

Board of Directors

Gettysburg Borough Storm Water Authority

In planning and performing our audit of the financial statements of the Gettysburg Borough Storm Water Authority (Authority), a component unit of the Borough of Gettysburg, as of and for the year ended December 31, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in internal control to be material weakness:

Improving Financial Reporting

During the audit process, adjustments were proposed to the Authority's records by the auditors. These adjustments were necessary to convert the Authority's trial balance from accrual to cash basis. We recommend that the Authority evaluate their current internal controls over financial reporting and identify areas for improvement that are most important for consistent and accurate financial reporting throughout the year.

We have already discussed this comment and suggestion with various Authority personnel. We will be pleased to discuss it in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation.

This communication is intended solely for the information and use of the Board of Directors and management of the Authority, and is not intended to be, and should not be, used by anyone other than these specified parties.

Mahe Duessel

Harrisburg, Pennsylvania
May 31, 2023

Board of Directors

Gettysburg Borough Storm Water Authority

We have audited the cash basis financial statements of Gettysburg Borough Storm Water Authority (Authority), a component unit of Borough of Gettysburg, for the year ended December 31, 2022. In addition, we have audited the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position, and Debt Statement – regulatory basis (Schedules) included in the 2022 Annual Report of Municipal Authorities and Non-Profits (DCED-CLGS-04). Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our conversation with you about planning matters on March 2, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility Under Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter dated January 5, 2023, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements and Schedules prepared by management with your oversight are fairly presented, in all material respects, in conformity with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America, and the accounting practices and procedures prescribed or permitted by the Pennsylvania Department of Community and Economic Development (DCED), which is a regulatory basis of accounting. Our audit of the financial statements and Schedules does not relieve you or management of your responsibilities.

In addition, our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements and Schedules are free of material misstatement. As part of our audit, we considered the internal control of the Authority. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements, and the Schedules follow accounting policies prescribed by the DCED. No new accounting policies were adopted, and the application of existing policies was not changed during 2022. We noted no transactions entered into by the Authority during the year for which there is a lack of

authoritative guidance or consensus. All significant transactions have been recognized in the financial statements and Schedules in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

We noted no sensitive estimates affecting the financial statements and Schedules.

Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The Schedules were prepared without disclosures as permitted by the DCED.

We noted no sensitive disclosures affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The material misstatements detected as a result of audit procedures and corrected by management are adjustments to convert the Authority from the accrual basis to the cash basis of accounting.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements and Schedules or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 31, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements and Schedules or a determination of the type of auditor's opinion that may be expressed on those statements or Schedules, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Audit Findings or Issues

Matters involving internal controls and the Authority's operations are detailed in a separately issued management letter.

This information is intended solely for the information and use of the Board of Directors and management of the Authority, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Maher Duessel

Harrisburg, Pennsylvania
May 31, 2023

**Gettysburg Borough Storm Water
Authority**

(A Component Unit of the Borough of Gettysburg)

Financial Statements

Years Ended December 31, 2022 and 2021
with Independent Auditor's Report

MaherDuessel

A horizontal bar graphic located below the company name. It consists of a solid black segment on the left and a blue gradient segment on the right, which tapers off to the right.

GETTYSBURG BOROUGH STORM WATER AUTHORITY

(A COMPONENT UNIT OF THE BOROUGH OF GETTYSBURG)

YEARS ENDED DECEMBER 31, 2022 AND 2021

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Independent Auditor's Report

**Board of Directors
Gettysburg Borough Storm Water Authority**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying cash basis financial statements of the business-type activities of the Gettysburg Borough Storm Water Authority (Authority), a component unit of the Borough of Gettysburg, as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Authority's cash basis financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash basis financial position of the business-type activities of the Authority, as of December 31, 2022 and 2021, and the respective changes in cash basis financial position for the years then ended in accordance with the cash basis of accounting as described in the Notes of the financial statements.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. 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 cash basis of accounting described in the Notes of the financial statements, and for determining that the 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 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 GAAS, 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 Authority'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 Authority'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
May 31, 2023

GETTYSBURG BOROUGH STORM WATER AUTHORITY

(A Component Unit of the Borough of Gettysburg)

STATEMENTS OF NET POSITION - CASH BASIS

DECEMBER 31, 2022 AND 2021

| | 2022 | 2021 |
|---------------------------|-------------------|-------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 365,292 | \$ 512,391 |
| Total Assets | <u>365,292</u> | <u>512,391</u> |
| Net Position | | |
| Unrestricted | <u>365,292</u> | <u>512,391</u> |
| Total Net Position | <u>\$ 365,292</u> | <u>\$ 512,391</u> |

The accompanying notes are an integral part of these financial statements.

