

**2020 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

230213 CHESTER HEIGHTS BORO, DELAWARE COUNTY



CYNTHIA FELZER LEITZELL, CPA
STELLA C. ECONOMIDIS, CPA

LEITZELL & ECONOMIDIS, PC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Members of Council
Borough of Chester Heights
Chester Heights, Pennsylvania

We have audited the Annual Audit and Financial Report, Form DCED-CLGS-30 of Borough of Chester Heights as of and for the year ended December 31, 2020.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial report in accordance with the financial reporting provisions of Commonwealth of Pennsylvania Department of Community and Economic Development (DCED). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial reports that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this 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 financial statements are free from 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 entity'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 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 financial statements.

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

The financial report was prepared by the Borough of Chester Heights on the cash basis of accounting as permitted by the financial reporting provisions of DCED, which is a basis of accounting other than accounting principles generally accepted in the United States of America to meet the requirements of the DCED.

The effects on the financial report of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial report referred to in the first paragraph does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Borough of Chester Heights as of December 31, 2020, or the changes in its financial position for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion the accompanying financial report referred to above presents fairly, in all material respects, the cash balances of Borough of Chester Heights as of December 31, 2020 and the revenues it received and expenditures it paid for the year then ended in accordance with the financial reporting provisions of the Commonwealth of Pennsylvania Department of Community and Economic Development as noted above.

Leitzell & Economidis, PC

LEITZELL & ECONOMIDIS, PC
Certified Public Accountants

February 19, 2021
Media, Pennsylvania

CHESTER HEIGHTS BORO, DELAWARE COUNTY
BALANCE SHEET
 December 31, 2020

	Governmental Funds					Proprietary Funds			Fid. Fund		Account Groups		Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only			
Liabilities and Other Credits													
260-269 Long-Term-Liabilities	63,335											63,335	
240-259 Current Portion of Long-Term Debt and Other Credits													
Total Liabilities and Other Credits	67,695											67,695	
Fund and Account Group Equity													
281-284 Contributed Capital													
290.00 Investment in General Fixed Assets													
270-289 Fund Balance / Retained Earnings on 12/31	1,500,313	111,859										1,612,172	
291-299 Other Equity													
Total Fund and Account Group Equity	1,500,313	111,859										1,612,172	

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY	1,679,867
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CHESTER HEIGHTS BORO, DELAWARE County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2020

General Fund	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service			

REVENUES

Taxes								
301.00	Real Estate Taxes	107,350	91,360					198,710
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	437,940						437,940
310.20	Earned Income Taxes / Wage Taxes							
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	79,748						79,748
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
	Total Taxes	625,038	91,360					716,398

Licenses and Permits

320-322	All Other Licenses and Permits	48,193						48,193
321.80	Cable Television Franchise Fees	71,181						71,181
	Total Licenses and Permits	119,374						119,374

Fines and Forfeits

330-332	Fines and Forfeits	1,390						1,390
	Total Fines and Forfeits	1,390						1,390

CHESTER HEIGHTS BORO, DELAWARE COUNTY
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		
Total State	306,801	56,975						363,776

REVENUES

State	
355.00	All Other State Shared Revenues and Entitlements
356.00	State Payments in Lieu of Taxes
	Total State
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
	Total Local Government Units

Charges for Service							
361.00	General Government	17,778					17,778
362.00	Public Safety	7,230					7,230
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						

CHESTER HEIGHTS BORO, DELAWARE County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		

REVENUES

Other Financing Sources								
395.00	Refunds of Prior Year Expenditures	5,111						5,111
	Total Other Financing Sources	5,111					50	5,161

TOTAL REVENUES		1,100,935	148,760				50	1,249,745
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EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	3,500						3,500
401.00	Executive (Manager or Mayor)	500						500
402.00	Auditing Services / Financial Administration	13,200						13,200
403.00	Tax Collection	11,958						11,958
404.00	Solicitor / Legal Services	22,168						22,168
405.00	Secretary / Clerk	92,734						92,734
406.00	Other General Government Administration	40,818						40,818
407.00	IT-Networking Services-Data Processing							
408.00	Engineering Services	41,409						41,409
409.00	General Government Buildings and Plant	18,000						18,000
	Total General Government	244,287						244,287

Public Safety								
410.00	Police							
411.00	Fire	124,828	91,395					216,223
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement	75,149						75,149

CHESTER HEIGHTS BORO, DELAWARE County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		

EXPENDITURES

Public Safety								
414.00	Planning and Zoning	16,428						16,428
415.00	Emergency Management and Communications	17,486						17,486
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	233,891	91,395					325,286

Health and Human Services								
420.00-425.00	Health and Human Services	9,160						9,160
	Total Health and Human Services	9,160						9,160

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

Public Works - Highways and Streets								
430.00	General Services - Administration							
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance -- Snow Removal		5,400					5,400
433.00	Traffic Control Devices	19,968						19,968
434.00	Street Lighting	6,697						6,697

CHESTER HEIGHTS BORO, DELAWARE COUNTY
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		
		1,994						1,994
	860							860
	58,917							58,917
Total Public Works - Highways and Streets	86,442	7,394						93,836

EXPENDITURES

Public Works - Highways and Streets	
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
439.00	Highway Construction and Rebuilding Projects
	Total Public Works - Highways and Streets

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
452.00	Participant Recreation
453.00	Spectator Recreation
454.00	Parks
	Total Culture and Recreation

CHESTER HEIGHTS BORO, DELAWARE County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		

EXPENDITURES

Employer Paid Benefits and Withholding Items									
484.00	Worker Compensation Insurance	8,839							8,839
487.00	Other Group Insurance Benefits								
	Total Employer Paid Benefits and Withholding Items	21,993							21,993

Insurance									
486.00	Insurance, Casualty, and Surety	7,490							7,490
	Total Insurance	7,490							7,490

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

Other Financing Uses									
491.00	Refund of Prior Year Revenues								
492.00	Interfund Operating Transfers	50							50
493.00	All Other Financing Uses								
	Total Other Financing Uses	50							50

TOTAL EXPENDITURES	1,008,290	98,789							1,107,079
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	92,645	49,971						50	142,666
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CHESTER HEIGHTS BORO

December 31, 2020

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											
Revenue Bonds and Notes											
Lease Rental Debt											
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding

0

Capitalized lease obligations

0

Net debt

0

**CHESTER HEIGHTS BORO, DELAWARE COUNTY
STATEMENT OF CAPITAL EXPENDITURES**

December 31, 2020

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		46,601	46,601
Water			
Other: Public Safety	2,946		2,946
Other: Traffic Signals	17,432		17,432
Other: Purchase of Open Space		363,058	363,058
TOTAL CAPITAL EXPENDITURES	20,378	409,659	430,037

EMPLOYEE COMPENSATION

192,021

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

Independent Public Accountant/Certified Public Accountant Submission Page

Opinion page was provided in lieu of signature page.

SIGNATURE AND VERIFICATION

Signed: Cynthia Leitzell Appointed Auditor/CPA

December 31, 2020

NOTES / COMMENTS