

**Application of Pennsylvania-American Water Company for Acquisition of
the Water Assets of Valley Township
66 Pa. C.S. § 1329
Application Filing Checklist – Water/Wastewater
Docket No. A-2020-3019859**

19. Cost of Service.
- a. Provide a copy of the seller's two most recent audited financial statements.

RESPONSE:

- a. See attached the 2018 and 2019 Department of Community & Economic Development Municipal Annual Audit and Financial Reports. Both financial statements are attached as **Appendix A-19-a**.

DCED-CLGS-30

Department of Community & Economic Development
Governor's Center for Local Government Services
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225
Ph: 888-223-6837 | fax: 717-783-1402

**2018 MUNICIPAL ANNUAL AUDIT
AND FINANCIAL REPORT**

Township of: VALLEY County: CHESTER

KIMMEL, LORAH & ASSOCIATES, LLP

CERTIFIED PUBLIC ACCOUNTANTS

VALLEY TOWNSHIP
TABLE OF CONTENTS

	<u>Page Numbers</u>
Balance Sheet (regulatory basis)	1 - 2
Statement of Revenues and Expenditures (regulatory basis)	3 - 14
Supporting Schedules:	
Debt Statement	15
Statement of Capital Expenditures and Employee Compensation	16
Notes/Comments	17
Independent Auditor's Report	18 - 19

Appendix A-19-a

Balance Sheet December 31, 2018					
Assets and Other Debits		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue	Capital Projects	Debt Service
100-120	Cash and Investments	\$ 2,374,951	\$ 117,554	\$ 3,362,388	\$ -
140-144	Tax Receivable				
121-129					
145-149	Account Receivable (excluding taxes)				
130	Due From Other Funds			20,250	
131-139					
150-159	Other Current Assets	605,282			
160-169	Fixed Assets				
180-189	Other Debits				
Total Assets and Other Debits		\$ 2,980,233	\$ 117,554	\$ 3,382,638	\$ -

Liabilities and Other Credits					
210-229	Payroll Taxes and Other Payroll Withholdings	\$ -	\$ -	\$ -	\$ -
200-209					
231-239	All Other Current Liabilities	308,110			
230	Due To Other Funds				
260-269	Long Term Liabilities				
240-259	Current Portion of Long-Term Debt & Other Credits				
Total Liabilities and Other Credits		\$ 308,110	\$ -	\$ -	\$ -

Fund and Account Group Equity					
281-284	Contributed Capital	\$ 32,400	\$ -	\$ -	\$ -
290	Investment in General Fixed Assets				
270-289	Fund Balance / Retained Earnings on 12/31	2,639,723	117,554	3,382,638	
291-299	Other Equity				
Total Fund and Account Group Equity		\$ 2,672,123	\$ 117,554	\$ 3,382,638	\$ -

Assets and Other Debits		PROPRIETARY FUNDS		FIDUCIARY FUND	ACCOUNT GROUPS		TOTAL
		Enterprise	Internal Service	Trust & Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
100-120	Cash and Investments	\$ 676,540			\$ -	\$ -	\$ 6,531,433
140-144	Tax Receivable						-
121-129							
145-149	Account Receivable (excluding taxes)						-
130	Due From Other Funds						20,250
131-139							
150-159	Other Current Assets						605,282
160-169	Fixed Assets						-
180-189	Other Debits					7,693,330	7,693,330
Total Assets and Other Debits		\$ 676,540	\$ -	\$ -	\$ -	\$ 7,693,330	\$ 14,850,295

Liabilities and Other Credits							
210-229	Payroll Taxes and Other Payroll Withholdings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
200-209							
231-239	All Other Current Liabilities						308,110
230	Due To Other Funds	-					-
260-269	Long Term Liabilities					7,433,977	7,433,977
240-259	Current Portion of Long-Term Debt & Other Credits					259,353	259,353
Total Liabilities and Other Credits		\$ -	\$ -	\$ -	\$ -	\$ 7,693,330	\$ 8,001,440

Fund and Account Group Equity							
281-284	Contributed Capital		\$ -	\$ -	\$ -	\$ -	\$ 32,400
290	Investment in General Fixed Assets						-
270-289	Fund Balance / Retained Earnings on 12/31	676,540					6,816,455
291-299	Other Equity						-
Total Fund and Account Group Equity		\$ 676,540	\$ -	\$ -	\$ -	\$ -	\$ 6,848,855

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY						\$ 14,850,295
--	--	--	--	--	--	----------------------

Intergovernmental Revenues		Governmental Funds			
Federal		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
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 & Entitlements				
353.00	Federal Payments in Lieu of Taxes				
Total Federal		\$ -	\$ -	\$ -	\$ -

State		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
354.03	Highway and Streets	\$ -	\$ -	\$ -	\$ -
354.09	Community Development				
354.15	Recycling/Act 101	22,104			
354.00	All Other State Capital and Operating Grants				
355.01	Public Utility Realty Tax	2,078			
355.02	Motor Vehicle Fuel Tax				
355.03	(Liquid Fuels Tax) and State Road Turnback		225,892		
355.04	Alcoholic Beverage Licenses	600			
355.05	General Municipal Pension System State Aid	102,981			
355.07	Foreign Fire Insurance Tax Distribution	40,042			
355.08	Local Share Assessment/Gaming Proceeds				
355.09	Marcellus Shale Impact Fee Distribution				
355.00	All Other State Shared Revenues and Entitlements				
356.00	State Payment in Lieu of Taxes				
Total State		\$ 167,805	\$ 225,892	\$ -	\$ -

Local Governmental Units		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
357.03	Highways and Streets	\$ -	\$ -	\$ -	\$ -
357.00	All Other Local Governmental Units Capital and Operating Grants	367,000			
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services				
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes				
Total Local Government Units		\$ 367,000	\$ -	\$ -	\$ -

Intergovernmental Revenues		Proprietary Funds		Fiduciary Fund	Total
Federal		Enterprise	Internal Service	Trust and Agency	Memorandum Only
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 & Entitlements				-
353.00	Federal Payments in Lieu of Taxes				-
Total Federal		\$ -	\$ -	\$ -	\$ -

