

**NORTH WALES BOROUGH**  
**MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT**  
**(DCED-CLGS-30)**

*Year Ended December 31, 2022*

**NORTH WALES BOROUGH**  
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YEAR ENDED DECEMBER 31, 2022

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## ***Independent Auditors' Report***

To the Borough Council  
North Wales Borough  
North Wales, Pennsylvania

### ***Opinions***

We have audited the accompanying municipal annual audit and financial report ("financial statements") included in the Pennsylvania Department of Community and Economic Development ("DCED") prescribed form of North Wales Borough as of and for the year ended December 31, 2022.

#### ***Qualified Opinion on Regulatory Basis of Accounting***

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the respective financial position of North Wales Borough, as of December 31, 2022, and the respective changes in financial position for the year then ended in accordance with the basis of accounting practices prescribed or permitted by the DCED as described in Item A in the Other Supplementary Information to the Financial Statements.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of North Wales Borough as of December 31, 2022, or the changes in financial position and cash flows thereof for the year then ended.

#### ***Basis for Qualified Opinion***

North Wales Borough's financial statements do not present an accounting of General Fixed Assets and General Long-Term Debt, which are required to be reported in the DCED prescribed form under the General Fixed Assets Account Group and General Long-Term Debt Group.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of North Wales 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Item A in the Other Supplementary Information to the Financial Statements, the financial statements are prepared on the basis of accounting prescribed or permitted by the DCED to demonstrate compliance with the DCED's regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Item A of the Other Supplementary Information to the Financial Statements and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

To the Borough Council  
North Wales Borough  
North Wales, Pennsylvania

### ***Responsibilities of Management for the Financial Statements***

North Wales Borough's management is responsible for the preparation and fair presentation of the financial statements in accordance the financial reporting provisions prescribed or permitted by the Pennsylvania Department of Community and Economic Development (DCED), and 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.

### ***Auditors' 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 auditors' 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 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 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 North Wales Borough'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 North Wales 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise North Wales Borough's financial statements. The Other Supplementary Information to the Financial Statements are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The Other Supplementary Information to the Financial Statements is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information to the Financial Statements is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Limerick, Pennsylvania  
March 13, 2023



# 2022 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

Department of Community & Economic Development  
Governor's Center for Local Government Services  
Commonwealth Keystone Building  
400 North Street, 4th Floor  
Harrisburg, PA 17120-0225  
ph: 888-223-6837 | fax: 717-783-1402

Borough of: North Wales Borough

County: Montgomery County

## Section I - Introduction

### Statutory Requirements

- State law, under the provisions of the Borough Code, First Class Township Code and Second Class Township Code, requires that either the borough controller, elected auditors or appointed auditors file an Annual Audit and Financial Report.
- State law, under the provisions of the Third Class City Code, requires a city's Director of Accounts and Finance to file an Annual Audit and Financial Report.
- The state's Administrative Code requires home rule municipalities to file an Annual Audit and Financial Report.
- The Annual Audit and Financial Report forms, supplied by the Pennsylvania Department of Community and Economic Development (DCED), were developed and approved by a Uniform Forms Committee composed of representatives of the respective municipal associations.
- Form DCED-CLGS-30 (See Section IV) is the form adopted by the Committee for use by all municipalities in Pennsylvania to fulfill their statutory reporting requirements.

### One Form

All municipalities are required to submit forms electronically to the DCED. The online form contains the same categories as in previous years: assets, liabilities, revenues and expenditures. Enter data only for those funds that your municipality uses. Leave the remaining columns blank. The online form will automatically calculate the amounts in the "Total" column.

