

**ANNUAL AUDIT AND  
FINANCIAL REPORT**

**BOROUGH OF BROOKHAVEN**

**DECEMBER 31, 2022**



**BOROUGH OF BROOKHAVEN**

**TABLE OF CONTENTS**

**Page**

INDEPENDENT AUDITOR'S REPORT..... 1-3

BALANCE SHEET..... 4-5

STATEMENT OF REVENUES AND EXPENDITURES..... 6-17

DEBT STATEMENT..... 18

STATEMENT OF CAPITAL EXPENDITURES..... 19

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*..... 20-21



## INDEPENDENT AUDITOR'S REPORT

Members of Council  
Borough of Brookhaven  
Brookhaven, Pennsylvania

### Report on the Audit of Financial Statements

#### Opinions

We have audited the Annual Audit and Financial Report, Form DCED-CLGS-30 of BOROUGH OF BROOKHAVEN as of and for the year ended December 31, 2022.

#### Unmodified Opinions on Regulatory Basis of Accounting

In our opinion the accompanying financial report referred to above presents fairly, in all material respects, the cash balances of BOROUGH OF BROOKHAVEN as of December 31, 2022, and the revenues it received and expenditures it paid for the year then ended in accordance with the financial reporting provisions of the Commonwealth of Pennsylvania Department of Community and Economic Development as noted above.

#### Adverse Opinions on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial report referred to in the first paragraph does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of BOROUGH OF BROOKHAVEN as of December 31, 2022, or the changes in its financial position for the year then ended.

#### Basis for Opinions

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Borough and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Basis for Adverse Opinions on U.S. Generally Accepted Accounting Principles

The financial report was prepared in conformity with the accounting practices prescribed or permitted by the Department of Community and Economic Development (DCED). BOROUGH OF BROOKHAVEN prepares its financial report on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial report of the variances between the regulatory basis of accounting 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 this financial report in accordance with the financial reporting provisions of Commonwealth of Pennsylvania Department of Community and Economic Development (DCED). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial reports 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 and *Government 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 and *Government 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 in the financial statements.
- obtain an understanding of the 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 Borough's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of the 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 Borough'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.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 19, 2023 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering BOROUGH OF BROOKHAVEN's internal control over financial reporting and compliance.

*Leitzell & Economidis, PC*

LEITZELL & ECONOMIDIS, PC  
Certified Public Accountants

April 19, 2023  
Media, Pennsylvania

## Balance Sheet

December 31st, 2022

ASSETS AND OTHER DEBITS		Governmental Funds			
		General Fund	Special Revenue (including State Liquid Fuels)	Capital Projects	Debt Service
100-120	Cash and Investments.....	\$ 1,954,953	\$ 189,114	\$ -	\$ -
140-144	Tax Receivable.....	-	-	-	-
121-129 145-149	Account Receivable (excluding taxes).....	-	-	-	-
130	Due From Other Funds.....	15,645	-	-	-
131-139 150-159	Other Current Assets.....	-	-	-	-
160-169	Fixed Assets.....	-	-	-	-
180-189	Other Debits/Amounts to be Provided.....	-	-	-	-
<b>TOTAL ASSETS AND OTHER DEBITS.....</b>		<b>\$ 1,970,598</b>	<b>\$ 189,114</b>	<b>\$ -</b>	<b>\$ -</b>

LIABILITIES AND OTHER CREDITS					
210-229	Payroll Taxes and Other Payroll Withholdings.....	-	-	-	-
200-209 231-239	All Other Current Liabilities.....	236,383	-	-	-
230	Due To Other Funds.....	15,645	-	-	-
260-269	Long Term Liabilities.....	-	-	-	-
240-259	Current Portion Of Long-Term Debt & Other Credits	-	-	-	-
<b>TOTAL LIABILITIES AND OTHER CREDITS.....</b>		<b>\$ 252,028</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

FUND AND ACCOUNT GROUP EQUITY					
281-284	Contributed Capital.....	-	-	-	-
290	Investments in General Fixed Assets.....	-	-	-	-
270-289	Fund Balance / Retained Earnings 12/31.....	1,718,570	189,114	-	-
291-299	Other Equity.....	-	-	-	-
<b>TOTAL FUND AND ACCOUNT GROUP EQUITY.....</b>		<b>\$ 1,718,570</b>	<b>\$ 189,114</b>	<b>\$ -</b>	<b>\$ -</b>