State		Enterprise	Internal Service	Fiduciary Fund	Total
354.03	Highway and Streets	\$ -	\$ -	\$ -	\$ -
354.09	Community Development				-
354.15	Recycling/Act 101				22,104
354.00	All Other State Capital and Operating Grants				-
355.01	Public Utility Realty Tax				2,078
355.02-	Motor Vehicle Fuel Tax				-
355.03	(Liquid Fuels Tax) and State Road Turnback				225,892
355.04	Alcoholic Beverage Licenses				600
355.05	General Municipal Pension System State Aid				102,981
355.07	Foreign Fire Insurance Tax Distribution				40,042
355.08	Local Share Assessment/Gaming Proceeds				-
355.09	Marcellus Shale Impact Fee Distribution				-
355.00	All Other State Shared Revenues and Entitlements				-
356.00	State Payment in Lieu of Taxes				-
Total State		\$ -	\$ -	\$ -	\$ 393,697

Local Governmental Units		Enterprise	Internal Service	Fiduciary Fund	Total
357.03	Highways and Streets	\$ -	\$ -	\$ -	\$ -
357.00	All Other Local Governmental Units Capital and Operating Grants				367,000
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services				-
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes				-
Total Local Government Units		\$ -	\$ -	\$ -	\$ 367,000

TOTAL INTERGOVERNMENTAL REVENUES	\$	760,697
---	----	----------------

Revenues	Governmental Funds
----------	--------------------

Charges for Service	General Fund	Special Revenue (including State Liquid Fuels)	Capital Projects	Debt Service
361.00 General Government	\$ 12,672	\$ -	\$ -	\$ -
362.00 Public Safety	95,286			
363.20 Parking				
363.00 All Other Charges for Highway & Streets Services				
364.10 Wastewater/Sewage Charges				
364.30 Solid Waste Collection & Disposal Charge (trash)	770,833			
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				
368.00 Airports				
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 Services	5,651			
Total Charges for Services	\$ 884,442	\$ -	\$ -	\$ -

Unclassified Operating Revenues	General Fund	Special Revenue	Capital Projects	Debt Service
383.00 Assessments			\$ -	\$ -
386.00 Escheats (sale of personal property)				
387.00 Contributions & Donations from Private Sectors	15,400			
388.00 Fiduciary Fund Pension Contributions				
389.00 All Other Unclassified Operating Revenues	18,082			
Total Unclassified Operating Revenues	\$ 33,482	\$ -	\$ -	\$ -

Other Financing Sources	General Fund	Special Revenue	Capital Projects	Debt Service
391.00 Proceeds of General Fixed Asset Disposition	\$ 17,420	\$ -	\$ -	\$ -
392.00 Interfund Operating Transfers	3,559,355		20,250	
393.00 Proceeds of General Long-Term Debt				
394.00 Proceeds of Short-Term Debt				
395.00 Refunds of Prior Year Expenditures	43,116			
Total Other Financing Sources	\$ 3,619,891	\$ -	\$ 20,250	\$ -

TOTAL REVENUES	\$ 7,516,437	\$ 527,818	\$ 117,785	\$ -
-----------------------	---------------------	-------------------	-------------------	-------------

Revenues		Proprietary Funds		Fiduciary Fund	Total
Charges for Service		<i>Enterprise</i>	<i>Internal Service</i>	<i>Trust and Agency</i>	<i>Memorandum Only</i>
361.00	General Government	\$ -	\$ -	\$ -	\$ 12,672
362.00	Public Safety				95,286
363.20	Parking				-
363.00	All Other Charges for Highway & Streets Services				-
364.10	Wastewater/Sewage Charges	2,795,379			2,795,379
364.30	Solid Waste Collection & Disposal Charge (trash)				770,833
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				-
368.00	Airports				-
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	708,629			708,629
379.00	All Other Charges for Services				5,651
Total Charges for Services		\$ 3,504,008	\$ -	\$ -	\$ 4,388,450
Unclassified Operating Revenues					
383.00	Assessments	\$ -	\$ -	\$ -	\$ -
386.00	Escheats (sale of personal property)				\$ -
387.00	Contributions & Donations from Private Sectors				15,400
388.00	Fiduciary Fund Pension Contributions				\$ -
389.00	All Other Unclassified Operating Revenues				18,082
Total Unclassified Operating Revenues		\$ -	\$ -	\$ -	\$ 33,482
Other Financing Sources					
391.00	Proceeds of General Fixed Asset Disposition	\$ 82,580	\$ -	\$ -	\$ 100,000
392.00	Interfund Operating Transfers				3,579,605
393.00	Proceeds of General Long-Term Debt				-
394.00	Proceeds of Short-Term Debt				-
395.00	Refunds of Prior Year Expenditures				43,116
Total Other Financing Sources		\$ 82,580	\$ -	\$ -	\$ 3,722,721
TOTAL REVENUES		\$ 3,596,988	\$ -	\$ -	\$ 11,859,026

EXPENDITURES		Governmental Funds			
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
General Government					
400.00	Legislative (Governing) Body	\$ 12,917	\$ -	\$ -	\$ -
401.00	Executive (Manager or Mayor)	74,891			
402.00	Auditing Services/Financial Administration	51,377			
403.00	Tax Collection	900			
404.00	Solicitor/Legal Services	247,394			
405.00	Secretary/Clerk	191,534			
406.00	Other General Government Administration	73,563			
407.00	IT-Networking Services-Data Processing				
408.00	Engineering Services	393,589			
409.00	General Government Buildings and Plant	3,828,936			
Total General Government		\$ 4,875,101	\$ -	\$ -	\$ -

Public Safety					
410.00	Police	\$ 602,257	\$ -	\$ -	\$ -
411.00	Fire	41,079	122,173		
412.00	Ambulance/Rescue		107,624		
413.00	UCC and Code Enforcement	152,297			
414.00	Planning and Zoning	34,376			
415.00	Emergency Management & Communications				
416.00	Militia and Armories				
417.00	Examination of Licensed Occupations				
418.00	Public Scales (weights and measures)				
419.00	Other Public Safety				
Total Public Safety		\$ 830,009	\$ 229,797	\$ -	\$ -

Health and Human Services					
420.00-					
425.00	Health and Human Services	\$ 8,879	\$ -	\$ -	\$ -