### Submitting the Report

- File one copy by the designated date at each of the places listed on page 9.
- DO NOT submit a paper copy of this report to the DCED. Reports must be submitted online at: [munstats.pa.gov/forms](http://munstats.pa.gov/forms) (Please see the e-filing instructions on page 7.)
- The online system will automatically round all figure to the nearest whole dollar. The system will also add all rows and columns, following basic accounting principles.
- Appointed independent auditors should attach their own opinion in the "Final Review" step of the online form. Additionally, appointed independent auditors should place a checkmark in Section II at the bottom of the "Final Review" step, then choose the "Appointed Auditor/CPA" title from the dropdown and provide a name and contact number in order to submit the form online.
- Elected controllers should place a checkmark in the box in Section I at the bottom of the "Final Review" step of the online form then choose the "Controller" title from the dropdown and provide a name and contact number in order to submit the form online.
- Elected Auditors must place a check mark in the box in Section I of the "Final Review" step of the online form, then choose the "Elected Auditor" title from the dropdown and provide the name and phone number for **at least 2 of the 3 elected auditors**. If you appointed an auditor to fill an elected auditor position, please choose the "Elected Auditor" title, not the "Appointed Auditor/CPA" title when submitting online.
- If you need assistance or have any questions when completing this report, please contact the Governor's Center for Local Government Services (GCLGS) toll-free at 888-223-6837.

**BALANCE SHEET**

December 31, 2022

<b>GOVERNMENTAL FUNDS</b>				
<b>ASSETS AND OTHER DEBITS</b>	<b>General Fund</b>	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Debt Service</b>
		<i>(Including State Liquid Fuels)</i>		
100-120 Cash and Investments.....	3,956,543	791,147	1,981,574	135,948
140-144 Tax Receivable.....	41,529	3,922	-	1,926
121-129				
145-149 Accounts Receivable (excluding taxes).....	14,870	65	-	-
130 Due From Other Funds.....	-	-	-	-
131-139				
150-159 Other Current Assets.....	-	-	-	-
160-169 Fixed Assets.....	-	-	-	-
180-189 Other Debits.....	-	-	-	-
<b>TOTAL ASSETS AND OTHER DEBITS.....</b>	<b>\$ 4,012,942</b>	<b>\$ 795,134</b>	<b>\$ 1,981,574</b>	<b>\$ 137,874</b>

<b>LIABILITIES AND OTHER CREDITS</b>				
210-229 Payroll Taxes and Other Payroll Withholdings.....	9,254	-	-	-
200-209				
231-239 All Other Current Liabilities.....	423,842	15,683	1,247	594
230 Due To Other Funds.....	-	-	-	-
260-269 Long-Term Liabilities.....	-	-	-	-
240-259 Current Portion of Long-Term Debt & Other Credits.....	-	-	-	-
<b>TOTAL LIABILITIES AND OTHER CREDITS.....</b>	<b>433,096</b>	<b>15,683</b>	<b>1,247</b>	<b>594</b>

<b>FUND AND ACCOUNT GROUP EQUITY</b>				
281-284 Contributed Capital.....	-	-	-	-
290 Investment in General Fixed Assets.....	-	-	-	-
270-289 Fund Balance/Retained Earnings on 12/31.....	3,579,846	779,451	1,980,327	137,280
291-299 Other Equity.....	-	-	-	-
<b>TOTAL FUND AND ACCOUNT GROUP EQUITY.....</b>	<b>3,579,846</b>	<b>779,451</b>	<b>1,980,327</b>	<b>137,280</b>

*Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity.*

	PROPRIETARY FUNDS		FIDUCIARY FUND	ACCOUNT GROUPS		TOTAL
	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
	<b>ASSETS AND OTHER DEBITS</b>					
100-120 Cash and Investments.....	-	-	1,896,052	-	-	8,761,264
140-144 Tax Receivable.....	-	-	-	-	-	47,377
121-129						
145-149 Accounts Receivable (excluding taxes).....	-	-	-	-	-	14,935
130 Due From Other Funds.....	-	-	-	-	-	-
131-139						
150-159 Other Current Assets.....	-	-	-	-	-	-
160-169 Fixed Assets.....	-	-	-	-	-	-
180-189 Other Debits.....	-	-	-	-	-	-
<b>TOTAL ASSETS AND OTHER DEBITS.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,896,052</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,823,576</b>

