

2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

010453 GETTYSBURG BORO, ADAMS COUNTY

Independent Auditor's Report

Borough Council Borough of Gettysburg

We have audited the Balance Sheet, Statement of Revenues and Expenditures, Debt Statement, and Statements of Capital Expenditures and Employee Compensation – regulatory basis (Schedules) included in the 2019 Annual Audit and Financial Report of the Borough of Gettysburg (Borough).

Management's Responsibility for the Schedules

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 Commonwealth of Pennsylvania Department of Community and Economic Development (DCED) to meet filing requirements in Pennsylvania. Management is also responsible 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 Responsibility

Our responsibility is to express an opinion on these Schedules 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 Schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedules. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the Schedules, 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 Schedules 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 Schedules.

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 Schedules are prepared by the Borough on the basis of the instructions provided by 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 historical pension 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.

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 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, 2019 and the results of its operations for the year then ended.

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, 2019 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 DCED.

Maher Duessel

Harrisburg, Pennsylvania
March 27, 2020



BALANCE SHEET

DCED-CLGS-30 (09-09)

GETTYSBURG BORO, ADAMS 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
Assets and Other Debits											
100-120	Cash and Investments	1,833,874	526,513	434,104	370,963			8,576			3,174,030
140-144	Tax Receivable	395,660	8,449								404,109
121-129, 145-149	Accounts Receivable (excluding taxes)	80,551									80,551
130.00	Due From Other Funds	160	16,419	6,904							23,483
131-139, 150-159	Other Current Assets	197,079									197,079
160-169	Fixed Assets								28,638,627		28,638,627
180-189	Other Debits									5,925,964	5,925,964
Total Assets and Other Debits		2,507,324	551,381	441,008	370,963			8,576	28,638,627	5,925,964	38,443,843

Liabilities and Other Credits											
210-229	Payroll Taxes and Other Payroll Withholdings	10,308									10,308
200-209, 231-239	All Other Current Liabilities	466,600	7,230								473,830
230.00	Due To Other Funds	23,323		160							23,483

GETTYSBURG BORO, ADAMS 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	1,930,808	125,348						2,056,156
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	12,630							12,630
310.10	Real Estate Transfer Taxes	97,349							97,349
310.20	Earned Income Taxes / Wage Taxes	524,491							524,491
310.30	Business Gross Receipts Taxes								
310.40	Occupation Taxes (levied under Act 511)	17,753							17,753
310.50	Local Services Tax **	281,250							281,250
310.60	Amusement / Admission Taxes	185,671							185,671
310.70	Mechanical Device Taxes	2,300							2,300
310.90	Other: _____								
	Other: _____								
Total Taxes		3,052,252	125,348						3,177,600

Licenses and Permits									
320-322	All Other Licenses and Permits	107,374		6,904					114,278
321.80	Cable Television Franchise Fees	40,467							40,467
Total Licenses and Permits		147,841		6,904					154,745

Fines and Forfeits									
330-332	Fines and Forfeits	273,047							273,047
Total Fines and Forfeits		273,047							273,047

GETTYSBURG BORO, ADAMS 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	23,636	10,623	9,988	6,019				50,266
342.00	Rents and Royalties	39,600							39,600
Total Interest, Rents and Royalties		63,236	10,623	9,988	6,019				89,866

Federal									
351.03	Highways and Streets								
351.09	Community Development		73,473						73,473
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			73,473						73,473

State									
354.03	Highways and Streets			121,126					121,126
354.09	Community Development	1,700							1,700
354.15	Recycling / Act 101	9,593							9,593
354.00	All Other State Capital and Operating Grants								
355.01	Public Utility Realty Tax (PURTA)	2,972							2,972
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		203,341						203,341
355.04	Alcoholic Beverage Licenses	5,000							5,000
355.05	General Municipal Pension System State Aid	194,579							194,579
355.07	Foreign Fire Insurance Tax Distribution	38,255							38,255
355.08	Local Share Assessment/Gaming Proceeds								
355.09	Marcellus Shale Impact Fee Distribution								

GETTYSBURG BORO, ADAMS 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								
Total State		252,099	203,341	121,126					576,566