**Balance Sheet**

December 31st, 2022

	Fiduciary					Total
	Proprietary Funds		Funds	Account Groups		
ASSETS AND OTHER DEBITS	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
100-120 Cash and Investments.....	\$ 3,379,841	\$ -	\$ -	\$ -	\$ -	\$ 5,523,908
140-144 Tax Receivable.....	-	-	-	-	-	-
121-129 145-149 Account Receivable (excluding taxes).....	-	-	-	-	-	-
130 Due From Other Funds.....	52,988	-	-	-	-	68,633
131-139 150-159 Other Current Assets.....	-	-	-	-	-	-
160-169 Fixed Assets.....	-	-	-	-	-	-
180-189 Other Debits/Amounts to be Provided.....	-	-	-	-	-	-
<b>TOTAL ASSETS AND OTHER DEBITS.....</b>	<b>\$ 3,432,829</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,592,541</b>

LIABILITIES AND OTHER CREDITS						
210-229 Payroll Taxes and Other Payroll Withholdings.....	-	-	-	-	-	-
200-209 231-239 All Other Current Liabilities.....	-	-	-	-	-	236,383
230 Due To Other Funds.....	52,988	-	-	-	-	68,633
260-269 Long Term Liabilities.....	-	-	-	-	-	-
240-259 Current Portion Of Long-Term Debt & Other Credits.....	-	-	-	-	-	-
<b>TOTAL LIABILITIES AND OTHER CREDITS.....</b>	<b>\$ 52,988</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 305,016</b>

FUND AND ACCOUNT GROUP EQUITY						
281-284 Contributed Capital.....	-	-	-	-	-	-
290 Investments in General Fixed Assets.....	-	-	-	-	-	-
270-289 Fund Balance / Retained Earnings 12/31.....	3,379,841	-	-	-	-	5,287,525
291-299 Other Equity.....	-	-	-	-	-	-
<b>TOTAL FUND AND ACCOUNT GROUP EQUITY.....</b>	<b>\$ 3,379,841</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,287,525</b>

**TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY****\$ 5,592,541**

# Statement of Revenues and Expenditures

December 31st, 2022

REVENUES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue (including State Liquid Fuels)	Capital Projects	Debt Service
<b>Taxes</b>					
301.00	Real Estate Taxes.....	\$ 1,985,193		\$ -	\$ -
305.00	Occupation Taxes (levied under municipal code)..	-	-	-	-
308.00	Residence Taxes (levied by cities of 3rd class)..	-	-	-	-
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only).....	-	-	-	-
310.00	Per Capita Taxes.....	-	-	-	-
310.10	Real Estate Transfer Taxes.....	301,087		-	-
310.20	Earned Income Taxes/Wage Taxes.....	1,482,023		-	-
310.30	Business Gross Receipts Taxes.....	524,219	-	-	-
310.40	Occupation Taxes (levied under act 511).....	-	-	-	-
310.50	Local Services Tax**	-	-	-	-
310.60	Amusement/Admission Taxes.....	-	-	-	-
310.70	Mechanical Device Taxes.....	-	-	-	-
310.90	Other Local Tax Enabling Act/Act511/Taxes .....	-	-	-	-
<b>TOTAL TAXES.....</b>		<b>\$ 4,292,522</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

LICENSES & PERMITS					
320-322	All Other Licenses and Permits.....	432,101		-	-
321.80	Cable Television Franchise Fees.....	184,249		-	-
<b>TOTAL LICENSES &amp; PERMITS.....</b>		<b>\$ 616,350</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

FINES AND FORFEITS					
330-332	Fines and Forfeits.....	50,989		-	-
<b>TOTAL FINES AND FORFEITS</b>		<b>\$ 50,989</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

INTEREST, RENTS, & ROYALTIES					
341.00	Interest Earnings.....	2,391	329	-	-
342.00	Rents and Royalties.....	74,441	-	-	-
<b>TOTAL INTEREST, RENTS, &amp; ROYALTIES.....</b>		<b>\$ 76,832</b>	<b>\$ 329</b>	<b>\$ -</b>	<b>\$ -</b>