<b>LIABILITIES AND OTHER CREDITS</b>						
210-229 Payroll Taxes and Other Payroll Withholdings.....	-	-	-	-	-	9,254
200-209						
231-239 All Other Current Liabilities.....	-	-	31	-	-	441,397
230 Due To Other Funds.....	-	-	-	-	-	-
260-269 Long-Term Liabilities.....	-	-	-	-	-	-
240-259 Current Portion of Long-Term Debt & Other Credits.....	-	-	-	-	-	-
<b>TOTAL LIABILITIES AND OTHER CREDITS.....</b>	<b>-</b>	<b>-</b>	<b>31</b>	<b>-</b>	<b>-</b>	<b>450,651</b>

<b>FUND AND ACCOUNT GROUP EQUITY</b>						
281-284 Contributed Capital.....	-	-	-	-	-	-
290 Investment in General Fixed Assets.....	-	-	-	-	-	-
270-289 Fund Balance/Retained Earnings on 12/31.....	-	-	1,896,021	-	-	8,372,925
291-299 Other Equity.....	-	-	-	-	-	-
<b>TOTAL FUND AND ACCOUNT GROUP EQUITY.....</b>	<b>-</b>	<b>-</b>	<b>1,896,021</b>	<b>-</b>	<b>-</b>	<b>8,372,925</b>

<b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY.....</b>	<b>\$ 8,823,576</b>
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Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity.

## STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

REVENUES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
<b>TAXES</b>				
301.00 Real Estate Taxes.....	683,265	165,800	-	81,132
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.....	115,385	-	-	-
310.20 Earned Income Taxes/Wage Taxes.....	588,925	-	-	-
310.30 Business Gross Receipts Taxes.....	-	-	-	-
310.40 Occupation Taxes (levied under Act 511).....	-	-	-	-
310.50 Local Services Tax**.....	49,277	-	-	-
310.60 Amusement/Admission Taxes.....	-	-	-	-
310.70 Mechanical Device Taxes.....	-	-	-	-
310.90 Other Local Tax Enabling Act/Act 511 Taxes.....	-	-	-	-
.....				
.....				
<b>TOTAL TAXES.....</b>	<b>\$ 1,436,852</b>	<b>\$ 165,800</b>	<b>\$ -</b>	<b>\$ 81,132</b>

LICENSES & PERMITS				
320-322 All Other Licenses and Permits.....	20,810	-	-	-
321.80 Cable Television Franchise Fees.....	54,876	-	-	-
<b>TOTAL LICENSES &amp; PERMITS.....</b>	<b>75,686</b>	<b>-</b>	<b>-</b>	<b>-</b>

FINES & FORFEITS				
330-332 Fines and Forfeits.....	18,417	-	-	-
<b>TOTAL FINES &amp; FORFEITS.....</b>	<b>18,417</b>	<b>-</b>	<b>-</b>	<b>-</b>

INTEREST, RENTS & ROYALTIES				
341.00 Interest Earnings.....	19,099	1,434	4,001	325
342.00 Rents and Royalties.....	14,132	-	-	34,385
<b>TOTAL INTEREST, RENTS &amp; ROYALTIES.....</b>	<b>33,231</b>	<b>1,434</b>	<b>4,001</b>	<b>34,710</b>

\*\*This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.



**2022 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES**

INTERGOVERNMENTAL REVENUES		GOVERNMENTAL FUNDS			
		Special Revenue <i>(Including State Liquid Fuels)</i>		Capital Projects	Debt Service
FEDERAL		General Fund			
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.....	34,624	-	-	-
353.00	Federal Payments in Lieu of Taxes.....	-	-	-	-
<b>TOTAL FEDERAL</b>		<b>34,624</b>	<b>-</b>	<b>-</b>	<b>-</b>

