

**2017 MUNICIPAL ANNUAL AUDIT  
AND  
FINANCIAL REPORT**

**031323 WEST KITTANNING BORO, ARMSTRONG COUNTY**



## WEST KITTANNING BORO, ARMSTRONG County

## BALANCE SHEET

December 31, 2017

		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
<b>Liabilities and Other Credits</b>											
260-269	Long-Term-Liabilities			445,290							445,290
240-259	Current Portion of Long-Term Debt and Other Credits										
<b>Total Liabilities and Other Credits</b>				445,290							445,290
<b>Fund and Account Group Equity</b>											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets										
270-289	Fund Balance / Retained Earnings on 12/31	97,903	12,993	32,597							143,493
291-299	Other Equity										
<b>Total Fund and Account Group Equity</b>		97,903	12,993	32,597							143,493
<b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY</b>											588,783

**WEST KITTANNING BORO, ARMSTRONG County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2017

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	166,782						166,782
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	7,772						7,772
310.20	Earned Income Taxes / Wage Taxes	114,148						114,148
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	18,404						18,404
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
<b>Total Taxes</b>		307,106						307,106

**Licenses and Permits**

320-322	All Other Licenses and Permits	195						195
321.80	Cable Television Franchise Fees	22,234						22,234
<b>Total Licenses and Permits</b>		22,429						22,429

**Fines and Forfeits**

330-332	Fines and Forfeits	3,070						3,070
<b>Total Fines and Forfeits</b>		3,070						3,070

**WEST KITTANNING BORO, ARMSTRONG County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2017

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**

<b>Interest, Rents and Royalties</b>								
341.00	Interest Earnings	77	16					93
342.00	Rents and Royalties	6,600						6,600
<b>Total Interest, Rents and Royalties</b>		6,677	16					6,693

<b>Federal</b>								
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							
<b>Total Federal</b>								

<b>State</b>								
354.03	Highways and Streets							
354.09	Community Development							
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants	5,000						5,000
355.01	Public Utility Realty Tax (PURTA)	317						317
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		42,735					42,735
355.04	Alcoholic Beverage Licenses	600						600
355.05	General Municipal Pension System State Aid							
355.07	Foreign Fire Insurance Tax Distribution	5,635						5,635
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution	2,554						2,554

**WEST KITTANNING BORO, ARMSTRONG County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2017

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							
<b>Total State</b>		14,106	42,735					56,841

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							
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							
<b>Total Local Government Units</b>								

Charges for Service								
361.00	General Government	230						230
362.00	Public Safety	1,388						1,388
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.)							
364.30	Solid Waste Collection and Disposal Charge (trash)							
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							

**WEST KITTANNING BORO, ARMSTRONG County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2017

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							
<b>Total Charges for Service</b>		1,618						1,618

**Unclassified Operating Revenues**

383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	100		3,000				3,100
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues							
<b>Total Unclassified Operating Revenues</b>		100		3,000				3,100

**Other Financing Sources**

391.00	Proceeds of General Fixed Asset Disposition	8,005						8,005
392.00	Interfund Operating Transfers		5,205					5,205
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

**WEST KITTANNING BORO, ARMSTRONG County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2017

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							
<b>Total Other Financing Sources</b>		8,005	5,205					13,210
<b>TOTAL REVENUES</b>		363,111	47,956	3,000				414,067

**EXPENDITURES**

General Government								
400.00	Legislative (Governing) Body	459						459
401.00	Executive (Manager or Mayor)	120						120
402.00	Auditing Services / Financial Administration	5,164						5,164
403.00	Tax Collection	8,067						8,067
404.00	Solicitor / Legal Services	2,236						2,236
405.00	Secretary / Clerk	11,501						11,501
406.00	Other General Government Administration	2,367						2,367
407.00	IT-Networking Services-Data Processing	1,010						1,010
408.00	Engineering Services	1,813						1,813
409.00	General Government Buildings and Plant	18,338						18,338
<b>Total General Government</b>		51,075						51,075

Public Safety								
410.00	Police	114,248						114,248
411.00	Fire	21,345						21,345
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement							



**WEST KITTANNING BORO, ARMSTRONG County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2017

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							
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							
<b>Total Public Safety</b>		135,593						135,593

**Health and Human Services**

420.00-425.00	Health and Human Services							
<b>Total Health and Human Services</b>								

**Public Works - Sanitation**

426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)							
428.00	Weed Control	500						500
429.00	Wastewater / Sewage Treatment and Collection							
<b>Total Public Works - Sanitation</b>		500						500

**Public Works - Highways and Streets**

430.00	General Services - Administration	87,905						87,905
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal		44,967					44,967
433.00	Traffic Control Devices	4,160						4,160
434.00	Street Lighting	38,589						38,589

**WEST KITTANNING BORO, ARMSTRONG County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2017

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**

<b>Public Works - Highways and Streets</b>								
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains							
437.00	Repairs of Tools and Machinery							
438.00	Maintenance and Repairs of Roads and Bridges	5,014						5,014
439.00	Highway Construction and Rebuilding Projects							
<b>Total Public Works - Highways and Streets</b>		135,668	44,967					180,635