# Statement of Revenues and Expenditures

December 31st, 2022

REVENUES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
<b>Taxes</b>				
301.00 Real Estate Taxes.....	\$ -	\$ -	\$ -	\$ 1,985,193
305.00 Occupation Taxes (levied under municipal code).	-	-	-	-
308.00 Residence Taxes (levied by cities of 3rd class)..	-	-	-	-
309.00 Regional Asset District Sales Tax (Allegheny County municipalities only).....	-	-	-	-
310.00 Per Capita Taxes.....	-	-	-	-
310.10 Real Estate Transfer Taxes.....	-	-	-	301,087
310.20 Earned Income Taxes/Wage Taxes.....	-	-	-	1,482,023
310.30 Business Gross Receipts Taxes.....	-	-	-	524,219
310.40 Occupation Taxes (levied under act 511).....	-	-	-	-
310.50 Local Services Tax**	-	-	-	-
310.60 Amusement/Admission Taxes.....	-	-	-	-
310.70 Mechanical Device Taxes.....	-	-	-	-
310.90 Other Local Tax Enabling Act/Act511/Taxes .....	-	-	-	-
<b>TOTAL TAXES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,292,522</b>

LICENSES & PERMITS				
320-322 All Other Licenses and Permits.....	-	-	-	432,101
321.80 Cable Television Franchise Fees.....	-	-	-	184,249
<b>TOTAL LICENSES &amp; PERMITS.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 616,350</b>

FINES AND FORFEITS				
330-332 Fines and Forfeits.....	-	-	-	50,989
<b>TOTAL FINES AND FORFEITS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,989</b>

INTEREST, RENTS, & ROYALTIES				
341.00 Interest Earnings.....	3,262	-	-	5,982
342.00 Rents and Royalties.....	-	-	-	74,441
<b>TOTAL INTEREST, RENTS, &amp; ROYALTIES</b>	<b>\$ 3,262</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 80,423</b>

# Statement of Revenues and Expenditures

December 31st, 2022

INTERGOVERNMENTAL REVENUES	GOVERNMENTAL FUNDS			
FEDERAL	General Fund	Special Revenue (including State Liquid Fuels)	Capital Projects	Debt Service
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 & Entitlements	423,905	-	-	-
353.00 Federal Payments in Lieu of Taxes.....	-	-	-	-
<b>TOTAL FEDERAL.....</b>	<b>\$ 423,905</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

STATE				
354.03 Highway and Streets.....	-	-	-	-
354.09 Community Development.....	-	-	-	-
354.15 Recycling/Act 101.....	-	-	-	-
354.00 All Other State Capital and Operating Grants.....	166,390	-	-	-
355.01 Public Utility Realty Tax (PURTA).....	3,996	-	-	-
355.02 - Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State	-	209,920	-	-
355.03 Road Turnback.....	-	-	-	-
355.04 Alcoholic Beverage License Licenses.....	-	-	-	-
355.05 General Municipal Pension System State Aid.....	119,150	-	-	-
355.07 Foreign Fire Insurance Tax Distribution** .....	54,968	-	-	-
355.08 Local Share Assessment/Gaming Proceeds** .....	-	-	-	-
355.00 All Other State Shared Revenues & Entitlements.	-	-	-	-
355.09 Marcellus Shale Impact Fee Distribution	-	-	-	-
356.00 State Payment in Lieu of Taxes.....	-	-	-	-
<b>TOTAL STATE.....</b>	<b>\$ 344,504</b>	<b>\$ 209,920</b>	<b>\$ -</b>	<b>\$ -</b>

LOCAL GOVERNMENT UNITS				
357.03 Highways and Streets.....	-	-	-	-
357.00 All Other Local Governmental Units Capital and Operating Grants.....	-	-	-	-
358.00 Local Governmental Unit Shared Payments for Contracted Intergovernmental Services.....	79,115	-	-	-
359.00 Local Governmental Units and Authorities Payments in Lieu of Taxes.....	-	-	-	-
<b>TOTAL LOCAL GOVERNMENT UNITS.....</b>	<b>\$ 79,115</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# Statement of Revenues and Expenditures

December 31st, 2022

INTERGOVERNMENTAL REVENUES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
FEDERAL	Enterprise	Internal Service	Trust and Agency	Memorandum Only
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 & Entitlements	-	-	-	-
353.00 Federal Payments in Lieu of Taxes.....	-	-	-	-
<b>TOTAL FEDERAL.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 423,905</b>