Public Works - Sanitation					
426.00	Recycling Collection and Disposal	\$ 72,986	\$ -	\$ -	\$ -
427.00	Solid Waste Collection and Disposal (trash)	439,379			
428.00	Weed Control				
429.00	Wastewater/Sewage Collection and Treatment				
Total Public Works - Sanitation		\$ 512,365	\$ -	\$ -	\$ -

EXPENDITURES		Proprietary Funds		Fiduciary Fund	Total
General Government		Enterprise	Internal Service	Trust and Agency	Memorandum Only
400.00	Legislative (Governing) Body	\$ -		\$ -	\$ 12,917
401.00	Executive (Manager or Mayor)				74,891
402.00	Auditing Services/Financial Administration				51,377
403.00	Tax Collection				900
404.00	Solicitor/Legal Services				247,394
405.00	Secretary/Clerk				191,534
406.00	Other General Government Administration				73,563
407.00	IT-Networking Services-Data Processing				-
408.00	Engineering Services				393,589
409.00	General Government Buildings and Plant				3,828,936
Total General Government		\$ -	\$ -	\$ -	\$ 4,875,101

Public Safety					
410.00	Police	\$ -	\$ -	\$ -	\$ 602,257
411.00	Fire				122,173
412.00	Ambulance/Rescue				107,624
413.00	UCC and Code Enforcement				152,297
414.00	Planning and Zoning				34,376
415.00	Emergency Management & Communications				-
416.00	Militia and Armories				-
417.00	Examination of Licensed Occupations				-
418.00	Public Scales (weights and measures)				-
419.00	Other Public Safety				-
Total Public Safety		\$ -	\$ -	\$ -	\$ 1,059,806

Health and Human Services					
420.00					
425.00	Health and Human Services	\$ -	\$ -	\$ -	\$ 8,879

Public Works - Sanitation					
426.00	Recycling Collection and Disposal	\$ -	\$ -	\$ -	\$ -
427.00	Solid Waste Collection and Disposal (trash)				439,379
428.00	Weed Control				-
429.00	Wastewater/Sewage Collection and Treatment	3,445,038			3,445,038
Total Public Works - Sanitation		\$ 3,445,038	\$ -	\$ -	\$ 3,957,403

EXPENDITURES		Governmental Funds			
		General Fund	Special Revenue (including State Liquid Fuels)	Capital Projects	Debt Service
Public Works - Highways and Streets					
430.00	General Services- Administration	\$ 149,519		\$ -	\$ -
431.00	Cleaning of Streets and Gutters	5,694			
432.00	Winter Maintenance- Snow Removal	18,345	52,740		
433.00	Traffic Control Devices	-	3,956		
434.00	Street Lighting		18,205		
435.00	Sidewalks and Crosswalks				
436.00	Storm Sewers and Drains				
437.00	Repairs of Tools and Machinery	4,670			
438.00	Maintenance & Repairs of Roads & Bridges	14,658	2,587		
439.00	Highway Construction and Rebuilding Projects	371,814	169,677		
Total Public Works - Highways and Streets		\$ 564,700	\$ 247,165	\$ -	\$ -

Public Works - Other Services		General Fund	Special Revenue	Capital Projects	Debt Service
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				
447.00	Transit System				
448.00	Water System				
449.00	Water Transport and Terminals				
Total Public Works-Other Services		\$ -	\$ -	\$ -	\$ -

Culture and Recreation		General Fund	Special Revenue	Capital Projects	Debt Service
451.00	Culture- Recreation Administration	\$ 44,315	\$ -	\$ -	\$ -
452.00	Participant Recreation				
453.00	Spectator Recreation				
454.00	Parks				
455.00	Shade Trees				
456.00	Libraries	6,794			
457.00	Civil and Military Celebrations				
458.00	Senior Citizens' Centers				
459.00	All Other Culture and Recreation				
Total Culture and Recreation		\$ 51,109	\$ -	\$ -	\$ -

EXPENDITURES		Proprietary Funds		Fiduciary Fund	Total
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
Public Works - Highways and Streets					
430.00	General Services- Administration	\$ -	\$ -	\$ -	\$ 149,519
431.00	Cleaning of Streets and Gutters				5,694
432.00	Winter Maintenance- Snow Removal				71,085
433.00	Traffic Control Devices				3,956
434.00	Street Lighting				18,205
435.00	Sidewalks and Crosswalks				-
436.00	Storm Sewers and Drains				-
437.00	Repairs of Tools and Machinery				4,670
438.00	Maintenance & Repairs of Roads & Bridges				17,245
439.00	Highway Construction and Rebuilding Projects				541,491
Total Public Works - Highways and Streets		\$ -	\$ -	\$ -	\$ 811,865

Public Works - Other Services					
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				-
447.00	Transit System				-
448.00	Water System	683,721			683,721
449.00	Water Transport and Terminals				-
Total Public Works-Other Services		\$ 683,721	\$ -	\$ -	\$ 683,721

Culture and Recreation					
451.00	Culture- Recreation Administration	\$ -	\$ -	\$ -	\$ 44,315
452.00	Participant Recreation				-
453.00	Spectator Recreation				-
454.00	Parks				-
455.00	Shade Trees				-
456.00	Libraries				6,794
457.00	Civil and Military Celebrations				-
458.00	Senior Citizens' Centers				-
450.00	All Other Culture and Recreation				-
Total Culture and Recreation		\$ -	\$ -	\$ -	\$ 51,109

EXPENDITURES	Governmental Funds
---------------------	---------------------------

Community Development					
461.00	Conservation of Natural Resources	\$	-	\$	-
462.00	Community Development and Housing				
463.00	Economic Development				
464.00	Economic Opportunity				
465.00-					
469.00	All Other Community Development				
Total Community Development		\$	-	\$	-

Debt Service		<i>General Fund</i>	<i>Special Revenue (including State Liquid Fuels)</i>	<i>Capital Projects</i>	<i>Debt Service</i>
471.00	Debt Principal (short-term and long-term)	\$ 118,726	\$ -	\$ -	\$ -
472.00	Debt Interest (short-term and long-term)	276,291			
476.00	Fiscal Agent Fees	500			
Total Debt Service		\$ 395,517	\$ -	\$ -	\$ -