<b>Other Public Works Enterprises</b>								
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	4,307						4,307
448.00	Water System							
449.00	Water Transport and Terminals							
<b>Total Other Public Works Enterprises</b>		4,307						4,307

<b>Culture and Recreation</b>								
451.00	Culture-Recreation Administration							
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks			3,000				3,000

**WEST KITTANNING BORO, ARMSTRONG County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2017

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**

<b>Culture and Recreation</b>								
455.00	Shade Trees							
456.00	Libraries	3,177						3,177
457.00	Civil and Military Celebrations	435						435
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
<b>Total Culture and Recreation</b>		3,612		3,000				6,612

<b>Community Development</b>								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing							
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development							
<b>Total Community Development</b>								

<b>Debt Service</b>								
471.00	Debt Principal (short-term and long-term)							
472.00	Debt Interest (short-term and long-term)	14,819						14,819
475.00	Fiscal Agent Fees							
<b>Total Debt Service</b>		14,819						14,819

<b>Employer Paid Benefits and Withholding Items</b>								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	17,730						17,730
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions							

WEST KITTANNING BORO, ARMSTRONG County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2017

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**

<b>Employer Paid Benefits and Withholding Items</b>								
484.00	Worker Compensation Insurance							
487.00	Other Group Insurance Benefits							
<b>Total Employer Paid Benefits and Withholding Items</b>		17,730						17,730

<b>Insurance</b>								
486.00	Insurance, Casualty, and Surety	17,386						17,386
<b>Total Insurance</b>		17,386						17,386

<b>Unclassified Operating Expenditures</b>								
488.00	Fiduciary Fund Benefits and Refunds Paid							
489.00	All Other Unclassified Expenditures							
<b>Total Unclassified Operating Expenditures</b>								

<b>Other Financing Uses</b>								
491.00	Refund of Prior Year Revenues							
492.00	Interfund Operating Transfers	5,205						5,205
493.00	All Other Financing Uses							
<b>Total Other Financing Uses</b>		5,205						5,205

<b>TOTAL EXPENDITURES</b>	385,895	44,967	3,000					433,862
---------------------------	---------	--------	-------	--	--	--	--	---------

<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES</b>	-22,784	2,989						-19,795
---	---------	-------	--	--	--	--	--	---------

## WEST KITTANNING BORO

December 31, 2017

## 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
<b>General Obligation Bonds and Notes</b>											
New Borough Building LOC	Note	2013	2035	431,594	416,859		41,751		375,108	0	375,108
<b>Revenue Bonds and Notes</b>											
<b>Lease Rental Debt</b>											
Truck	Capital Leases	2014	291	48,107	21,545		10,038		11,507		11,507
Backhoe	Capital Leases	2017	2033	75,915	75,915		17,240		58,675		58,675
<b>Other</b>											

(1) - excludes unamortized premium/discount

<b>Total bonds and notes outstanding</b>	445,290
<b>Capitalized lease obligations</b>	0
<b>Net debt</b>	445,290

**WEST KITTANNING BORO, ARMSTRONG County**  
**STATEMENT OF CAPITAL EXPENDITURES**

December 31, 2017

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer			
Solid Waste			
Streets / Highways			
Water			
Other: _____			
<b>TOTAL CAPITAL EXPENDITURES</b>			

**EMPLOYEE COMPENSATION**

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

140,343

ELECTED CONTROLLER'S/AUDITOR'S CERTIFIED OPINION

To the:
Governing Body of the Municipality
President Judge of the Court of Common Pleas
Secretary of the Department of Community & Economic Development

I/We, the undersigned, the duly elected (or appointed replacement), qualified, and Acting Controller/Auditors of the WEST KITTANNING BORO have audited, adjusted and settled the various funds and account groups of the WEST KITTANNING BORO for the year ended December 31, 2017. My/Our audit, adjustment and settlement was made in accordance with law rather than with generally accepted auditing standards

(PLEASE CROSS OUT ONLY IF ON MODIFIED ACCRUAL/ACCRUAL BASIS)

This municipality's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenditures or expenses are recognized when paid rather than when a liability is incurred. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations of this municipality in conformity with generally accepted accounting principles.

These financial statements do not include all of the disclosures required by generally accepted accounting principles.

In my/our opinion, the aforementioned financial statements present the financial position of the various funds and account groups of the municipality of WEST KITTANNING BORO for the year ended December 31, 2017, and the results of operations of such funds in accordance with the law.

SIGNATURE AND VERIFICATION

Signed: Lorrie Greiner CPA Co. Appointed Auditor/CPA

Subscribed and sworn to before me this 3 day of July, 2018.



Signed: \_\_\_\_\_
Witness (Controller)/Auditor (Auditors)

December 31, 2017

**NOTES / COMMENTS**

## Reconciliation of Accrual to Cash

	General Fund
Beginning Balance	168,568
Revenue	363,111
Expenses	385,895
	145,784

## Debt Extinguished showing

up on balance sheet(subtract) (48,644)\* 41,144 debt extinguished with cash, \$7,500 debt extinguished with asset sale

Add Payroll Accrual	763
Ending Balance General Fund	97,903

West Kittanning Borough had to lower the debt on the Debt Statement by \$21,366, debt payments in 2017 and \$20,385 prior period adjustment.