

**2023 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

152165 WESTTOWN TWP, CHESTER COUNTY

WESTTOWN TWP, CHESTER County

BALANCE SHEET

December 31, 2023

		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									10,778,551	10,778,551
240-259	Current Portion of Long-Term Debt and Other Credits									1,218,916	1,218,916
Total Liabilities and Other Credits		339,541				15,332				11,997,467	12,352,340

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	8,419,157	30,247	7,208,372	702,332	3,746,461					20,106,569
291-299	Other Equity										
Total Fund and Account Group Equity		8,419,157	30,247	7,208,372	702,332	3,746,461					20,106,569

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											32,458,909
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WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2023

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	2,877,221	170,584					3,047,805
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	385,052						385,052
310.20	Earned Income Taxes / Wage Taxes	3,365,216	155,087					3,520,303
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	160,397						160,397
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
Total Taxes		6,787,886	325,671					7,113,557

Licenses and Permits								
320-322	All Other Licenses and Permits							
321.80	Cable Television Franchise Fees	242,761						242,761
Total Licenses and Permits		242,761						242,761

Fines and Forfeits								
330-332	Fines and Forfeits	70,917						70,917
Total Fines and Forfeits		70,917						70,917

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	348,159	4,559	365,413	6,045	57,811		781,987
342.00	Rents and Royalties	137,800						137,800
Total Interest, Rents and Royalties		485,959	4,559	365,413	6,045	57,811		919,787

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					17,408		17,408
354.00	All Other State Capital and Operating Grants			110,000				110,000
355.01	Public Utility Realty Tax (PURTA)	5,940						5,940
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		380,347					380,347
355.04	Alcoholic Beverage Licenses	200						200
355.05	General Municipal Pension System State Aid	87,975						87,975
355.07	Foreign Fire Insurance Tax Distribution	98,051						98,051
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, 2023

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		192,166	380,347	110,000		17,408		699,921

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				124,702			124,702
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							
Total Local Government Units					124,702			124,702

Charges for Service								
361.00	General Government	38,295				70		38,365
362.00	Public Safety	345,249						345,249
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.)					2,954,286		2,954,286
364.30	Solid Waste Collection and Disposal Charge (trash)					1,332,271		1,332,271
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	1,700						1,700
368.00	Airports							

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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		385,244				4,286,627		4,671,871

Unclassified Operating Revenues								
383.00	Special Assessments	283,462		10,214				293,676
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	1,801						1,801
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues					9,138		9,138
Total Unclassified Operating Revenues		285,263		10,214		9,138		304,615

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	69,014						69,014
392.00	Interfund Operating Transfers			1,097,701	1,485,600	34		2,583,335
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, 2023

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	153,517					153,517
Total Other Financing Sources		222,531	1,097,701	1,485,600	34		2,805,866

TOTAL REVENUES

8,672,727	710,577	1,583,328	1,616,347	4,371,018			16,953,997
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EXPENDITURES

General Government							
400.00	Legislative (Governing) Body	13,557					13,557
401.00	Executive (Manager or Mayor)	338,376			239,976		578,352
402.00	Auditing Services / Financial Administration	15,310					15,310
403.00	Tax Collection	50,071	1,922				51,993
404.00	Solicitor / Legal Services	57,111			1,172		58,283
405.00	Secretary / Clerk	68,125					68,125
406.00	Other General Government Administration	95,685			23,699		119,384
407.00	IT-Networking Services-Data Processing	44,800					44,800
408.00	Engineering Services	147,916		220,136	2,908		370,960
409.00	General Government Buildings and Plant	128,685		7,200			135,885
Total General Government		959,636	1,922	227,336	267,755		1,456,649

Public Safety

410.00	Police	3,460,856					3,460,856
411.00	Fire	424,932					424,932
412.00	Ambulance / Rescue	46,000					46,000
413.00	UCC and Code Enforcement	212,643					212,643

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	38,292						38,292
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	6,993						6,993
Total Public Safety		4,189,716						4,189,716

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				7,923			7,923
427.00	Solid Waste Collection and Disposal (garbage)				1,263,233			1,263,233
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection		269,341		998,968			1,268,309
Total Public Works - Sanitation			269,341		2,270,124			2,539,465

