

**2020 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

023573 WEST HOMESTEAD BORO, ALLEGHENY COUNTY

WEST HOMESTEAD BORO, ALLEGHENY 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									1,217,764	1,217,764
240-259	Current Portion of Long-Term Debt and Other Credits									99,638	99,638
Total Liabilities and Other Credits		162,861				237,378				1,317,402	1,717,641
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	427,690	234,984			1,027,063		3,886,310			5,576,047
291-299	Other Equity										
Total Fund and Account Group Equity		427,690	234,984			1,027,063		3,886,310			5,576,047
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											7,293,688

WEST HOMESTEAD BORO, ALLEGHENY 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	Trust and Agency	Memorandum Only

REVENUES

Taxes

301.00	Real Estate Taxes	1,308,170	43,795					1,351,965
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)	86,974						86,974
310.00	Per Capita Taxes							
310.10	Real Estate Transfer Taxes	70,568						70,568
310.20	Earned Income Taxes / Wage Taxes	224,971						224,971
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	47,304						47,304
310.60	Amusement / Admission Taxes	23,174						23,174
310.70	Mechanical Device Taxes	1,750						1,750
310.90	Other: Parking (dollars)	121,443						121,443
	Other: _____							
Total Taxes		1,884,354	43,795					1,928,149

Licenses and Permits

320-322	All Other Licenses and Permits	27,064						27,064
321.80	Cable Television Franchise Fees	41,978						41,978
Total Licenses and Permits		69,042						69,042

Fines and Forfeits

330-332	Fines and Forfeits	11,586						11,586
Total Fines and Forfeits		11,586						11,586

WEST HOMESTEAD BORO, ALLEGHENY 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	Trust and Agency	Memorandum Only

REVENUES

Interest, Rents and Royalties									
341.00	Interest Earnings	1,986	488			2,665		368,195	373,334
342.00	Rents and Royalties								
Total Interest, Rents and Royalties		1,986	488			2,665		368,195	373,334

Federal									
351.03	Highways and Streets								
351.09	Community Development								
351.00	All Other Federal Capital and Operating Grants	83,183							83,183
352.01	National Forest								
352.00	All Other Federal Shared Revenue and Entitlements								
353.00	Federal Payments in Lieu of Taxes								
Total Federal		83,183							83,183

State									
354.03	Highways and Streets								
354.09	Community Development								
354.15	Recycling / Act 101								
354.00	All Other State Capital and Operating Grants	75,362							75,362
355.01	Public Utility Realty Tax (PURTA)	1,587							1,587
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		66,447						66,447
355.04	Alcoholic Beverage Licenses	2,400							2,400
355.05	General Municipal Pension System State Aid	105,337							105,337
355.07	Foreign Fire Insurance Tax Distribution	11,165							11,165
355.08	Local Share Assessment/Gaming Proceeds								
355.09	Marcellus Shale Impact Fee Distribution	377							377

WEST HOMESTEAD BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
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REVENUES

State								
355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes							
Total State		196,228	66,447					262,675

Local Government Units								
357.03	Highways and Streets	170,750						170,750
357.00	All Other Local Governmental Units Capital and Operating Grants	17,414						17,414
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services	64,880						64,880
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							
Total Local Government Units		253,044						253,044

Charges for Service								
361.00	General Government	4,090						4,090
362.00	Public Safety	75,290						75,290
363.20	Parking	340						340
363.00	All Other Charges for Highway & Street Services		500					500
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)				969,597			969,597
364.30	Solid Waste Collection and Disposal Charge (trash)	125,771						125,771
364.60	Host Municipality Benefit Fee for Solid Waste Facility							
364.00	All Other Charges for Sanitation Services	224						224
365.00	Health							
366.00	Human Services							
367.00	Culture and Recreation	2,050						2,050
368.00	Airports							

WEST HOMESTEAD BORO, ALLEGHENY 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	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		207,765	500			969,597		1,177,862

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	10,025						10,025
388.00	Fiduciary Fund Pension Contributions						163,531	163,531
389.00	All Other Unclassified Operating Revenues							
Total Unclassified Operating Revenues		10,025					163,531	173,556

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition							
392.00	Interfund Operating Transfers	79,795						79,795
393.00	Proceeds of General Long-Term Debt	74,170						74,170
394.00	Proceeds of Short Term-Debt							