Local Government Units									
357.03	Highways and Streets								
357.00	All Other Local Governmental Units Capital and Operating Grants	159,892							159,892
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		159,892							159,892

Charges for Service									
361.00	General Government	26,167							26,167
362.00	Public Safety	20,972							20,972
363.20	Parking	1,230,552							1,230,552
363.00	All Other Charges for Highway & Street Services	1,856							1,856
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								

GETTYSBURG BORO, ADAMS 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								
Total Charges for Service		1,279,547							1,279,547

Unclassified Operating Revenues									
383.00	Special Assessments								
386.00	Escheats (sale of personal property)								
387.00	Contributions and Donations from Private Sectors	49,282			13,963				63,245
388.00	Fiduciary Fund Pension Contributions								
389.00	All Other Unclassified Operating Revenues	1,680							1,680
Total Unclassified Operating Revenues		50,962			13,963				64,925

Other Financing Sources									
391.00	Proceeds of General Fixed Asset Disposition	6,925							6,925
392.00	Interfund Operating Transfers				604,855				604,855
393.00	Proceeds of General Long-Term Debt	168,431							168,431
394.00	Proceeds of Short Term-Debt								

GETTYSBURG BORO, ADAMS 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	9,842							9,842
Total Other Financing Sources		185,198			604,855				790,053

TOTAL REVENUES

5,464,074	412,785	138,018	624,837				6,639,714
-----------	---------	---------	---------	--	--	--	-----------

EXPENDITURES

General Government									
400.00	Legislative (Governing) Body	17,484							17,484
401.00	Executive (Manager or Mayor)	97,980							97,980
402.00	Auditing Services / Financial Administration	143,908							143,908
403.00	Tax Collection	29,785							29,785
404.00	Solicitor / Legal Services	75,002							75,002
405.00	Secretary / Clerk	61,807							61,807
406.00	Other General Government Administration								
407.00	IT-Networking Services-Data Processing	8,011							8,011
408.00	Engineering Services	17,459							17,459
409.00	General Government Buildings and Plant	239,797	8		4				239,809
Total General Government		691,233	8		4				691,245

Public Safety

410.00	Police	1,296,225							1,296,225
411.00	Fire	42,510	82,506						125,016
412.00	Ambulance / Rescue								
413.00	UCC and Code Enforcement	92,194							92,194

GETTYSBURG BORO, ADAMS 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	180,646							180,646
415.00	Emergency Management and Communications	1,152							1,152
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		1,612,727	82,506						1,695,233

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								
Total Public Works - Sanitation									

Public Works - Highways and Streets									
430.00	General Services - Administration	538,962	35,205	84					574,251
431.00	Cleaning of Streets and Gutters								
432.00	Winter Maintenance – Snow Removal		18,416						18,416
433.00	Traffic Control Devices		26,819						26,819
434.00	Street Lighting	95,390	2,404						97,794

GETTYSBURG BORO, ADAMS 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	24,474							24,474
436.00	Storm Sewers and Drains		1,640						1,640
437.00	Repairs of Tools and Machinery								
438.00	Maintenance and Repairs of Roads and Bridges	1,694	4,363	171,925					177,982
439.00	Highway Construction and Rebuilding Projects	30,860	467,297	1,013,255					1,511,412
Total Public Works - Highways and Streets		691,380	556,144	1,185,264					2,432,788

Other Public Works Enterprises

440.00	Airports								
441.00	Cemeteries								
442.00	Electric System								
443.00	Gas System								
444.00	Markets								
445.00	Parking	325,351							325,351
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		325,351							325,351

Culture and Recreation

451.00	Culture-Recreation Administration								
452.00	Participant Recreation								
453.00	Spectator Recreation								
454.00	Parks	118,175							118,175

GETTYSBURG BORO, ADAMS 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	12,805							12,805
456.00	Libraries								
457.00	Civil and Military Celebrations								
458.00	Senior Citizens' Centers								
459.00	All Other Culture and Recreation								
Total Culture and Recreation		130,980							130,980