STATE	Enterprise	Internal Service	Trust and Agency	Memorandum Only
354.03 Highway and Streets.....	-	-	-	-
354.09 Community Development.....	-	-	-	-
354.15 Recycling/Act 101.....	-	-	-	-
354.00 All Other State Capital and Operating Grants.....	-	-	-	166,390
355.01 Public Utility Realty Tax (PURTA).....	-	-	-	3,996
355.02 - Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State	-	-	-	209,920
355.03 Road Turnback.....	-	-	-	-
355.04 Alcoholic Beverage License Licenses.....	-	-	-	-
355.05 General Municipal Pension System State Aid.....	-	-	-	119,150
355.07 Foreign Fire Insurance Tax Distribution** .....	-	-	-	54,968
355.08 Local Share Assessment/Gaming Proceeds** .....	-	-	-	-
355.00 All Other State Shared Revenues & Entitlements.	-	-	-	-
355.09 Marcellus Shale Impact Fee Distribution	-	-	-	-
356.00 State Payment in Lieu of Taxes.....	-	-	-	-
<b>TOTAL STATE.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 554,424</b>

LOCAL GOVERNMENT UNITS	Enterprise	Internal Service	Trust and Agency	Memorandum Only
357.03 Highways and Streets.....	-	-	-	-
357.00 All Other Local Governmental Units Capital and Operating Grants.....	-	-	-	-
358.00 Local Governmental Unit Shared Payments for Contracted Intergovernmental Services.....	-	-	-	79,115
359.00 Local Governmental Units and Authorities Payments in Lieu of Taxes.....	-	-	-	-
<b>TOTAL LOCAL GOVERNMENT UNITS.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 79,115</b>

<b>TOTAL INTERGOVERNMENTAL REVENUES</b>	<b>\$ 1,057,444</b>
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# Statement of Revenues and Expenditures

December 31st, 2022

REVENUES	GOVERNMENTAL FUNDS			
CHARGES FOR SERVICE	General Fund	Special Revenue (including State Liquid Fuels)	Capital Projects	Debt Service
361.00 General Government.....	35,987	-	-	-
362.00 Public Safety.....	269,735	-	-	-
363.20 Parking.....	-	-	-	-
363.00 All Other Charges for Highway & Street Services..	-	-	-	-
364.10 Wastewater/Sewage Charges.....	-	-	-	-
364.30 Solid Waste Collection & Disposal Charge (trash)	-	-	-	-
364.60 Host Municipality Fee for Solid Waste Facility.....	-	-	-	-
364.00 All Other Charges for Sanitation Services.....	-	-	-	-
365.00 Health.....	5,241	-	-	-
366.00 Human Services.....	-	-	-	-
367.00 Culture and Recreation.....	21,511	-	-	-
368.00 Airports.....	-	-	-	-
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 Services.....	-	-	-	-
<b>TOTAL CHARGES FOR SERVICE.....</b>	<b>\$ 332,474</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>UNCLASSIFIED OPERATING REVENUES</b>				
383.00 Assessments.....	-	-	-	-
386.00 Escheats (sale of personal property).....	-	-	-	-
387.00 Contributions & Donations from Private Sectors...	23,836	-	-	-
388.00 Fiduciary Fund Pension Contributions.....	-	-	-	-
389.00 All Other Unclassified Operating Revenues.....	968	-	-	-
<b>TOTAL UNCLASSIFIED OPERATING REVENUES.....</b>	<b>\$ 24,804</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>OTHER FINANCING SOURCES</b>				
391.00 Proceeds of General Fixed Asset Disposition.....	10,123	-	-	-
392.00 Interfund Operating Transfers.....	-	71,543	-	-
393.00 Proceeds of General Long Term Debt.....	-	-	-	-
394.00 Proceeds of Short-Term debt	-	-	-	-
395.00 Refunds of Prior Year Expenditures.....	97,167	-	-	-
<b>TOTAL OTHER FINANCING SOURCES.....</b>	<b>\$ 107,290</b>	<b>\$ 71,543</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL REVENUES.....</b>	<b>\$ 6,348,785</b>	<b>\$ 281,792</b>	<b>\$ -</b>	<b>\$ -</b>