GETTYSBURG BOROUGH STORM WATER AUTHORITY

(A Component Unit of the Borough of Gettysburg)

STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND NET POSITION - CASH BASIS

YEARS ENDED DECEMBER 31, 2022 AND 2021

| | 2022 | 2021 |
|-----------------------------------------------|------------|------------|
| Operating Receipts: | | |
| Storm water management fees | \$ 516,312 | \$ 523,377 |
| Penalties | - | 1,932 |
| Total operating receipts | 516,312 | 525,309 |
| Operating Disbursements: | | |
| Administrative expenses | 100,084 | 84,769 |
| Office expenses | 14,031 | 21,863 |
| Supplies | 2,470 | 3,205 |
| Professional fees | 61,332 | 52,453 |
| Repairs and maintenance | 5,090 | 13,837 |
| Miscellaneous | 1,966 | 1,230 |
| Total operating disbursements | 184,973 | 177,357 |
| Operating gain | 331,339 | 347,952 |
| Nonoperating Receipts (Disbursements): | | |
| Interest income | 125 | 169 |
| Contribution to Borough of Gettysburg | (685,028) | (212,031) |
| Grants | 188,989 | - |
| Contributions | 7,828 | - |
| Miscellaneous | 9,648 | - |
| Total nonoperating receipts (disbursements) | (478,438) | (211,862) |
| Change in Net Position | (147,099) | 136,090 |
| Net Position: | | |
| Beginning of year | 512,391 | 376,301 |
| End of year | \$ 365,292 | \$ 512,391 |

The accompanying notes are an integral part of these financial statements.

GETTYSBURG BOROUGH STORM WATER AUTHORITY

(A Component Unit of the Borough of Gettysburg)

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

1. Summary of Significant Accounting Policies

Purpose of Organization

The Gettysburg Borough Storm Water Authority (Authority) was formed in accordance with the Pennsylvania Municipality Authorities Act of 1945 and incorporated as a nonprofit municipal corporation and organized under the laws governing authorities within the Commonwealth of Pennsylvania. The Authority commenced operations on December 10, 2018 for the purpose of administering, assessing, constructing, improving, maintaining, and operating the Borough of Gettysburg's (Borough) municipal storm water system.

Reporting Entity

The Authority is considered a discretely presented component unit of the Borough. A financial burden exists as the Authority transfers all storm water capital-related projects to the Borough. Due to the Authority not having employees, the operational responsibility of the Authority rests with Borough management.

The criteria used by the Authority to evaluate the possible inclusion of related entities within its reporting entity are financial/operational accountability and the nature and significance of the relationship.

There were no additional entities required to be included in the reporting entity under these criteria in the current fiscal year. However, the Authority is includable in the reporting entity of the Borough on the basis of such criteria.

Basis of Accounting and Financial Statement Presentation

The Authority has adopted the cash basis of accounting, which is a special purpose framework other than accounting principles generally accepted in the United States of America. This basis recognizes receipts and disbursements when they result from cash transactions.

The accounts of the Authority are organized on the basis of a proprietary fund type, specifically an enterprise fund. Proprietary funds distinguish operating receipts and disbursements from nonoperating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a

GETTYSBURG BOROUGH STORM WATER AUTHORITY

(A Component Unit of the Borough of Gettysburg)

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

proprietary fund's principal ongoing operations. The principal operating receipts of the Authority are charges for stormwater improvements. Operating disbursements include cost of services, professional fees, administrative expenses. All receipts and disbursements not meeting this definition are reported as nonoperating receipts and disbursements.

Cash and Cash Equivalents

The Authority considers all assets with maturities of three months or less to be cash or cash equivalents.

Net Position

Net position (i.e., total assets net of total liabilities) is segregated into "net investment in capital assets," "restricted," and "unrestricted" components. The Authority's net position is classified as unrestricted. These resources are used for transactions relating to general operations of the Authority and may be used at the discretion of the governing Board to meet current costs for any purpose.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Grants

The Authority is party to a grant with a county agency. Grant revenue and expenditures are subject to review by the funding agency and may result in disallowance in future periods.

Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; inquiries to employees; and natural disasters. Significant losses are covered by commercial insurance for all major programs. There were no significant reductions in insurance coverage in 2022 and 2021. Settlement amounts have not exceeded insurance coverage for the prior two years.

