

**2022 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

152165 WESTTOWN TWP, CHESTER COUNTY

WESTTOWN TWP, CHESTER County

BALANCE SHEET

December 31, 2022

		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									10,299,322	10,299,322
240-259	Current Portion of Long-Term Debt and Other Credits									1,254,628	1,254,628
Total Liabilities and Other Credits		106,002				13,366				11,553,950	11,673,318
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	7,506,633	63,006	10,392,811	648,023	3,422,005					22,032,478
291-299	Other Equity										
Total Fund and Account Group Equity		7,506,633	63,006	10,392,811	648,023	3,422,005					22,032,478
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											33,705,796

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	2,846,994						2,846,994
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	386,710						386,710
310.20	Earned Income Taxes / Wage Taxes	3,248,537						3,248,537
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	158,460						158,460
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
Total Taxes		6,640,701						6,640,701

Licenses and Permits								
320-322	All Other Licenses and Permits							
321.80	Cable Television Franchise Fees	252,469						252,469
Total Licenses and Permits		252,469						252,469

Fines and Forfeits								
330-332	Fines and Forfeits	42,734						42,734
Total Fines and Forfeits		42,734						42,734

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	50,746	81	79,324	1,099	3,705		134,955
342.00	Rents and Royalties	132,644						132,644
Total Interest, Rents and Royalties		183,390	81	79,324	1,099	3,705		267,599

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	580,006						580,006
353.00	Federal Payments in Lieu of Taxes							
Total Federal		580,006						580,006

State								
354.03	Highways and Streets							
354.09	Community Development							
354.15	Recycling / Act 101					24,011		24,011
354.00	All Other State Capital and Operating Grants			100,000				100,000
355.01	Public Utility Realty Tax (PURTA)	6,412						6,412
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		368,099					368,099
355.04	Alcoholic Beverage Licenses	200						200
355.05	General Municipal Pension System State Aid	73,777						73,777
355.07	Foreign Fire Insurance Tax Distribution	99,757						99,757
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, 2022

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
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REVENUES

State								
355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes							
Total State		180,146	368,099	100,000		24,011		672,256

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				122,500			122,500
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							
Total Local Government Units					122,500			122,500

Charges for Service								
361.00	General Government	33,288				105		33,393
362.00	Public Safety	260,420						260,420
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.)					3,001,875		3,001,875
364.30	Solid Waste Collection and Disposal Charge (trash)					1,075,196		1,075,196
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	1,875						1,875
368.00	Airports							

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
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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		295,583				4,077,176		4,372,759

Unclassified Operating Revenues								
383.00	Special Assessments	70,448		32,000				102,448
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	4,700						4,700
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues							
Total Unclassified Operating Revenues		75,148		32,000				107,148

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	27,176						27,176
392.00	Interfund Operating Transfers			2,209,195	1,457,600			3,666,795
393.00	Proceeds of General Long-Term Debt			3,555,000				3,555,000
394.00	Proceeds of Short Term-Debt							

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	119,694				1,563	121,257
Total Other Financing Sources		146,870	5,764,195	1,457,600	1,563		7,370,228
TOTAL REVENUES		8,397,047	368,180	5,975,519	1,581,199	4,106,455	20,428,400

EXPENDITURES

General Government							
400.00	Legislative (Governing) Body	15,233					15,233
401.00	Executive (Manager or Mayor)	294,560			241,040		535,600
402.00	Auditing Services / Financial Administration	14,860					14,860
403.00	Tax Collection	49,586					49,586
404.00	Solicitor / Legal Services	66,960			1,660		68,620
405.00	Secretary / Clerk	80,408					80,408
406.00	Other General Government Administration	104,196			21,973		126,169
407.00	IT-Networking Services-Data Processing	29,063			185		29,248
408.00	Engineering Services	101,263	412,362		1,974		515,599
409.00	General Government Buildings and Plant	110,422	16,400				126,822
Total General Government		866,551	428,762		266,832		1,562,145

Public Safety							
410.00	Police	3,230,698					3,230,698
411.00	Fire	412,209					412,209
412.00	Ambulance / Rescue	30,000					30,000
413.00	UCC and Code Enforcement	159,296					159,296

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	32,337						32,337
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	6,272						6,272
Total Public Safety		3,870,812						3,870,812

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					7,622		7,622
427.00	Solid Waste Collection and Disposal (garbage)					825,599		825,599
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection			1,050,286		936,616		1,986,902
Total Public Works - Sanitation				1,050,286		1,769,837		2,820,123

