

# MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants

300 West State Street, Suite 206 • Media, PA 19063

610-544-5100  
FAX: 610-544-9767

## INDEPENDENT AUDITORS' REPORT

Board of Supervisors  
East Bradford Township  
East Bradford, PA 19380

We have audited the accompanying financial statements included in the Municipal Annual Audit and Financial Report (DCED-CLGS-30), a prescribed form, of East Bradford Township as of December 31, 2019 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 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 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 East Bradford Township as of December 31, 2019 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**

East Bradford 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, East Bradford 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, East Bradford 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 East Bradford 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*

Media, Pennsylvania  
February 24, 2020

Received by DCED:  
Approved by DCED:

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

**2019 MUNICIPAL ANNUAL AUDIT  
AND  
FINANCIAL REPORT**

150245 EAST BRADFORD TWP, CHESTER COUNTY



## EAST BRADFORD TWP, CHESTER County

## BALANCE SHEET

December 31, 2019

		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									5,841,000	5,841,000
240-259	Current Portion of Long-Term Debt and Other Credits									562,000	562,000
<b>Total Liabilities and Other Credits</b>		194,301								6,403,000	6,597,301
<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	2,431,026	385,410	5,214,473		859,145					8,890,054
291-299	Other Equity										
<b>Total Fund and Account Group Equity</b>		2,431,026	385,410	5,214,473		859,145					8,890,054
<b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY</b>											15,487,355

**EAST BRADFORD TWP, CHESTER County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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	794,969						794,969
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	428,606						428,606
310.20	Earned Income Taxes / Wage Taxes	2,392,250	1,160,946					3,553,196
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	67,727						67,727
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
<b>Total Taxes</b>		3,683,552	1,160,946					4,844,498

Licenses and Permits								
320-322	All Other Licenses and Permits							
321.80	Cable Television Franchise Fees	214,619						214,619
<b>Total Licenses and Permits</b>		214,619						214,619

Fines and Forfeits								
330-332	Fines and Forfeits	17,652						17,652
<b>Total Fines and Forfeits</b>		17,652						17,652

EAST BRADFORD TWP, CHESTER County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2019

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	43,739	16,343	79,294		19,490	158,866
342.00	Rents and Royalties			7,071			7,071
<b>Total Interest, Rents and Royalties</b>		<b>43,739</b>	<b>16,343</b>	<b>86,365</b>		<b>19,490</b>	<b>165,937</b>

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						
<b>Total Federal</b>							

State							
354.03	Highways and Streets						
354.09	Community Development						
354.15	Recycling / Act 101	27,384					27,384
354.00	All Other State Capital and Operating Grants						
355.01	Public Utility Realty Tax (PURTA)	4,320					4,320
355.02- 355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		393,254				393,254
355.04	Alcoholic Beverage Licenses						
355.05	General Municipal Pension System State Aid	71,687					71,687
355.07	Foreign Fire Insurance Tax Distribution	83,370					83,370
355.08	Local Share Assessment/Gaming Proceeds						
355.09	Marcellus Shale Impact Fee Distribution						



EAST BRADFORD TWP, CHESTER County  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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>		186,761	393,254					580,015

Local Government Units								
357.03	Highways and Streets							
357.00	All Other Local Governmental Units Capital and Operating Grants	244	97,000					97,244
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>		244	97,000					97,244

Charges for Service								
361.00	General Government	184,643						184,643
362.00	Public Safety	60,507						60,507
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.)				327,923			327,923
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							

**EAST BRADFORD TWP, CHESTER County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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>		245,150				327,923		573,073

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	285		20,036				20,321
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues	3,102	899					4,001
<b>Total Unclassified Operating Revenues</b>		3,387	899	20,036				24,322

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	880		353,652				354,532
392.00	Interfund Operating Transfers	267,000		550,000				817,000
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

EAST BRADFORD TWP, CHESTER County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2019

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	62,829						62,829
<b>Total Other Financing Sources</b>		330,709	903,652					1,234,361
<b>TOTAL REVENUES</b>		4,725,813	1,668,442	1,010,053	347,413			7,751,721

**EXPENDITURES**

General Government								
400.00	Legislative (Governing) Body	26,182						26,182
401.00	Executive (Manager or Mayor)	121,103						121,103
402.00	Auditing Services / Financial Administration	151,529						151,529
403.00	Tax Collection							
404.00	Solicitor / Legal Services	46,986			66,083			113,069
405.00	Secretary / Clerk							
406.00	Other General Government Administration	125,798	1,530	2,916				130,244
407.00	IT-Networking Services-Data Processing	54,634		3,893				58,527
408.00	Engineering Services	145,362						145,362
409.00	General Government Buildings and Plant	50,091		16,589				66,680
<b>Total General Government</b>		721,685	1,530	23,398	66,083			812,696

**Public Safety**

410.00	Police	1,309,759		51,500				1,361,259
411.00	Fire	380,707						380,707
412.00	Ambulance / Rescue	11,000						11,000
413.00	UCC and Code Enforcement	73,028						73,028

EAST BRADFORD TWP, CHESTER County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2019

