

**2022 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

230843 MORTON BORO, DELAWARE COUNTY

MORTON BORO, DELAWARE County

BALANCE SHEET

December 31, 2022

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
Liabilities and Other Credits											
260-269	Long-Term-Liabilities										
240-259	Current Portion of Long-Term Debt and Other Credits										
Total Liabilities and Other Credits		110,924									110,924
Fund and Account Group Equity											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets										
270-289	Fund Balance / Retained Earnings on 12/31	646,968	51,173			224,673		3,215,283			4,138,097
291-299	Other Equity										
Total Fund and Account Group Equity		646,968	51,173			224,673		3,215,283			4,138,097
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											4,249,021

MORTON BORO, DELAWARE County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Taxes								
301.00	Real Estate Taxes	1,519,928						1,519,928
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	65,826						65,826
310.20	Earned Income Taxes / Wage Taxes							
310.30	Business Gross Receipts Taxes	75,057						75,057
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	44,302						44,302
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes	50						50
310.90	Other: _____							
	Other: _____							
Total Taxes		1,705,163						1,705,163

Licenses and Permits								
320-322	All Other Licenses and Permits	108,020						108,020
321.80	Cable Television Franchise Fees	50,981						50,981
Total Licenses and Permits		159,001						159,001

Fines and Forfeits								
330-332	Fines and Forfeits	13,067						13,067
Total Fines and Forfeits		13,067						13,067

MORTON BORO, DELAWARE County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Interest, Rents and Royalties								
341.00	Interest Earnings	2,832	84			67		2,983
342.00	Rents and Royalties	67,562						67,562
Total Interest, Rents and Royalties		70,394	84			67		70,545

Federal								
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							
Total Federal								

State								
354.03	Highways and Streets							
354.09	Community Development							
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants							
355.01	Public Utility Realty Tax (PURTA)	1,621						1,621
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		70,359					70,359
355.04	Alcoholic Beverage Licenses							
355.05	General Municipal Pension System State Aid	56,985						56,985
355.07	Foreign Fire Insurance Tax Distribution	16,499						16,499
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, 2022

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

State								
356.00	State Payments in Lieu of Taxes							
355.00	All Other State Shared Revenues and Entitlements	140,175						140,175
Total State		215,280	70,359					285,639

Local Government Units								
357.03	Highways and Streets							
357.00	All Other Local Governmental Units Capital and Operating Grants							
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services	12,386						12,386
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							
Total Local Government Units		12,386						12,386

Charges for Service								
361.00	General Government	900						900
362.00	Public Safety	3,670						3,670
363.20	Parking	9,694						9,694
363.00	All Other Charges for Highway & Street Services							
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)				872,212			872,212
364.30	Solid Waste Collection and Disposal Charge (trash)	210,843						210,843
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, 2022

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Charges for Service								
369.00	Bars							
370.00	Cemeteries							
372.00	Electric System							
373.00	Gas System							
374.00	Housing System							
375.00	Markets							
377.00	Transit Systems							
378.00	Water System							
379.00	All Other Charges for Service							
Total Charges for Service		225,107				872,212		1,097,319

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors							
388.00	Fiduciary Fund Pension Contributions						201,759	201,759
389.00	All Other Unclassified Operating Revenues	12,011						12,011
Total Unclassified Operating Revenues		12,011					201,759	213,770

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition							
392.00	Interfund Operating Transfers		8,418					8,418
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt	200,000						200,000

MORTON BORO, DELAWARE County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Other Financing Sources								
395.00	Refunds of Prior Year Expenditures	25,605						25,605
Total Other Financing Sources		225,605	8,418					234,023
TOTAL REVENUES		2,638,014	78,861		872,279		201,759	3,790,913

EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	25,797						25,797
401.00	Executive (Manager or Mayor)	4,815						4,815
402.00	Auditing Services / Financial Administration	9,650			7,550			17,200
403.00	Tax Collection	7,541						7,541
404.00	Solicitor / Legal Services	65,195						65,195
405.00	Secretary / Clerk	120,124						120,124
406.00	Other General Government Administration	197,618			8,037		4,501	210,156
407.00	IT-Networking Services-Data Processing							
408.00	Engineering Services	54,312	9,488					63,800
409.00	General Government Buildings and Plant	135,630			5,550			141,180
Total General Government		620,682	9,488		21,137		4,501	655,808

Public Safety								
410.00	Police	950,150						950,150
411.00	Fire	94,084						94,084
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement	2,390						2,390

MORTON BORO, DELAWARE County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Public Safety

414.00	Planning and Zoning							
415.00	Emergency Management and Communications							
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety							
Total Public Safety		1,046,624						1,046,624

Health and Human Services

420.00-425.00	Health and Human Services	150						150
Total Health and Human Services		150						150

Public Works - Sanitation

426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)	179,605						179,605
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection				844,476			844,476
Total Public Works - Sanitation		179,605			844,476			1,024,081

Public Works - Highways and Streets

430.00	General Services - Administration	20,943						20,943
431.00	Cleaning of Streets and Gutters		3,554					3,554
432.00	Winter Maintenance – Snow Removal							
433.00	Traffic Control Devices		3,631					3,631
434.00	Street Lighting		18,152					18,152

