

**2021 MUNICIPAL ANNUAL AUDIT  
AND  
FINANCIAL REPORT**

**230843 MORTON BORO, DELAWARE COUNTY**



## MORTON BORO, DELAWARE County

## BALANCE SHEET

December 31, 2021

		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
<b>Liabilities and Other Credits</b>											
260-269	Long-Term-Liabilities										
240-259	Current Portion of Long-Term Debt and Other Credits										
<b>Total Liabilities and Other Credits</b>		109,245									109,245
<b>Fund and Account Group Equity</b>											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets										
270-289	Fund Balance / Retained Earnings on 12/31	444,534	97,354			258,599		4,015,021			4,815,508
291-299	Other Equity										
<b>Total Fund and Account Group Equity</b>		444,534	97,354			258,599		4,015,021			4,815,508
<b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY</b>											4,924,753

**MORTON BORO, DELAWARE County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2021

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	1,491,610						1,491,610
305.00	Occupation Taxes (levied under municipal code)							
308.00	Residence Taxes (levied by cities of the 3rd Class)							
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)							
310.00	Per Capita Taxes							
310.10	Real Estate Transfer Taxes	97,940						97,940
310.20	Earned Income Taxes / Wage Taxes							
310.30	Business Gross Receipts Taxes	37,659						37,659
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	43,362						43,362
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes	50						50
310.90	Other: _____							
	Other: _____							
<b>Total Taxes</b>		1,670,621						1,670,621

**Licenses and Permits**

320-322	All Other Licenses and Permits	107,838						107,838
321.80	Cable Television Franchise Fees	40,788						40,788
<b>Total Licenses and Permits</b>		148,626						148,626

**Fines and Forfeits**

330-332	Fines and Forfeits	23,442						23,442
<b>Total Fines and Forfeits</b>		23,442						23,442

**MORTON BORO, DELAWARE County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2021

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**

<b>Interest, Rents and Royalties</b>								
341.00	Interest Earnings		23					23
342.00	Rents and Royalties	57,512						57,512
<b>Total Interest, Rents and Royalties</b>		57,512	23					57,535

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

<b>State</b>								
354.03	Highways and Streets							
354.09	Community Development	1,695						1,695
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants							
355.01	Public Utility Realty Tax (PURTA)	1,554						1,554
355.02- 355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		69,082					69,082
355.04	Alcoholic Beverage Licenses							
355.05	General Municipal Pension System State Aid	57,567						57,567
355.07	Foreign Fire Insurance Tax Distribution	13,194						13,194
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution							

**MORTON BORO, DELAWARE County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2021

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								
356.00	State Payments in Lieu of Taxes							
355.00	All Other State Shared Revenues and Entitlements	139,733						139,733
<b>Total State</b>		213,743	69,082					282,825

Local Government Units								
357.03	Highways and Streets							
357.00	All Other Local Governmental Units Capital and Operating Grants	50,000						50,000
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services	13,581						13,581
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							
<b>Total Local Government Units</b>		63,581						63,581

Charges for Service								
361.00	General Government	1,200						1,200
362.00	Public Safety	18,070						18,070
363.20	Parking	7,485						7,485
363.00	All Other Charges for Highway & Street Services							
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)				829,612			829,612
364.30	Solid Waste Collection and Disposal Charge (trash)	198,863						198,863
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							

**MORTON BORO, DELAWARE County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2021

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							
<b>Total Charges for Service</b>		225,618			829,612			1,055,230

Unclassified Operating Revenues								
383.00	Special Assessments	13,124						13,124
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors							
388.00	Fiduciary Fund Pension Contributions					537,674		537,674
389.00	All Other Unclassified Operating Revenues	4,298						4,298
<b>Total Unclassified Operating Revenues</b>		17,422				537,674		555,096

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition							
392.00	Interfund Operating Transfers		6,160					6,160
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt	175,000						175,000

**MORTON BORO, DELAWARE County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2021

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	51,331	958			3	52,292
<b>Total Other Financing Sources</b>		226,331	7,118			3	233,452

