Unearned revenue consists of receivables not collected within 60 days subsequent to the City's year-end (fund-perspective financial statements), grant revenues received but not yet expended, and loans receivable associated with grant-funded revolving loan pools. It is expected that these items will be included in revenues of future fiscal years.

At December 31, 2022, the HOME, Capital Projects, American Rescue Plan Fund, and Non-major funds had unearned revenues of $2,520,201, $82,047, $19,524,607 and $1,148,990, respectively.

Deferred Outflows/Inflows of Resources

In addition to assets, the City will sometimes report a separate section for deferred outflows (inflows) of resources. This separate financial statement element represents a consumption (acquisition) of net position that applies to a future period and so will not be recognized as an outflow (inflow) of resources until that time.

Governmental Fund Balance Classification/Policies and Procedures

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies its governmental fund balances as follows:

- *Non-spendable* – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints, such as inventory
- *Restricted* – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation
- *Committed* - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the City through formal action of the City's "highest level of decision-making authority" which do not lapse at year-end
    - City Council is its highest level of decision-making authority, and
    - City Council commits funds through a formal board motion
- *Assigned* – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the City
    - City Council authorized the City Budget & Fiscal Officer to assign funds to specific purposes
    - City Council passed a board motion authorizing assignments for activities as contemplated by Council
- *Unassigned* – includes positive fund balances withing the General Fund which have not been classified within the above mentioned categories and negative fund balances in other governmental fund

When a governmental funds expenditure is incurred that can be paid using either restricted or unrestricted resources, the City's policy is generally to first apply the expenditure toward restricted resources and then to unrestricted resources.

When an expenditure is incurred that can be paid using either committed, assigned, or unassigned amounts, the City's policy is generally to apply the expenditure to committed resources, then to assigned resources, and then to unassigned resources.

Pension Plans

The City provides separate defined benefit pension plans for general employees, Police and Fire department personnel. It is the City's policy to fund its annual required contribution.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that

affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Budgetary Procedures and Budgetary Accounting

The City utilizes the Executive Budget approach to budgetary control. This approach requires the chief executive (i.e., Mayor), together with the Department of Finance, to prepare and submit a governing financial plan to the legislative body on an annual basis. The City prepares its budgets for each fund type in accordance with accounting principles generally accepted in the United States of America ("GAAP" basis).

All transfers or supplemental appropriations must be enacted by City Council. During the year, all transfers and appropriations were approved by City Council, in accordance with the Pennsylvania Third Class City Code. Actual expenditures and operating transfers out may not legally exceed "budget" appropriations at the individual fund level. Budgetary control, however, is maintained at the line item level.

Appropriations lapse at the close of the fiscal year to the extent that they have not been expended or encumbered.

Accounting principles generally accepted in the United States of America require that the City include a combined statement of revenues, expenditures and changes in fund balance – budgeted and actual – General Fund and for each major special revenue fund for which *annual* budgets are adopted. For its HOME fund program year budgets are adopted and a multi-year budget is adopted for the American Rescue Plan Fund. These program year budgets, which are in effect through program conclusion (typically a three to five year period), are not required to be presented.

3. Cash, Cash Equivalents, and Investments

Primary Government

Pennsylvania statutes provide for the investment of governmental funds in certain authorized investment types, including U.S. Treasury bills, other short-term U.S. and Pennsylvania government obligations, and insured or collateralized time deposits and certificates of deposit. The statutes do not prescribe regulations related to demand deposits; however, they do allow the pooling of governmental funds for cash management and investment purposes, which the City does. In addition to the investments authorized for governmental funds, pension trust fund investments may be made in corporate stocks and bonds, real estate, and other investments consistent with sound business practices. Act 72 requires all governmental (public funds) deposits not insured by the Federal Depository Insurance Corporation ("FDIC") to be collateralized by the financial institution.

The deposit and investment policies of the City adhere to the state statutes. Deposits of the governmental funds are either maintained in demand deposits, Pennsylvania Local Government Investment Trust ("PLGIT") or pooled for investment purposes in certificates of deposit. The deposits and investments of the three pension trust funds are administered by trustees and are held separately from those of other City funds.

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires disclosures related to the following deposit and investment risks: credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. The following is a description of the City's deposit and investment risks.

Deposits

Custodial Credit Risk is the risk that, in the event of a bank failure, the City will not recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The City does not have a formal deposit policy for custodial credit risk. As of December 31, 2022, the City's total deposits were $20,579,822. Of this amount, $750,000 was insured by the FDIC and $250,000 was insured by the SIPC. The remaining deposits of $19,579,822 were exposed to custodial credit risk, since the deposits were collateralized with securities held by the pledging financial institutions, but not in the City's name.

The City's investments classified as cash equivalents of $12,015,649 were not subject to custodial credit risk, as they were invested with the Pennsylvania Local Government Investment Trust ("PLGIT"), an external investment pool. The City's fair value of its position in the pool is measured at amortized cost and is the same as the value of the pool shares. The PLGIT program does not place any limitations or restrictions on withdrawals from the program. The Commonwealth of Pennsylvania provides external regulatory oversight of the PLGIT program. Separately issued financial statements of the PLGIT program are available to the public via its website.

Restricted Cash. At December 31, 2022 the City had restricted cash in the amount of $20,110,204. $19,668,554 in the American Rescue Plan fund was to be spent in accordance with the provisions of the American Rescue Plan Act, $264,337 in the General Fund was restricted for program purposes, and $177,313 in the Nonmajor Governmental Funds opinion unit was to be spent in accordance with the debt agreement the funds were associated with.

Investments

As of December 31, 2022, the City held the following investments in their employee pension funds:

Investments	Maturities	Fair Value
Certificates of deposit	Average of 3 years	$ 1,166,945
U.S government securities	Average of 5 years	17,293,930
Domestic corporate bonds	Average of 5 years	13,495,267
Investments subject to maturity		31,956,142
Equity securities		66,725,560
Total investments		$ 98,681,702

Credit Ratings

The City's investments had the following credit ratings:

Equity securities	NR	67.62%
Domestic corporate bonds	AAA to BAA3	13.68%
Certificates of deposit	NR	1.18%
U.S. government securities	AAA TO A3	17.52%

The City's investment policy limits investments as follows:

- Only corporate or tax exempt debt issues that meet or exceed a credit rating of A from Standard & Poor's and/or an A rating from Moody's may be purchased;
- Preferred stock must be rated A or better by Standard & Poor's and/or Moody's at the time of purchase;
- No issues may be purchased with more than 30 years to maturity.

Interest Rate Risk

As a means of limiting its exposure to fair-value losses arising from interest rates, the City's investment policy allows the investment manager to invest the fixed income portfolio from underperforming the fixed income index by more than 3 percent in any quarter.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2001, all of the City's investments were held by Wells Fargo Advisors, LLC, and were insured by SIPC or to the extent that the City's investments exceed SIPC coverage, are insured up to $50,000,000 per account.

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The City has the following recurring fair value measurements as of December 31, 2022:

Investment by fair value level	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fixed income:				
Certificates of deposit	$ 1,166,945	$ -	$ 1,166,945	$ -
Domestic corporate bonds	13,495,267	-	13,495,267	-
U.S. government securities	17,293,930	-	17,293,930	-
Common stocks:				
Basic material	623,664	623,664	-	-
Consumer cyclical	4,230,409	4,230,409	-	-
Consumer defensive	3,338,544	3,338,544	-	-
Energy	2,132,270	2,132,270	-	-
Real estate	997,524	997,524	-	-
Financials	11,639,743	11,639,743	-	-
Health care	6,803,769	6,803,769	-	-
Industrials	5,780,454	5,780,454	-	-
Information technology	9,595,506	9,595,506	-	-
Communication services	5,769,072	5,769,072	-	-
Utilities	1,556,023	1,556,023	-	-
Preferred stock - financials	3,281,420	3,281,420	-	-
Mutual funds - international	10,977,162	10,977,162	-	-
Total Investments	$ 98,681,702	$ 66,725,560	$31,956,142	$ -

The valuation methods for recurring fair value measurements are as follows:

- Equity securities (common and preferred stocks) and mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.
- Fixed income securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

4. Property Taxes

The City's property taxes are levied each January 1 on the assessed values as of the date of levy for all taxable real property located in the City. Property taxes are payable on the following terms: 2 percent discount February 1 through March 31; face amount April 1 through May 31; and 10 percent penalty after May 31. The assessed value at January 1, 2022, upon which the 2022 levy was based, was $943,433,951. The estimated market value was $1,207,087,306 making the assessed value 78.16 percent of the estimated market value.