# Statement of Revenues and Expenditures

December 31st, 2022

REVENUES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
CHARGES FOR SERVICE	Enterprise	Internal Service	Trust and Agency	Memorandum Only
361.00 General Government.....	-	-	-	35,987
362.00 Public Safety.....	-	-	-	269,735
363.20 Parking.....	-	-	-	-
363.00 All Other Charges for Highway & Street Services..	-	-	-	-
364.10 Wastewater/Sewage Charges.....	1,753,461	-	-	1,753,461
364.30 Solid Waste Collection & Disposal Charge (trash)	690,161	-	-	690,161
364.60 Host Municipality Fee for Solid Waste Facility.....	-	-	-	-
364.00 All Other Charges for Sanitation Services.....	-	-	-	-
365.00 Health.....	-	-	-	5,241
366.00 Human Services.....	-	-	-	-
367.00 Culture and Recreation.....	-	-	-	21,511
368.00 Airports.....	-	-	-	-
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 Services.....	-	-	-	-
<b>TOTAL CHARGES FOR SERVICE.....</b>	<b>\$ 2,443,622</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,776,096</b>
<b>UNCLASSIFIED OPERATING REVENUES</b>				
383.00 Assessments.....	-	-	-	-
386.00 Escheats (sale of personal property).....	-	-	-	-
387.00 Contributions & Donations from Private Sectors...	-	-	-	23,836
388.00 Fiduciary Fund Pension Contributions.....	-	-	-	-
389.00 All Other Unclassified Operating Revenues.....	-	-	-	968
<b>TOTAL UNCLASSIFIED OPERATING REVENUES.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,804</b>
<b>OTHER FINANCING SOURCES</b>				
391.00 Proceeds of General Fixed Asset Disposition.....	-	-	-	10,123
392.00 Interfund Operating Transfers.....	340,419	-	-	411,962
393.00 Proceeds of General Long Term Debt.....	-	-	-	-
394.00 Proceeds of Short-Term debt	-	-	-	-
395.00 Refunds of Prior Year Expenditures.....	-	-	-	97,167
<b>TOTAL OTHER FINANCING SOURCES.....</b>	<b>\$ 340,419</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 519,252</b>
<b>TOTAL REVENUES.....</b>	<b>\$ 2,787,303</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,417,880</b>

# Statement of Revenues and Expenditures

December 31st, 2022

EXPENDITURES	GOVERNMENTAL FUNDS			
GENERAL GOVERNMENT	General Fund	Special Revenue (including State Liquid Fuels)	Capital Projects	Debt Service
400.00 Legislative (Governing) Body.....	20,000	-	-	-
401.00 Executive (Manager or Mayor).....	5,000	-	-	-
402.00 Auditing Services/Financial Administration.....	72,165	-	-	-
403.00 Tax Collection.....	91,452	-	-	-
404.00 Solicitor/Legal Services.....	88,885	-	-	-
405.00 Secretary/Clerk.....	144,866	-	-	-
406.00 Other General Government Administration.....	65,558	-	-	-
407.00 IT-Networking Services-Data Processing.....	-	-	-	-
408.00 Engineering Services.....	44,270	3,495	-	-
409.00 General Government Buildings and Plant.....	244,100	-	-	-
<b>TOTAL GENERAL GOVERNMENT.....</b>	<b>\$ 776,296</b>	<b>\$ 3,495</b>	<b>\$ -</b>	<b>\$ -</b>
<b>PUBLIC SAFETY</b>				
410.00 Police.....	1,623,450	-	-	-
411.00 Fire .....	1,257,599	-	-	-
412.00 Ambulance/Rescue.....	13,684	-	-	-
413.00 UCC and Code Enforcement.....	156,497	-	-	-
414.00 Planning and Zoning.....	11,673	-	-	-
415.00 Emergency Management & 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>	<b>\$ 3,062,903</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>HEALTH AND HUMAN SERVICES</b>				
420.00 - Health and Human Services.....	9,689	-	-	-
425.00				
<b>PUBLIC WORKS - SANITATION</b>				
426.00 Recycling Collection and Disposal.....	-	-	-	-
427.00 Solid Waste Collection and Disposal (trash).....	-	-	-	-
428.00 Weed Control.....	-	-	-	-
429.00 Wastewater/Sewage Collection and Treatment....	-	-	-	-
<b>TOTAL PUBLIC WORKS - SANITATION.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# Statement of Revenues and Expenditures

