

**2020 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

152165 WESTTOWN TWP, CHESTER COUNTY

MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants 300 West State Street, Suite 206 • Media, PA 19063

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INDEPENDENT AUDITORS' REPORT

Board of Supervisors
Westtown Township
Westtown, PA 19382

We have audited the accompanying financial statements included in the Municipal Annual Audit and Financial Report (DCED-CLGS-30), a prescribed form, of Westtown Township as of December 31, 2020 and for the year then ended.

Management's Responsibility for the Financial Report

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Pennsylvania Department of Community and Economic Development and with the basis of accounting described below; this includes determining that the presentation and the use of the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the modified cash basis financial position of Westtown Township as of December 31, 2020 and the revenue it received and expenditures it paid for the year then ended in the prescribed form in conformity with the basis of accounting described below.

Basis of Accounting

Westtown Township's policy is to prepare its financial statements for inclusion in the Municipal Annual Audit and Financial Report (DCED-CLGS-30), a prescribed form, on a prescribed basis of accounting that demonstrates compliance with the modified cash basis and budget laws of the Department of Community and Economic Development, which is a special purpose framework other than accounting principles generally accepted in the United States of America. As permitted by DCED, Westtown Township prepares its annual audit and financial report on the modified cash basis of accounting; consequently, certain revenue and related assets are recognized when received rather than when earned and certain expenditures are recognized when paid rather than when the liability is incurred. Additionally, in accordance with the prescribed accounting practices permitted by DCED, Westtown Township does not include footnote disclosures. Our opinion is not modified with respect to this matter.

Restriction on Use

This report is intended solely for the information and use of management and the Supervisors of Westtown Township and for filing with the Department of Community and Economic Development and the Office of the Prothonotary and should not be used by anyone other than these specified parties.

Mingis, Gutowski & Company, LLP

Media, Pennsylvania
April 23, 2021

WESTTOWN TWP, CHESTER County

BALANCE SHEET

December 31, 2020

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
Liabilities and Other Credits											
260-269	Long-Term-Liabilities									9,335,000	9,335,000
240-259	Current Portion of Long-Term Debt and Other Credits									1,264,995	1,264,995
Total Liabilities and Other Credits		79,748				8,656				10,599,995	10,688,399
Fund and Account Group Equity											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets										
270-289	Fund Balance / Retained Earnings on 12/31	4,872,284	31,878	8,170,801	591,250	2,122,957					15,789,170
291-299	Other Equity										
Total Fund and Account Group Equity		4,872,284	31,878	8,170,801	591,250	2,122,957					15,789,170
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											26,477,569

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Taxes

301.00	Real Estate Taxes	2,789,581						2,789,581
305.00	Occupation Taxes (levied under municipal code)							
308.00	Residence Taxes (levied by cities of the 3rd Class)							
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)							
310.00	Per Capita Taxes							
310.10	Real Estate Transfer Taxes	522,484						522,484
310.20	Earned Income Taxes / Wage Taxes	2,764,557						2,764,557
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	140,884						140,884
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
Total Taxes		6,217,506						6,217,506

Licenses and Permits

320-322	All Other Licenses and Permits							
321.80	Cable Television Franchise Fees	266,389						266,389
Total Licenses and Permits		266,389						266,389

Fines and Forfeits

330-332	Fines and Forfeits	60,237						60,237
Total Fines and Forfeits		60,237						60,237

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Interest, Rents and Royalties								
341.00	Interest Earnings	17,324	82	18,700	505	1,294		37,905
342.00	Rents and Royalties	110,097						110,097
Total Interest, Rents and Royalties		127,421	82	18,700	505	1,294		148,002

Federal								
351.03	Highways and Streets							
351.09	Community Development							
351.00	All Other Federal Capital and Operating Grants							
352.01	National Forest							
352.00	All Other Federal Shared Revenue and Entitlements							
353.00	Federal Payments in Lieu of Taxes							
Total Federal								