The City is permitted by state law to levy taxes up to $25 per $1,000 of assessed valuation for general governmental services. The tax rate to finance general governmental services for the year ended December 31, 2022, was $16.22.

Tax Abatement Programs

The City provides property tax abatements under the following program: the Local Economic Revitalization Tax Assistance Program.

The Local Economic Revitalization Tax Assistance Program ("LERTA") provides property tax abatements to provide a tax break to new commercial properties in certain sections of the City of Williamsport for seven years as a way to stimulate business and economic growth. The abatements apply to the assessed value of improvements to a property. For the first two years, 100 percent of the improvements are abated, while 75 percent is abated in the third and fourth years. In years five and six, 50 percent is abated, and in the seventh year, the abatement is 25 percent.

The total taxes abated under the LERTA Program was $62,194, for the year ended December 31, 2022.

5. Capital Assets

Primary Government

	January 1, 2022	Additions	Disposals/ Transfers	December 31, 2022
Governmental activities:				
Capital assets not being depreciated:				
Land and monuments	$ 2,313,864	$ -	$ -	$ 2,313,864
Construction in progress	1,966,894	95,166	(2,050,033)	12,027
Total capital assets not being depreciated	4,280,758	95,166	(2,050,033)	2,325,891
Capital assets being depreciated:				
Land improvements	4,430,817	-	1,416,199	5,847,016
Infrastructure	48,745,716	1,293,051	-	50,038,767
Buildings and improvements	9,769,996	8,098	21,295	9,799,389
Furniture and equipment	4,321,774	5,258,558	612,539	10,192,871
Transportation	4,674,961	159,285	(75,506)	4,758,740
Total capital assets being depreciated	71,943,264	6,718,992	1,974,527	80,636,783
Less accumulated depreciation for:				
Land improvements	2,322,551	281,022	-	2,603,573
Infrastructure	27,800,040	2,669,961	-	30,470,001
Buildings and improvements	5,098,747	366,193	-	5,464,940
Furniture and equipment	2,841,637	535,056	-	3,376,693
Transportation	4,009,701	188,139	(75,506)	4,122,334
Total accumulated depreciation	42,072,676	4,040,371	(75,506)	46,037,541
Total capital assets being depreciated, net	29,870,588	2,678,621	2,050,033	34,599,242
Governmental activities capital assets, net	$ 34,151,346	$ 2,773,787	$ -	$ 36,925,133

Depreciation expense was charged to functions/programs of governmental activities as follows:

General government	$ 108,840
Public works - highways and streets	2,898,427
Public safety	433,530
Culture and recreation	599,574
Total	$ 4,040,371

6. Financed Purchases Payable – Governmental Activities

The City has entered into several agreements that have been accounted for as financed purchases. These agreements cover vehicles, streets and public safety equipment. These assets are being amortized over their respective lease terms, which approximate their estimated productive lives.

Financed Purchases Payable	January 1, 2022	Additions	Payments	December 31, 2022	Due Within One Year
Various vehicles and equipment	$ 415,051	$ -	$ (227,500)	$ 187,551	$ 67,289

The following is a schedule, by year, of the future minimum principal and interest payments required under the financed purchase agreements of the City's governmental activities as of December 31, 2022:

	Principal	Interest	Total Debt Service
2023	$ 67,289	$ 2,562	$ 69,851
2024	43,346	7,137	50,483
2025	38,358	2,332	40,690
2026	38,558	1,169	39,727
Total	$ 187,551	$ 13,200	$ 200,751

7. Interfund Balances and Activity

Balances Due To/From Other Funds

Individual fund receivable and payable amounts at December 31, 2022 were as follows:

	Due From Other Funds	Due to Other Funds
Governmental Fund Types:		
General Fund	$ 592,079	$ 326,447
HOME	24,902	-
Capital Projects	28,841	28,253
ARPA	-	129,820
Nonmajor Governmental Funds	1,203,112	1,576,730
Total Governmental Funds	1,848,934	2,061,250
Proprietary Fund Type:		
Internal Service Fund	250,000	37,684
Total Due From/To Other Funds	$ 2,098,934	$ 2,098,934

Balances due to/from other funds primarily represent interfund borrowings for ongoing capital projects and amounts due between funds representing debt proceeds and debt service requirements, salary reimbursements and other cost allocations.

Transfers To/From Other Funds

Interfund transfers for the year ended December 31, 2022 were as follows:

	Transfers In	Transfers Out
Governmental Fund Type		
General Fund	$ 960,000	$ 1,535,443
Capital Projects	623,414	-
ARPA	-	960,000
Nonmajor Governmental Funds	1,862,965	915,936
Total Governmental Funds	3,446,379	3,411,379
Proprietary Fund Type		
Internal Service Fund	-	35,000
Total Transfers In/Out	$ 3,446,379	$ 3,446,379

The General Fund made interfund transfers in support of Debt Service, Capital Projects, as well as its share of the activity within the nonmajor governmental funds.

8. Long-Term Debt

Primary Government

A summary of changes in long-term debt for 2022 is as follows:

Notes and Bonds Payable	Balance Outstanding January 1, 2022	Additions	Reductions	Balance Outstanding December 31, 2022	Current Portion
General Obligation Note (Funding Unfunded Debt), Series of 2016	$ 25,378	$ -	$ 25,378	$ -	$ -
General Obligation Bond, Series of 2017	15,594,961	-	952,103	14,642,858	996,046
General Obligation Bond, Series of 2017, WPA	375,039	-	22,897	352,142	23,954
General Obligation Note, Series of 2019	1,999,525	-	189,035	1,810,490	164,809
Original Issue Premium	651,033	-	40,689	610,344	-
Total	$ 18,645,936	$ -	$ 1,230,102	$ 17,415,834	$ 1,184,809

Additional information regarding the City's long-term debt obligations is as follows:

Governmental Activities

$500,000 General Obligation Note (Funding Unfunded Debt), Series of 2016

In February 2016, the City issued its General Obligation Note (Funding Unfunded Debt), Series of 2016, in the face amount of $500,000 for the purpose of payment of settlement costs of a lawsuit. The note bears interest at a rate of 3.16 percent; payments of principal and interest are due quarterly on February 1, May 1, August 1, and November 1 of each year and continue through and including February 1, 2026. The outstanding principal balance on this note was $0 at December 31, 2022.

$19,310,000 General Obligation Bonds, Series of 2017

In November 2017, the City issued its General Obligation Bonds, Series of 2017, in the face amount of $19,310,000 for the purpose of currently refunding the City's $2,500,000 General Obligation Note, Series of 2016, currently refunding $1,000,000 of the City's $5,000,000 General Obligation Note, Series of 2017, advance refunding the City's $8,300,000 General Obligation Bonds, Series of 2013, advance refunding the City's $8,290,000 General Obligation Bonds, Series of 2014, and paying the costs of issuance of the bonds. The bonds bear interest at variable rates ranging from 2.0 percent to 5.0 percent; interest payments are due semi-annually on January 1 and July 1 of each year. Principal payments commence on July 1, 2018, and continue through and including July 1, 2038. The Governmental Activities outstanding principal balance on these bonds was $14,995,000 at December 31, 2022, which includes the portion of debt allocable to the Williamsport Parking Authority. At December 31, 2022 the City is owed $77,151 by the Parking Authority relating to the issuance of the 2017 Bonds.

$2,000,000 General Obligation Note, Series of 2019

In October 2019, the City issued its General Obligation Note, Series of 2019, in the face amount of $2,000,000 for the purpose of constructing improvements to City streets, parking, recreation facilities, Bowman field, River Valley Transit Infrastructure, Grafius Run Stormwater projects, purchases buses, and pay related costs. The note bears interest at a rate of 2.978 percent; payments of principal and interest are monthly running through 2031. The outstanding principal balance on this note was $1,810,490 at December 31, 2022. The proceeds of the loan were deposited with the River Valley Transit in 2019.

The following is a schedule, by year, of the future minimum principal and interest payments required under the bond and note payable agreements of the City's governmental activities as of December 31, 2022:

	Principal	Interest	Total Debt Service
2023	$ 1,184,809	$ 665,538	$ 1,850,347
2024	1,259,992	613,648	1,873,640
2025	1,325,577	554,313	1,879,890
2026	1,381,330	491,810	1,873,140
2027	1,312,258	426,631	1,738,889
2028-2032	4,976,524	1,421,982	6,398,506
2033-2037	4,395,000	636,150	5,031,150
2038-2042	970,000	31,524	1,001,524
	$16,805,490	$4,841,596	$ 21,647,086

9. Employee Pension Funds

Plan Descriptions, Administration and Benefits Provided

The Williamsport Officers' and Employees' Pension Fund ("O&E"), Williamsport Firemen's Pension Fund ("Fire") and Williamsport Police Pension Fund ("Police") (collectively, the "Plans") are single-employer defined benefit pension plans administered by the City. The Plans were established effective May 23, 1945. The City is the only participating employer in the Plans. Stand-alone financial statements are not issued for the Plans, nor are the Plans included in the report of an public employee retirement system or other entity.