Employer Paid Benefits & Withholding Items					
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	\$ 72,823	\$ -	\$ -	\$ -
482.00	Judgments and Losses				
483.00	Pension/Retirement Fund Contributions	115,379			
484.00	Worker Compensation Insurance	59,778			
487.00	Group Insurance and Other Benefits	446,628			
Total Employer Paid Benefits & Withholding Items		\$ 694,608	\$ -	\$ -	\$ -

Insurance					
486.00	Insurance, Casualty, and Surety	\$ 75,384	\$ -	\$ -	\$ -

Unclassified Operating Expenditures					
488.00	Fiduciary Fund Benefits and Refunds Paid				
489.00	All Other Unclassified Expenditures	14,272			
Total Unclassified Operating Expenditures		\$ 14,272	\$ -	\$ -	\$ -

Other Financing Uses					
491.00	Refund of Prior Year Revenues	\$ -	\$ -	\$ -	\$ -
492.00	Interfund Operating Transfers	-	20,250	3,559,355	
493.00	All Other Financing Uses				
Total Other Financing Uses		\$ -	\$ 20,250	\$ 3,559,355	\$ -

TOTAL EXPENDITURES	\$ 8,021,944	\$ 497,212	\$ 3,559,355	\$ -
---------------------------	--------------	------------	--------------	------

EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	\$ (405,507)	\$ 30,606	\$ (3,441,570)	\$ -
---	--------------	-----------	----------------	------

EXPENDITURES	Proprietary Funds	Fiduciary Fund	Total
--------------	-------------------	----------------	-------

Community Development					
461.00	Conservation of Natural Resources	\$ -	\$ -	\$ -	\$ -
462.00	Community Development and Housing				
463.00	Economic Development				
464.00	Economic Opportunity				
465.00-469.00	All Other Community Development				
Total Community Development		\$ -	\$ -	\$ -	\$ -

Debt Service		Enterprise	Internal Service	Trust and Agency	Memorandum Only
471.00	Debt Principal (short-term and long-term)		\$ -	\$ -	\$ 118,726
472.00	Debt Interest (short-term and long-term)				\$ 276,291
475.00	Fiscal Agent Fees				\$ 500
Total Debt Service		\$ -	\$ -	\$ -	\$ 395,517

Employer Paid Benefits & Withholding Items					
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	\$ -	\$ -	\$ -	\$ 72,823
482.00	Judgments and Losses				\$ -
483.00	Pension/Retirement Fund Contributions				\$ 115,379
484.00	Worker Compensation Insurance				\$ 59,778
487.00	Group Insurance and Other Benefits				\$ 446,628
Total Employer Paid Benefits & Withholding Items		\$ -	\$ -	\$ -	\$ 694,608

Insurance					
486.00	Insurance, Casualty, and Surety	\$ -	\$ -	\$ -	\$ 75,384

Unclassified Operating Expenditures					
488.00	Fiduciary Fund Benefits and Refunds Paid				\$ -
489.00	All Other Unclassified Expenditures				\$ 14,272
Total Unclassified Operating Expenditures		\$ -	\$ -	\$ -	\$ 14,272

Other Financing Uses					
491.00	Refund of Prior Year Revenues	\$ -	\$ -	\$ -	\$ -
492.00	Interfund Operating Transfers				\$ 3,579,605
493.00	All Other Financing Uses				\$ -
Total Other Financing Uses		\$ -	\$ -	\$ -	\$ 3,579,605

TOTAL EXPENDITURES	\$ 4,128,759	\$ -	\$ -	\$ -	\$ 16,207,270
---------------------------	--------------	------	------	------	---------------

EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	\$ (531,773)	\$ -	\$ -	\$ -	\$ (4,346,244)
---	--------------	------	------	------	----------------

KIMMEL, LORAH & ASSOCIATES, LLP
CERTIFIED PUBLIC ACCOUNTANTS

May 31, 2019

INDEPENDENT AUDITOR'S REPORT

To the: Supervisors of Valley Township
President Judge of the Court of Common Pleas
Department of Community and Economic Development

We have audited the accompanying financial statements of Valley Township, Chester County, Pennsylvania, as of December 31, 2018 which comprise the balance sheet for each fund type as of December 31, 2018 and the related statement of revenues and expenditures for the year then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions prescribed or permitted by the Department of Community and Economic Development of the Commonwealth of Pennsylvania (DCED). 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 auditors' 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 balance sheet of each of the fund types of Valley Township, Chester County, Pennsylvania as of December 31, 2018 and the revenues it received and the expenditures it paid for the year then ended, in accordance with the financial reporting provisions of prescribed or permitted by the Department of Community and Economic Development of the Commonwealth of Pennsylvania (DCED) as described in the Basis of Accounting paragraph below.

Basis of Accounting

We draw attention to the basis of accounting, which is described in the second paragraph of this report. The financial statements are prepared on the basis of the financial reporting provisions prescribed or permitted by the DCED, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the DCED. As permitted by the DCED, Valley Township, Chester County, Pennsylvania, prepares its annual financial statements on the cash basis of accounting; consequently, certain revenues and related assets are recognized when received rather than when earned and certain expenditures are recognized when paid rather than when a liability is incurred. Additionally, in accordance with the prescribed accounting practices permitted by the DCED, Valley Township does not include footnote disclosures. Our opinion is not modified with respect to this matter.

Restriction on Use

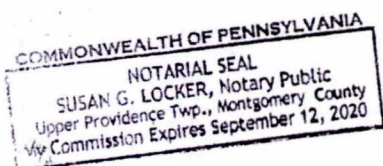
This report is intended solely for the information and use of the governing body and management of Valley Township, Chester County, Pennsylvania; for filing with the Department of Community and Economic Development and the County Courthouse; and is not intended to be and should not be used by anyone other than these specified parties.

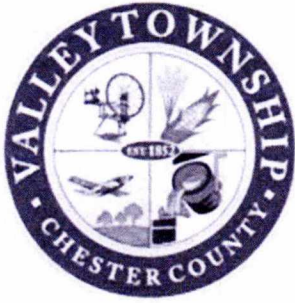
Kimmel, Lorah & Associates, LLP
Certified Public Accountants

Subscribed and sworn to before

me this 31 day of May 2019.

