

2023 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

210243 LEMOYNE BORO, CUMBERLAND COUNTY

Independent Auditor's Report

**Council Members
Borough of Lemoyne**

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the Modified Cash Basis Balance Sheet, Statement of Revenues and Expenditures, Debt Statement, and Statements of Capital Expenditures and Employee Compensation – regulatory basis, as of and for the year ended December 31, 2023 included in the Annual Audit and Financial Report (Schedules) of the Borough of Lemoyne (Borough).

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the Schedules referred to above present fairly, in all material respects, the regulatory basis financial position of the Borough as of December 31, 2023, and the regulatory results of its operations for the year then ended in accordance with the financial reporting provisions described in the instructions provided by Pennsylvania Department of Community and Economic Development (DCED).

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 and Unmodified Opinions” section of our report, the Schedules referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough as of December 31, 2023, and the results of its operations for the year then ended.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Borough and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

To meet the financial reporting requirements of the Commonwealth of Pennsylvania, the Schedules are prepared by the Borough on the basis of the instructions provided by the DCED, which is a basis of accounting other than accounting principles generally accepted in the United States of America. These requirements permit the Schedules to be prepared without financial statement disclosures, without cash flows, without component unit financial information, without government-wide financial statements, without Management's Discussion and Analysis, without budgetary comparisons, and without historical pension and post-employment benefit liability information, and require all funds to be aggregated by fund type on the Schedules.

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these Schedules in accordance with the financial reporting provisions as described in the instructions provided by the DCED to meet filing requirements in Pennsylvania, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of Schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 Borough's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control—related matters that we identified during the audit.

Maher Duessel

Harrisburg, Pennsylvania
March 22, 2024

		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	2,764,511	281,483	3,440,621		5,230,398		2,514,216			14,231,229
140-144	Tax Receivable										
121-129, 145-149	Accounts Receivable (excluding taxes)										
130.00	Due From Other Funds										
131-139, 150-159	Other Current Assets										
160-169	Fixed Assets										
180-189	Other Debits										
Total Assets and Other Debits		2,764,511	281,483	3,440,621		5,230,398		2,514,216			14,231,229

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LEMOYNE BORO, CUMBERLAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	1,439,787	306,052						1,745,839
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	168,844							168,844
310.20	Earned Income Taxes / Wage Taxes	799,860							799,860
310.30	Business Gross Receipts Taxes								
310.40	Occupation Taxes (levied under Act 511)								
310.50	Local Services Tax **	270,027							270,027
310.60	Amusement / Admission Taxes								
310.70	Mechanical Device Taxes								
310.90	Other: _____								
	Other: _____								
Total Taxes		2,678,518	306,052						2,984,570

Licenses and Permits									
320-322	All Other Licenses and Permits	17,935							17,935
321.80	Cable Television Franchise Fees	71,939							71,939
Total Licenses and Permits		89,874							89,874

Fines and Forfeits									
330-332	Fines and Forfeits	3,370							3,370
Total Fines and Forfeits		3,370							3,370

LEMOYNE BORO, CUMBERLAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	96,102	13,110	22,899		98,585		322,601	553,297
342.00	Rents and Royalties	109,313							109,313
Total Interest, Rents and Royalties		205,415	13,110	22,899		98,585		322,601	662,610

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	2,163							2,163
354.15	Recycling / Act 101	23,738							23,738
354.00	All Other State Capital and Operating Grants								
355.01	Public Utility Realty Tax (PURTA)	2,366							2,366
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		148,077						148,077
355.04	Alcoholic Beverage Licenses								
355.05	General Municipal Pension System State Aid	54,349				27,174			81,523
355.07	Foreign Fire Insurance Tax Distribution	34,945							34,945
355.08	Local Share Assessment/Gaming Proceeds								
355.09	Marcellus Shale Impact Fee Distribution								

LEMOYNE BORO, CUMBERLAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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								
Total State		117,561	148,077			27,174			292,812

Local Government Units									
357.03	Highways and Streets								
357.00	All Other Local Governmental Units Capital and Operating Grants			94,389					94,389
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services	232							232
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes								
Total Local Government Units		232		94,389					94,621

Charges for Service									
361.00	General Government	61,913							61,913
362.00	Public Safety	96,450							96,450
363.20	Parking								
363.00	All Other Charges for Highway & Street Services	280							280
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)					2,773,617			2,773,617
364.30	Solid Waste Collection and Disposal Charge (trash)	14,668							14,668
364.60	Host Municipality Benefit Fee for Solid Waste Facility								
364.00	All Other Charges for Sanitation Services					476,702			476,702
365.00	Health								
366.00	Human Services								
367.00	Culture and Recreation	20,915				66,075			86,990
368.00	Airports								

LEMOYNE BORO, CUMBERLAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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							
Total Charges for Service		194,226				3,316,394		3,510,620

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors							
388.00	Fiduciary Fund Pension Contributions						111,977	111,977
389.00	All Other Unclassified Operating Revenues	415				5,232		5,647
Total Unclassified Operating Revenues		415				5,232	111,977	117,624

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	4,850						4,850
392.00	Interfund Operating Transfers	306,052		2,500,000		48,485		2,854,537
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

LEMOYNE BORO, CUMBERLAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	83,040						83,040
Total Other Financing Sources		393,942		2,500,000		48,485		2,942,427

