

MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

Board of Supervisors
Westtown Township
Westtown, PA 19382

We have audited the accompanying financial statements included in the Municipal Annual Audit and Financial Report (DCED-CLGS-30), a prescribed form, of Westtown Township as of December 31, 2014 and for the year then ended.

Management's Responsibility for the Financial Report

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Pennsylvania Department of Community and Economic Development and with the basis of accounting described below; this includes determining that the presentation and the use of the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the modified cash basis financial position of Westtown Township as of December 31, 2014 and the revenue it received and expenditures it paid for the year then ended on the prescribed form in conformity with the basis of accounting described below.

Basis of Accounting

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

Restriction on Use

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

Mingis, Gutowski & Company, LLP

Swarthmore, Pennsylvania
April 24, 2015

2014 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

152165 WESTTOWN TWP, CHESTER COUNTY

BALANCE SHEET



DCED-CLGS-30 (09-09)

WESTTOWN TWP, CHESTER County
BALANCE SHEET
 December 31, 2014

		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
Assets and Other Debits											
100-120	Cash and Investments	2,828,263	29,395	4,993,172	940,349	1,117,301					9,908,480
140-144	Tax Receivable										
121-129, 145-149	Accounts Receivable (excluding taxes)										
130.00	Due From Other Funds	8,615				20,294					28,909
131-139, 150-159	Other Current Assets	50,454									50,454
160-169	Fixed Assets										
180-189	Other Debits									14,309,672	14,309,672
Total Assets and Other Debits		2,887,332	29,395	4,993,172	940,349	1,137,595				14,309,672	24,297,515

Liabilities and Other Credits											
210-229	Payroll Taxes and Other Payroll Withholdings	3,118									3,118
200-209, 231-239	All Other Current Liabilities	57,569				25,890					83,459
230.00	Due To Other Funds	20,294				8,615					28,909

24,297,515

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

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	2,598,783							2,598,783
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	226,775							226,775
310.20	Earned Income Taxes / Wage Taxes	2,254,698							2,254,698
310.30	Business Gross Receipts Taxes								
310.40	Occupation Taxes (levied under Act 511)								
310.50	Local Services Tax **	140,100							140,100
310.60	Amusement / Admission Taxes								
310.70	Mechanical Device Taxes								
310.90	Other Local Tax Enabling Act / Act 511 / Taxes								
	Other: _____								
Total Taxes		5,220,356							5,220,356

Licenses and Permits									
320-322	All Other Licenses and Permits								
321.80	Cable Television Franchise Fees	285,343							285,343
Total Licenses and Permits		285,343							285,343

Fines and Forfeits									
330-332	Fines and Forfeits	123,692							123,692
Total Fines and Forfeits		123,692							123,692

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

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	9,387	83	10,384	811	703			21,368
342.00	Rents and Royalties	128,441							128,441
Total Interest, Rents and Royalties		137,828	83	10,384	811	703			149,809

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	19,912							19,912
354.15	Recycling / Act 101	13,931							13,931
354.00	All Other State Capital and Operating Grants								
355.01	Public Utility Realty Tax (PURTA)	6,703							6,703
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		279,064						279,064
355.04	Alcoholic Beverage Licenses								
355.05	General Municipal Pension System State Aid	136,591							136,591
355.07	Foreign Fire Insurance Tax Distribution	100,115							100,115
355.08	Local Share Assessment/Gaming Proceeds								

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

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									
355.09	Marcellus Shale Impact Fee Distribution								
355.00	All Other State Shared Revenues and Entitlements								
356.00	State Payments in Lieu of Taxes								
Total State		277,252	279,064						556,316

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				129,493				129,493
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes								
Total Local Government Units					129,493				129,493

Charges for Service									
361.00	General Government	15,092							15,092
362.00	Public Safety	289,279							289,279
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.)					2,271,653			2,271,653
364.30	Solid Waste Collection and Disposal Charge (trash)	1,088,590							1,088,590
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	8,174							8,174

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

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									
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		1,401,135				2,271,653			3,672,788

Unclassified Operating Revenues									
383.00	Special Assessments								
386.00	Escheats (sale of personal property)								
387.00	Contributions and Donations from Private Sectors			9,609					9,609
388.00	Fiduciary Fund Pension Contributions								
389.00	All Other Unclassified Operating Revenues								
Total Unclassified Operating Revenues				9,609					9,609

Other Financing Sources									
391.00	Proceeds of General Fixed Asset Disposition	7,192							7,192
392.00	Interfund Operating Transfers			715,000	1,257,600				1,972,600
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, 2014

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	352,113				28,096		380,209
Total Other Financing Sources		359,305		715,000	1,257,600	28,096		2,360,001

TOTAL REVENUES

7,804,911	279,147	734,993	1,387,904	2,300,452			12,507,407
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EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	15,148						15,148
401.00	Executive (Manager or Mayor)	325,578			61,535			387,113
402.00	Auditing Services / Financial Administration	13,271						13,271
403.00	Tax Collection	36,153						36,153
404.00	Solicitor / Legal Services	148,341			4,120			152,461
405.00	Secretary / Clerk	69,321						69,321
406.00	Other General Government Administration	78,476			1,165			79,641
407.00	IT-Networking Services-Data Processing	39,689						39,689
408.00	Engineering Services	372,855			60,701			433,556
409.00	General Government Buildings and Plant	127,924		22,669				150,593
Total General Government		1,226,756		22,669	127,521			1,376,946