STATE					
354.03	Highways and Streets.....	-	-	-	-
354.09	Community Development.....	-	-	-	-
354.15	Recycling/Act 101.....	-	6,891	-	-
354.00	All Other State Capital and Operating Grants.....	-	-	-	-
355.01	Public Utility Realty Tax (PURTA).....	1,499	-	-	-
355.02 - 355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback.....	-	93,102	-	-
355.04	Alcoholic Beverage Licenses.....	600	-	-	-
355.05	General Municipal Pension System State Aid.....	65,257	-	-	-
355.07	Foreign Fire Insurance Tax Distribution.....	22,823	-	-	-
355.08	Local Share Assessment/Gaming Proceeds.....	-	-	-	-
355.09	Marcellus Shale Impact Fee Distribution.....	-	-	-	-
355.00	All Other State Shared Revenues & Entitlements.....	1,325	4,116	-	-
356.00	State Payments in Lieu of Taxes.....	-	-	-	-
<b>TOTAL STATE</b>		<b>91,504</b>	<b>104,109</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 Government Unit Shared Payments for Contracted Intergovernmental Services.....	15,550	-	-	-
359.00	Local Governmental Units, Authorities Payments and Payments in Lieu of Taxes.....	-	-	-	-
<b>TOTAL LOCAL GOVERNMENT UNITS</b>		<b>15,550</b>	<b>-</b>	<b>-</b>	<b>-</b>

2022 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

	INTERGOVERNMENTAL REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
			Enterprise	Internal Service	Trust and Agency	Memorandum Only
<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	]		-	-	-	34,624
353.00	Federal Payments in Lieu of Taxes.....		-	-	-	-
<b>TOTAL FEDERAL</b>			-	-	-	34,624

<b>STATE</b>						
354.03	Highways and Streets.....		-	-	-	-
354.09	Community Development.....		-	-	-	-
354.15	Recycling/Act 101.....		-	-	-	6,891
354.00	All Other State Capital and Operating Grants.....		-	-	-	-
355.01	Public Utility Realty Tax (PURTA).....		-	-	-	1,499
355.02 - 355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback.....		-	-	-	93,102
355.04	Alcoholic Beverage Licenses.....		-	-	-	600
355.05	General Municipal Pension System State Aid.....		-	-	-	65,257
355.07	Foreign Fire Insurance Tax Distribution.....		-	-	-	22,823
355.08	Local Share Assessment/Gaming Proceeds.....		-	-	-	-
355.09	Marcellus Shale Impact Fee Distribution.....		-	-	-	-
355.00	All Other State Shared Revenues & Entitlements.....		-	-	-	5,441
356.00	State Payments in Lieu of Taxes.....		-	-	-	-
<b>TOTAL STATE</b>			-	-	-	195,613

<b>LOCAL GOVERNMENT UNITS</b>						
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.....		-	-	-	15,550
359.00	Local Governmental Units, Authorities Payments and Payments in Lieu of Taxes.....		-	-	-	-
<b>TOTAL LOCAL GOVERNMENT UNITS</b>			-	-	-	15,550

<b>TOTAL INTERGOVERNMENTAL REVENUES</b>						245,787
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2022 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES		GOVERNMENTAL FUNDS			
CHARGES FOR SERVICE		General Fund	Special Revenue		Debt Service
			(Including State Liquid Fuels)	Capital Projects	
361.00	General Government.....	20,632	-	-	-
362.00	Public Safety.....	87,070	-	-	-
363.20	Parking.....	-	-	-	-
363.00	All Other Charges for Highway & Streets Services.....	-	-	-	-
364.10	Wastewater/Sewage Charges.....	-	-	-	-
364.30	Solid Waste Collection & Disposal Charge (trash).....	-	-	-	-
364.60	Host Municipality Benefit Fee for Solid Waste Facility.....	-	-	-	-
364.00	All Other Charges for Sanitation Services.....	-	-	-	-
365.00	Health.....	-	-	-	-
366.00	Human Services.....	-	-	-	-
367.00	Culture and Recreation.....	-	-	-	-
368.00	Airports.....	-	-	-	-
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>		<b>107,702</b>	<b>-</b>	<b>-</b>	<b>-</b>

UNCLASSIFIED OPERATING REVENUES		General Fund	Special Revenue	Capital Projects	Debt Service
383.00	Assessments.....	290	-	-	-
386.00	Escheats (sale of personal property).....	-	-	-	-
387.00	Contributions & Donations from Private Sectors.....	3,503	5,650	-	-
388.00	Fiduciary Fund Pension Contributions.....	<del>          </del>	<del>          </del>	<del>          </del>	<del>          </del>
389.00	All Other Unclassified Operating Revenues***.....	5,275	-	-	-
<b>TOTAL UNCLASSIFIED OPERATING REVENUES.....</b>		<b>9,068</b>	<b>5,650</b>	<b>-</b>	<b>-</b>