Public Works - Highways and Streets								
430.00	General Services - Administration	375,002						375,002
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	12,473						12,473
433.00	Traffic Control Devices	71,766						71,766
434.00	Street Lighting	1,441						1,441

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	2,998		17,261			20,259
437.00	Repairs of Tools and Machinery	86,215					86,215
438.00	Maintenance and Repairs of Roads and Bridges	7,189					7,189
439.00	Highway Construction and Rebuilding Projects	494,206	440,000				934,206
Total Public Works - Highways and Streets		1,051,290	440,000	17,261			1,508,551

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	3,384					3,384
447.00	Transit System						
448.00	Water System						
449.00	Water Transport and Terminals						
Total Other Public Works Enterprises		3,384					3,384

Culture and Recreation							
451.00	Culture-Recreation Administration	15,948					15,948
452.00	Participant Recreation			3,611,056			3,611,056
453.00	Spectator Recreation						
454.00	Parks	128,500		83,545			212,045

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	13,943						13,943
457.00	Civil and Military Celebrations	9,789						9,789
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
Total Culture and Recreation		168,180		3,694,601				3,862,781

Community Development								
461.00	Conservation of Natural Resources	60,034	121,000					181,034
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		61,484	121,000					182,484

Debt Service								
471.00	Debt Principal (short-term and long-term)	62,053	180,000		1,210,000			1,452,053
472.00	Debt Interest (short-term and long-term)	7,187			350,838			358,025
475.00	Fiscal Agent Fees			1,467	1,200			2,667
Total Debt Service		69,240	180,000	1,467	1,562,038			1,812,745

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	72,566				32,248		104,814
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions	55,614						55,614

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	21,183			13,597			34,780
487.00	Other Group Insurance Benefits	283,337			90,263			373,600
Total Employer Paid Benefits and Withholding Items		432,700			136,108			568,808

Insurance

486.00	Insurance, Casualty, and Surety	101,782			39,043			140,825
Total Insurance		101,782			39,043			140,825

Unclassified Operating Expenditures

488.00	Fiduciary Fund Benefits and Refunds Paid							
489.00	All Other Unclassified Expenditures	4,364	26		9,933			14,323
Total Unclassified Operating Expenditures		4,364	26		9,933			14,323

Other Financing Uses

491.00	Refund of Prior Year Revenues	16,426	414					16,840
492.00	Interfund Operating Transfers	702,000	557,735		1,323,600			2,583,335
493.00	All Other Financing Uses							
Total Other Financing Uses		718,426	414	557,735	1,323,600			2,600,175

TOTAL EXPENDITURES

7,760,202	743,336	4,767,767	1,562,038	4,046,563			18,879,906
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES

912,525	-32,759	-3,184,439	54,309	324,455			-1,925,909
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WESTTOWN TWP
December 31, 2023

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	7,750,000		1,210,000		6,540,000		6,540,000
General Obligation Bond 2022	Bond	2022	2042	3,555,000	3,555,000		0		3,555,000		3,555,000
Crebilly Farm Note	Note	2023	2024	1,895,570	0	1,895,570	180,000		1,715,570		1,715,570
Revenue Bonds and Notes											
Lease Rental Debt											
international HV507 Truck	Capital Leases	2021	2025	138,592	84,864		27,459		57,405		57,405
Ford F-350 and F-550	Capital Leases	2022	2027	181,002	164,086		34,594		129,492		129,492
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding

11,810,570

Capitalized lease obligations

186,897

Net debt

11,997,467

WESTTOWN TWP, CHESTER County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2023

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	11,741	26,661	38,402
Health			
Housing			
Libraries			
Mass Transit			
Parks		3,775,099	3,775,099
Police			
Recreation			
Sewer		412,623	412,623
Solid Waste			
Streets / Highways	152,814	934,206	1,087,020
Water			
Other: Stormwater		16,975	16,975
TOTAL CAPITAL EXPENDITURES	164,555	5,165,564	5,330,119

EMPLOYEE COMPENSATION

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

1,342,785

Independent Public Accountant/Certified Public Accountant Submission Page
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SIGNATURE AND VERIFICATION

Signed: JOHN REID HANNA III Appointed Auditor/CPA

December 31, 2023

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.

General Fund Interest (341) contains \$47,023 of realized gains from investments.



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, 2023 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, 2023, 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.

John R. Hanna & Sons LLC

Media, Pennsylvania
April 1, 2024