WEST HOMESTEAD BORO, ALLEGHENY 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	Trust and Agency	Memorandum Only

REVENUES

Other Financing Sources								
395.00	Refunds of Prior Year Expenditures	1,068						1,068
Total Other Financing Sources		155,033						155,033

TOTAL REVENUES	2,872,246	111,230			972,262		531,726	4,487,464
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EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	13,947						13,947
401.00	Executive (Manager or Mayor)	55,007						55,007
402.00	Auditing Services / Financial Administration	7,200						7,200
403.00	Tax Collection	33,598						33,598
404.00	Solicitor / Legal Services	53,963						53,963
405.00	Secretary / Clerk	74,210						74,210
406.00	Other General Government Administration	50,452						50,452
407.00	IT-Networking Services-Data Processing	7,373						7,373
408.00	Engineering Services	22,355						22,355
409.00	General Government Buildings and Plant	27,910						27,910
Total General Government		346,015						346,015

Public Safety								
410.00	Police	968,214						968,214
411.00	Fire	110,718						110,718
412.00	Ambulance / Rescue	1,000						1,000
413.00	UCC and Code Enforcement	32,225						32,225

WEST HOMESTEAD BORO, ALLEGHENY 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	Trust and Agency	Memorandum Only

EXPENDITURES

Public Safety

414.00	Planning and Zoning							
415.00	Emergency Management and Communications	6,870						6,870
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety	5,350						5,350
Total Public Safety		1,124,377						1,124,377

Health and Human Services

420.00-425.00	Health and Human Services	1,560						1,560
Total Health and Human Services		1,560						1,560

Public Works - Sanitation

426.00	Recycling Collection and Disposal	225						225
427.00	Solid Waste Collection and Disposal (garbage)	126,852						126,852
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection	3,432			783,688			787,120
Total Public Works - Sanitation		130,509			783,688			914,197

Public Works - Highways and Streets

430.00	General Services - Administration	179,086	1,859					180,945
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	5,747						5,747
433.00	Traffic Control Devices	5,220						5,220
434.00	Street Lighting	59,278						59,278

WEST HOMESTEAD BORO, ALLEGHENY 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	Trust and Agency	Memorandum Only

EXPENDITURES

Public Works - Highways and Streets								
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains	12,400						12,400
437.00	Repairs of Tools and Machinery	6,159						6,159
438.00	Maintenance and Repairs of Roads and Bridges	116						116
439.00	Highway Construction and Rebuilding Projects	569,620						569,620
Total Public Works - Highways and Streets		837,626	1,859					839,485

Other Public Works Enterprises								
440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets	200,475						200,475
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		200,475						200,475

Culture and Recreation								
451.00	Culture-Recreation Administration							
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks	28,871						28,871

WEST HOMESTEAD BORO, ALLEGHENY 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	Trust and Agency	Memorandum Only

EXPENDITURES

Culture and Recreation								
455.00	Shade Trees							
456.00	Libraries	43,272						43,272
457.00	Civil and Military Celebrations	100						100
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
Total Culture and Recreation		72,243						72,243

Community Development								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing	48						48
463.00	Economic Development	350						350
464.00	Economic Opportunity							
465-469	All Other Community Development							
Total Community Development		398						398

Debt Service								
471.00	Debt Principal (short-term and long-term)	38,839			69,637			108,476
472.00	Debt Interest (short-term and long-term)	2,419			12,567			14,986
475.00	Fiscal Agent Fees							
Total Debt Service		41,258			82,204			123,462

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	163,531						163,531

WEST HOMESTEAD BORO, ALLEGHENY 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	Trust and Agency	Memorandum Only

EXPENDITURES

Employer Paid Benefits and Withholding Items								
484.00	Worker Compensation Insurance	112,999						112,999
487.00	Other Group Insurance Benefits							
Total Employer Paid Benefits and Withholding Items		276,530						276,530

Insurance								
486.00	Insurance, Casualty, and Surety	78,635						78,635
Total Insurance		78,635						78,635

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid						85,856	85,856
489.00	All Other Unclassified Expenditures	1,123					33,976	35,099
Total Unclassified Operating Expenditures		1,123					119,832	120,955