December 31st, 2022

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	Total
GENERAL GOVERNMENT	Enterprise	Internal Service	Trust and Agency	Memorandum Only
400.00 Legislative (Governing) Body.....	-	-	-	20,000
401.00 Executive (Manager or Mayor).....	-	-	-	5,000
402.00 Auditing Services/Financial Administration.....	-	-	-	72,165
403.00 Tax Collection.....	-	-	-	91,452
404.00 Solicitor/Legal Services.....	-	-	-	88,885
405.00 Secretary/Clerk.....	-	-	-	144,866
406.00 Other General Government Administration.....	-	-	-	65,558
407.00 IT-Networking Services-Data Processing.....	-	-	-	-
408.00 Engineering Services.....	25,126	-	-	72,891
409.00 General Government Buildings and Plant.....	-	-	-	244,100
<b>TOTAL GENERAL GOVERNMENT.....</b>	<b>\$ 25,126</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 804,917</b>

PUBLIC SAFETY				
410.00 Police.....	-	-	-	1,623,450
411.00 Fire .....	-	-	-	1,257,599
412.00 Ambulance/Rescue.....	-	-	-	13,684
413.00 UCC and Code Enforcement.....	-	-	-	156,497
414.00 Planning and Zoning.....	-	-	-	11,673
415.00 Emergency Management & 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>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,062,903</b>

HEALTH AND HUMAN SERVICES				
420.00 - Health and Human Services.....	\$ -	\$ -	\$ -	\$ 9,689
425.00				

PUBLIC WORKS - SANITATION				
426.00 Recycling Collection and Disposal.....	-	-	-	-
427.00 Solid Waste Collection and Disposal (trash).....	747,709	-	-	747,709
428.00 Weed Control.....	-	-	-	-
429.00 Wastewater/Sewage Collection and Treatment....	1,581,868	-	-	1,581,868
<b>TOTAL PUBLIC WORKS - SANITATION.....</b>	<b>\$ 2,329,577</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,329,577</b>

# Statement of Revenues and Expenditures

December 31st, 2022

EXPENDITURES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
<b>PUBLIC WORKS - HIGHWAYS AND STREETS</b>				
430.00 General Services - Administration.....	338,277	-	-	-
431.00 Cleaning of Streets and Gutters.....	-	-	-	-
432.00 Winter Maintenance - Snow Removal.....	24,352	-	-	-
433.00 Traffic Control Devices.....	3,848	4,120	-	-
434.00 Street Lighting.....	19,177	51,735	-	-
435.00 Sidewalks and Crosswalks.....	-	-	-	-
436.00 Storm Sewers and Drains.....	24,371	13,199	-	-
437.00 Repairs of Tools and Machinery.....	51,316	-	-	-
438.00 Maintenance & Repairs of Roads and Bridges.....	7,128	-	-	-
439.00 Highway Construction and Rebuilding Projects....	194,444	169,385	-	-
<b>TOTAL PUBLIC WORKS - HIGHWAYS AND STREETS..</b>	<b>\$ 662,913</b>	<b>\$ 238,439</b>	<b>\$ -</b>	<b>\$ -</b>

<b>PUBLIC WORKS - OTHER SERVICES</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 PUBLIC WORKS - OTHER SERVICES.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>CULTURE AND RECREATION</b>				
451.00 Culture-Recreation Administration.....	11,945	-	-	-
452.00 Participant Recreation.....	52,079	-	-	-
453.00 Spectator Recreation.....	-	-	-	-
454.00 Parks.....	66,769	-	-	-
455.00 Shade Trees.....	4,098	-	-	-
456.00 Libraries.....	-	-	-	-
457.00 Civil and Military Celebrations.....	-	-	-	-
458.00 Senior Citizen Centers.....	-	-	-	-
459.00 Other Culture and Recreation.....	-	-	-	-
<b>TOTAL CULTURE AND RECREATION.....</b>	<b>\$ 134,891</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<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>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# Statement of Revenues and Expenditures