TOTAL REVENUES

3,683,553	467,239	2,617,288		3,495,870		434,578	10,698,528
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EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	4,804						4,804
401.00	Executive (Manager or Mayor)	309,749			30,011			339,760
402.00	Auditing Services / Financial Administration	5,727						5,727
403.00	Tax Collection	9,661						9,661
404.00	Solicitor / Legal Services	59,992			15			60,007
405.00	Secretary / Clerk							
406.00	Other General Government Administration							
407.00	IT-Networking Services-Data Processing		25,447					25,447
408.00	Engineering Services	70,581		57,025				127,606
409.00	General Government Buildings and Plant	102,109						102,109
Total General Government		562,623	25,447	57,025	30,026			675,121

Public Safety

410.00	Police	1,256,914						1,256,914
411.00	Fire	339,547						339,547
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement	137,377						137,377

LEMOYNE BORO, CUMBERLAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	13,173							13,173
415.00	Emergency Management and Communications	2,496							2,496
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		1,749,507							1,749,507

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								
427.00	Solid Waste Collection and Disposal (garbage)								
428.00	Weed Control								
429.00	Wastewater / Sewage Treatment and Collection					1,253,367			1,253,367
Total Public Works - Sanitation						1,253,367			1,253,367

Public Works - Highways and Streets									
430.00	General Services - Administration	499,225							499,225
431.00	Cleaning of Streets and Gutters								
432.00	Winter Maintenance – Snow Removal	6,866							6,866
433.00	Traffic Control Devices	11,153							11,153
434.00	Street Lighting	80,668							80,668

LEMOYNE BORO, CUMBERLAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	7,998		114,668					122,666
436.00	Storm Sewers and Drains		208,790			329,507			538,297
437.00	Repairs of Tools and Machinery								
438.00	Maintenance and Repairs of Roads and Bridges	3,361							3,361
439.00	Highway Construction and Rebuilding Projects		209,708						209,708
Total Public Works - Highways and Streets		609,271	418,498	114,668		329,507			1,471,944

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					228,178			228,178
447.00	Transit System								
448.00	Water System								
449.00	Water Transport and Terminals								
Total Other Public Works Enterprises						228,178			228,178

Culture and Recreation

451.00	Culture-Recreation Administration	13,977							13,977
452.00	Participant Recreation			26,159		105,689			131,848
453.00	Spectator Recreation								
454.00	Parks	90,370	20,225						110,595

LEMOYNE BORO, CUMBERLAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	832							832
456.00	Libraries	2,000							2,000
457.00	Civil and Military Celebrations								
458.00	Senior Citizens' Centers								
459.00	All Other Culture and Recreation								
Total Culture and Recreation		107,179	20,225	26,159		105,689			259,252

Community Development									
461.00	Conservation of Natural Resources								
462.00	Community Development and Housing								
463.00	Economic Development	960							960
464.00	Economic Opportunity								
465-469	All Other Community Development		2,000						2,000
Total Community Development		960	2,000						2,960

Debt Service									
471.00	Debt Principal (short-term and long-term)					877,326			877,326
472.00	Debt Interest (short-term and long-term)					160,575			160,575
475.00	Fiscal Agent Fees							9,212	9,212
Total Debt Service						1,037,901		9,212	1,047,113

Employer Paid Benefits and Withholding Items									
481.00	Employer Paid Withholding Taxes and Unemployment Compensation								
482.00	Judgments and Losses								
483.00	Pension / Retirement Fund Contributions								

LEMOYNE BORO, CUMBERLAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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							
487.00	Other Group Insurance Benefits							
Total Employer Paid Benefits and Withholding Items								

Insurance								
486.00	Insurance, Casualty, and Surety							
Total Insurance								

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid						175,617	175,617
489.00	All Other Unclassified Expenditures							
Total Unclassified Operating Expenditures							175,617	175,617

Other Financing Uses								
491.00	Refund of Prior Year Revenues							
492.00	Interfund Operating Transfers	2,509,000	345,537					2,854,537
493.00	All Other Financing Uses							
Total Other Financing Uses		2,509,000	345,537					2,854,537

TOTAL EXPENDITURES	5,538,540	811,707	197,852		2,984,668		184,829	9,717,596
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	-1,854,987	-344,468	2,419,436		511,202		249,749	980,932
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LEMOYNE BORO
December 31, 2023

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											
PennVest	Note	2013	2042	11,000,000	8,405,431		383,326		8,022,105		8,022,105
Series of 2020	Note	2020	2031	5,709,000	4,651,000		494,000		4,157,000		4,157,000
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding

12,179,105

Capitalized lease obligations

0

Net debt

12,179,105

LEMOYNE BORO, CUMBERLAND County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2023

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	38,761		38,761
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer			
Solid Waste			
Streets / Highways		324,398	324,398
Water			
Other: Stormwater	31,670	252,721	284,391
TOTAL CAPITAL EXPENDITURES	70,431	577,119	647,550

EMPLOYEE COMPENSATION

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

787,023

Independent Public Accountant/Certified Public Accountant Submission Page
Opinion page was provided in lieu of signature page.

SIGNATURE AND VERIFICATION

Signed: Maher Duessel Appointed Auditor/CPA

December 31, 2023

NOTES / COMMENTS

(Flag 92) The Borough receives rebates and surcharges from Penn Waste, but trash is not an operation of the Borough.