	Police Pension Fund	Firemen Pension Fund	Officers and Employees Pension Fund	Total Pension Trust Fund
Statement of Plan Net Position				
Assets:				
Cash and cash equivalents	$ 3,069,095	$ 2,021,032	$ 1,420,095	$ 6,510,222
Receivables, other	96,800	71,558	61,944	230,302
Investments, at fair value				
U.S. Government securities	7,261,545	5,675,887	4,356,498	17,293,930
Domestic corporate bonds	5,699,706	4,305,914	3,489,647	13,495,267
Certificates of deposit	553,199	216,500	397,246	1,166,945
Domestic equity securities	23,904,335	17,845,260	13,998,803	55,748,398
Mutual funds	4,711,341	3,427,380	2,838,441	10,977,162
Total investments	42,130,126	31,470,941	25,080,635	98,681,702
Total assets	45,296,021	33,563,531	26,562,674	105,422,226
Liabilities:				
Accounts payable	21,600	20,700	648,509	690,809
Total liabilities	21,600	20,700	648,509	690,809
Net Position:				
Restricted for pension benefits	$ 45,274,421	$ 33,542,831	$ 25,914,165	$ 104,731,417
Statement of Changes in Plan Net Position				
Additions:				
Contributions:				
Employer	$ 1,262,869	$ 808,308	$ 761,891	$ 2,833,068
Commonwealth of Pennsylvania	581,928	372,467	351,078	1,305,473
Plan members	210,393	127,551	247,745	585,689
Total contributions	2,055,190	1,308,326	1,360,714	4,724,230
Investment income:				
Net depreciation in fair value of investments	(7,674,496)	(5,212,981)	(4,130,443)	(17,017,920)
Interest and dividends	1,719,303	726,611	574,951	3,020,865
Less investment expenses	(162,240)	(122,275)	(96,355)	(380,870)
Net investment income (loss)	(6,117,433)	(4,608,645)	(3,651,847)	(14,377,925)
Total additions, net	(4,062,243)	(3,300,319)	(2,291,133)	(9,653,695)
Deductions:				
Benefits paid to participants	3,544,608	2,617,824	3,230,078	9,392,510
Administrative and other fees	23,865	17,507	14,287	55,659
Total deductions	3,568,473	2,635,331	3,244,365	9,448,169
Change in net position	(7,630,716)	(5,935,650)	(5,535,498)	(19,101,864)
Net position restricted for pension benefits:				
Beginning of year	52,905,137	39,478,481	31,449,663	123,833,281
End of year	$ 45,274,421	$ 33,542,831	$ 25,914,165	$ 104,731,417

As of December 31, 2022, the City reported the following amounts in the accompanying Statement of Net Position – Governmental Activities related to their pension plans:

	Governmental Activities
Deferred Outflows of Resources	$ 14,650,166
Net Pension Liability	28,285,141
Deferred Inflows of Resources	132,078

Additional information related to each of the plans is as follows:

	Police Pension Fund	Firemen's Pension Fund	Officers' and Employees' Pension Fund
Employee groups covered	Any person employed on a full-time basis by the City as a police officer	Any person employed on a full-time basis by the City as a firefighter	Any elected or appointed official, or any person employed by the City on a permanent basis
Legislative body governing plan and responsible for management of plan assets	Police Pension Board	Firemen's Pension Board	Officers' and Employees' Retirement Board
Normal retirement age	50	50	60
Years of service requirement prior to retirement	20	20	12
Monthly retirement benefits	Fifty percent of the compensation over the last 365 day period prior to termination or the averaged highest five years. Whichever is greater	Fifty percent of the higher of: (1) compensation averaged over the twelve month period prior to termination; or (2) compensation averaged over any five year period prior to termination	A monthly benefit equal to 2.5% of Average Compensation multiplied by years of service up to maximum benefit of 50% of Average Monthly compensation.
Monthly service increment benefit	Equal to one-fortieth of the pension benefit for each completed year of service in excess of twenty years, up to a maximum of $100; service after age sixty-five shall not be included	Equal to one-fortieth of the pension benefit for each completed year of service in excess of twenty years, up to a maximum of $100; service after age sixty-five shall not be included	None
Reduction in monthly retirement benefit	None	None	None
Disability benefits: Eligibility	Upon total and permanent disablement which occurs while performing duties of a police officer for the City of Williamsport	Upon total and permanent disablement for service related injuries, regardless of length of service; and upon total and permanent disablement which occurs after five years of service for non-service related injuries	Upon total and permanent disablement which occurs following the completion of fifteen years of service
Monthly disability benefits	Same as monthly retirement benefit calculated at date of disablement	Equal to the accrued benefit based upon average monthly compensation and years of service at the date of disablement	Same as monthly retirement benefit calculated at date of disablement

	Police Pension Fund	Firemen's Pension Fund	Officers' and Employees' Pension Fund
Death benefits, Spouse			
Before retirement	Refund of contributions without interest if participant had less than twenty years of service; if after years of service, receives same benefit as if death occurred after retirement	Prior to completion of service monthly benefit equal to fifty percent of the accrued benefit until death or remarriage for non-service related death; After 20 year of service monthly benefit equal to one hundred percent of accrued benefit until death or remarriage for nonservice-related death	Refund of contributions if any, without interest
After retirement	Monthly benefit equal to 100% of the pension participant was receiving or entitled to receive on the day of participant's death is payable to spouse until death or remarriage. In the event of the death of the spouse, each of the participant's dependent children will receive an equal share of benefit until their 18th birthday	Monthly benefit equal to 100% of pension participant was receiving or entitled to receive on day of participant's death is payable to spouse until death or remarriage. In the event of the death of the spouse, each of the participant's dependent children will receive an equal share of benefit until their 18th birthday	None, unless and Optional Form of Benefit Payment is applicable.

The plans are governed by three separate pension boards, with set representatives consisting of City management, active and retired plan participants, and City Council members.

At January 1, 2021, the date of the latest valuation, members of the plans were as follows:

	Police Pension Fund	Firemen's Pension Fund	Officers' and Employees' Pension Fund
Inactive plan members or beneficiaries currently receiving benefits	82	76	86
Inactive plan members entitled to but not yet receiving benefits	4	-	-
Current employees	41	25	126
Total Membership	127	101	212
Number of participating employers	1	1	1

Funding Policy and Contributions

The contribution requirements of plan members are established and may be amended by the respective legislative bodies governing each of the plans (see Plan Descriptions). Officers and Employees plan participants are required to contribute five and one half percent of compensation to the plan. Participants in the Police and Fire plans are required to contribute five percent of compensation and an additional $1 per month until age sixty-five.

The contribution requirements of the City are determined in accordance with the Commonwealth of Pennsylvania's Municipal Pension Plan Funding and Recovery Act (Act 205 of 1984, {the "Act"}). The Act requires that annual contributions be based on a Minimum Municipal Obligation ("MMO"), as determined in connection with 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 ten percent of the excess (if any) of the actuarial present value of assets over the actuarial accrued liability.

The Commonwealth of Pennsylvania provides an allocation of funds that must be used for pension funding. The City must fund any financial requirement establishment by the MMO that exceeds state/member contributions. For the year ended December 31, 2022, the combined City/Commonwealth contributions to the Police, Fire, and O&E plans were $1,844,797, $1,180,775, and $1,112,969, respectively, each of which was equal to the related MMO.

Deposits and Investments

The Plans allow funds to be invested in a wide range of cash and cash equivalents, equities, fixed income securities and pooled investments including open ended mutual funds, exchange traded funds, closed-end funds, and real estate investment trusts. The Plans Investment Policies do not specify target allocations across asset categories, but rather leaves this to the discretion of the Funds' managers. The Plans Investment Policies also do not specify long-term expected real rates of return on specific asset categories, but rather specify that the expected rate of return on the portfolios as a whole will be equal to the actuarially assumed rate of return which is currently 7.00 percent for the Police and Officers' and Employees' Pension Plans and 6.75 percent for the Firemen's Pension Plan.