GETTYSBURG BOROUGH STORM WATER AUTHORITY

(A Component Unit of the Borough of Gettysburg)

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

2. Deposits

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types, in addition to deposits in institutions insured by the Federal Deposit Insurance Corporation. The Authority may invest in any of the following: United States Treasury Bills; other short-term United States government obligations; short-term commercial paper issued by a public corporation; banker's acceptances; insured or collateralized time deposits; and certificates of deposit.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a formal deposit policy for custodial credit risk. As of December 31, 2022, the bank and book balances were \$362,287 and \$365,292, respectively. Of the bank balance, \$250,000 was covered by federal depository insurance and \$112,287 was collateralized under Act No. 72 (Act) of the 1971 Session of the Pennsylvania General Assembly, in which financial institutions were granted the authority to secure deposits of public bodies by pledging a pool of assets, as defined in the Act, to cover all public funds deposited in excess of federal depository insurance limits.

As of December 31, 2021, the bank and book balances were \$524,713 and \$512,391, respectively. Of the bank balance, \$250,000 was covered by federal depository insurance and \$274,713 was collateralized under Act No. 72 (Act) of the 1971 Session of the Pennsylvania General Assembly, in which financial institutions were granted the authority to secure deposits of public bodies by pledging a pool of assets, as defined in the Act, to cover all public funds deposited in excess of federal depository insurance limits.

3. Related Party Transactions

The Authority entered into a management agreement effective February 11, 2019 with the Borough. The Borough provides financial, engineering, administrative, and construction services to the Authority in order to maintain compliance with the federally mandated storm water management requirements. The Authority makes periodic payments to the Borough upon receipt of an itemized invoice for services rendered. During the years ended December 31, 2022 and 2021, \$131,746 and \$89,182, respectively, was paid to the Borough related to such services.

GETTYSBURG BOROUGH STORM WATER AUTHORITY

(A Component Unit of the Borough of Gettysburg)

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

Additionally, the Authority incurred costs related to the Borough's storm water improvement projects during the year. Work is performed on behalf of the Borough and any costs incurred related to these projects are capitalized on the Borough's financial statements. The total capital improvement expenses for the years ended December 31, 2022 and 2021 totaled \$685,028 and \$212,031, respectively. These costs are shown as a non-operating disbursement on the Statements of Receipts, Disbursements, and Changes in Fund Net Position – Cash Basis.

4. Litigation and Contingencies

During the normal course of performing its duties to the public which it serves, the Authority is subject to potential lawsuits and complaints. In the opinion of management, there were no claims that management feels the ultimate outcome would have a material adverse effect on the Authority's financial position.

2022 ANNUAL REPORT OF MUNICIPAL AUTHORITIES AND NON-PROFITS

GETTYSBURG BOROUGH STORM WATER AUTHORITY 011338

MUNICIPAL AUTHORITY INFORMATION

Information on file**Name:** GETTYSBURG BOROUGH STORM WATER AUTHORITY**Address:** 59 EAST HIGH STREET

GETTYSBURG, PA 17325

Phone: (717) 334-1160**Fax:****Contact Person:** CHARLES R. GABLE**Title:** BOROUGH SECRETARY**Email:****Year Authority Organized** 2018**Year Authority Terminates** 2068**Fiscal Year Ends (month/day):** 12/31**Number of Employees****Full Time Equivalent:** 0**Part Time Equivalent:** 0**Filing Status:** Active**Facility Type:**

Storm Water

GETTYSBURG BOROUGH STORM WATER AUTHORITY

AUTHORITY OFFICIALS LIST

| | |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| President Address: Phone: Fax: e-mail: | MICHAEL S. MALEWICKI 59 EAST HIGH STREET GETTYSBURG, PA 17325 (717) 334-1160 |
| Secretary Address: Phone: Fax: e-mail: | WESLEY K. HEYSER 59 EAST HIGH STREET GETTYSBURG, PA 17325 (717) 334-1160 |

GETTYSBURG BOROUGH STORM WATER AUTHORITY

GEOGRAPHICAL AREAS SERVED

Municipality Name

GETTYSBURG BORO

County

ADAMS

Independent Auditor's Report

**Board of Directors
Gettysburg Borough Storm Water Authority**

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the cash basis Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position, and Debt Statement – regulatory basis, as of and for the year ended December 31, 2022 included in the Annual Report of the Municipal Authorities and Non-Profits (Schedules) of the Gettysburg Borough Storm Water Authority (Authority), a component unit of the Borough of Gettysburg.