State								
354.03	Highways and Streets							
354.09	Community Development							
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants	181,429						181,429
355.01	Public Utility Realty Tax (PURTA)	5,896						5,896
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		391,130					391,130
355.04	Alcoholic Beverage Licenses	200						200
355.05	General Municipal Pension System State Aid	76,245						76,245
355.07	Foreign Fire Insurance Tax Distribution	88,079						88,079
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution							

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

State								
355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes							
Total State		351,849	391,130					742,979

Local Government Units								
357.03	Highways and Streets							
357.00	All Other Local Governmental Units Capital and Operating Grants							
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services				125,047			125,047
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							
Total Local Government Units					125,047			125,047

Charges for Service								
361.00	General Government	31,634				65		31,699
362.00	Public Safety	197,977						197,977
363.20	Parking							
363.00	All Other Charges for Highway & Street Services							
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)	18,008				2,866,259		2,884,267
364.30	Solid Waste Collection and Disposal Charge (trash)	7,718				1,075,781		1,083,499
364.60	Host Municipality Benefit Fee for Solid Waste Facility							
364.00	All Other Charges for Sanitation Services							
365.00	Health							
366.00	Human Services							
367.00	Culture and Recreation	505						505
368.00	Airports							

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Charges for Service								
369.00	Bars							
370.00	Cemeteries							
372.00	Electric System							
373.00	Gas System							
374.00	Housing System							
375.00	Markets							
377.00	Transit Systems							
378.00	Water System							
379.00	All Other Charges for Service							
Total Charges for Service		255,842				3,942,105		4,197,947

Unclassified Operating Revenues								
383.00	Special Assessments	132,030		20,000				152,030
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors							
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues							
Total Unclassified Operating Revenues		132,030		20,000				152,030

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	18,577						18,577
392.00	Interfund Operating Transfers			1,930,794	1,344,000			3,274,794
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Other Financing Sources								
395.00	Refunds of Prior Year Expenditures	90,525				2,080		92,605
Total Other Financing Sources		109,102		1,930,794	1,344,000	2,080		3,385,976

TOTAL REVENUES

7,520,376	391,212	1,969,494	1,469,552	3,945,479			15,296,113
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EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	12,289						12,289
401.00	Executive (Manager or Mayor)	279,985				231,441		511,426
402.00	Auditing Services / Financial Administration	14,241						14,241
403.00	Tax Collection	40,190						40,190
404.00	Solicitor / Legal Services	186,678				3,521		190,199
405.00	Secretary / Clerk	64,165						64,165
406.00	Other General Government Administration	78,536				21,105		99,641
407.00	IT-Networking Services-Data Processing	34,313						34,313
408.00	Engineering Services	155,136		109,493		27,303		291,932
409.00	General Government Buildings and Plant	80,412		263,031				343,443
Total General Government		945,945		372,524		283,370		1,601,839

Public Safety

410.00	Police	3,608,171						3,608,171
411.00	Fire	363,439						363,439
412.00	Ambulance / Rescue	20,000						20,000
413.00	UCC and Code Enforcement	111,188						111,188

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Public Safety								
414.00	Planning and Zoning	146,205						146,205
415.00	Emergency Management and Communications							
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety	6,143						6,143
Total Public Safety		4,255,146						4,255,146

Health and Human Services								
420.00-425.00	Health and Human Services							
Total Health and Human Services								

Public Works - Sanitation								
426.00	Recycling Collection and Disposal				2,247			2,247
427.00	Solid Waste Collection and Disposal (garbage)				724,061			724,061
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection		576,388		793,710			1,370,098
Total Public Works - Sanitation			576,388		1,520,018			2,096,406

Public Works - Highways and Streets								
430.00	General Services - Administration	308,623						308,623
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	30,941						30,941
433.00	Traffic Control Devices	410,101						410,101
434.00	Street Lighting	1,288						1,288

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Public Works - Highways and Streets								
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains	22,996						22,996
437.00	Repairs of Tools and Machinery	3,981						3,981
438.00	Maintenance and Repairs of Roads and Bridges	6,176		15,165				21,341
439.00	Highway Construction and Rebuilding Projects	441,212	395,000					836,212
Total Public Works - Highways and Streets		1,225,318	395,000	15,165				1,635,483