Community Development									
461.00	Conservation of Natural Resources								
462.00	Community Development and Housing		73,473						73,473
463.00	Economic Development								
464.00	Economic Opportunity								
465-469	All Other Community Development	45,488							45,488
Total Community Development		45,488	73,473						118,961

Debt Service									
471.00	Debt Principal (short-term and long-term)	40,550		25,466	462,929				528,945
472.00	Debt Interest (short-term and long-term)	6,683		4,115	137,205				148,003
475.00	Fiscal Agent Fees				2,309				2,309
Total Debt Service		47,233		29,581	602,443				679,257

Employer Paid Benefits and Withholding Items									
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	98,443							98,443
482.00	Judgments and Losses								
483.00	Pension / Retirement Fund Contributions	274,094							274,094

GETTYSBURG BORO, ADAMS 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	89,506							89,506
487.00	Other Group Insurance Benefits	485,223							485,223
Total Employer Paid Benefits and Withholding Items		947,266							947,266

Insurance									
486.00	Insurance, Casualty, and Surety	97,660							97,660
Total Insurance		97,660							97,660

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	604,855							604,855
493.00	All Other Financing Uses								
Total Other Financing Uses		604,855							604,855

TOTAL EXPENDITURES	5,194,173	712,131	1,214,845	602,447					7,723,596
---------------------------	-----------	---------	-----------	---------	--	--	--	--	-----------

EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	269,901	-299,346	-1,076,827	22,390					-1,083,882
---	---------	----------	------------	--------	--	--	--	--	------------

GETTYSBURG BORO

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
General Obligation Bonds and Notes											
GO Bonds - Authority (guaranteed)	Bond	2012	2023	8,135,000	4,220,000		815,000		3,405,000		3,405,000
PIB Loan	Note	2016	2026	392,192	300,012		37,929		262,083		262,083
GO Bonds - Borough	Bond	2016	2029	6,965,000	5,840,000		425,000		5,415,000		5,415,000
Revenue Bonds and Notes											
Sewer Revenue Bonds (guaranteed)	Bond	2015	2034	5,335,000	5,315,000		5,000		5,310,000		5,310,000
Sewer Revenue Bonds (guaranteed)	Bond	2016	2029	6,540,000	6,430,000		55,000		6,375,000		6,375,000
Lease Rental Debt											
Equipment lease	Capital Leases	2016	2020	92,305	38,623		19,103		19,520		19,520
Equipment lease	Capital Leases	2018	2022	137,423	107,843		25,466		82,377		82,377
Vehicle lease	Capital Leases	2019	2023	70,161	0	70,161	14,520		55,641		55,641
Vehicle lease	Capital Leases	2019	2024	25,099	0	25,099	3,266		21,833		21,833
Vehicle lease	Capital Leases	2019	2024	35,711	0	35,711	3,117		32,594		32,594
Vehicle lease	Capital Leases	2019	2024	37,460	0	37,460	544		36,916		36,916
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding

20,767,083

Capitalized lease obligations

248,881

Net debt

21,015,964

GETTYSBURG BORO, ADAMS County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2019

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	81,367		81,367
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police	65,006		65,006
Recreation			
Sewer			
Solid Waste			
Streets / Highways	55,390	1,960,357	2,015,747
Water			
Other: Parking	98,270		98,270
TOTAL CAPITAL EXPENDITURES	300,033	1,960,357	2,260,390

EMPLOYEE COMPENSATION

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

1,839,284

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, 2019

NOTES / COMMENTS

Warnings 29 and 135: The pension plans of the Borough are not reported on the DCED report because they are agent multiple employer plans and the Borough does not hold the assets in a fiduciary capacity. Therefore, no revenue is reported for 388.00 Fiduciary Fund Pension Contributions and no pension expenditures are reported on line 488.00 in a Fiduciary Fund.

Warning 95: Principal payments do not match the debt statement because the Borough guarantees several of the Gettysburg Municipal Authority's debt issues. This activity is reported on the debt statement as required, however, the principal payments on those debts were made by the Gettysburg Municipal Authority. Principal payments made by the Gettysburg Municipal Authority totaled \$875,000 for the year ended December 31, 2019.