**TOTAL REVENUES**

2,646,896	76,223			829,615		537,674	4,090,408
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**EXPENDITURES**

General Government							
400.00	Legislative (Governing) Body	22,239					22,239
401.00	Executive (Manager or Mayor)	3,545					3,545
402.00	Auditing Services / Financial Administration	10,821			7,750		18,571
403.00	Tax Collection	9,052					9,052
404.00	Solicitor / Legal Services	162,834					162,834
405.00	Secretary / Clerk	100,474					100,474
406.00	Other General Government Administration	103,711			7,240	7,600	118,551
407.00	IT-Networking Services-Data Processing						
408.00	Engineering Services	75,875			1,803		77,678
409.00	General Government Buildings and Plant	87,635					87,635
<b>Total General Government</b>		576,186			16,793	7,600	600,579

**Public Safety**

410.00	Police	947,781					947,781
411.00	Fire	89,868					89,868
412.00	Ambulance / Rescue						
413.00	UCC and Code Enforcement	1,340					1,340

**MORTON BORO, DELAWARE County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2021

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**

<b>Public Safety</b>								
414.00	Planning and Zoning							
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							
<b>Total Public Safety</b>		1,038,989						1,038,989

<b>Health and Human Services</b>								
420.00-425.00	Health and Human Services	475						475
<b>Total Health and Human Services</b>		475						475

<b>Public Works - Sanitation</b>								
426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)	151,877						151,877
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection				810,488			810,488
<b>Total Public Works - Sanitation</b>		151,877			810,488			962,365

<b>Public Works - Highways and Streets</b>								
430.00	General Services - Administration	7,475						7,475
431.00	Cleaning of Streets and Gutters		18,649					18,649
432.00	Winter Maintenance – Snow Removal		1,360					1,360
433.00	Traffic Control Devices		5,537					5,537
434.00	Street Lighting		16,993					16,993

**MORTON BORO, DELAWARE County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2021

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**

<b>Public Works - Highways and Streets</b>								
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains							
437.00	Repairs of Tools and Machinery							
438.00	Maintenance and Repairs of Roads and Bridges	3,090						3,090
439.00	Highway Construction and Rebuilding Projects							
<b>Total Public Works - Highways and Streets</b>		10,565	42,539					53,104

<b>Other Public Works Enterprises</b>								
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							
<b>Total Other Public Works Enterprises</b>								

<b>Culture and Recreation</b>								
451.00	Culture-Recreation Administration							
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks	61,986						61,986

**MORTON BORO, DELAWARE County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2021

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**

<b>Culture and Recreation</b>								
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							
<b>Total Culture and Recreation</b>		61,986						61,986

<b>Community Development</b>								
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							
<b>Total Community Development</b>								

<b>Debt Service</b>								
471.00	Debt Principal (short-term and long-term)	208,141			33,491			241,632
472.00	Debt Interest (short-term and long-term)	5,614			6,307			11,921
475.00	Fiscal Agent Fees							
<b>Total Debt Service</b>		213,755			39,798			253,553

<b>Employer Paid Benefits and Withholding Items</b>								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation							
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions	122,751						122,751

**MORTON BORO, DELAWARE County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2021

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**

<b>Employer Paid Benefits and Withholding Items</b>								
484.00	Worker Compensation Insurance							
487.00	Other Group Insurance Benefits	12,788						12,788
<b>Total Employer Paid Benefits and Withholding Items</b>		135,539						135,539

<b>Insurance</b>								
486.00	Insurance, Casualty, and Surety	113,926						113,926
<b>Total Insurance</b>		113,926						113,926

<b>Unclassified Operating Expenditures</b>								
488.00	Fiduciary Fund Benefits and Refunds Paid						178,276	178,276
489.00	All Other Unclassified Expenditures	750						750
<b>Total Unclassified Operating Expenditures</b>		750					178,276	179,026

<b>Other Financing Uses</b>								
491.00	Refund of Prior Year Revenues	2,703						2,703
492.00	Interfund Operating Transfers	6,160						6,160
493.00	All Other Financing Uses							
<b>Total Other Financing Uses</b>		8,863						8,863

