

**BARRETT TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2016**

NOTE 1 – BUDGETARY COMPLIANCE

The annual budget is prepared and adopted by the Township's Supervisors. Subsequent amendments are also prepared and adopted by the Township's Supervisors. Unexpended appropriations lapse at year end. Encumbrances are not included as expenditures. During the current year, the budget may be amended in a legally permissible manner.

The Township's financial statements for the year ended December 31, 2016 present its legally adopted budget for the General Fund. The Township approved to legally adopt the General Fund budget for the 2016 year.

The Budget has been adopted on the **activity basis**; expenditures at this level in excess of amounts budgeted are a violation of the Pennsylvania Second Class Township Code. Comparison of actual results of operations to the budget of the General Fund as adopted by the Township's supervisors is included in the required supplemental information of the basic financial statements.

There were expenditures in excess of budgeted amounts in the General Fund for the year ended December 31, 2016.

NOTE 2 – NON-UNIFORMED PENSION

Assumption Changes – in 2015, the mortality assumption was changed from the RP-2000 Table to the RP-2000 Table projected to 2015 using Scale AA.