Rate of Return

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension fund investment expense, was (14.65) percent, (13.85) percent and (11.18) percent for the, Police Pension Funds, Firemen's, and Officers' and Employees, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program

The City offers Deferred Retirement Option Programs ("DROP") for its, Police, Firemen's, and Officers' and Employees Pension Plans that allows participants who qualify to continue working and still be entitled to a pension benefit in addition to a lump sum DROP amount. A description of the DROP terms for each plan are presented below:

	Police Pension Fund	Firemen's Pension Fund	Officers' and Employees' Pension Fund
Eligibility	Any member who is eligibility for a Normal retirement Benefit under the Plan.	Any member of the fire pension plan who is eligible for full retirement.	Any member who is eligible for a Normal Retirement Benefit under the Plan.
Term	The maximum period that a member can participate in the DROP is 5 years.	The maximum period of time that a member can participate in the DROP is 5 years.	The maximum period that a member can participate in the DROP is 5 years.
Pension benefit calculation	A calculation is made of the monthly Normal Retirement Benefit as of the DROP Participation Date.	Pensions are calculated for DROP participants at the time of beginning participation in the DROP.	A calculation is made of the monthly Normal Retirement Benefit as of the DROP Participation Date.
DROP Account	A member's DROP account shall consist of the total of the following: an amount equal to the participant's total monthly Normal Retirement Benefit, plus interest at the actual rate of return on the Fund. A member shall collect their DROP amount upon participants' termination of employment.	A member's DROP account shall consist of the total of the following: an amount equal to the total monthly pension amounts the member would have received, an amount equal to the member's mandatory pension contributions during the drop, and the actual rate of return between 1% and 4.5% per year. A member shall collect their DROP amount upon completion of the DROP period.	A member's DROP account shall consist of the total of the following : an amount equal to the participant's total monthly Normal Retirement Benefit, plus interest at the actual rate of return between 0% and 4.5% on the Fund. A member shall collect their DROP amount upon participants' termination of employment.

The balance of amounts held by the City's pension plans pursuant to the DROP terms described above are approximately $760,205, $727,480 and $1,035,262 for the Police Pensions, Firemen's, and Officers' and Employees, respectively at January 1, 2021, the City's most recent actuarial valuation.

Pension Liability of the Plan

Net Pension Liability

The components of the net pension liability of the Plans as of December 31, 2022 were as follows:

	Police	Fire	O&E
Total pension liability	$ 56,261,152	$ 43,235,684	$ 33,519,722
Plan fiduciary net position	45,274,421	33,542,831	25,914,165
Plan net pension liability	$ 10,986,731	$ 9,692,853	$ 7,605,557
Plan fiduciary net position as a Percentage of total pension liability	80%	78%	77%

Changes in the Net Pension Liability

The changes in the City's Police Pension Fund net pension liability during the year ended December 31, 2022 are as follows:

Police:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2021	$ 55,069,473	$ 52,905,137	$ 2,164,336
Changes for the year:			
Service cost	937,745	-	937,745
Interest	3,798,542	-	3,798,542
Contributions - employer	-	1,844,797	(1,844,797)
Contributions - employee	-	210,393	(210,393)
Net investment income	-	(6,117,433)	6,117,433
Benefit payments, including refunds	(3,544,608)	(3,544,608)	-
Administrative expense	-	(23,865)	23,865
Net changes	1,191,679	(7,630,716)	8,822,395
Balances at December 31, 2022	$ 56,261,152	$ 45,274,421	$ 10,986,731
Plan fiduciary net position as a percentage of the total pension liability			80.47%

The changes in the City's Firemen's Pension Fund net pension liability during the year ended December 31, 2022 are as follows:

Firemen:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2021	$ 42,464,239	$ 39,478,481	$ 2,985,758
Changes for the year:			
Service cost	571,281	-	571,281
Interest	2,817,988	-	2,817,988
Contributions - employer	-	1,180,775	(1,180,775)
Contributions - employee	-	127,551	(127,551)
Net investment income	-	(4,608,645)	4,608,645
Benefit payments, including refunds	(2,617,824)	(2,617,824)	-
Administrative expense	-	(17,507)	17,507
Net changes	771,445	(5,935,650)	6,707,095
Balances at December 31, 2022	$ 43,235,684	$ 33,542,831	$ 9,692,853
Plan fiduciary net position as a percentage of the total pension liability			77.58%

The changes in the City's Officers' and Employees' Pension Fund net pension liability during the year ended December 31, 2022 are as follows:

Officers and Employees:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2021	$ 33,612,182	$ 31,449,663	$ 2,162,519
Changes for the year:			
Service cost	837,295	-	837,295
Interest	2,300,323	-	2,300,323
Contributions - employer	-	1,112,969	(1,112,969)
Contributions - employee	-	247,745	(247,745)
Net investment income (loss)	-	(3,651,847)	3,651,847
Benefit payments, including refunds	(3,230,078)	(3,230,078)	-
Administrative expense	-	(14,287)	14,287
Net changes	(92,460)	(5,535,498)	5,443,038
Balances at December 31, 2022	$ 33,519,722	$ 25,914,165	$ 7,605,557
Plan fiduciary net position as a percentage of the total pension liability			77.31%

The schedules of changes in the employer's net pension liability and related ratios, presented as required supplementary information following the notes to the financial statements, present multi-year trend information related to the funded status of the Pension Funds.

The significant changes in assumptions from the prior actuarial valuations include a change in the discount rate from 7.50 percent to 7.00 percent and Consumer Price Index assumption from 3.00 percent to 2.50 percent for the Police Pension Plan and the Officers' and Employees Pension Plan. The Firemen's Pension Plan discount rate was lowered from 7.00 percent to 6.75 percent and salary increase assumption from 5.00 percent to 4.75 percent. For retirements after January 1, 2021 pension benefits are limited to 75% of the retiree's current base salary plus service increment.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of January 1, 2021, rolled forward to December 31, 2022 through the use of update procedures in accordance with paragraph 37 of GASB Statement No. 67, using the following actuarial methods and assumptions:

	Police	Firemen	Officers and Employees
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Actuarial assumptions:			
Investment rate of return	7.00%	6.75%	7.00%
Projected salary increase	4.50%	4.75%	4.50%
Consumer price index	2.50%	2.50%	2.50%
Asset valuation method	4 Year Smoothing	4 Year Smoothing	4 Year Smoothing

Mortality rates were based on the PubS-2010 and PubG-2010 Mortality Tables. The actuarial assumptions used in the January 1, 2021 valuation were based upon a study of plan experience, provisions in the current collective bargaining agreement, and future expectations.

Discount Rate

The discount rate used to measure the total pension liability for the Plans was 7.00 percent for the Officers' and Employees' and Police Plans and 6.75 percent for the Firemen's Plan. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Pension Fund'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.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Pension Plans calculated using the discount rate of 7.00 percent for Officers' and Employees' and Police and 6.75 percent for Fire, as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.00 percent or 5.75 percent) or 1 percentage point higher (8.00 percent to 7.75 percent) than the current rate:

	1% Decrease (6.00% O&E/Police 5.75% Fire)	Current Discount Rate (7.00% O&E/Police 6.75% Fire)	1% Increase (8.00% O&E/Police 7.75% Fire)
Net pension liability, Police	$ 18,098,322	$ 10,986,731	$ 5,139,748
Net pension liability, Fire	$ 14,923,845	$ 9,692,853	$ 5,383,352
Net Pension liability, O&E	$ 11,175,782	$ 7,605,557	$ 4,584,593

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2022, the Plan recognized pension expense of $7,735,958. At December 31, 2022, the Plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience - Police	$ 952,096	$ 132,078
Differences between expected and actual experience - Fire	578,799	-
Differences between expected and actual experience - O&E	64,989	-
Changes in assumptions - Police	1,641,285	-
Changes in assumptions - Fire	592,549	-
Changes in assumptions - O&E	1,239,125	-
Difference between projected and actual earnings on investments - Police	4,024,897	-
Difference between projected and actual earnings on investments - Fire	3,016,126	-
Difference between projected and actual earnings on investments - O&E	2,540,300	-
Total	$ 14,650,166	$ 132,078

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

Year ending December 31,	Police	Fire	O&E
2023	$ 966,423	$ 936,247	$ 487,637
2024	1,817,925	1,060,057	1,011,809
2025	1,792,380	777,175	916,462
2026	1,909,472	1,413,995	1,401,486
2027	-	-	27,020
	$ 6,486,200	$ 4,187,474	$ 3,844,414

10. Defined Contribution (Section 457) Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan is administered by Massachusetts Mutual Life Insurance Company. The Plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency, as defined.