December 31st, 2022

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	Total
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
<b>PUBLIC WORKS - HIGHWAYS AND STREETS</b>				
430.00 General Services - Administration.....	-	-	-	338,277
431.00 Cleaning of Streets and Gutters.....	-	-	-	-
432.00 Winter Maintenance - Snow Removal.....	-	-	-	24,352
433.00 Traffic Control Devices.....	-	-	-	7,968
434.00 Street Lighting.....	-	-	-	70,912
435.00 Sidewalks and Crosswalks.....	-	-	-	-
436.00 Storm Sewers and Drains.....	-	-	-	37,570
437.00 Repairs of Tools and Machinery.....	-	-	-	51,316
438.00 Maintenance & Repairs of Roads and Bridges....	-	-	-	7,128
439.00 Highway Construction and Rebuilding Projects....	-	-	-	363,829
<b>TOTAL PUBLIC WORKS - HIGHWAYS AND STREETS.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 901,352</b>
<b>PUBLIC WORKS - OTHER SERVICES</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 PUBLIC WORKS - OTHER SERVICES.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>CULTURE AND RECREATION</b>				
451.00 Culture-Recreation Administration.....	-	-	-	11,945
452.00 Participant Recreation.....	-	-	-	52,079
453.00 Spectator Recreation.....	-	-	-	-
454.00 Parks.....	-	-	-	66,769
455.00 Shade Trees.....	-	-	-	4,098
456.00 Libraries.....	-	-	-	-
457.00 Civil and Military Celebrations.....	-	-	-	-
458.00 Senior Citizen Centers.....	-	-	-	-
459.00 Other Culture and Recreation.....	-	-	-	-
<b>TOTAL CULTURE AND RECREATION.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 134,891</b>
<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>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# Statement of Revenues and Expenditures

December 31st, 2022

EXPENDITURES	GOVERNMENTAL FUNDS			
DEBT SERVICE	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
471.00 Debt Principal (short-term and long-term).....	201,150	-	-	-
472.00 Debt Interest (short-term and long-term).....	16,745	-	-	-
475.00 Fiscal Agent Fees.....	-	-	-	-
<b>TOTAL DEBT SERVICE.....</b>	<b>\$ 217,895</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	101,073	-	-	-
482.00 Judgments and Losses.....	-	-	-	-
483.00 Pension/Retirement Fund Contributions.....	303,453	-	-	-
484.00 Workers Compensation Insurance.....	166,909	-	-	-
487.00 Other Group Insurance Benefits.....	687,050	-	-	-
<b>TOTAL EMPLOYER PAID BENEFITS &amp; WITHHOLDING ITEMS.....</b>	<b>\$ 1,258,485</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

INSURANCE				
486.00 Insurance, Casualty, and Surety.....	148,604	-	-	-

UNCLASSIFIED OPERATING EXPENDITURES				
488.00 Fiduciary Fund Benefits and Refunds Paid.....	-	-	-	-
489.00 All Other Unclassified Expenditures.....	-	-	-	-
<b>TOTAL UNCLASSIFIED OPERATING EXPENDITURES...</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

OTHER FINANCING USES				
491.00 Refund of Prior Year Revenues.....	-	-	-	-
492.00 Interfund Operating Transfers.....	411,962	-	-	-
493.00 Other Financing Uses.....	-	-	-	-
<b>TOTAL OTHER FINANCING USES.....</b>	<b>\$ 411,962</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>TOTAL EXPENDITURES.....</b>	<b>\$ 6,683,638</b>	<b>\$ 241,934</b>	<b>\$ -</b>	<b>\$ -</b>
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<b>EXCESS/DEFICIT OF REVENUE OVER EXPENDITURES</b>	<b>\$ (334,853)</b>	<b>\$ 39,858</b>	<b>\$ -</b>	<b>\$ -</b>
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# Statement of Revenues and Expenditures