OTHER FINANCING SOURCES		General Fund	Special Revenue	Capital Projects	Debt Service
391.00	Proceeds of General Fixed Asset Disposition.....	-	-	-	-
392.00	Interfund Operating Transfers**.....	6,703	-	-	-
393.00	Proceeds of General Long-Term Debt.....	-	-	-	-
394.00	Proceeds of Short-Term Debt.....	-	-	-	-
395.00	Refunds of Prior Year Expenditures.....	21,726	-	-	-
<b>TOTAL OTHER FINANCING SOURCES.....</b>		<b>28,429</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>TOTAL REVENUES.....</b>	<b>1,851,063</b>	<b>276,993</b>	<b>4,001</b>	<b>115,842</b>
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\*\* The total of line 392.00 must match the total of line 492.00

\*\*\* This amount cannot be greater than 1% of "TOTAL REVENUES" in each of the funds.

## 2022 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
<b>CHARGES FOR SERVICE</b>				
361.00 General Government.....	-	-	-	20,632
362.00 Public Safety.....	-	-	-	87,070
363.20 Parking.....	-	-	-	-
363.00 All Other Charges for Highway & Streets Services.....	-	-	-	-
364.10 Wastewater/Sewage Charges.....	-	-	-	-
364.30 Solid Waste Collection & Disposal Charge (trash).....	-	-	-	-
364.60 Host Municipality Benefit Fee for Solid Waste Facility.....	-	-	-	-
364.00 All Other Charges for Sanitation Services.....	-	-	-	-
365.00 Health.....	-	-	-	-
366.00 Human Services.....	-	-	-	-
367.00 Culture and Recreation.....	-	-	16,850	16,850
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 Service.....	-	-	-	-
<b>TOTAL CHARGES FOR SERVICE</b> .....	-	-	16,850	124,552

UNCLASSIFIED OPERATING REVENUES				
383.00 Assessments.....	-	-	-	290
386.00 Escheats (sale of personal property).....	-	-	-	-
387.00 Contributions & Donations from Private Sectors.....	-	-	-	9,153
388.00 Fiduciary Fund Pension Contributions.....	<del>-</del>	<del>-</del>	78,409	78,409
389.00 All Other Unclassified Operating Revenues***.....	-	-	-	5,275
<b>TOTAL UNCLASSIFIED OPERATING REVENUES</b> .....	-	-	78,409	93,127

OTHER FINANCING SOURCES				
391.00 Proceeds of General Fixed Asset Disposition.....	-	-	-	-
392.00 Interfund Operating Transfers**.....	-	-	-	6,703
393.00 Proceeds of General Long-Term Debt.....	-	-	-	-
394.00 Proceeds of Short-Term Debt.....	-	-	-	-
395.00 Refunds of Prior Year Expenditures.....	-	-	-	21,726
<b>TOTAL OTHER FINANCING SOURCES</b> .....	-	-	-	28,429

<b>TOTAL REVENUES</b> .....	-	-	137,663	2,385,562
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\*\* The total of line 392.00 must match the total of line 492.00

\*\*\* This amount cannot be greater than 1% of "TOTAL REVENUES" in each of the funds.

EXPENDITURES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
<b>GENERAL GOVERNMENT</b>					
400.00	Legislative (Governing) Body.....	11,718	-	-	-
401.00	Executive (Manager or Mayor).....	193,614	-	-	-
402.00	Auditing Services/Financial Administration.....	13,834	-	-	-
403.00	Tax Collection.....	14,163	-	-	-
404.00	Solicitor/Legal Services.....	46,263	-	-	-
405.00	Secretary/Clerk.....	-	-	-	-
406.00	Other General Government Administration.....	48,401	-	-	-
407.00	IT-Networking Services-Data Processing.....	-	-	-	-
408.00	Engineering Services.....	29,404	65,968	-	-
409.00	General Government Buildings and Plant.....	43,637	-	214,131	-
<b>TOTAL GENERAL GOVERNMENT.....</b>		<b>401,034</b>	<b>65,968</b>	<b>214,131</b>	<b>-</b>