11. Other Postemployment Benefits (OPEB)

Plan Description and Benefits Provided

The City provides postretirement medical, prescription drug and vision coverage for fire and police employees who retire with at least 12 years of services with their respective department and have attained the age of 50; and life insurance benefits to all employees who retire with at least 12 years of service. The City provides postretirement healthcare benefits for RVT employees who retire and have attained an age plus years of service amount equal to or greater than 85 years and have attained the age of 55. The cost of such medical, vision and life insurance coverage for retirees and spouses are primarily funded through annual appropriations from the City's General Fund. These benefits are accounted for in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Retired employees who are ineligible under the above requirements and choose to participate in the medical plan must pay 100% of the composite rate cost of such coverage. The City of Williamsport, Pennsylvania OPEB Plan is a single employer defined benefit OPEB plan administered by the City. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75.

Employees Covered by Benefit Terms

At January 1, 2022, the following employees were covered by the benefit terms:

Inactive participants - retired and disabled	219
Active plan members	159
Total	378

Total OPEB Liability

The City's total OPEB liability as of December 31, 2022 was $96,059,937, which was measured as of January 1, 2022, and was determined by an actuarial valuation as of January 1, 2022.

As discussed in Note 1 to the Financial statements, the financial reporting entity does not include the River Valley Transit. A corresponding receivable (Due from other governments) was recorded in the Statement of Net Position – governmental activities, in the amount of $6,219,760, which represents the River Valley Transit Authority's contractually obligated share of the OPEB liability.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Interest rate	4.25%
Inflation	2.50%
Discount rate	4.25%
Healthcare cost trends rates	Medical Rx - 7.50% in 2022, 7.50% in 2023, 6.75% in 2024, decreasing .50% each year through 2029, in which rates are at 4.50%. Post 65 Supplement Medical 4.50% in perpetuity Medicare Part B - (3.06)% during 2022, 5.94% in 2023, 5.25% in 2024 and in remaining perpetuity. Vision - 2.50% during 2022 and in perpetuity. Rates based on the Society of Actuaries Long-Run Medical Cost Trend Model

The discount rate was based on the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher at January 1, 2022.

Mortality rates are determined using the 2010 Public Retirement Plan – Public Safety Mortality tables (PubS-2010) for Fire and Police, and all other employees rates are determined using the 2010 Public Retirement Plan – General mortality tables (PubG-2010).

The actuarial assumptions used in the January 1, 2022 valuation were based on the results derived form the Long-Range Demographic Assumptions for the 2020 Social Security Administration's Trustee Report.

Changes in assumptions. The discount rate increased from 3.00% to 4.25%, and the medical and vision trend rates were updated accordingly.

Changes in benefit terms. For future Fire retirees hired on or after January 1, 2021, medical coverage upon attaining age 65 is a reimbursement of up to 45% of the charged premium cost of a Medicare supplement plan, the retiree opt-out at any age and City-paid vision coverages are eliminated.

For future Police retirees hired on or after January 1, 2021, City-paid health (including vision) coverage for spouses and/or dependents and the opt-out provision for retirees at any age have been eliminated. Also, for future Police retirees hired on or after January 1, 2021, upon age 65, retirees will be reimbursed up to $600 per month towards the cost of a Medicare supplement plan.

For City employees, the life insurance policy provided for future retirees has been increased from $10,000 to $15,000.

For River Valley Transit Employees, hired before August 11, 2020, eligibility for health benefits including vision was updated to retirement age + service greater than equal to 90 points. No future retiree contributions are required.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 01/01/2022	$ 154,693,099
Changes for the year:	
Service cost	2,010,132
Interest	3,994,478
Benefit payments	(3,809,304)
Changes in benefit terms	801,004
Changes in assumptions	(20,116,917)
Difference between expected and actual experience	(41,512,555)
Net changes	(58,633,162)
Balance at 12/31/2022	$ 96,059,937

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.25%) or 1-percentage-point higher (5.25%) than the current discount rate:

	1% Decrease (3.25%)	Current Discount Rate (4.25%)	1% Increase (5.25%)
Total OPEB Liability	$ 112,391,812	$ 96,059,937	$ 83,177,857

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Trend Rate	1% Increase
Total OPEB Liability	$ 81,981,648	$ 96,059,937	$ 114,147,032

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2022, the Plan recognized OPEB expense of $(6,758,322). At December 31, 2022, the Plan reported deferred outflows of $1,051,629 (difference between expected and actual experience) and deferred inflows of $53,063,439 (changes of assumptions/difference between actual and expected experience).

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

Year Ended December 31:

2023	$ (13,564,036)
2024	(13,564,036)
2025	(13,564,038)
2026	(11,319,700)
2027	-
Thereafter	-

Employer Contributions

The contribution requirements of plan members and the City are established and may be amended through negotiations between the City and the respective unions. The plan is funded on a pay-as-you-go basis, eligible retirees premiums are paid annually to fund the health care benefits provided to current retirees. Retirees are currently not required to contribute to the plan. The City made estimated contributions to the plan of $3,809,304 for the year ended December 31, 2022. Contributions are actuarially determined in accordance with GASB Statement 75.

12. Fund Balance Classifications

The City presents its government fund balances by level of constraint in the aggregate on its balance sheet – governmental funds. The individual specific purposes of each constraint are presented below:

	General Fund	HOME	Other Governmental Funds	Total
Nonspendable:				
Inventories	$ 4,555	$ -	$ -	$ 4,555
Restricted for:				
HOME activities	-	1,015,826	-	1,015,826
Grant purposes	-	-	2,852,029	2,852,029
Liquid fuels tax purposes	-	-	567,882	567,882
Home rehabilitation	-	-	51,823	51,823
Culture and recreation	-	-	48,335	48,335
Redevelopment activities	-	-	1,570	1,570
Total Restricted	$ -	$ 1,015,826	$ 3,521,639	$ 4,537,465
Assigned :				
2023 Budget deficit	2,831,548	-	-	2,831,548
Total Assigned	$ 2,831,548	$ -	$ -	$ 2,831,548

13. Related Organizations

The City's officials are responsible for appointing certain members of the governing boards of other organizations; but the City's accountability for these organizations during 2022 did not extend beyond making the appointments. A majority of the boards of the following organizations are either appointed by City Council or recommended and nominated by the Mayor and approved by City Council:

- Williamsport Municipal Water Authority
- Williamsport Sanitary Authority

14. Commitments and Contingent Liabilities

Litigation

The City has been named as a defendant in various lawsuits which relate to the day-to-day operations of City government. In the opinion of management and legal counsel, the resolution of these lawsuits will not have a material adverse effect on the City's financial position or results of operations.

In addition, the City participates in a variety of other federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The City is potentially liable for any expenditure that may be disallowed pursuant to the terms of these grant programs.

Insurance

The City has elected to self-insure its employee medical insurance plan. The City has limited this self-insurance liability through the purchase of catastrophic reinsurance coverage which will reimburse the City for any medical costs over $65,000 per covered individual per year. The City believes that it has adequately provided for all asserted claims and has no knowledge of unasserted claims for which it has not provided. The City's liability for all asserted and estimated unasserted claims was $1,450,374 at December 31, 2022. The City has a surplus deposit related to the plan in the amount of $1,442,844 at December 31, 2022. The cost of medical coverage for employees was approximately $4,619,606 in 2022.

State and Federal Criminal Investigation

During the audit period through 2022, there was a transition of fiscal and administrative personnel at the City. Due to the findings of an internal financial investigation, the City communicated with appropriate parties and a grand jury was convened. The City has been and continues to be under state and federal criminal investigations since February of 2020. Numerous financial records, extending over a 10-year period, have been provided to investigators. The investigation is ongoing and it is expected that the resolution of this investigation will have a material adverse effect on the City's financial position.

In January 2025, the City has been ordered by the Federal Transit Authority to repay $1.48 million for misused transit funds.

15. Subsequent Events

In 2024, the Redevelopment Authority separated operations from the City.

16. Restatement of Net Position

The following restatement was necessary to reflect the adoption of the provisions of GASB Statement No. 84, "Fiduciary Activities." The City has changed its manner of accounting for its fiduciary funds. This change for fiduciary activities is reported as a change in accounting principle and is reflected as a restatement of beginning Net Position in the fiduciary fund financial statements.

	Custodial Funds/ Fiduciary Funds
Beginning Net Position January 1, 2022	$ 662,191
Reclassification of custodial funds	(605,090)
Net Position, Beginning of Year, Restated	$ 57,101

17. River Valley Transit Authority

Effective July 1, 2022, the River Valley Transit, which operated as the public transit division of the City, was legally separated from the City by the creation of the River Valley Transit Authority, a Pennsylvania municipal authority, created by the City. All vehicles purchased with state and local funds for the operation of River Valley Transit were transferred from the City to River Valley Transit Authority. All arrangements and obligations prior to July 1, 2022, including, but not limited to pension payments, remained the responsibility of the City, except for all future health care benefits and pension benefits for existing non-vested employees that were transferred to the pension plan and health benefits plan created by River Valley Transit Authority. All operating accounts and accounts receivable pertaining to transit grant funds (whether Federal Transit Authority or Pennsylvania Department of Transportation) and transit related transaction are to be transferred to River Valley Transit Authority upon completion of an accounting of those accounts.