December 31st, 2022

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	Total
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
<b>DEBT SERVICE</b>				
471.00 Debt Principal (short-term and long-term).....	83,000	-	-	284,150
472.00 Debt Interest (short-term and long-term).....	23,711	-	-	40,456
475.00 Fiscal Agent Fees.....	-	-	-	-
<b>TOTAL DEBT SERVICE.....</b>	<b>\$ 106,711</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 324,606</b>
<b>EMPLOYER PAID BENEFITS &amp; WITHHOLDING ITEMS</b>				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	-	-	-	101,073
482.00 Judgments and Losses.....	-	-	-	-
483.00 Pension/Retirement Fund Contributions.....	-	-	-	303,453
484.00 Workers Compensation Insurance.....	-	-	-	166,909
487.00 Other Group Insurance Benefits.....	-	-	-	687,050
<b>TOTAL EMPLOYER PAID BENEFITS &amp; WITHHOLDING ITEMS.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,258,485</b>
<b>INSURANCE</b>				
486.00 Insurance, Casualty, and Surety.....	-	-	-	148,604
<b>UNCLASSIFIED OPERATING EXPENDITURES</b>				
488.00 Fiduciary Fund Benefits and Refunds Paid.....	-	-	-	-
489.00 All Other Unclassified Expenditures.....	-	-	-	-
<b>TOTAL UNCLASSIFIED OPERATING EXPENDITURES.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>OTHER FINANCING USES</b>				
491.00 Refund of Prior Year Revenues.....	-	-	-	-
492.00 Interfund Operating Transfers.....	-	-	-	411,962
493.00 Other Financing Uses.....	-	-	-	-
<b>TOTAL OTHER FINANCING USES.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 411,962</b>
<b>TOTAL EXPENDITURES.....</b>	<b>\$ 2,461,414</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,386,986</b>
<b>EXCESS/DEFICIT OF REVENUE OVER EXPENDITURES</b>	<b>\$ 325,889</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,894</b>

**DEBT STATEMENT**

Type Purpose Bond (B) Note (N)	Issue Date (year)	Maturity Date (year)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion of Compound Interest Bonds	Outstanding Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balances
<b>General Obligation Bonds and Notes</b>										
Wastewater Revenue Notes	2010	2030	\$ 1,620,000	\$ 848,000	\$ -	\$ 83,000	\$ -	\$ 765,000	\$ -	\$ 765,000
Series 2012	2012	2025	2,210,000	751,000	-	181,000	-	570,000	-	570,000
<b>Revenue Bonds and Notes</b>										
<b>Lease Rental Debt/General Leases</b>										
<b>Tax and Revenue Anticipation Notes</b>										
<b>Other</b>										
2017 LED Street Light Loan	2017	2027	180,837	107,776	-	20,150	-	87,626	-	87,626

Total bonds and notes outstanding	\$ 1,335,000
Capitalized lease obligations	87,626
Other debt	-
<b>TOTAL OUTSTANDING DEBT</b>	<b>\$ 1,422,626</b>
Minus assets held in bond reserve funds, and bond redemption funds	-
Minus lease rental payments receivable	-
<b>NET DEBT</b>	<b>\$ 1,422,626</b>

**STATEMENT OF CAPITAL EXPENDITURES**

Category	Capital Purchases	Capital Construction	Total
Electric	\$ -	\$ -	\$ -
Fire	-	-	-
Gas System	-	-	-
General Government	-	-	-
Health	-	-	-
Housing	-	-	-
Libraries	-	-	-
Mass Transit	-	-	-
Parks	-	-	-
Police	56,940	-	56,940
Recreation	-	109,500	109,500
Sewer	82,500	136,740	219,240
Solid Waste	-	-	-
Streets/Highways	138,208	248,896	387,104
Water	-	-	-
Other (Please Specify)	-	-	-
Traffic Signals	-	-	-
Sanitary Sewers	-	-	-
Fire	615,050	-	615,050

**TOTAL CAPITAL EXPENDITURES** \$ 1,387,834

**EMPLOYEE COMPENSATION**

**EMPLOYEE COMPENSATION:**

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)\* \$ 2,171,800

\* Use income from box 16 of the W-3 Statement



CYNTHIA FELZER LEITZELL, CPA  
STELLA C. ECONOMIDIS, CPA

LEITZELL & ECONOMIDIS, PC  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Members of Council  
Borough of Brookhaven  
Brookhaven, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Annual Audit and Financial Report, Form DCED-CLGS-30 of BOROUGH OF BROOKHAVEN, BROOKHAVEN, Pennsylvania, as of and for the year ended December 31, 2022 and have issued our report thereon dated April 19, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the BOROUGH OF BROOKHAVEN's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of BOROUGH OF BROOKHAVEN's internal control.

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 Borough's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether BOROUGH OF BROOKHAVEN's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not

express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Leitzell & Economidis, PC*

LEITZELL & ECONOMIDIS, PC  
Certified Public Accountants

April 19, 2023