Signed Susan G. Locker





Valley Township Chester County, Pennsylvania

Annual Audit
and
Financial Report
December 31, 2019



1835 Market Street, 3rd Floor
Philadelphia, PA 19103

215/567-7770 | bbdcpa.com



INDEPENDENT AUDITOR'S REPORT

**Board of Supervisors
Valley Township
Coatesville, Pennsylvania**

We have audited the accompanying annual audit and financial report of Valley Township, Chester County, Pennsylvania, as of December 31, 2019 and for the year then ended.

Management's Responsibility for the Annual Audit and Financial Report

Management is responsible for the preparation of the annual audit and financial report in conformity with the accounting practices prescribed or permitted by the Department of Community and Economic Development ("DCED") of the Commonwealth of Pennsylvania. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the annual audit and financial report that it is free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on the annual audit and financial report 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 annual audit and financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual audit and financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual audit and financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual audit and financial report 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 entity'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 annual audit and financial report.

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 annual audit and financial report referred to above presents fairly, in all material respects, the financial position of Valley Township, Chester County, Pennsylvania, as of December 31, 2019 and the results of its operations for the year then ended, in conformity with the accounting practices prescribed or permitted by DCED as described below.

Basis of Accounting

The annual audit and financial report is prepared in conformity with the accounting practices prescribed or permitted by the Department of Community and Economic Development ("**DCED**") of the Commonwealth of Pennsylvania, which practices differ from accounting principles generally accepted in the United States of America. In accordance with the prescribed accounting practices permitted by DCED, the annual audit and financial report is prepared on the cash basis of accounting. Consequently, revenues are recognized when received rather than when earned and expenditures are recognized when paid rather than when the liability is incurred. Additionally, in accordance with the prescribed accounting practices permitted by DCED, the 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 the governing body and management of East Fallowfield Township, lending institutions and for filing with the Pennsylvania Department of Community and Economic Development and the Chester County Clerk of Courts; and is not intended to be and should not be used by anyone other than these specified parties.

BBD, LLP

Philadelphia, Pennsylvania
April 13, 2020

THIS PAGE INTENTIONALLY LEFT BLANK

Appendix A-19-a

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | BALANCE SHEET

Balance Sheet					
December 31, 2019					
		Governmental Funds			
Assets and Other Debits		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
100-120	Cash and Investments	2,473,831	293,758	2,119,466	
140-144	Tax Receivable				
121-129					
145-149	Accounts Receivable (excluding taxes)				
130	Due From Other Funds				
131-139					
150-159	Other Current Assets	93,993			
160-169	Fixed Assets				
180-189	Other Debits				
Total Assets and Other Debits		\$ 2,567,824	\$ 293,758	\$ 2,119,466	\$ -

Liabilities and Other Credits					
210-229	Payroll Taxes and Other Payroll Withholdings				
200-209					
231-239	All Other Current Liabilities				
230	Due To Other Funds				
260-269	Long-Term Liabilities				
240-259	Current Portion of Long-Term Debt & Other Credits	162,022			
Total Liabilities and Other Credits		\$ 162,022	\$ -	\$ -	\$ -

Fund and Account Group Equity					
281-284	Contributed Capital				
290	Investment in General Fixed Assets				
270-289	Fund Balance / Retained Earnings on 12/31	2,405,802	293,758	2,119,466	
291-299	Other Equity				
Total Fund and Account Group Equity		\$ 2,405,802	\$ 293,758	\$ 2,119,466	\$ -

Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity

Appendix A-19-a

DCED-CLGS-30 (11/2019)
2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | BALANCE SHEET

		Proprietary Funds		Fiduciary Fund	Account Groups		Total
		Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
Assets and Other Debits							
100-120	Cash and Investments	426,637		3,452,507			8,766,199
140-144	Tax Receivable						-
121-129							
145-149	Accounts Receivable (excluding taxes)						-
130	Due From Other Funds						-
131-139							
150-159	Other Current Assets						93,993
160-169	Fixed Assets						-
180-189	Other Debits					7,469,600	7,469,600
Total Assets and Other Debits		\$ 426,637	\$ -	\$ 3,452,507	\$ -	\$ 7,469,600	\$ 16,329,792

Liabilities and Other Credits							
210-229	Payroll Taxes and Other Payroll Withholdings						-
200-209							
231-239	All Other Current Liabilities						-
230	Due To Other Funds						-
260-269	Long-Term Liabilities					7,225,636	7,225,636
240-259	Current Portion of Long-Term Debt & Other Credits					243,964	405,986
Total Liabilities and Other Credits		\$ -	\$ -	\$ -	\$ -	\$ 7,469,600	\$ 7,631,622

Fund and Account Group Equity							
281-284	Contributed Capital						-
290	Investment in General Fixed Assets					-	-
270-289	Fund Balance / Retained Earnings on 12/31	426,637		3,452,507			8,698,170
291-299	Other Equity						-
Total Fund and Account Group Equity		\$ 426,637	\$ -	\$ 3,452,507	\$ -	\$ -	\$ 8,698,170

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY	\$ 16,329,792
--	----------------------

Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

Statement of Revenues and Expenditures December 31, 2019					
REVENUES		GOVERNMENTAL FUNDS			
Taxes		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
301.00	Real Estate Taxes	970,888	307,898		
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	372,863			
310.20	Earned Income Taxes/Wage Taxes	1,092,476			
310.30	Business Gross Receipts Taxes				
310.40	Occupation Taxes (levied under Act 511)				
310.50	Local Services Tax**	68,778			
310.60	Amusement/Admission Taxes				
310.70	Mechanical Device Taxes				
310.90	Other Local Tax Enabling Act/Act511 Taxes (Please List)				
Total Taxes		\$ 2,505,025	\$ 307,898	\$ -	\$ -

Licenses and Permits					
320-322	All Other Licenses and Permits	5,000			
321.80	Cable Television Franchise Fees	178,159			
Total Licenses & Permits		\$ 183,159	\$ -	\$ -	\$ -

Fines & Forfeits					
330-332	Fines and Forfeits	58,115			
Total Fines & Forfeits		\$ 58,115	\$ -	\$ -	\$ -

Interest, Rents & Royalties					
341.00	Interest Earnings	37,256	5,074	58,464	
342.00	Rents and Royalties	26,472			
Total Interest, Rents & Royalties		\$ 63,728	\$ 5,074	\$ 58,464	\$ -