Required Supplementary Information

CITY OF WILLIAMSPORT, PENNSYLVANIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS - POLICE PENSION PLAN

Measurement Date, December 31	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*	2014*
Total Pension Liability:									
Service cost	$ 937,745	$ 925,413	$ 783,674	$ 775,006	$ 665,321	$ 659,302	$ 572,404	$ 564,588	$ 593,427
Interest	3,798,542	3,706,408	3,577,922	3,467,141	3,401,231	3,293,526	3,125,254	3,100,356	3,064,995
Change of benefit terms	-	-	-	-	-	-	-	(597,591)	-
Difference between expected and actual experience	-	1,586,826	-	(572,342)	-	(409,995)	-	255,766	-
Changes in assumptions	-	2,293,309	-	1,149,628	-	954,367	-	839,444	-
Benefit payments, including refunds	(3,544,608)	(3,118,492)	(3,158,003)	(2,403,111)	(2,418,840)	(2,713,861)	(2,690,705)	(2,699,878)	(2,397,934)
Net Changes in Total Pension Liability	1,191,679	5,393,464	1,203,593	2,416,322	1,647,712	1,783,339	1,006,953	1,462,685	1,260,488
Total Pension Liability - Beginning	55,069,473	49,676,009	48,472,416	46,056,094	44,408,382	42,625,043	41,618,090	40,155,405	38,894,917
Total Pension Liability - Ending (a)	$ 56,261,152	$ 55,069,473	$ 49,676,009	$ 48,472,416	$ 46,056,094	$ 44,408,382	$ 42,625,043	$ 41,618,090	$ 40,155,405
Plan Fiduciary Net Position:									
Contributions - employer	$ 1,844,797	$ 1,841,909	$ 1,830,744	$ 1,772,407	$ 1,174,203	$ 1,071,835	$ 1,141,371	$ 1,188,472	$ 1,053,253
Contributions - member	210,393	186,066	200,339	172,784	167,541	166,526	179,925	176,099	153,489
Other contributions	-	-	-	-	494,887	465,501	428,319	388,659	347,855
Net investment income (loss)	(5,955,193)	7,632,174	3,246,014	7,475,525	(2,014,483)	5,486,769	3,017,489	(219,355)	2,309,916
Benefit payments, including refunds	(3,544,608)	(3,118,492)	(3,158,003)	(2,403,111)	(2,418,840)	(2,713,861)	(2,690,705)	(2,699,878)	(2,395,427)
Administrative expense	(23,865)	(7,874)	(15,317)	(8,650)	-	-	-	-	-
Investment expense	(162,240)	(174,371)	(147,400)	(144,941)	(164,492)	(153,599)	(172,574)	(170,407)	(171,823)
Other	-	-	-	-	419	12,717	13	5,908	9,732
Net Change in Plan Fiduciary Net Position	(7,630,716)	6,359,412	1,956,377	6,864,014	(2,760,765)	4,335,888	1,903,838	(1,330,502)	1,306,995
Plan Fiduciary Net Position - Beginning	52,905,137	46,545,725	44,589,348	37,725,334	40,486,099	36,150,211	34,246,373	35,576,875	34,269,880
Plan Fiduciary Net Position - Ending (b)	$ 45,274,421	$ 52,905,137	$ 46,545,725	$ 44,589,348	$ 37,725,334	$ 40,486,099	$ 36,150,211	$ 34,246,373	$ 35,576,875
Net Pension Liability - Ending (a-b)	$ 10,986,731	$ 2,164,336	$ 3,130,284	$ 3,883,068	$ 8,330,760	$ 3,922,283	$ 6,474,832	$ 7,371,717	$ 4,578,530
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.47%	96.07%	93.70%	91.99%	81.91%	91.17%	84.81%	82.16%	88.60%
Covered Payroll	$ 4,280,008	$ 3,711,322	$ 3,587,393	$ 3,472,662	$ 3,059,791	$ 3,046,880	$ 2,740,864	$ 2,777,526	$ 2,662,267
Net Pension Liability as a Percentage of Covered Payroll	256.70%	58.32%	87.26%	111.82%	272.27%	128.73%	236.23%	265.41%	171.98%

* This schedule is intended to illustrate information for 10 years. However, until a 10-year trend is compiled, the City is presenting information for those years only for which information is available.

See accompanying notes to required supplementary information - pension information.

CITY OF WILLIAMSPORT, PENNSYLVANIA REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS - FIREMEN PENSION PLAN
LAST 10 YEARS

Measurement Date, December 31	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*	2014*
Total Pension Liability:									
Service cost	$ 571,281	$ 614,362	$ 434,742	$ 465,543	$ 399,739	$ 392,887	$ 360,937	$ 377,676	$ 400,499
Interest	2,817,988	2,766,508	2,618,927	2,598,069	2,480,805	2,416,102	2,361,048	2,300,947	2,210,612
Changes of benefit terms	-	(164,129)	-	-	-	-	-	-	-
Difference between expected and actual experience	-	1,469,261	-	1,610,083	-	(716,228)	-	273,200	-
Changes in assumptions	-	1,504,165	-	984,525	-	1,721,279	-	-	-
Benefit payments, including refunds	(2,617,824)	(2,533,759)	(2,407,949)	(3,050,873)	(2,248,741)	(1,609,217)	(2,207,201)	(1,526,194)	(1,783,183)
Net Changes in Total Pension Liability	771,445	3,656,408	645,720	2,607,347	631,803	2,204,823	514,784	1,425,629	827,928
Total Pension Liability - Beginning	42,464,239	38,807,831	38,162,111	35,554,764	34,922,961	32,718,138	32,203,354	30,777,725	29,949,797
Total Pension Liability - Ending (a)	$ 43,235,684	$ 42,464,239	$ 38,807,831	$ 38,162,111	$ 35,554,764	$ 34,922,961	$ 32,718,138	$ 32,203,354	$ 30,777,725
Plan Fiduciary Net Position:									
Contributions - employer	$ 1,180,775	$ 1,882,756	$ 1,320,895	$ 1,557,705	$ 999,105	$ 979,423	$ 993,649	$ 1,056,238	$ 1,176,739
Contributions - member	127,551	126,978	129,788	137,013	128,620	123,978	118,551	122,709	124,413
Other contributions	-	-	-	-	421,088	425,365	372,884	345,415	388,639
Net investment income (loss)	(4,486,370)	5,456,160	2,224,889	5,744,098	(1,584,883)	4,087,679	2,218,553	(26,020)	1,708,364
Benefit payments, including refunds	(2,617,824)	(2,533,759)	(2,407,949)	(3,050,873)	(2,248,741)	(1,609,217)	(2,207,201)	(1,526,194)	(1,783,183)
Administrative expense	(17,507)	(7,873)	(15,949)	(8,575)	-	-	-	-	-
Investment expense	(122,275)	(129,380)	(110,369)	(111,635)	(130,871)	(121,032)	(136,157)	(131,343)	(130,478)
Other	-	-	-	-	1,867	-	254	3,894	2,889
Net Change in Plan Fiduciary Net Position	(5,935,650)	4,794,882	1,141,305	4,267,733	(2,413,815)	3,886,196	1,360,533	(155,301)	1,487,383
Plan Fiduciary Net Position - Beginning	39,478,481	34,683,599	33,542,294	29,274,561	31,688,376	27,802,180	26,441,647	26,596,948	25,109,565
Plan Fiduciary Net Position - Ending (b)	$ 33,542,831	$ 39,478,481	$ 34,683,599	$ 33,542,294	$ 29,274,561	$ 31,688,376	$ 27,802,180	$ 26,441,647	$ 26,596,948
Net Pension Liability - Ending (a-b)	$ 9,692,853	$ 2,985,758	$ 4,124,232	$ 4,619,817	$ 6,280,203	$ 3,234,585	$ 4,915,958	$ 5,761,707	$ 4,180,777
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.58%	92.97%	89.37%	87.89%	82.34%	90.74%	84.97%	82.11%	86.42%
Covered Payroll	$ 2,294,971	$ 2,052,380	$ 1,951,517	$ 1,889,635	$ 1,664,260	$ 1,595,743	$ 1,577,483	$ 1,749,416	$ 1,751,038
Net Pension Liability as a Percentage of Covered Payroll	422.35%	145.48%	211.33%	244.48%	377.36%	202.70%	311.63%	329.35%	238.76%

* This schedule is intended to illustrate information for 10 years. However, until a 10-year trend is compiled, the City is presenting information for those years only for which information is available.