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 Authority as of December 31, 2022, 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 Authority as of December 31, 2022, 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 (GAAS). 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 Authority 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 Authority 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 GAAS 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 GAAS, 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 Authority'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 Authority'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
May 31, 2023

GETTYSBURG BOROUGH STORM WATER AUTHORITY

STATEMENT OF NET POSITION FOR THE FISCAL YEAR ENDING 2022

| CURRENT ASSETS | |
|----------------------------------------------------------------|----------------|
| Cash and cash equivalents | 365,292 |
| Investments | |
| Receivables (net of allowance for uncollectibles) | |
| Lease rental payments receivable (Financing authorities, only) | |
| Due from other governments | |
| Inventories | |
| Prepays | |
| Restricted current assets: | |
| Cash or cash equivalents | |
| Investments | |
| Lease rental payments receivable (Financing authorities, only) | |
| Intergovernmental receivables | |
| Other current assets | |
| TOTAL CURRENT ASSETS | 365,292 |

| NON-CURRENT ASSETS | |
|----------------------------------------------------------------|----------------|
| Restricted non-current assets: | |
| Investments | |
| Lease rental payments receivable (Financing authorities, only) | |
| Capital assets not being depreciated: | |
| Land | |
| Construction in progress | |
| Capital assets net of accumulated depreciation: | |
| Buildings and system | |
| Improvements other than buildings | |
| Furnishings, machinery and equipment | |
| Infrastructure | |
| Lease rental payments receivable (Financing authorities, only) | |
| Other non-current assets | |
| TOTAL NON-CURRENT ASSETS | 0 |
| TOTAL ASSETS | 365,292 |

| DEFERRED OUTFLOWS OF RESOURCES | |
|-------------------------------------------------|---------|
| Deferred amount of debt refundings | |
| Deferrals related to pensions | |
| Other deferred outflows of resources | |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | 0 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | 365,292 |

| CURRENT LIABILITIES | |
|----------------------------------|---|
| Accounts payable | |
| Accrued payroll and withholdings | |
| Accrued interest payable | |
| Due to other governments | |
| Unearned revenue | |
| Funds held as fiduciary | |
| Debt due within one year | |
| Other current liabilities | |
| TOTAL CURRENT LIABILITIES | 0 |

| NON-CURRENT LIABILITIES | |
|--------------------------------|---|
| Debt due in more than one year | |
| Net pension liabilities | |
| Other non-current liabilities | |
| TOTAL NON-CURRENT LIABILITIES | 0 |
| TOTAL LIABILITIES | 0 |

| DEFERRED INFLOWS OF RESOURCES | |
|-----------------------------------------------------|---|
| Deferred amount on debt refundings | |
| Deferrals related to pensions | |
| Other deferred inflows of resources | |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 0 |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | 0 |

| NET POSITION | |
|----------------------------------------------------------------------|---------|
| Net investment in capital assets | |
| Restricted | |
| Unrestricted | 365,292 |
| TOTAL NET POSITION | 365,292 |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND NET POSITION | 365,292 |

GETTYSBURG BOROUGH STORM WATER AUTHORITY

Storm Water

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDING 2022

| STORM WATER OPERATING REVENUES | |
|---------------------------------------------------|----------------|
| Charges for service | 516,312 |
| Lease rental income (Financing authorities, only) | |
| Operating grants: | |
| Federal | |
| State | |
| Local | |
| Other | |
| Contributions | |
| Interest income | |
| Assessment revenue* | |
| Payments in lieu of assessments* | |
| Program income* | |
| Other operating revenue | |
| TOTAL STORM WATER OPERATING REVENUES | 516,312 |

| STORM WATER OPERATING EXPENSES | |
|---------------------------------------------|----------------|
| Administrative | 100,084 |
| Contracted services | 61,332 |
| Personnel services | |
| Supplies and materials | 16,501 |
| Repairs and maintenance | 5,090 |
| Utilities | |
| Other services and charges | |
| Depreciation and amortization | |
| Fundraising* | |
| Program services* | |
| Other operating expenses | 1,966 |
| TOTAL STORM WATER OPERATING EXPENSES | 184,973 |
| STORM WATER OPERATING INCOME (LOSS) | 331,339 |

| STORM WATER NONOPERATING REVENUES / (EXPENSES) | |
|------------------------------------------------|--|
| Nonoperating grants: | |
| Federal | |
| State | |

| | |
|----------------------------------------------------|-----------|
| Local | 188,989 |
| Other | |
| Investment earnings / (losses) | 125 |
| Interest expense | |
| Gain / (loss) on sale of assets | |
| Other financing sources / (uses) | |
| Other nonoperating revenues | 17,476 |
| Other nonoperating (expenses) | (685,028) |
| Debt service principal and interest (expense)** | |
| TOTAL STORM WATER NONOPERATING REVENUES (EXPENSES) | (478,438) |
| CAPITAL CONTRIBUTIONS | |
| CHANGE IN NET POSITION | (147,099) |
| NET POSITION - BEGINNING OF YEAR | 512,391 |
| PRIOR PERIOD ADJUSTMENT | |
| STORM WATER NET POSITION - END OF YEAR | 365,292 |

*Business/Neighborhood Improvement Districts
**see the Authorities and Non-Profits Annual Financial Report Tip Sheet available from your Start Page.