<b>PUBLIC SAFETY</b>					
410.00	Police.....	674,693	-	54,251	-
411.00	Fire.....	54,840	40,000	-	-
412.00	Ambulance/Rescue.....	-	-	-	-
413.00	UCC and Code Enforcement.....	25,446	-	-	-
414.00	Planning and Zoning.....	13,665	-	-	-
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>768,644</b>	<b>40,000</b>	<b>54,251</b>	<b>-</b>

<b>HEALTH AND HUMAN SERVICES</b>					
420.00-425.00	Health and Human Services.....	-	-	-	-

<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 & Treatment.....	-	-	-	-
<b>TOTAL PUBLIC WORKS - SANITATION.....</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

2022 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS			FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only	
<b>GENERAL GOVERNMENT</b>					
400.00 Legislative (Governing) Body.....	-	-	-	-	11,718
401.00 Executive (Manager or Mayor).....	-	-	-	-	193,614
402.00 Auditing Services/Financial Administration.....	-	-	-	-	13,834
403.00 Tax Collection.....	-	-	-	-	14,163
404.00 Solicitor/Legal Services.....	-	-	-	-	46,263
405.00 Secretary/Clerk.....	-	-	-	-	-
406.00 Other General Government Administration.....	-	-	-	-	48,401
407.00 IT-Networking Services-Data Processing.....	-	-	-	-	-
408.00 Engineering Services.....	-	-	-	-	95,372
409.00 General Government Buildings and Plant.....	-	-	-	-	257,768
<b>TOTAL GENERAL GOVERNMENT.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>681,133</b>

<b>PUBLIC SAFETY</b>					
410.00 Police.....	-	-	-	-	728,944
411.00 Fire.....	-	-	-	-	94,840
412.00 Ambulance/Rescue.....	-	-	-	-	-
413.00 UCC and Code Enforcement.....	-	-	-	-	25,446
414.00 Planning and Zoning.....	-	-	-	-	13,665
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>-</b>	<b>862,895</b>

<b>HEALTH AND HUMAN SERVICES</b>					
420.00-425.00 Health and Human Services.....	-	-	-	-	-

<b>PUBLIC WORKS - SANITATION</b>					
426.00 Recycling Collection and Disposal.....	-	-	-	-	-
427.00 Solid Waste Collection and Disposal (garbage).....	-	-	-	-	-
428.00 Weed Control.....	-	-	-	-	-
429.00 Wastewater/Sewage Collection & Treatment.....	-	-	-	-	-
<b>TOTAL PUBLIC WORKS - SANITATION.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

EXPENDITURES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue <i>(Including State Liquid Fuels)</i>	Capital Projects	Debt Service
<b>PUBLIC WORKS - HIGHWAYS &amp; STREETS</b>					
430.00	General Services - Administration.....	187,841	-	28,698	-
431.00	Cleaning of Streets and Gutters.....	-	-	-	-
432.00	Winter Maintenance - Snow Removal.....	-	5,571	-	-
433.00	Traffic Control Devices.....	-	336	-	-
434.00	Street Lighting.....	-	32,234	-	-
435.00	Sidewalks and Crosswalks.....	-	-	-	-
436.00	Storm Sewers and Drains.....	-	-	-	-
437.00	Repairs of Tools and Machinery.....	-	1,530	-	-
438.00	Maintenance & Repairs of Roads & Bridges.....	-	3,100	213,082	-
439.00	Highway Construction and Rebuilding Projects.....	5,141	-	-	-
<b>TOTAL PUBLIC WORKS - HIGHWAYS &amp; STREETS.....</b>		<b>192,982</b>	<b>42,771</b>	<b>241,780</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.....	-	-	-	-
452.00	Participant Recreation.....	-	-	-	-
453.00	Spectator Recreation.....	-	-	-	-
454.00	Parks.....	23,805	1,742	-	-
455.00	Shade Trees.....	-	600	-	-
456.00	Libraries.....	-	20,000	-	-
457.00	Civil and Military Celebrations.....	-	-	-	-
458.00	Senior Citizens' Centers.....	-	-	-	-
459.00	All Other Culture and Recreation.....	-	-	-	-
<b>TOTAL CULTURE AND RECREATION.....</b>		<b>23,805</b>	<b>22,342</b>	<b>-</b>	<b>-</b>