Other Public Works Enterprises								
440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets							
445.00	Parking							
446.00	Storm Water and Flood Control	1,000						1,000
447.00	Transit System							
448.00	Water System							
449.00	Water Transport and Terminals							
Total Other Public Works Enterprises		1,000						1,000

Culture and Recreation								
451.00	Culture-Recreation Administration	13,720						13,720
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks	41,172						41,172

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Culture and Recreation								
455.00	Shade Trees							
456.00	Libraries	11,000						11,000
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
Total Culture and Recreation		65,892						65,892

Community Development								
461.00	Conservation of Natural Resources	15,549						15,549
462.00	Community Development and Housing	300						300
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development							
Total Community Development		15,849						15,849

Debt Service								
471.00	Debt Principal (short-term and long-term)	43,201			1,190,000			1,233,201
472.00	Debt Interest (short-term and long-term)	3,661			262,178			265,839
475.00	Fiscal Agent Fees		10,967		1,000			11,967
Total Debt Service		46,862	10,967		1,453,178			1,511,007

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	56,199				33,367		89,566
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions	53,521						53,521

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Employer Paid Benefits and Withholding Items							
484.00	Worker Compensation Insurance	36,734			12,245		48,979
487.00	Other Group Insurance Benefits	194,840			75,441		270,281
Total Employer Paid Benefits and Withholding Items		341,294			121,053		462,347

Insurance							
486.00	Insurance, Casualty, and Surety	73,825			32,938		106,763
Total Insurance		73,825			32,938		106,763

Unclassified Operating Expenditures							
488.00	Fiduciary Fund Benefits and Refunds Paid						
489.00	All Other Unclassified Expenditures	491					491
Total Unclassified Operating Expenditures		491					491

Other Financing Uses							
491.00	Refund of Prior Year Revenues	36,983					36,983
492.00	Interfund Operating Transfers	777,539	942,255		1,555,000		3,274,794
493.00	All Other Financing Uses						
Total Other Financing Uses		814,522	942,255		1,555,000		3,311,777

TOTAL EXPENDITURES		7,786,144	395,000	1,917,299	1,453,178	3,512,379		15,064,000
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES		-265,768	-3,788	52,195	16,374	433,100		232,113
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WESTTOWN TWP
December 31, 2020

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES

Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
General Obligation Bond 2012 (Refunding of GOB 2004 & Sewer Revenue Bond 2005)	Bond	2012	2027	7,390,000	3,545,000		535,000		3,010,000		3,010,000
General Obligation Bond 2016 Refunding of GOB 2011	Bond	2016	2036	9,595,000	8,200,000		655,000		7,545,000		7,545,000
Revenue Bonds and Notes											
Lease Rental Debt											
International HV507 Truck	Capital Leases	2019	2021	135,058	88,196		43,201		44,995		44,995
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding	10,599,995
Capitalized lease obligations	0
Net debt	10,599,995

WESTTOWN TWP, CHESTER County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2020

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	46,862	273,811	320,673
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police		237,861	237,861
Recreation			
Sewer		582,431	582,431
Solid Waste			
Streets / Highways		1,197,245	1,197,245
Water		9,000	9,000
Other: _____			
TOTAL CAPITAL EXPENDITURES	46,862	2,300,348	2,347,210

EMPLOYEE COMPENSATION

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)

1,111,693

Independent Public Accountant/Certified Public Accountant Submission Page
Opinion page was provided in lieu of signature page.

SIGNATURE AND VERIFICATION

Signed:

David Barrett Appointed Auditor/CPA

December 31, 2020

NOTES / COMMENTS

Pension information has been omitted from the Fiduciary Fund because the independent audit firm was not engaged to audit the Pension Fund.

Other Current Assets (150 - 159) and Other Current Liabilities (231 - 239) represent escrow deposits maintained on behalf of developers.