GETTYSBURG BOROUGH STORM WATER AUTHORITY
STATEMENT OF FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDING 2022

| ASSETS | | |
|-------------------------------|--------------------|------------------------|
| | Trust Funds | Custodial Funds |
| Cash and cash equivalents | | |
| Receivables | | |
| Investments, at fair value | | |
| Restricted assets: | | |
| Temporarily restricted: | | |
| Cash, or cash equivalents | | |
| Investments | | |
| Intergovernmental receivables | | |
| Permanently restricted: | | |
| Investments | | |
| Other assets | | |
| TOTAL ASSETS | 0 | 0 |

| DEFERRED OUTFLOWS OF RESOURCES | | |
|--------------------------------------------------------|--------------------|------------------------|
| | Trust Funds | Custodial Funds |
| Other deferred outflows of resources | | |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | 0 | 0 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | 0 | 0 |

| LIABILITIES | | |
|------------------------------------------------|--------------------|------------------------|
| | Trust Funds | Custodial Funds |
| Accounts payable and other current liabilities | | |
| Due to other governments | | |
| Unearned revenue | | |
| Debt due within one year | | |
| Other liabilities | | |
| TOTAL LIABILITIES | 0 | 0 |

| DEFERRED INFLOWS OF RESOURCES | | |
|------------------------------------------------------------|--------------------|------------------------|
| | Trust Funds | Custodial Funds |
| Other deferred inflows of resources | | |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 0 | 0 |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | 0 | 0 |

| NET POSITION | | |
|-------------------------------------------------------------------|-------------|-----------------|
| | Trust Funds | Custodial Funds |
| Assets held in trust for pension/other postemployment benefits | | |
| Other | | |
| TOTAL NET POSITION | 0 | 0 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION | 0 | 0 |

GETTYSBURG BOROUGH STORM WATER AUTHORITY

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE FISCAL YEAR ENDING 2022

| ADDITIONS | | |
|------------------------------------------------------------|-------------|-----------------|
| Contributions | | |
| | Trust Funds | Custodial Funds |
| Employer | | |
| Plan members | | |
| Private donations | | |
| Other | | |
| TOTAL CONTRIBUTIONS | 0 | 0 |
| Investment Earnings | | |
| | Trust Funds | Custodial Funds |
| Interest | | |
| Net increase / (decrease) in the fair value of investments | | |
| Other | | |
| TOTAL INVESTMENT EARNINGS | 0 | 0 |
| | Trust Funds | Custodial Funds |
| Less investment expenses | | |
| TOTAL ADDITIONS | 0 | 0 |
| DEDUCTIONS | | |
| | Trust Funds | Custodial Funds |
| Benefits | | |
| Administrative expenses | | |
| Other | | |
| TOTAL DEDUCTIONS | 0 | 0 |
| NET POSITION | | |
| | Trust Funds | Custodial Funds |
| CHANGE IN NET POSITION | 0 | 0 |
| NET POSITION - BEGINNING OF YEAR | 0 | 0 |
| PRIOR PERIOD ADJUSTMENT | | |
| NET POSITION - END OF YEAR | 0 | 0 |

| Purpose | Issuance Type | Issue Year (YYYY) | Maturity Year (YYYY) | Original Amount of Issue | Outstanding Beginning of Year | Principal Incurred This Year | Principal Paid This Year | Current Year Accretion on Compound Interest Bonds | Outstanding at Year End |
|---------|---------------|-------------------|----------------------|--------------------------|-------------------------------|--------------------------------------------|--------------------------|---------------------------------------------------|-------------------------|
| | | | | | | Total Bonds and Notes Outstanding | | | \$0 |
| | | | | | | Capitalized Lease Obligations | | | |
| | | | | | | Plus (Less) Unamortized Premium (Discount) | | | |
| | | | | | | NET DEBT | | | \$0 |

SIGNATURE AND VERIFICATION

I certify that the foregoing information is correct and complete for the 2022 municipal Authority's fiscal year.

Name: Maher Duessel

Title: CPAs

Phone: (717) 232-1230