<b>TOTAL EXPENDITURES</b>	2,312,911	42,539			867,079		185,876	3,408,405
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<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES</b>	333,985	33,684			-37,464		351,798	682,003
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**MORTON BORO**  
December 31, 2021

**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
<b>General Obligation Bonds and Notes</b>											
DVRFA	Note	2007	2010	250,000	112,000		14,000		98,000		98,000
PA Dept of Transportation	Note	2013	2023	478,250	151,653				151,653		151,653
Univest Bank & Trust	Note	2017	2027	88,460	60,141		11,013		49,128		49,128
Republic Bnak tax anticipaton loan	Note	2021	2021	175,000	0	175,000	175,000		0		0
<b>Revenue Bonds and Notes</b>											
<b>Lease Rental Debt</b>											
Copier 2016	Note	2016	2021	13,328	1,919		1,919		0		0
<b>Other</b>											
Pennvest Authority	Note	2003	2023	313,182	50,019		19,491		30,528		30,528
Univest Bank - Police Car	Note	2019	2022	40,475	20,209		20,209		0		0

(1) - excludes unamortized premium/discount

<b>Total bonds and notes outstanding</b>	329,309
<b>Capitalized lease obligations</b>	0
<b>Net debt</b>	329,309

**MORTON BORO, DELAWARE County**  
**STATEMENT OF CAPITAL EXPENDITURES**

December 31, 2021

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	1,590	8,070	9,660
Health			
Housing			
Libraries			
Mass Transit			
Parks	59,188	2,033	61,221
Police	29,744		29,744
Recreation			
Sewer			
Solid Waste			
Streets / Highways	5,223		5,223
Water			
Other: _____			
<b>TOTAL CAPITAL EXPENDITURES</b>	95,745	10,103	105,848

**EMPLOYEE COMPENSATION**

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

874,576

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

**SIGNATURE AND VERIFICATION**

Signed: Ronald Woodworth CPA Appointed Auditor/CPA

December 31, 2021

**NOTES / COMMENTS**

**Ronald R. Woodworth, CPA, PC**  
**Certified Public Accountants**

Members: AICPA & PICPA

Tel: 610-353-0883

3501 West Chester Pike, Ste. 200  
Newtown Square, PA 19073

Fax: 610-353-6146

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**Independent Auditor's Report**

Council of Morton  
500 Highland Avenue  
Morton PA 19070

President Judge of the Court of Common Pleas  
Secretary of Community & Economic Development

We have audited the accompanying Municipal Annual Financial Report, Form DCED-CLGS-30, for the Borough of Morton, as of and for the year ended December 31, 2021.

***Management's Responsibility for the Financial Statements***

Morton Borough's management is responsible for the preparation and fair presentation of this report in accordance with the accounting and reporting requirements of DCED, this includes design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, 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 evaluation 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 in the DCED report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the basic financial statements presented in the DCED Report referred to above present fairly, in all material respects, the financial position of the Borough of Morton as of December 31, 2021, and the respective changes in financial position thereof for the year then ended in conformity with the modified-cash basis of accounting as described below.

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**Ronald R. Woodworth, CPA, PC**  
**Certified Public Accountants**

Members: AICPA & PICPA

Tel: 610-353-0883

3501 West Chester Pike, Ste. 200  
Newtown Square, PA 19073

Fax: 610-353-6146

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***Basis of Accounting***

The Borough's policy is to prepare the Municipal Annual Financial Report, Form DCED-CLGS-30, on the modified-cash basis as permitted by the Department of Community and Economic Development of Pennsylvania. These financial statements constitute special purpose financial statements prepared in accordance with a regulatory special purpose framework. This is a prescribed basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. These financial statements do not included all of the disclosures required by accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Restriction on Use***

This report is intended solely for the information and use of management, the Borough Council, others within Morton Borough, and the Department of Community and Economic Development of Pennsylvania and is not intended to be and should not be used by anyone other than these specified parties.



Newtown Square, Pennsylvania

March 25, 2022