See accompanying notes to required supplementary information - pension information.

CITY OF WILLIAMSPORT, PENNSYLVANIA REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS - OFFICERS AND EMPLOYEES PENSION PLAN
LAST 10 YEARS

Measurement Date, December 31	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*	2014*
Total Pension Liability:									
Service cost	$ 837,295	$ 874,057	$ 690,376	$ 747,939	$ 582,674	$ 567,373	$ 496,026	$ 492,177	$ 448,775
Interest	2,300,323	2,270,174	2,215,897	2,130,099	2,057,250	1,973,503	1,833,262	1,775,032	1,660,111
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	-	89,360	-	14,307	-	(30,072)	-	91,899	-
Changes in assumptions	-	1,558,722	-	556,143	-	1,019,579	-	417,689	-
Benefit payments, including refunds	(3,230,078)	(2,141,874)	(1,570,506)	(1,778,724)	(1,268,719)	(1,674,845)	(1,490,599)	(960,071)	(662,149)
Net Changes in Total Pension Liability	(92,460)	2,650,439	1,335,767	1,669,764	1,371,205	1,855,538	838,689	1,816,726	1,446,737
Total Pension Liability - Beginning	33,612,182	30,961,743	29,625,976	27,956,212	26,585,007	24,729,469	23,890,780	22,074,054	20,627,317
Total Pension Liability - Ending (a)	$ 33,519,722	$ 33,612,182	$ 30,961,743	$ 29,625,976	$ 27,956,212	$ 26,585,007	$ 24,729,469	$ 23,890,780	$ 22,074,054
Plan Fiduciary Net Position:									
Contributions - employer	$ 1,112,969	$ 1,400,006	$ 1,217,135	$ 1,141,058	$ 613,615	$ 653,292	$ 639,444	$ 656,735	$ 549,043
Contributions - member	247,745	339,707	356,942	361,609	344,156	316,377	289,230	284,598	277,372
Other contributions	-	-	-	-	258,618	283,727	239,963	214,768	181,331
Net investment income (loss)	(3,555,492)	4,350,748	1,857,172	4,235,813	(1,107,345)	3,001,004	1,634,446	(19,239)	1,218,349
Benefit payments, including refunds	(3,230,078)	(2,141,874)	(1,570,506)	(1,778,724)	(1,268,719)	(1,674,845)	(1,490,599)	(960,071)	(639,802)
Administrative expense	(14,287)	(8,592)	(22,284)	(13,000)	-	-	-	-	-
Investment expense	(96,355)	(103,170)	(86,872)	(83,647)	(107,594)	(93,253)	(113,010)	(100,052)	(100,489)
Other	-	-	-	-	212	-	725	2,654	2,374
Net Change in Plan Fiduciary Net Position	(5,535,498)	3,836,825	1,751,587	3,863,109	(1,267,057)	2,486,302	1,200,199	79,393	1,488,178
Plan Fiduciary Net Position - Beginning	31,449,663	27,612,838	25,861,151	21,998,042	23,265,099	20,778,797	19,578,598	19,499,305	18,011,127
Plan Fiduciary Net Position - Ending (b)	$ 25,914,165	$ 31,449,663	$ 27,612,838	$ 25,861,151	$ 21,998,042	$ 23,265,099	$ 20,778,797	$ 19,578,598	$ 19,499,305
Net Pension Liability - Ending (a-b)	$ 7,605,557	$ 2,162,519	$ 3,348,905	$ 3,764,825	$ 5,958,170	$ 3,319,908	$ 3,950,672	$ 4,312,182	$ 2,574,749
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.31%	93.57%	89.18%	87.29%	78.69%	87.51%	84.02%	81.95%	88.34%
Covered Payroll	$ 2,152,148	$ 5,937,598	$ 6,366,827	$ 6,531,841	$ 5,226,125	$ 5,041,444	$ 4,866,962	$ 4,712,344	$ 4,423,821
Net Pension Liability as a Percentage of Covered Payroll	353.39%	36.42%	52.60%	57.64%	114.01%	65.85%	81.17%	91.51%	58.20%

* This schedule is intended to illustrate information for 10 years. However, until a 10-year trend is compiled, the City is presenting information for those years only for which information is available.

See accompanying notes to required supplementary information - pension information.

CITY OF WILLIAMSPORT, PENNSYLVANIA REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS AND INVESTMENT RETURNS
LAST 10 YEARS

Year Ended December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
POLICE PENSION PLAN										
Schedule of City Contributions										
Actuarially determined contribution under Act 205	$ 1,844,797	$ 1,841,909	$ 1,830,744	$ 1,772,407	$ 1,669,090	$ 1,537,336	$ 1,569,690	$ 1,577,131	$ 1,401,108	$ 1,402,048
Contributions in relation to the actuarially determined contribution	1,844,797	1,841,909	1,830,744	1,772,407	1,669,090	1,537,336	1,569,690	1,577,131	1,401,108	1,402,048
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 4,280,008	$ 3,711,322	$ 3,587,393	$ 3,472,662	$ 3,059,791	$ 3,046,880	$ 2,740,864	$ 2,777,526	$ 2,662,267	$ 2,667,338
Contributions as a percentage of covered payroll	43.10%	49.63%	51.03%	51.04%	54.55%	50.46%	57.27%	56.78%	52.63%	52.56%
Investment Returns										
Annual money-weighted rate of return, net of investment expense	-14.65%	13.44%	7.63%	19.44%	-5.22%	15.73%	9.25%	-0.60%	6.90%	N/A
FIREMEN PENSION PLAN										
Schedule of City Contributions										
Actuarially determined contribution under Act 205	$ 1,180,775	$ 1,882,756	$ 1,320,895	$ 1,557,705	$ 1,420,193	$ 1,404,788	$ 1,366,533	$ 1,401,653	$ 1,565,378	$ 1,693,633
Contributions in relation to the actuarially determined contribution	1,180,775	1,882,756	1,320,895	1,557,705	1,420,193	1,404,788	1,366,533	1,401,653	1,565,378	1,693,633
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 2,294,971	$ 2,052,380	$ 1,951,517	$ 1,899,635	$ 1,664,260	$ 1,595,743	$ 1,577,483	$ 1,749,416	$ 1,751,038	$ 1,780,801
Contributions as a percentage of covered payroll	51.45%	91.74%	67.69%	82.00%	85.33%	88.03%	86.63%	80.12%	89.40%	95.11%
Investment Returns										
Annual money-weighted rate of return, net of investment expense	-13.85%	12.53%	6.48%	19.25%	-5.12%	14.83%	8.69%	-0.08%	6.95%	N/A

N/A - Information not available for these years

See accompanying notes to required supplementary information - pension information

CITY OF WILLIAMSPORT, PENNSYLVANIA REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS AND INVESTMENT RETURNS
(CONTINUED)
LAST 10 YEARS

Year Ended December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
OFFICERS AND EMPLOYEES PENSION PLAN:										
Schedule of City Contributions										
Actuarially determined contribution under Act 205	$ 1,112,969	$ 1,400,006	$ 1,217,135	$ 1,141,058	$ 872,233	$ 937,019	$ 879,407	$ 871,503	$ 730,374	$ 731,053
Contributions in relation to the actuarially determined contribution	1,112,969	1,400,006	1,217,135	1,141,058	872,233	937,019	879,407	871,503	730,374	731,053
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 2,152,148	$ 5,937,598	$ 6,366,827	$ 6,531,841	$ 5,226,125	$ 5,041,444	$ 4,866,962	$ 4,712,344	$ 4,423,821	$ 4,437,248
Contributions as a percentage of covered payroll	51.71%	23.58%	19.12%	17.47%	16.69%	18.59%	18.07%	18.49%	16.51%	16.48%
Investment Returns										
Annual money-weighted rate of return, net of investment expense	-11.18%	12.76%	7.07%	18.88%	-5.02%	14.78%	8.60%	-0.10%	6.83%	N/A

N/A - Information not available for these years

See accompanying notes to required supplementary information - pension information