Public Works - Highways and Streets								
430.00	General Services - Administration	353,577						353,577
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	59,524						59,524
433.00	Traffic Control Devices	67,278						67,278
434.00	Street Lighting	1,426						1,426

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	9,074		108,288			117,362
437.00	Repairs of Tools and Machinery	92,988					92,988
438.00	Maintenance and Repairs of Roads and Bridges	6,789					6,789
439.00	Highway Construction and Rebuilding Projects	364,228	400,000				764,228
Total Public Works - Highways and Streets		954,884	400,000	108,288			1,463,172

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	2,744					2,744
447.00	Transit System						
448.00	Water System						
449.00	Water Transport and Terminals						
Total Other Public Works Enterprises		2,744					2,744

Culture and Recreation							
451.00	Culture-Recreation Administration	8,183					8,183
452.00	Participant Recreation						
453.00	Spectator Recreation						
454.00	Parks	65,148		64,955			130,103

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	3,909						3,909
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
Total Culture and Recreation		88,240		64,955				153,195

Community Development								
461.00	Conservation of Natural Resources	49,120						49,120
462.00	Community Development and Housing	1,450						1,450
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development							
Total Community Development		50,570						50,570

Debt Service								
471.00	Debt Principal (short-term and long-term)	43,577			1,190,000			1,233,577
472.00	Debt Interest (short-term and long-term)	6,041			289,153			295,194
475.00	Fiscal Agent Fees			48,335	500			48,835
Total Debt Service		49,618		48,335	1,479,653			1,577,606

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	68,890				36,308		105,198
482.00	Judgments and Losses	65,048						65,048
483.00	Pension / Retirement Fund Contributions	56,593						56,593

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	34,959			22,016			56,975
487.00	Other Group Insurance Benefits	218,418			67,107			285,525
Total Employer Paid Benefits and Withholding Items		443,908			125,431			569,339

Insurance

486.00	Insurance, Casualty, and Surety	78,056			35,233			113,289
Total Insurance		78,056			35,233			113,289

Unclassified Operating Expenditures

488.00	Fiduciary Fund Benefits and Refunds Paid							
489.00	All Other Unclassified Expenditures	3,028						3,028
Total Unclassified Operating Expenditures		3,028						3,028

Other Financing Uses

491.00	Refund of Prior Year Revenues	31,194						31,194
492.00	Interfund Operating Transfers	655,000	1,628,195		1,383,600			3,666,795
493.00	All Other Financing Uses							
Total Other Financing Uses		686,194	1,628,195		1,383,600			3,697,989

TOTAL EXPENDITURES

		7,094,605	400,000	3,328,821	1,479,653	3,580,933		15,884,012
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES

		1,302,442	-31,820	2,646,698	101,546	525,522		4,544,388
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WESTTOWN TWP
December 31, 2022

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 2021 (Refunding of GO 2012 & 2016)	Bond	2021	2036	8,965,000	8,940,000		1,190,000		7,750,000		7,750,000
General Obligation Bond 2022	Bond	2022	2042	3,555,000	0	3,555,000			3,555,000		3,555,000
Revenue Bonds and Notes											
Lease Rental Debt											
international HV507 Truck	Capital Leases	2021	2025	138,592	111,525		26,661		84,864		84,864
Ford F-350 and F-550	Capital Leases	2022	2027	181,002	0	181,002	16,916		164,086		164,086
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding	11,305,000
Capitalized lease obligations	248,950
Net debt	11,553,950

WESTTOWN TWP, CHESTER County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2022

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	17,556	100,210	117,766
Health			
Housing			
Libraries			
Mass Transit			
Parks		342,659	342,659
Police			
Recreation			
Sewer		1,064,273	1,064,273
Solid Waste			
Streets / Highways	140,188	771,866	912,054
Water			
Other: Stormwater		108,288	108,288
TOTAL CAPITAL EXPENDITURES	157,744	2,387,296	2,545,040

EMPLOYEE COMPENSATION

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

1,273,332

December 31, 2022

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.

The Fund Balance is reflective of the netting of payroll liabilities in excess of other liabilities over other assets.

MINGIS, GUTOWSKI & COMPANY, LLP

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INDEPENDENT AUDITORS' REPORT

Board of Supervisors
Westtown Township
Westtown, PA 19382

Opinion

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, 2022 and for the year then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of Westtown Township, as of December 31, 2022, and the revenues it received and expenditures it paid for the year then ended, in accordance with the financial reporting provisions of the PA Department of Community and Economic Development.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Westtown Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter - 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the PA Department of Community and Economic Development. 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Westtown Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Westtown Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Restriction on Use

This report is intended solely for the information and use 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 12, 2023