<b>COMMUNITY DEVELOPMENT</b>					
461.00	Conservation of Natural Resources.....	-	750	-	-
462.00	Community Development and Housing.....	-	-	-	-
463.00	Economic Development.....	-	-	-	-
464.00	Economic Opportunity.....	-	-	-	-
465.00 - 469.00	All Other Community Development.....	-	-	-	-
<b>TOTAL COMMUNITY DEVELOPMENT.....</b>		<b>-</b>	<b>750</b>	<b>-</b>	<b>-</b>

## 2022 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
<b>PUBLIC WORKS - HIGHWAYS &amp; STREETS</b>				
430.00 General Services - Administration.....	-	-	-	216,539
431.00 Cleaning of Streets and Gutters.....	-	-	-	-
432.00 Winter Maintenance - Snow Removal.....	-	-	-	5,571
433.00 Traffic Control Devices.....	-	-	-	336
434.00 Street Lighting.....	-	-	-	32,234
435.00 Sidewalks and Crosswalks.....	-	-	-	-
436.00 Storm Sewers and Drains.....	-	-	-	-
437.00 Repairs of Tools and Machinery.....	-	-	-	1,530
438.00 Maintenance & Repairs of Roads & Bridges.....	-	-	-	216,182
439.00 Highway Construction and Rebuilding Projects.....	-	-	-	5,141
<b>TOTAL PUBLIC WORKS - HIGHWAYS &amp; STREETS.....</b>	-	-	-	<b>477,533</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>CULTURE AND RECREATION</b>				
451.00 Culture-Recreation Administration.....	-	-	-	-
452.00 Participant Recreation.....	-	-	-	-
453.00 Spectator Recreation.....	-	-	-	-
454.00 Parks.....	-	-	436	25,983
455.00 Shade Trees.....	-	-	-	600
456.00 Libraries.....	-	-	-	20,000
457.00 Civil and Military Celebrations.....	-	-	-	-
458.00 Senior Citizens' Centers.....	-	-	-	-
459.00 All Other Culture and Recreation.....	-	-	11,768	11,768
<b>TOTAL CULTURE AND RECREATION.....</b>	-	-	<b>12,204</b>	<b>58,351</b>

<b>COMMUNITY DEVELOPMENT</b>				
461.00 Conservation of Natural Resources.....	-	-	-	750
462.00 Community Development and Housing.....	-	-	-	-
463.00 Economic Development.....	-	-	-	-
464.00 Economic Opportunity.....	-	-	-	-
465.00 - 469.00 All Other Community Development.....	-	-	-	-
<b>TOTAL COMMUNITY DEVELOPMENT.....</b>	-	-	-	<b>750</b>

2022 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
<b>DEBT SERVICE</b>				
471.00 Debt Principal (short-term and long-term).....	-	-	-	91,000
472.00 Debt Interest (short-term and long-term).....	-	-	-	21,836
475.00 Fiscal Agent Fees.....	-	-	-	-
<b>TOTAL DEBT SERVICE.....</b>	-	-	-	112,836

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	84,074	-	-	-
482.00 Judgments and Losses.....	-	-	-	-
483.00 Pension/Retirement Fund Contributions.....	66,348	-	-	-
484.00 Worker Compensation Insurance.....	24,959	-	-	-
487.00 Group Insurance and Other Benefits.....	127,885	-	-	-
<b>EMPLOYER PAID BENEFITS &amp; WITHHOLDING ITEMS.....</b>	303,266	-	-	-

INSURANCE				
486.00 Insurance, Casualty and Surety.....	68,863	-	-	-

UNCLASSIFIED OPERATING EXPENDITURES				
488.00 Fiduciary Fund Benefits and Refunds Paid.....				
489.00 All Other Unclassified Expenditures***.....	427	-	-	-
<b>TOTAL UNCLASSIFIED OPERATING EXPENDITURES.....</b>	427	-	-	-