Public Safety

410.00	Police	2,481,568						2,481,568
411.00	Fire	382,355						382,355
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement	123,283						123,283
414.00	Planning and Zoning	94,948						94,948
415.00	Emergency Management and Communications							

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

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									
416.00	Militia and Armories								
417.00	Examination of Licensed Occupations								
418.00	Public Scales (weights and measures)								
419.00	Other Public Safety	3,450							3,450
Total Public Safety		3,085,604							3,085,604

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

Public Works - Sanitation									
426.00	Recycling Collection and Disposal	2,257							2,257
427.00	Solid Waste Collection and Disposal (garbage)	692,509							692,509
428.00	Weed Control								
429.00	Wastewater / Sewage Treatment and Collection					721,546			721,546
Total Public Works - Sanitation		694,766				721,546			1,416,312

Public Works - Highways and Streets									
430.00	General Services - Administration	216,894							216,894
431.00	Cleaning of Streets and Gutters								
432.00	Winter Maintenance – Snow Removal	221,021							221,021
433.00	Traffic Control Devices	54,656							54,656
434.00	Street Lighting	1,492							1,492
435.00	Sidewalks and Crosswalks								
436.00	Storm Sewers and Drains	63,918							63,918

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

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									
437.00	Repairs of Tools and Machinery	45,831							45,831
438.00	Maintenance and Repairs of Roads and Bridges	19,663							19,663
439.00	Highway Construction and Rebuilding Projects	323,982	250,000			18,480			592,462
Total Public Works - Highways and Streets		947,457	250,000			18,480			1,215,937

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

Culture and Recreation									
451.00	Culture-Recreation Administration	24,551							24,551
452.00	Participant Recreation								
453.00	Spectator Recreation								
454.00	Parks	41,706							41,706
455.00	Shade Trees								
456.00	Libraries								

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

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									
457.00	Civil and Military Celebrations								
458.00	Senior Citizens' Centers								
459.00	All Other Culture and Recreation								
Total Culture and Recreation		66,257							66,257

Community Development									
461.00	Conservation of Natural Resources	48,180							48,180
462.00	Community Development and Housing	525							525
463.00	Economic Development								
464.00	Economic Opportunity								
465-469	All Other Community Development								
Total Community Development		48,705							48,705

Debt Service									
471.00	Debt Principal (short-term and long-term)	23,629			885,000				908,629
472.00	Debt Interest (short-term and long-term)	2,133			388,375				390,508
475.00	Fiscal Agent Fees			744	1,000				1,744
Total Debt Service		25,762		744	1,274,375				1,300,881

Employer Paid Benefits and Withholding Items									
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	55,613				13,021			68,634
482.00	Judgments and Losses			4,022					4,022
483.00	Pension / Retirement Fund Contributions	135,333							135,333
484.00	Worker Compensation Insurance	17,642				5,881			23,523

WESTTOWN TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

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

487.00	Other Group Insurance Benefits	178,579				44,844			223,423
Total Employer Paid Benefits and Withholding Items		387,167		4,022		63,746			454,935

Insurance

486.00	Insurance, Casualty, and Surety	62,519				32,525			95,044
Total Insurance		62,519				32,525			95,044

Unclassified Operating Expenditures

488.00	Fiduciary Fund Benefits and Refunds Paid								
489.00	All Other Unclassified Expenditures	274							274
Total Unclassified Operating Expenditures		274							274

Other Financing Uses

491.00	Refund of Prior Year Revenues	17,941							17,941
492.00	Interfund Operating Transfers	616,600				1,356,000			1,972,600
493.00	All Other Financing Uses								
Total Other Financing Uses		634,541				1,356,000			1,990,541

TOTAL EXPENDITURES

7,179,808	250,000	27,435	1,274,375	2,319,818			11,051,436
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES

625,103	29,147	707,558	113,529	-19,366			1,455,971
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WESTTOWN TWP

December 31, 2014

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 2011 (Refunding of GOB 2006)	Bond	2011	2029	8,945,000	8,695,000	0	435,000		8,260,000		8,260,000
General Obligation Bond 2012 (Refunding of GOB 2004 & Sewer Revenue Bond 2005)	Bond	2012	2027	7,390,000	6,475,000	0	450,000		6,025,000		6,025,000
Revenue Bonds and Notes											
Lease Rental Debt											
Capital Lease	Capital Leases	2011	2015	115,751	48,301	0	23,629		24,672		24,672
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding

14,309,672

Capitalized lease obligations

0

Net debt

14,309,672

WESTTOWN TWP, CHESTER County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2014

Category	Capital Purchases	Capital Construction	Total
Electric			
Fire			
Gas System			
General Government	104,692	50,442	155,134
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer		97,302	97,302
Solid Waste			
Streets / Highways		651,408	651,408
Water			
Other: _____			
Community Development			
TOTAL CAPITAL EXPENDITURES	104,692	799,152	903,844

EMPLOYEE COMPENSATION

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

849,569

WESTTOWN TWP, CHESTER County

December 31, 2014

NOTES / COMMENTS

Other Current Assets (150-159) and Other Current Liabilities (231-239) include escrow deposits of \$50,454 maintained on behalf of developers.

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