** This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
Taxes					
301.00	Real Estate Taxes				1,278,786
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				372,883
310.20	Earned Income Taxes/Wage Taxes				1,092,476
310.30	Business Gross Receipts Taxes				-
310.40	Occupation Taxes (levied under Act 511)				-
310.50	Local Services Tax**				68,778
310.60	Amusement/Admission Taxes				-
310.70	Mechanical Device Taxes				-
310.90	Other Local Tax Enabling Act/Act 511 Taxes (Please List)				-
Total Taxes		\$ -	\$ -	\$ -	\$ 2,812,923

Licenses and Permits		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
320-322	All Other Licenses and Permits				5,000
321.80	Cable Television Franchise Fees				178,159
Total Licenses & Permits		\$ -	\$ -	\$ -	\$ 183,159

Fines & Forfeits		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
330-332	Fines and Forfeits	124,781			182,896
Total Fines & Forfeits		\$ 124,781	\$ -	\$ -	\$ 182,896

Interest, Rents & Royalties		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
341.00	Interest Earnings	5,328		516,006	622,128
342.00	Rents and Royalties				26,472
Total Interest, Rents & Royalties		\$ 5,328	\$ -	\$ 516,006	\$ 648,600

** This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.

Appendix A-19-a

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

INTERGOVERNMENTAL REVENUES		GOVERNMENTAL FUNDS			
Federal		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
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 & Entitlements				
353.00	Federal Payments in Lieu of Taxes				
Total Federal		\$ -	\$ -	\$ -	\$ -

State					
354.03	Highways and Streets	50,000			
354.09	Community Development				
354.15	Recycling/Act 101	31,818			
354.00	All Other State Capital and Operating Grants				
355.01	Public Utility Realty Tax (PURTA)	2,354			
355.02-	Motor Vehicle Fuel Tax				
355.03	(Liquid Fuels Tax) and State Road Turnback		232,253		
355.04	Alcoholic Beverage Licenses	400			
355.05	General Municipal Pension System State Aid	98,154			
355.07	Foreign Fire Insurance Tax Distribution	43,237			
355.08	Local Share Assessment/Gaming Proceeds				
355.09	Marcellus Shale Impact Fee Distribution				
355.00	All Other State Shared Revenues & Entitlements				
356.00	State Payments in Lieu of Taxes				
Total State		\$ 225,963	\$ 232,253	\$ -	\$ -

Local Governmental Units					
357.03	Highways and Streets				
357.00	All Other Local Governmental Units Capital and Operating Grants	53,502			
358.00	Local Governmental Unit Shared Payments for Contracted Intergovernmental Services				
359.00	Local Governmental Units, Authorities Payments and Payments in Lieu of Taxes				
Total Local Government Units		\$ 53,502	\$ -	\$ -	\$ -

Appendix A-19-a

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

INTERGOVERNMENTAL REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
Federal		Enterprise	Internal Service	Trust and Agency	Memorandum Only
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 & Entitlements				-
353.00	Federal Payments in Lieu of Taxes				-
Total Federal		\$ -	\$ -	\$ -	\$ -

State					
354.03	Highways and Streets				50,000
354.09	Community Development				-
354.15	Recycling/Act 101				31,818
354.00	All Other State Capital and Operating Grants				-
355.01	Public Utility Realty Tax (PURTA)				2,354
355.02-	Motor Vehicle Fuel Tax				
355.03	(Liquid Fuels Tax) and State Road Turnback				232,253
355.04	Alcoholic Beverage Licenses				400
355.05	General Municipal Pension System State Aid				98,154
355.07	Foreign Fire Insurance Tax Distribution				43,237
355.08	Local Share Assessment/Gaming Proceeds				-
355.09	Marcellus Shale Impact Fee Distribution				-
355.00	All Other State Shared Revenues & Entitlements				-
356.00	State Payments in Lieu of Taxes				-
Total State		\$ -	\$ -	\$ -	\$ 458,216

Local Governmental Units					
357.03	Highways and Streets				-
357.00	All Other Local Governmental Units Capital and Operating Grants				53,502
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services				-
359.00	Local Governmental Units, Authorities Payments and Payments in Lieu of Taxes				-
Total Local Government Units		\$ -	\$ -	\$ -	\$ 53,502

TOTAL INTERGOVERNMENTAL REVENUES					\$ 511,718
---	--	--	--	--	-------------------

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
Charges For Service					
361.00	General Government	12,837			
362.00	Public Safety	120,432	669		
363.20	Parking				
363.00	All Other Charges for Highway & Streets Services				
364.10	Wastewater/Sewage Charges				
364.30	Solid Waste Collection & Disposal Charge (trash)	755,907			
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	10,123			
368.00	Airports				
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		\$ 899,299	\$ 669	\$ -	\$ -

Unclassified Operating Revenues					
383.00	Assessments				
386.00	Escheats (sale of personal property)				
387.00	Contributions & Donations from Private Sectors	17,224			
388.00	Fiduciary Fund Pension Contributions				
389.00	All Other Unclassified Operating Revenues***	21,316			
Total Unclassified Operating Revenues		\$ 38,540	\$ -	\$ -	\$ -

Other Financing Sources					
391.00	Proceeds of General Fixed Asset Disposition				
392.00	Interfund Operating Transfers**	48,240		94,000	
393.00	Proceeds of General Long-Term Debt				
394.00	Proceeds of Short-Term Debt				
395.00	Refunds of Prior Year Expenditures	139,177			
Total Other Financing Sources		\$ 187,417	\$ -	\$ 94,000	\$ -

TOTAL REVENUES	\$ 4,214,748	\$ 545,894	\$ 152,464	\$ -
-----------------------	--------------	------------	------------	------

**The total of line 392.00 must match the total on line 492.00

*** This amount cannot be greater than 1% of "TOTAL REVENUES" in each of the funds.

Appendix A-19-a

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
Charges For Service					
361.00	General Government				12,837
362.00	Public Safety				121,101
363.20	Parking				-
363.00	All Other Charges for Highway & Streets Services				-
364.10	Wastewater/Sewage Charges	2,743,957			2,743,957
364.30	Solid Waste Collection & Disposal Charge (trash)				755,907
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				10,123
368.00	Airports				-
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	698,550			698,550
379.00	All Other Charges for Service				-
Total Charges for Service		\$ 3,442,507	\$ -	\$ -	\$ 4,342,475