OTHER FINANCING USES				
491.00 Refund of Prior Year Revenues.....	-	-	-	-
492.00 Interfund Operating Transfers**.....	-	6,703	-	-
493.00 All Other Financing Uses.....	-	-	-	-
<b>TOTAL OTHER FINANCING USES.....</b>	-	6,703	-	-

<b>TOTAL EXPENDITURES.....</b>	1,759,021	178,534	510,162	112,836
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<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES.....</b>	92,042	98,459	(506,161)	3,006
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\*\* The total of line 492.00 must match the total of line 392.00

\*\*\* This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

2022 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

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).....	-	-	-	91,000
472.00 Debt Interest (short-term and long-term).....	-	-	-	21,836
475.00 Fiscal Agent Fees.....	-	-	-	-
<b>TOTAL DEBT SERVICE.....</b>	-	-	-	112,836

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	-	-	-	84,074
482.00 Judgments and Losses.....	-	-	422,174	422,174
483.00 Pension/Retirement Fund Contributions.....	-	-	-	66,348
484.00 Worker Compensation Insurance.....	-	-	-	24,959
487.00 Group Insurance and Other Benefits.....	-	-	-	127,885
<b>EMPLOYER PAID BENEFITS &amp; WITHHOLDING ITEMS.....</b>	-	-	422,174	725,440

INSURANCE				
486.00 Insurance, Casualty and Surety.....	-	-	-	68,863

UNCLASSIFIED OPERATING EXPENDITURES				
488.00 Fiduciary Fund Benefits and Refunds Paid.....	<del>-</del>	<del>-</del>	75,478	75,478
489.00 All Other Unclassified Expenditures***.....	-	-	-	427
<b>TOTAL UNCLASSIFIED OPERATING EXPENDITURES.....</b>	-	-	75,478	75,905

OTHER FINANCING USES				
491.00 Refund of Prior Year Revenues.....	-	-	-	-
492.00 Interfund Operating Transfers**.....	-	-	-	6,703
493.00 All Other Financing Uses.....	-	-	-	-
<b>TOTAL OTHER FINANCING USES.....</b>	-	-	-	6,703

<b>TOTAL EXPENDITURES.....</b>	-	-	509,856	3,070,409
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<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES.....</b>	-	-	(372,193)	(684,847)
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\*\* The total of line 492.00 must match the total of line 392.00

\*\*\* This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

## DEBT STATEMENT

Purpose	Bond (B) Note (N)	Issue Date (year)	Maturity Date (year)	Original Amount of Issue	Outstanding Beginning of Year	Principal Incurred This Year (Additions)	Principal Paid This Year	Current Year Accretion of Compound Interest Bonds	Outstanding Year End	Plus (less) Unamortized Premium (Discount)	Total Balance
<b>GENERAL OBLIGATION BONDS AND NOTES</b>											
General Obligation Note, 2021 Series	N	2020	2040	2,000,000	1,910,000	-	91,000	-	1,819,000	-	\$ 1,819,000
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
<b>REVENUE BONDS AND NOTES</b>											
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
<b>LEASE RENTAL DEBT/GENERAL LEASES</b>											
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
<b>OTHER</b>											
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
										Total bonds and notes outstanding.....	\$ 1,819,000
										Capitalized lease obligations.....	-
										Other debt.....	-
										TOTAL OUTSTANDING DEBT.....	\$ 1,819,000



**NORTH WALES BOROUGH**  
OTHER SUPPLEMENTARY INFORMATION  
TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022

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**ITEM A - BASIS OF ACCOUNTING**

The accompanying financial statements conform to the financial reporting provisions prescribed or permitted by the Pennsylvania Department of Community and Economic Development (DCED), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

As permitted by the DCED, North Wales Borough prepares its financial statements on the modified accrual basis of accounting for its governmental fund types. Under this basis, revenues primarily are recorded when measurable and available. Expenditures are recorded when the liability is incurred. Trust and Agency fund types utilize the accrual basis of accounting. Under this basis, revenue is recorded when earned and expenditures, are recorded when the liability is incurred. Additionally, in accordance with the prescribed accounting practices permitted by the DCED, the North Wales Borough does not include footnote disclosures.