

**2019 MUNICIPAL ANNUAL AUDIT  
AND  
FINANCIAL REPORT**

**022493 GLEN OSBORNE BORO, ALLEGHENY COUNTY**

**To the Members of Borough Council  
Borough of Glen Osborne  
Allegheny County, Pennsylvania**

## **INDEPENDENT AUDITORS' REPORT**

### **Report on Financial Statements**

I have audited the Balance Sheet, Statement of Revenues and Expenditures, Debt Statement, and Statement of Capital Expenditures and Employee Compensation included in the accompanying special purpose Commonwealth of Pennsylvania Annual Audit and Financial Report (special purpose financial report) of the Borough of Glen Osborne, Allegheny County, Pennsylvania as of and for the year ended December 31, 2019.

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

Management is responsible for the preparation and fair presentation of this special purpose financial report in accordance with the accounting practices and procedures prescribed by the Commonwealth of Pennsylvania's Department of Community and Economic Development (DCED), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Borough's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **Opinions**

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

The Schedules are prepared by the Borough of Glen Osborne on the basis of the financial reporting provisions prescribed or permitted by the DCED in the instructions to the Annual Audit and Financial Report to demonstrate compliance with the DCED's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the DCED. These requirements permit the Schedules to be prepared on the cash basis of accounting without the presentation of the management's discussion and analysis, the government-wide financial statements, budget and actual information and financial statements disclosures.

The effects on the Schedules of the variances between the regulatory basis of accounting described above and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

In my opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the Schedules referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Borough of Glen Osborne as of December 31, 2019, or changes in financial position or cash flows thereof for the year then ended.

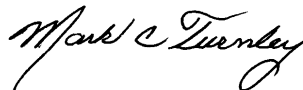
### ***Opinion on Regulatory Basis of Accounting***

In my opinion, the Schedules referred to above present fairly, in all material respects, the assets, liabilities and fund equity of the Borough of Glen Osborne as of December 31, 2019, and its revenues, expenditures and other financing sources and uses for the year then ended, in accordance with the financial reporting provisions prescribed or permitted by the DCED described above.

### ***Report on Other Legal and Regulatory Requirements***

This report is intended solely for the information and use of the governing body and management of the Borough of Glen Osborne and for filing with the various local and state departments or offices and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,



Mark C. Turnley, CPA

March 28, 2020  
New Brighton, Pennsylvania



## GLEN OSBORNE BORO, ALLEGHENY County

## BALANCE SHEET

December 31, 2019

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
<b>Liabilities and Other Credits</b>											
260-269	Long-Term-Liabilities										
240-259	Current Portion of Long-Term Debt and Other Credits									17,158	17,158
<b>Total Liabilities and Other Credits</b>		7,450								17,158	24,608
<b>Fund and Account Group Equity</b>											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets										
270-289	Fund Balance / Retained Earnings on 12/31	606,848	25,007	21,527							653,382
291-299	Other Equity										
<b>Total Fund and Account Group Equity</b>		606,848	25,007	21,527							653,382
<b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY</b>											677,990

**GLEN OSBORNE BORO, ALLEGHENY County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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	385,130						385,130
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)	12,996						12,996
310.00	Per Capita Taxes							
310.10	Real Estate Transfer Taxes	60,084						60,084
310.20	Earned Income Taxes / Wage Taxes	164,936						164,936
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	7,869						7,869
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
<b>Total Taxes</b>		631,015						631,015

**Licenses and Permits**

320-322	All Other Licenses and Permits	8,873						8,873
321.80	Cable Television Franchise Fees	7,623						7,623
<b>Total Licenses and Permits</b>		16,496						16,496

**Fines and Forfeits**

330-332	Fines and Forfeits	3,094						3,094
<b>Total Fines and Forfeits</b>		3,094						3,094

**GLEN OSBORNE BORO, ALLEGHENY County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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

**REVENUES**

<b>Interest, Rents and Royalties</b>								
341.00	Interest Earnings	9,501	567	435				10,503
342.00	Rents and Royalties							
<b>Total Interest, Rents and Royalties</b>		9,501	567	435				10,503

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

<b>State</b>								
354.03	Highways and Streets							
354.09	Community Development							
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants							
355.01	Public Utility Realty Tax (PURTA)	555						555
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		21,861					21,861
355.04	Alcoholic Beverage Licenses							
355.05	General Municipal Pension System State Aid							
355.07	Foreign Fire Insurance Tax Distribution	4,686						4,686
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution	151						151

**GLEN OSBORNE BORO, ALLEGHENY County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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**

355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes							
<b>Total State</b>		5,392	21,861					27,253

**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							
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							
<b>Total Local Government Units</b>								

**Charges for Service**

361.00	General Government	2,277						2,277
362.00	Public Safety	2,861						2,861
363.20	Parking							
363.00	All Other Charges for Highway & Street Services							
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)							
364.30	Solid Waste Collection and 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							



**GLEN OSBORNE BORO, ALLEGHENY County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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

**REVENUES**

**Charges for Service**

369.00	Bars							
370.00	Cemeteries							
372.00	Electric System							
373.00	Gas System							
374.00	Housing System							
375.00	Markets							
377.00	Transit Systems							
378.00	Water System							
379.00	All Other Charges for Service							
<b>Total Charges for Service</b>		5,138						5,138