Unclassified Operating Revenues					
383.00	Assessments				-
386.00	Escheats (sale of personal property)				-
387.00	Contributions & Donations from Private Sectors				17,224
388.00	Fiduciary Fund Pension Contributions	X	X	110,760	110,760
389.00	All Other Unclassified Operating Revenues***				21,316
Total Unclassified Operating Revenues		\$ -	\$ -	\$ 110,760	\$ 149,300

Other Financing Sources					
391.00	Proceeds of General Fixed Asset Disposition				-
392.00	Interfund Operating Transfers**				142,240
393.00	Proceeds of General Long-Term Debt				-
394.00	Proceeds of Short-Term Debt				-
395.00	Refunds of Prior Year Expenditures				139,177
Total Other Financing Sources		\$ -	\$ -	\$ -	\$ 281,417

TOTAL REVENUES	\$ 3,572,616	\$ -	\$ 626,766	\$ 9,112,488
-----------------------	---------------------	-------------	-------------------	---------------------

**The total of line 392.00 must match the total of line 492.00

*** This amount cannot be greater than 1% of "TOTAL REVENUES" in each of the funds.

Appendix A-19-a

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES		GOVERNMENTAL FUNDS			
General Government		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
400.00	Legislative (Governing) Body	24,063			
401.00	Executive (Manager or Mayor)	116,691			
402.00	Auditing Services/Financial Administration	21,040			
403.00	Tax Collection	7,156			
404.00	Solicitor/Legal Services	157,197			
405.00	Secretary/Clerk	97,669			
406.00	Other General Government Administration	76,839			
407.00	IT-Networking Services-Data Processing				
408.00	Engineering Services	110,766			
409.00	General Government Buildings and Plant	446,815		1,331,636	
Total General Government		\$ 1,058,236	\$ -	\$ 1,331,636	\$ -

Public Safety					
410.00	Police	764,034			
411.00	Fire	43,237	83,634		
412.00	Ambulance/Rescue		112,240	84,000	
413.00	UCC and Code Enforcement	120,911			
414.00	Planning and Zoning	42,519			
415.00	Emergency Management & Communications	352			
416.00	Militia and Armories				
417.00	Examination of Licensed Occupations				
418.00	Public Scales (weights and measures)				
419.00	Other Public Safety				
Total Public Safety		\$ 971,053	\$ 195,874	\$ 84,000	\$ -

Health and Human Services					
420.00-	Health and Human Services				
425.00		5,802			

Public Works - Sanitation					
426.00	Recycling Collection and Disposal	121,864			
427.00	Solid Waste Collection and Disposal (trash)	351,605			
428.00	Weed Control				
429.00	Wastewater/Sewage Collection & Treatment				
Total Public Works - Sanitation		\$ 473,469	\$ -	\$ -	\$ -

Appendix A-19-a

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		<i>Enterprise</i>	<i>Internal Service</i>	<i>Trust and Agency</i>	<i>Memorandum Only</i>
General Government					
400.00	Legislative (Governing) Body				24,063
401.00	Executive (Manager or Mayor)				116,691
402.00	Auditing Services/Financial Administration				21,040
403.00	Tax Collection				7,156
404.00	Solicitor/Legal Services				157,197
405.00	Secretary/Clerk				97,669
406.00	Other General Government Administration			35,827	112,666
407.00	IT-Networking Services-Data Processing				-
408.00	Engineering Services				110,766
409.00	General Government Buildings and Plant				1,778,451
Total General Government		\$ -	\$ -	\$ 35,827	\$ 2,425,699

Public Safety					
410.00	Police				764,034
411.00	Fire				126,871
412.00	Ambulance/Rescue				196,240
413.00	UCC and Code Enforcement				120,911
414.00	Planning and Zoning				42,519
415.00	Emergency Management & Communications				352
416.00	Militia and Armories				-
417.00	Examination of Licensed Occupations				-
418.00	Public Scales (weights and measures)				-
419.00	Other Public Safety				-
Total Public Safety		\$ -	\$ -	\$ -	\$ 1,250,927

Health and Human Services					
420.00-425.00	Health and Human Services				5,802

Public Works - Sanitation					
426.00	Recycling Collection and Disposal				121,864
427.00	Solid Waste Collection and Disposal (garbage)				351,605
428.00	Weed Control				-
429.00	Wastewater/Sewage Collection & Treatment	3,149,461			3,149,461
Total Public Works - Sanitation		\$ 3,149,461	\$ -	\$ -	\$ 3,622,930

Appendix A-19-a

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
Public Works - Highways & Streets					
430.00	General Services - Administration	56,467			
431.00	Cleaning of Streets and Gutters				
432.00	Winter Maintenance - Snow Removal	27,755	36,468		
433.00	Traffic Control Devices	222	12,411		
434.00	Street Lighting		19,349		
435.00	Sidewalks and Crosswalks				
436.00	Storm Sewers and Drains				
437.00	Repairs of Tools and Machinery				
438.00	Maintenance & Repairs of Roads & Bridges	254,776	11,588		
439.00	Highway Construction and Rebuilding Projects	1,495			
Total Public Works - Highways & Streets		\$ 340,715	\$ 79,816	\$ -	\$ -

Public Works - Other Services					
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	38,964			
447.00	Transit System				
448.00	Water System				
449.00	Water Transport and Terminals				
Total Public Works - Other Services		\$ 38,964	\$ -	\$ -	\$ -

Culture and Recreation					
451.00	Culture-Recreation Administration	66,765			
452.00	Participant Recreation				
453.00	Spectator Recreation				
454.00	Parks				
455.00	Shade Trees				
456.00	Libraries	6,794			
457.00	Civil and Military Celebrations				
458.00	Senior Citizens' Centers				
459.00	All Other Culture and Recreation	6,500			
Total Culture and Recreation		\$ 80,059	\$ -	\$ -	\$ -

Community Development					
461.00	Conservation of Natural Resources				
462.00	Community Development and Housing				
463.00	Economic Development				
464.00	Economic Opportunity				
465.00					
469.00	All Other Community Development				
Total Community Development		\$ -	\$ -	\$ -	\$ -

