

Annual Audit and
Financial Report
(DCED-CLGS-30)

December 31
2022

**Penn Township,
Perry County**



INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
Penn Township, Perry County
Perry County, Pennsylvania

President Judge of the Court of Common Pleas

Secretary of the Department of Community and Economic Development

Opinion

We have audited the accompanying modified cash basis financial statements of Penn Township, Perry County, Pennsylvania, which comprise the balance sheet as of December 31, 2022, and the related statement of revenues and expenditures, debt statement and statement of capital expenditures for the year then ended, and the related notes to the financial statements in the format prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania.

In our opinion, the financial statements referred to above present fairly, in all material respects, the modified cash basis financial position of Penn Township, Perry County, Pennsylvania, as of December 31, 2022, and the changes in the modified cash basis financial position and related debt statement and statement of capital expenditures for the year then ended, in accordance with the financial reporting provisions of the modified cash basis of accounting within the format prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania described in Note 1.

Basis for Opinion

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 Penn Township, Perry County, Pennsylvania 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 audit opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting within the format prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania, which is a basis of accounting other than accounting principles generally accepted in the United States of America. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting within the financial reporting provisions of the Department of Community and Economic Development of the Commonwealth of Pennsylvania described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for 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 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 opinion. 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 Penn Township, Perry County, Pennsylvania'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 Penn Township, Perry County, Pennsylvania'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.

Restriction on Use

This report is intended solely for the information and use of the Board of Supervisors, management of Penn Township, Perry County, Pennsylvania, President Judge of the Court of Common Pleas, and the Secretary of the Department of Community and Economic Development of the Commonwealth of Pennsylvania and is not intended to be and should not be used by anyone other than those specified parties.

Smith & Elliott Reams Company, LLC

Chambersburg, Pennsylvania
September 18, 2025

**2022 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

500635 PENN TWP, PERRY COUNTY

PENN TWP, PERRY County

BALANCE SHEET

December 31, 2022

		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										
240-259	Current Portion of Long-Term Debt and Other Credits										
Total Liabilities and Other Credits		126,268	30,126								156,394
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	1,259,125	407,296	403,935				544,801			2,615,157
291-299	Other Equity										
Total Fund and Account Group Equity		1,259,125	407,296	403,935				544,801			2,615,157
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											2,771,551

PENN TWP, PERRY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	168,470	109,261					277,731
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	7,236						7,236
310.10	Real Estate Transfer Taxes	97,071						97,071
310.20	Earned Income Taxes / Wage Taxes	382,928						382,928
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)	5,188						5,188
310.50	Local Services Tax **	58,083						58,083
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
Total Taxes		718,976	109,261					828,237

Licenses and Permits

320-322	All Other Licenses and Permits							
321.80	Cable Television Franchise Fees	30,322						30,322
Total Licenses and Permits		30,322						30,322

Fines and Forfeits

330-332	Fines and Forfeits	3,429						3,429
Total Fines and Forfeits		3,429						3,429

PENN TWP, PERRY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	17,585	6,193	7,294				31,072
342.00	Rents and Royalties	9,550						9,550
Total Interest, Rents and Royalties		27,135	6,193	7,294				40,622

Federal								
351.03	Highways and Streets	573,442						573,442
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	170,678						170,678
353.00	Federal Payments in Lieu of Taxes							
Total Federal		744,120						744,120

State								
354.03	Highways and Streets	107,416						107,416
354.09	Community Development							
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants							
355.01	Public Utility Realty Tax (PURTA)	725						725
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		7,800					7,800
355.04	Alcoholic Beverage Licenses	800						800
355.05	General Municipal Pension System State Aid							
355.07	Foreign Fire Insurance Tax Distribution	19,759						19,759
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution							

PENN TWP, PERRY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	2,979						2,979
Total State		131,679	7,800					139,479

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	4,596						4,596
362.00	Public Safety	4,598						4,598
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	4,550						4,550
368.00	Airports							

PENN TWP, PERRY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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		13,744						13,744

Unclassified Operating Revenues

383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	1,640						1,640
388.00	Fiduciary Fund Pension Contributions					6,217		6,217
389.00	All Other Unclassified Operating Revenues	11,949						11,949
Total Unclassified Operating Revenues		13,589				6,217		19,806

Other Financing Sources

391.00	Proceeds of General Fixed Asset Disposition							
392.00	Interfund Operating Transfers							
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