**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							
389.00	All Other Unclassified Operating Revenues							
<b>Total Unclassified Operating Revenues</b>								

**Other Financing Sources**

391.00	Proceeds of General Fixed Asset Disposition							
392.00	Interfund Operating Transfers							
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

**GLEN OSBORNE BORO, ALLEGHENY County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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							
<b>Total Other Financing Sources</b>								

**TOTAL REVENUES**

670,636	22,428	435					693,499
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**EXPENDITURES**

General Government								
400.00	Legislative (Governing) Body	2,911						2,911
401.00	Executive (Manager or Mayor)							
402.00	Auditing Services / Financial Administration	4,423						4,423
403.00	Tax Collection	1,892						1,892
404.00	Solicitor / Legal Services	38,898						38,898
405.00	Secretary / Clerk	43,825						43,825
406.00	Other General Government Administration	31,151						31,151
407.00	IT-Networking Services-Data Processing	830						830
408.00	Engineering Services	33,811						33,811
409.00	General Government Buildings and Plant							
<b>Total General Government</b>		157,741						157,741

**Public Safety**

410.00	Police	120,646						120,646
411.00	Fire	37,105						37,105
412.00	Ambulance / Rescue	4,923						4,923
413.00	UCC and Code Enforcement	10,856						10,856

**GLEN OSBORNE BORO, ALLEGHENY County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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	6,245						6,245
415.00	Emergency Management and Communications							
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety							
<b>Total Public Safety</b>		179,775						179,775

**Health and Human Services**

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

**Public Works - Sanitation**

426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)	45,320						45,320
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection	37,704						37,704
<b>Total Public Works - Sanitation</b>		83,024						83,024

**Public Works - Highways and Streets**

430.00	General Services - Administration	9,882						9,882
431.00	Cleaning of Streets and Gutters	29,304						29,304
432.00	Winter Maintenance – Snow Removal	24,830						24,830
433.00	Traffic Control Devices	7,098	1,546					8,644
434.00	Street Lighting		10,303					10,303

**GLEN OSBORNE BORO, ALLEGHENY County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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

**EXPENDITURES**

<b>Public Works - Highways and Streets</b>								
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains	7,367						7,367
437.00	Repairs of Tools and Machinery							
438.00	Maintenance and Repairs of Roads and Bridges	94,461						94,461
439.00	Highway Construction and Rebuilding Projects							
<b>Total Public Works - Highways and Streets</b>		172,942	11,849					184,791

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

<b>Culture and Recreation</b>								
451.00	Culture-Recreation Administration	141						141
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks	7,000						7,000

**GLEN OSBORNE BORO, ALLEGHENY County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2019

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

**EXPENDITURES**

<b>Culture and Recreation</b>								
455.00	Shade Trees	8,929						8,929
456.00	Libraries							
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation	717						717
<b>Total Culture and Recreation</b>		<b>16,787</b>						<b>16,787</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>Debt Service</b>								
471.00	Debt Principal (short-term and long-term)	40,574						40,574
472.00	Debt Interest (short-term and long-term)	939						939
475.00	Fiscal Agent Fees							
<b>Total Debt Service</b>		<b>41,513</b>						<b>41,513</b>

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

GLEN OSBORNE BORO, ALLEGHENY County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2019

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

**EXPENDITURES**

<b>Employer Paid Benefits and Withholding Items</b>								
484.00	Worker Compensation Insurance							
487.00	Other Group Insurance Benefits							
<b>Total Employer Paid Benefits and Withholding Items</b>								

<b>Insurance</b>								
486.00	Insurance, Casualty, and Surety	4,646						4,646
<b>Total Insurance</b>		4,646						4,646

<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>Other Financing Uses</b>								
491.00	Refund of Prior Year Revenues	527						527
492.00	Interfund Operating Transfers							
493.00	All Other Financing Uses							
<b>Total Other Financing Uses</b>		527						527

<b>TOTAL EXPENDITURES</b>	656,955	11,849						668,804
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<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES</b>	13,681	10,579	435					24,695
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## GLEN OSBORNE BORO

December 31, 2019

## DEBT STATEMENT

## OUTSTANDING BONDS AND NOTES

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

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
<b>General Obligation Bonds and Notes</b>											
General Obligation Note	Note	2017	2020	120,000	57,732		40,574		17,158		17,158
<b>Revenue Bonds and Notes</b>											
<b>Lease Rental Debt</b>											
<b>Other</b>											

(1) - excludes unamortized premium/discount

<b>Total bonds and notes outstanding</b>	17,158
<b>Capitalized lease obligations</b>	0
<b>Net debt</b>	17,158

**GLEN OSBORNE BORO, ALLEGHENY County**  
**STATEMENT OF CAPITAL EXPENDITURES**

December 31, 2019

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer			
Solid Waste			
Streets / Highways			
Water			
Other: _____			
<b>TOTAL CAPITAL EXPENDITURES</b>			

**EMPLOYEE COMPENSATION**

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



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

**SIGNATURE AND VERIFICATION**

Signed: Mark C. Turnley CPA Appointed Auditor/CPA

December 31, 2019

**NOTES / COMMENTS**