Appendix A-19-a

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
Public Works - Highways & Streets					
430.00	General Services - Administration				56,467
431.00	Cleaning of Streets and Gutters				-
432.00	Winter Maintenance - Snow Removal				64,223
433.00	Traffic Control Devices				12,633
434.00	Street Lighting				19,349
435.00	Sidewalks and Crosswalks				-
436.00	Storm Sewers and Drains				-
437.00	Repairs of Tools and Machinery				-
438.00	Maintenance & Repairs of Roads & Bridges				266,364
439.00	Highway Construction and Rebuilding Projects				1,495
Total Public Works - Highways & Streets		\$ -	\$ -	\$ -	\$ 420,531

Public Works - Other Services					
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				38,964
447.00	Transit System				-
448.00	Water System	619,845			619,845
449.00	Water Transport and Terminals				-
Total Public Works - Other Services		\$ 619,845	\$ -	\$ -	\$ 658,809

Culture and Recreation					
451.00	Culture-Recreation Administration				66,765
452.00	Participant Recreation				-
453.00	Spectator Recreation				-
454.00	Parks				-
455.00	Shade Trees				-
456.00	Libraries				6,794
457.00	Civil and Military Celebrations				-
458.00	Senior Citizens' Centers				-
459.00	All Other Culture and Recreation				6,500
Total Culture and Recreation		\$ -	\$ -	\$ -	\$ 80,059

Community Development					
461.00	Conservation of Natural Resources				-
462.00	Community Development and Housing				-
463.00	Economic Development				-
464.00	Economic Opportunity				-
465.00					-
469.00	All Other Community Development				-
Total Community Development		\$ -	\$ -	\$ -	\$ -

Appendix A-19-a

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
Debt Service					
471.00	Debt Principal (short-term and long-term)	269,207			
472.00	Debt Interest (short-term and long-term)	272,698			
475.00	Fiscal Agent Fees	500			
Total Debt Service		\$ 542,405	\$ -	\$ -	\$ -

Employer Paid Benefits & Withholding Items					
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	103,385			
482.00	Judgments and Losses				
483.00	Pension/Retirement Fund Contributions	110,760			
484.00	Worker Compensation Insurance	65,735			
487.00	Group Insurance and Other Benefits	578,547			
Employer-Paid Benefits & Withholding Items		\$ 858,427	\$ -	\$ -	\$ -

Insurance					
486.00	Insurance, Casualty, and Surety	109,843			

Unclassified Operating Expenditures					
488.00	Fiduciary Fund Benefits and Refunds Paid				
489.00	All Other Unclassified Expenditures***	2,096			
Total Unclassified Operating Expenditures		\$ 2,096	\$ -	\$ -	\$ -

Other Financing Uses					
491.00	Refund of Prior Year Revenues				
492.00	Interfund Operating Transfers**		94,000		
493.00	All Other Financing Uses				
Total Other Financing Uses		\$ -	\$ 94,000	\$ -	\$ -

TOTAL EXPENDITURES	\$ 4,481,069	\$ 369,690	\$ 1,415,636	\$ -
---------------------------	--------------	------------	--------------	------

EXCESS / (DEFICIT) OF REVENUES OVER EXPENDITURES	\$ (266,321)	\$ 176,204	\$ (1,263,172)	\$ -
---	--------------	------------	----------------	------

** The total of line 492.00 must match the total of line 392.00

*** This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

Appendix A-19-a

DCED-CLGS-30 (11/2019)
 2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
Debt Service					
471.00	Debt Principal (short-term and long-term)				269,207
472.00	Debt Interest (short-term and long-term)				272,698
475.00	Fiscal Agent Fees				500
Total Debt Service		\$ -	\$ -	\$ -	\$ 542,405

Employer Paid Benefits & Withholding Items					
481.00	Employer Paid Withholding Taxes and Unemployment Compensation				103,385
482.00	Judgments and Losses	2,000			2,000
483.00	Pension/Retirement Fund Contributions				110,760
484.00	Worker Compensation Insurance				65,735
487.00	Group Insurance and Other Benefits				578,547
Employer-Paid Benefits & Withholding Items		\$ 2,000	\$ -	\$ -	\$ 860,427

Insurance					
486.00	Insurance, Casualty, and Surety				109,843

Unclassified Operating Expenditures					
488.00	Fiduciary Fund Benefits and Refunds Paid			67,056	67,056
489.00	All Other Unclassified Expenditures***				2,096
Total Unclassified Operating Expenditures		\$ -	\$ -	\$ 67,056	\$ 69,152

Other Financing Uses					
491.00	Refund of Prior Year Revenues	2,973			2,973
492.00	Interfund Operating Transfers**	48,240			142,240
493.00	All Other Financing Uses				-
Total Other Financing Uses		\$ 51,213	\$ -	\$ -	\$ 145,213

TOTAL EXPENDITURES		\$ 3,822,519	\$ -	\$ 102,883	\$ 10,191,797
---------------------------	--	--------------	------	------------	---------------

EXCESS / (DEFICIT) OF REVENUES OVER EXPENDITURES		\$ (249,903)	\$ -	\$ 523,883	\$ (1,079,309)
---	--	--------------	------	------------	----------------

** The total of line 492.00 must match the total of line 392.00

*** This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds

Appendix A-19-a

DCED-CLGS-30 (11/2019)

2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF CAPITAL EXPENDITURES | EMPLOYEE COMPENSATION

STATEMENT OF CAPITAL EXPENDITURES			
CATEGORY:	Capital Purchases	Capital Construction	Total
Community Development			-
Electric			-
Fire			-
Gas System			-
General Government	36,823	1,582,137	1,618,960
Health			-
Housing			-
Libraries			-
Mass Transit			-
Parks	11,000		11,000
Police	9,860		9,860
Recreation			-
Sewer			-
Solid Waste	46,052		46,052
Streets/Highways	30,292	47,853	78,145
Water	7,863		7,863
Other (Please Specify)			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-

TOTAL CAPITAL EXPENDITURES*	\$	1,771,880
------------------------------------	----	-----------

*Capital expenditures are generally considered to be those which result in additions to the value of fixed assets (land, buildings and other structures, machinery and equipment).

EMPLOYEE COMPENSATION	
Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)**	\$ 1,417,631
** Use income from box 16 of the W-3 Statement	