Valuation Information	Police	Firemen	Officers and Employees
Valuation date	1/1/2021	1/1/2021	1/1/2021
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level percentage , of payroll, closed	Level percentage , of payroll, closed	Level percentage , of payroll, closed
Amortization period	N/A	N/A	N/A
Asset valuation method	4 year smoothed market (for all 3 Plans above)		
Actuarial assumptions:			
Investment rate of return	7.00%	6.75%	7.00%
Projected salary increases	4.50%	4.75%	4.50%
Mortality - Healthy Lives:	PubS-2010	PubS-2010	PubG-2010
Cost of Living Adjustment	2.50%	2.50%	2.50%

CITY OF WILLIAMSPORT, PENNSYLVANIA REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY
AND RELATED RATIOS - LAST 10 YEARS

Measurement date, December 31	2022*	2021*	2020*	2019*	2018*
Total OPEB Liability					
Service cost	$ 2,010,132	$ 4,199,276	$ 4,096,855	$ 4,556,767	$ 4,434,810
Interest	3,994,478	4,564,583	4,422,466	4,811,044	4,622,309
Changes in benefits	801,004	-	-	-	-
Difference between expected and actual experience	(41,512,555)	-	2,103,258	-	-
Changes in assumptions	(20,116,917)	-	(8,022,818)	-	-
Benefit payments	(3,809,304)	(4,018,825)	(3,752,110)	(3,457,862)	(3,287,173)
Net change in Total OPEB Liability	(58,633,162)	4,745,034	(1,152,349)	5,909,949	5,769,946
Total OPEB Liability - Beginning	154,693,099	149,948,065	151,100,414	145,190,465	139,420,519
Total OPEB Liability - Ending	$ 96,059,937	$ 154,693,099	$ 149,948,065	$ 151,100,414	$ 145,190,465
Plan Fiduciary Net Position - Beginning	-	-	-	-	-
Plan Fiduciary Net Position - Ending	$ -	$ -	$ -	$ -	$ -
Total OPEB Liability - Ending	$ 96,059,937	$ 154,693,099	$ 149,948,065	$ 151,100,414	$ 145,190,465
Covered Payroll	$ 8,922,274	$ 13,807,525	$ 11,904,139	$ 9,950,176	$ 9,950,176
OPEB Liability as a Percentage of Covered Payroll	1076.63%	1120.35%	1259.63%	1518.57%	1459.17%
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	0%	0%	0%	0%	0%

* This schedule is intended to illustrate information for 10 years. However, until a 10-year trend is compiled, the City is presenting information for those years only for which information is available.

CITY OF WILLIAMSPORT, PENNSYLVANIA SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	Special Revenue Funds								
	Community Development Block Grant	Non-Revenue Escrow	Liquid Fuels	Home Rehab	Redevelopment Authority	Act 13	Pool Repair	Debt Service	Total Nonmajor Governmental Funds
Assets									
Cash and cash equivalents	$ 107,413	$ 736,493	$ 571,670	$ 51,923	$ 112,561	$ 1,093,883	$ 48,335	$ -	$ 2,722,278
Restricted cash	-	-	-	-	-	-	-	177,313	177,313
Receivables, net									
Loans	145,903	848,680	-	44,396	-	-	-	-	1,038,979
Other	-	133,544	-	-	-	-	-	-	133,544
Due from other funds	33,253	1,106,606	28,253	-	-	-	-	35,000	1,203,112
Due from other governments	-	130,163	-	-	10,000	-	-	77,151	217,314
Total Assets	$ 286,569	$ 2,955,486	$ 599,923	$ 96,319	$ 122,561	$ 1,093,883	$ 48,335	$ 289,464	$ 5,492,540
Liabilities and Fund Balance									
Liabilities:									
Vouchers payable	$ 208,273	$ 32,928	$ 32,041	$ -	$ 5,979	$ 235,662	$ -	$ -	$ 514,883
Accrued liabilities	3,243	-	-	-	-	-	-	-	3,243
Due to other funds	149,106	51,230	-	100	5,000	28,841	-	1,342,453	1,576,730
Unearned revenue	145,903	848,679	-	44,396	110,012	-	-	-	1,148,990
Total Liabilities	$ 506,525	$ 932,837	$ 32,041	$ 44,496	$ 120,991	$ 264,503	$ -	$ 1,342,453	$ 3,243,846
Fund Balance:									
Restricted	$ -	$ 2,022,649	$ 567,882	$ 51,823	$ 1,570	$ 829,380	$ 48,335	$ -	$ 3,521,639
Unassigned	(219,956)	-	-	-	-	-	-	(1,052,989)	(1,272,945)
Total Fund Balance	(219,956)	2,022,649	567,882	51,823	1,570	829,380	48,335	(1,052,989)	2,248,694
Total Liabilities and Fund Balance	$ 286,569	$ 2,955,486	$ 599,923	$ 96,319	$ 122,561	$ 1,093,883	$ 48,335	$ 289,464	$ 5,492,540

CITY OF WILLIAMSPORT, PENNSYLVANIA SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	Special Revenue Funds								
	Community Development Block Grant	Non-Revenue Escrow	Liquid Fuels	Home Rehab	Redevelopment Authority	Act 13	Pool Repair	Debt Service	Total Nonmajor Governmental Funds
Revenues:									
Interest, rents, royalties	$ -	17,806	$ 1,039	$ 111	$ -	$ 2,494	$ -	$ 738	$ 22,188
Intergovernmental revenues									
Federal	1,594,890	-	-	-	-	-	-	-	1,594,890
State	-	126,515	835,650	-	39,599	528,114	-	-	1,529,878
Local	-	3,298	23,993	-	9,999	-	-	173,529	210,819
Charges for services	-	91,976	-	-	-	-	-	-	91,976
Collections on loans	28,650	42,630	-	1,910	-	-	-	-	73,190
Miscellaneous	-	6,095	3,755	-	5,586	-	-	-	15,436
Total Revenues	1,623,540	288,320	864,437	2,021	55,184	530,608	-	174,267	3,538,377
Expenditures:									
Current:									
General government	-	126,484	-	-	-	-	-	-	126,484
Public works	-	-	409,314	-	-	50,763	-	-	460,077
Public safety	-	22,935	-	-	-	-	-	-	22,935
Culture and recreation	-	3,140	-	-	-	-	12,288	-	15,428
Economic development	423,336	-	-	-	56,000	-	-	-	479,336
Capital outlay	1,428,234	15,000	506,831	-	-	59,333	52,291	-	2,061,689
Debt service	-	-	113,946	-	-	-	-	1,880,571	1,994,517
Total Expenditures	1,851,570	167,559	1,030,091	-	56,000	110,096	64,579	1,880,571	5,160,466
Excess (Deficiency) of Revenues Over (Under) Expenditures	(228,030)	120,761	(165,654)	2,021	(816)	420,512	(64,579)	(1,706,304)	(1,622,089)
Other Financing Sources (Uses):									
Transfers in	-	-	-	-	-	-	2,000	1,860,965	1,862,965
Transfers out	-	-	(92,522)	-	-	(200,000)	-	(623,414)	(915,936)
Total other financing sources (uses)	-	-	(92,522)	-	-	(200,000)	2,000	1,237,551	947,029
Net Change in Fund Balance	(228,030)	120,761	(258,176)	2,021	(816)	220,512	(62,579)	(468,753)	(675,060)
Fund Balance:									
Beginning of year	8,074	1,901,888	826,058	49,802	2,386	608,868	110,914	(584,236)	2,923,754
End of year	$ (219,956)	$ 2,022,649	$ 567,882	$ 51,823	$ 1,570	$ 829,380	$ 48,335	$ (1,052,989)	$ 2,248,694

CITY OF WILLIAMSPORT, PENNSYLVANIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2022

	Tax Collecting	Treasury Agency	Total
Assets			
Cash and cash equivalents	$ 528,283	$ 60,141	$ 588,424
Total Assets	$ 528,283	$ 60,141	$ 588,424
Liabilities			
Due to school district	528,283	-	528,283
Accounts payable	-	9,130	9,130
Total Liabilities	528,283	9,130	537,413
Net Position - Restricted	$ -	$ 51,011	$ 51,011

CITY OF WILLIAMSPORT, PENNSYLVANIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	Tax Collecting	Treasury Agency	Total
Additions:			
Tax collection	$ 13,372,920	$ -	$ 13,372,920
Other entity contributions	-	21,352	21,352
Interest	-	133	133
Total Additions	$ 13,372,920	$ 21,485	$ 13,394,405
Deductions:			
Tax payments to school district	13,372,920	-	13,372,920
Veterans memorial account	-	27,575	27,575
Total Deductions	$ 13,372,920	$ 27,575	$ 13,400,495
Net Change	-	(6,090)	(6,090)
Net Position, beginning of year, as restated (Note 16)	-	57,101	57,101
Net Position, end of year	$ -	$ 51,011	$ 51,011