MORTON BORO, DELAWARE County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Public Works - Highways and Streets								
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains							
437.00	Repairs of Tools and Machinery							
438.00	Maintenance and Repairs of Roads and Bridges	26,673	90,217					116,890
439.00	Highway Construction and Rebuilding Projects							
Total Public Works - Highways and Streets		47,616	115,554					163,170

Other Public Works Enterprises								
440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets							
445.00	Parking							
446.00	Storm Water and Flood Control							
447.00	Transit System							
448.00	Water System							
449.00	Water Transport and Terminals							
Total Other Public Works Enterprises								

Culture and Recreation								
451.00	Culture-Recreation Administration							
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks	8,740						8,740

MORTON BORO, DELAWARE County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Culture and Recreation								
455.00	Shade Trees							
456.00	Libraries							
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
Total Culture and Recreation		8,740						8,740

Community Development								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing							
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development							
Total Community Development								

Debt Service								
471.00	Debt Principal (short-term and long-term)	275,339			35,176			310,515
472.00	Debt Interest (short-term and long-term)	6,281			4,948			11,229
475.00	Fiscal Agent Fees							
Total Debt Service		281,620			40,124			321,744

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation							
482.00	Judgments and Losses						677,491	677,491
483.00	Pension / Retirement Fund Contributions	94,055						94,055

MORTON BORO, DELAWARE County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Employer Paid Benefits and Withholding Items								
484.00	Worker Compensation Insurance							
487.00	Other Group Insurance Benefits	9,470						9,470
Total Employer Paid Benefits and Withholding Items		103,525					677,491	781,016

Insurance								
486.00	Insurance, Casualty, and Surety	135,570						135,570
Total Insurance		135,570						135,570

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid						308,519	308,519
489.00	All Other Unclassified Expenditures	40						40
Total Unclassified Operating Expenditures		40					308,519	308,559

Other Financing Uses								
491.00	Refund of Prior Year Revenues	1,989			468		10,986	13,443
492.00	Interfund Operating Transfers	8,418						8,418
493.00	All Other Financing Uses							
Total Other Financing Uses		10,407			468		10,986	21,861

TOTAL EXPENDITURES	2,434,579	125,042			906,205		1,001,497	4,467,323
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	203,435	-46,181			-33,926		-799,738	-676,410
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MORTON BORO
December 31, 2022

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES

Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
DVRFA	Note	2007	2010	250,000	98,000		15,000		83,000		83,000
PA Dept of Transportation	Note	2013	2023	478,250	151,653		49,738		101,915		101,915
Univest Bank & Trust	Note	2017	2027	88,460	49,128		8,621		40,507		40,507
Univest tax anticipation loan	Note	2022	2022	200,000	0	200,000	200,000		0		0
Revenue Bonds and Notes											
Lease Rental Debt											
Santander - police car	Capital Leases	2022	2024	38,965	0	38,965	14,344		24,621		24,621
Rocoh - copier	Capital Leases	2022	2026	12,523	0	12,523	2,636		9,887		9,887
Other											
Pennvest Authority	Note	2003	2023	313,182	30,528		20,176		10,352		10,352

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding	270,282
Capitalized lease obligations	0
Net debt	270,282

MORTON BORO, DELAWARE County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2022

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	4,355		4,355
Health			
Housing			
Libraries			
Mass Transit			
Parks	4,192		4,192
Police	51,757	61,214	112,971
Recreation			
Sewer			
Solid Waste			
Streets / Highways	17,601	90,218	107,819
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	77,905	151,432	229,337

EMPLOYEE COMPENSATION

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

841,309

Independent Public Accountant/Certified Public Accountant Submission Page
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SIGNATURE AND VERIFICATION

Signed: Ronald Woodworth CPA Appointed Auditor/CPA

December 31, 2022

NOTES / COMMENTS

Ronald R. Woodworth, CPA, PC
Certified Public Accountants

Members: AICPA & PICPA

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Newtown Square, PA 19073

Fax: 610-353-6146

Independent Auditor's Report

Borough of Morton's Governance
President Judge of the Court of Common Pleas
Secretary of Community & Economic Development

Opinions

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, 2022.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Borough of Morton as of December 31, 2022, and the respective changes in financial position thereof for the year then ended in accordance with the modified-cash *basis of accounting* as described below.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United State of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial statements section of our report. We are required to be independent of the Borough of Morton, Pennsylvania, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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.

Management's Responsibility for the Financial Statements

Borough of Morton's management is responsible for the preparation and fair presentation of this financial 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.

Ronald R. Woodworth, CPA, PC
Certified Public Accountants

Members: AICPA & PICPA

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Newtown Square, PA 19073

Fax: 610-353-6146

Auditor's Responsibility

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 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 judgement made by a reasonable user based on the financial statements.

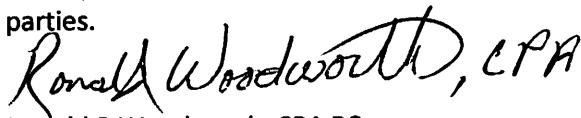
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, 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 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 of Morton, Pennsylvania's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough of Morton, Pennsylvania's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identify during the audit.

Restriction on Use

This report is intended solely for the information and use of management, the Council of Morton, others within the Borough of Morton, 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.



Ronald R Woodworth, CPA PC
Newtown Square, Pennsylvania
March 30, 2023

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