Other Financing Uses								
491.00	Refund of Prior Year Revenues	11,974						11,974
492.00	Interfund Operating Transfers		79,795					79,795
493.00	All Other Financing Uses							
Total Other Financing Uses		11,974	79,795					91,769

TOTAL EXPENDITURES	3,122,723	81,654			865,892		119,832	4,190,101
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	-250,477	29,576			106,370		411,894	297,363
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WEST HOMESTEAD 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											
Penn Vest Guaranteed Revnue Bond	Bond	2013	2044	3,100,000	1,288,528		69,637		1,218,891		1,218,891
Lease Rental Debt											
Ford F-650	Capital Leases	2016	2020	83,424	17,149		17,149		0		0
2018 Ford Interceptor	Capital Leases	2018	2022	39,380	23,603		7,556		16,047		16,047
2018 Ford F-250	Capital Leases	2018	2022	37,401	22,428		7,257		15,171		15,171
2020 Dodge Durango	Capital Leases	2020	2024	33,028	0	33,028	6,877		26,151		26,151
2021 Ford F250	Capital Leases	2020	2025	41,142	0	41,142			41,142		41,142
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding 1,218,891

Capitalized lease obligations 98,511

Net debt 1,317,402

WEST HOMESTEAD BORO, ALLEGHENY County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2020

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire	28,191		28,191
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police	31,869		31,869
Recreation		7,530	7,530
Sewer		22,935	22,935
Solid Waste			
Streets / Highways	40,923	438,546	479,469
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	100,983	469,011	569,994

EMPLOYEE COMPENSATION

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

1,129,193

Independent Public Accountant/Certified Public Accountant Submission Page
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SIGNATURE AND VERIFICATION

Signed: Debra S. Pitschman Appointed Auditor/CPA

December 31, 2020

NOTES / COMMENTS



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December 1, 2021

PROFESSIONAL ACCOUNTING,
CONSULTING & BUSINESS
ADVISORY SERVICES

Mayor and Members of Council
Borough of West Homestead
West Homestead, Pennsylvania

Independent Auditors' Report

We have audited the accompanying Balance Sheet and Statement of Revenues and Expenditures included in the Annual Audit and Financial Report of the Borough of West Homestead, 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 these financial statements in accordance with accounting practices prescribed by the Pennsylvania Department of Community and Economic Development to demonstrate compliance with Pennsylvania Department of Community and Economic Development's regulatory basis of accounting. 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.

Auditors' 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 opinions.

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

To meet the financial reporting requirements of the Commonwealth of Pennsylvania, the financial statements are prepared by the Borough on the basis of accounting prescribed by the Pennsylvania Department of Community and Economic Development, which is a basis of

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accounting other than accounting principles generally accepted in the United States. This basis of accounting permit the financial statements to be prepared without financial statement disclosures, without government-wide financial statements, without Management's Discussion and Analysis, without budgetary comparisons, and require all funds to be aggregated by fund type on the financial statements.

The effects on the financial statements of the various differences between the basis of accounting prescribed by the Pennsylvania Department of Community and Development and U.S. generally accepted accounting principles, 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 statements 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, 2020, and the results of its operations for the year then ended.

*Basis for Qualified Opinion on Basis of Accounting Prescribed by the Pennsylvania
Department of Community and Economic Development*

The Borough does not include the general fixed assets account group, which should be included in order to conform to the basis of accounting prescribed by the Pennsylvania Department of Community and Economic Development. The amount that should be recorded in the general fixed assets account group is not known.

*Qualified Opinion on Basis of Accounting Prescribed by the Pennsylvania
Department of Community and Economic Development*

In our opinion, except for the omission of the information discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Borough of West Homestead as of December 31, 2020, and its results of operations for the year then ended on the basis of accounting prescribed by the Pennsylvania Department of Community and Economic Development.

Basis of Accounting

The Borough prepares its financial statements on the basis of accounting prescribed by the Pennsylvania Department of Community and Economic Development, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Accounting principles generally accepted in the United States of America set minimum requirements for the components of the basic financial statements and required supplemental information that should be presented by local governments. The basis of accounting prescribed by the Pennsylvania Department of Community and Economic Development does not include all of these components such as the government-wide financial statements, note disclosures, and the required supplemental information.

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Certified Public Accountants
Pittsburgh, Pennsylvania