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	191,389						191,389
415.00	Emergency Management and Communications	1,500						1,500
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety	6,126						6,126
<b>Total Public Safety</b>		<b>1,973,509</b>		<b>51,500</b>				<b>2,025,009</b>

Health and Human Services								
420.00-425.00	Health and Human Services	2,500						2,500
<b>Total Health and Human Services</b>		<b>2,500</b>						<b>2,500</b>

Public Works - Sanitation								
426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)	9,929						9,929
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection					279,361		279,361
<b>Total Public Works - Sanitation</b>		<b>9,929</b>				<b>279,361</b>		<b>289,290</b>

Public Works - Highways and Streets								
430.00	General Services - Administration	519,505		60,631				580,136
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	5,535	69,205	3,468				78,208
433.00	Traffic Control Devices	7,284	27,907					35,191
434.00	Street Lighting	26,775						26,775

EAST BRADFORD TWP, CHESTER County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2019

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

**EXPENDITURES**

Public Works - Highways and Streets							
435.00	Sidewalks and Crosswalks						
436.00	Storm Sewers and Drains	17,744					17,744
437.00	Repairs of Tools and Machinery	1,031					1,031
438.00	Maintenance and Repairs of Roads and Bridges	34,430		215,665			250,095
439.00	Highway Construction and Rebuilding Projects	11,730	309,840	204,589			526,159
<b>Total Public Works - Highways and Streets</b>		624,034	406,952	484,353			1,515,339

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						
<b>Total Other Public Works Enterprises</b>							

Culture and Recreation							
451.00	Culture-Recreation Administration	11,726					11,726
452.00	Participant Recreation						
453.00	Spectator Recreation						
454.00	Parks	175,979		20,826			196,805

EAST BRADFORD TWP, CHESTER County  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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

**EXPENDITURES**

Culture and Recreation								
455.00	Shade Trees							
456.00	Libraries	10,000						10,000
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
<b>Total Culture and Recreation</b>		197,705		20,826				218,531

Community Development								
461.00	Conservation of Natural Resources		155,468					155,468
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>			155,468					155,468

Debt Service								
471.00	Debt Principal (short-term and long-term)		2,346,000	80,000				2,426,000
472.00	Debt Interest (short-term and long-term)		157,689	20,328				178,017
475.00	Fiscal Agent Fees		1,185					1,185
<b>Total Debt Service</b>			2,504,874	100,328				2,605,202

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	76,898						76,898
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions	119,018						119,018

**EAST BRADFORD TWP, CHESTER County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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

**EXPENDITURES**

**Employer Paid Benefits and Withholding Items**

484.00	Worker Compensation Insurance	24,262						24,262
487.00	Other Group Insurance Benefits	325,073						325,073
<b>Total Employer Paid Benefits and Withholding Items</b>		545,251						545,251

**Insurance**

486.00	Insurance, Casualty, and Surety	79,905			5,071			84,976
<b>Total Insurance</b>		79,905			5,071			84,976

**Unclassified Operating Expenditures**

488.00	Fiduciary Fund Benefits and Refunds Paid							
489.00	All Other Unclassified Expenditures	4,418						4,418
<b>Total Unclassified Operating Expenditures</b>		4,418						4,418

**Other Financing Uses**

491.00	Refund of Prior Year Revenues				1,288			1,288
492.00	Interfund Operating Transfers	550,000	122,000	125,000	20,000			817,000
493.00	All Other Financing Uses							
<b>Total Other Financing Uses</b>		550,000	122,000	125,000	21,288			818,288

<b>TOTAL EXPENDITURES</b>	4,708,936	3,190,824	805,405		371,803			9,076,968
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<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES</b>	16,877	-1,522,382	204,648		-24,390			-1,325,247
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## EAST BRADFORD TWP

December 31, 2019

## 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>											
G.O. Bond	Bond	2011	2028	4,150,000	1,620,000		1,620,000		0		0
G.O. Bond	Bond	2013	2028	5,025,000	1,300,000		425,000		875,000		875,000
G.O. Bond	Bond	2017	2028	4,090,000	4,040,000		25,000		4,015,000		4,015,000
<b>Revenue Bonds and Notes</b>											
Guaranteed Revenue Note	Note	2002	2023	12,000,000	1,869,000		356,000		1,513,000		1,513,000
<b>Lease Rental Debt</b>											
<b>Other</b>											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding	6,403,000
Capitalized lease obligations	0
Net debt	6,403,000



EAST BRADFORD TWP, CHESTER County  
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2019

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	60,631		60,631
Health			
Housing			
Libraries			
Mass Transit			
Parks	20,826		20,826
Police			
Recreation			
Sewer		30,000	30,000
Solid Waste			
Streets / Highways		501,125	501,125
Water			
Other: Property Acquisition	142,196		142,196
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>223,653</b>	<b>531,125</b>	<b>754,778</b>

**EMPLOYEE COMPENSATION**

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

990,560

December 31, 2019

**NOTES / COMMENTS**

1-Other Current Assets and Other Current Liabilities represent deposits of \$194,301 held on behalf of developers

2-General Fixed Asset Dispositions includes \$312,500 relating to sale of the Townships sewer system