PENN TWP, PERRY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	4,075						4,075
Total Other Financing Sources		4,075						4,075

TOTAL REVENUES

1,687,069	123,254	7,294				6,217	1,823,834
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EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	4,784						4,784
401.00	Executive (Manager or Mayor)							
402.00	Auditing Services / Financial Administration	29,512						29,512
403.00	Tax Collection	15,354	271					15,625
404.00	Solicitor / Legal Services	20,375						20,375
405.00	Secretary / Clerk	94,314						94,314
406.00	Other General Government Administration							
407.00	IT-Networking Services-Data Processing							
408.00	Engineering Services	11,432						11,432
409.00	General Government Buildings and Plant	92,100						92,100
Total General Government		267,871	271					268,142

Public Safety

410.00	Police							
411.00	Fire	19,759	86,486					106,245
412.00	Ambulance / Rescue	35,000						35,000
413.00	UCC and Code Enforcement	7,856						7,856

PENN TWP, PERRY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	8,192						8,192
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							
Total Public Safety		70,807	86,486					157,293

Health and Human Services								
420.00-425.00	Health and Human Services	567						567
Total Health and Human Services		567						567

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	3,390						3,390
Total Public Works - Sanitation		3,390						3,390

Public Works - Highways and Streets								
430.00	General Services - Administration	165,328						165,328
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	5,886						5,886
433.00	Traffic Control Devices	900						900
434.00	Street Lighting	2,632						2,632

PENN TWP, PERRY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	935						935
437.00	Repairs of Tools and Machinery	39,732						39,732
438.00	Maintenance and Repairs of Roads and Bridges	701,158	48,895	118,887				868,940
439.00	Highway Construction and Rebuilding Projects	5,539						5,539
Total Public Works - Highways and Streets		922,110	48,895	118,887				1,089,892

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	3,782						3,782
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks	5,794						5,794

PENN TWP, PERRY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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							
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation	1,661						1,661
Total Culture and Recreation		11,237						11,237

Community Development								
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							
Total Community Development								

Debt Service								
471.00	Debt Principal (short-term and long-term)		14,860					14,860
472.00	Debt Interest (short-term and long-term)		2,144					2,144
475.00	Fiscal Agent Fees							
Total Debt Service			17,004					17,004

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	14,969						14,969
482.00	Judgments and Losses						81,710	81,710
483.00	Pension / Retirement Fund Contributions	6,417						6,417

PENN TWP, PERRY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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	19,554						19,554
487.00	Other Group Insurance Benefits	66,193						66,193
Total Employer Paid Benefits and Withholding Items		107,133					81,710	188,843

Insurance								
486.00	Insurance, Casualty, and Surety	16,221						16,221
Total Insurance		16,221						16,221

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid						6,491	6,491
489.00	All Other Unclassified Expenditures	227					1,964	2,191
Total Unclassified Operating Expenditures		227					8,455	8,682

Other Financing Uses								
491.00	Refund of Prior Year Revenues	850						850
492.00	Interfund Operating Transfers							
493.00	All Other Financing Uses							
Total Other Financing Uses		850						850

TOTAL EXPENDITURES	1,400,413	152,656	118,887				90,165	1,762,121
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	286,656	-29,402	-111,593				-83,948	61,713
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PENN TWP
December 31, 2022

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											
Backhoe	Capital Leases	2019	2024	74,452	46,660		14,860		31,800		31,800
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding	31,800
Capitalized lease obligations	0
Net debt	31,800

PENN TWP, PERRY County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2022

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	11,806	38,200	50,006
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer			
Solid Waste			
Streets / Highways	89,112	799,187	888,299
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	100,918	837,387	938,305

EMPLOYEE COMPENSATION

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

173,553

PENN TOWNSHIP, PERRY COUNTY
Notes to Financial Statements
December 31, 2022

NOTE 1 BASIS OF ACCOUNTING

The financial statements are prepared on the accrual/modified accrual basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The underlying basis of accounting used to record transactions is similar to that prescribed by accounting principles generally accepted in the United States of America, however the financial data is presented within the accompanying annual financial report which is prepared for the purpose of complying with rules and regulations of the Department of Community and Economic Development of the Commonwealth of Pennsylvania, does not include supporting disclosures, government-wide statements, or cash flow statements, if applicable, and is not intended to be a complete presentation of Penn Township, Perry County, Pennsylvania assets, liabilities, revenues and expenses.