

Annual Audit and
Financial Report
(DCED-CLGS-30)

December 31
2023

**Borough of Orwigsburg,
Schuylkill County**



Guidance You
Can Count On.

INDEPENDENT AUDITOR'S REPORT

Borough Council
Borough of Orwigsburg, Schuylkill County
Orwigsburg, Pennsylvania

President Judge of the Court of Common Pleas

Secretary of the Department of Community and Economic Development

Opinion

We have audited the accompanying financial statements of Borough of Orwigsburg, Schuylkill County, Pennsylvania, which comprise the balance sheet as of December 31, 2023, and the related statement of revenues and expenditures, debt statement and statement of capital expenditures for the year then ended, and the related notes to the financial statements in the format prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Borough of Orwigsburg, Schuylkill County Pennsylvania, as of December 31, 2023, and the changes in financial position and related debt statement and statement of capital expenditures for the year then ended, in accordance with the financial reporting provisions of the accrual/modified accrual basis of accounting within the format prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States 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 Borough of Orwigsburg, Schuylkill County, Pennsylvania, 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 opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the accrual/modified accrual basis of accounting within the format prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania, which is a basis of accounting other than accounting principles generally accepted in the United States of America. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accrual/modified accrual basis of accounting within the financial reporting provisions of the Department of Community and Economic Development of the Commonwealth of Pennsylvania described in Note 1, and for determining that the accrual/modified accrual basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. Management is also responsible 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.

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 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 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 judgment 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 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 and disclosures 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 Borough of Orwigsburg'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 Borough of Orwigsburg'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.

Restriction on Use

This report is intended solely for the information and use of Borough Council, management of Borough of Orwigsburg, President Judge and Court of Common Pleas, and the Secretary of the Department of Community and Economic Development of the Commonwealth of Pennsylvania and is not intended to be and should not be used by anyone other than those specified parties.

Smith & Elliott Heams Company, LLC

Carlisle, Pennsylvania
January 23, 2025

**2023 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

541173 ORWIGSBURG BORO, SCHUYLKILL COUNTY

ORWIGSBURG BORO, SCHUYLKILL County

BALANCE SHEET

December 31, 2023

		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	62,650	1,676			9,919,095					9,983,421
240-259	Current Portion of Long-Term Debt and Other Credits	92,827				634,930					727,757
Total Liabilities and Other Credits		474,192	1,676			11,073,526					11,549,394
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	50,530	308,313	1,336,583		1,291,012					2,986,438
291-299	Other Equity										
Total Fund and Account Group Equity		50,530	308,313	1,336,583		1,291,012					2,986,438
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											14,535,832

ORWIGSBURG BORO, SCHUYLKILL County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	732,813	69,791					802,604
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	19,263						19,263
310.10	Real Estate Transfer Taxes	60,455						60,455
310.20	Earned Income Taxes / Wage Taxes	513,066						513,066
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)	5,744						5,744
310.50	Local Services Tax **	73,427						73,427
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
Total Taxes		1,404,768	69,791					1,474,559

Licenses and Permits

320-322	All Other Licenses and Permits	1,715						1,715
321.80	Cable Television Franchise Fees	63,893						63,893
Total Licenses and Permits		65,608						65,608

Fines and Forfeits

330-332	Fines and Forfeits	26,642						26,642
Total Fines and Forfeits		26,642						26,642

ORWIGSBURG BORO, SCHUYLKILL County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	8,558	8,206	47,404		184,670		248,838
342.00	Rents and Royalties	24,184				15,155		39,339
Total Interest, Rents and Royalties		32,742	8,206	47,404		199,825		288,177

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	758,600						758,600
355.01	Public Utility Realty Tax (PURTA)	1,312						1,312
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		106,843					106,843
355.04	Alcoholic Beverage Licenses	400						400
355.05	General Municipal Pension System State Aid	110,928						110,928
355.07	Foreign Fire Insurance Tax Distribution		16,957					16,957
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution							

ORWIGSBURG BORO, SCHUYLKILL County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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							
Total State		871,240	123,800					995,040

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	13,786						13,786
Total Local Government Units		13,786						13,786

Charges for Service								
361.00	General Government	7,008						7,008
362.00	Public Safety	26,686	5,250					31,936
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.)				830,210			830,210
364.30	Solid Waste Collection and Disposal Charge (trash)				387,049			387,049
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	600						600
368.00	Airports							

ORWIGSBURG BORO, SCHUYLKILL County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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				776,032			776,032
379.00	All Other Charges for Service							
Total Charges for Service		34,294	5,250		1,993,291			2,032,835

Unclassified Operating Revenues								
383.00	Special Assessments			41,513				41,513
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	112,927						112,927
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues	5,276		124				5,400
Total Unclassified Operating Revenues		118,203		41,637				159,840

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	12,663		13,500				26,163
392.00	Interfund Operating Transfers	60,000		85,007		27,831		172,838
393.00	Proceeds of General Long-Term Debt	59,000						59,000
394.00	Proceeds of Short Term-Debt							

ORWIGSBURG BORO, SCHUYLKILL County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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							
Total Other Financing Sources		131,663		98,507		27,831		258,001

TOTAL REVENUES

2,698,946	207,047	187,548		2,220,947			5,314,488
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EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	3,167				596		3,763
401.00	Executive (Manager or Mayor)	31,581						31,581
402.00	Auditing Services / Financial Administration	13,150	125					13,275
403.00	Tax Collection	16,906	433					17,339
404.00	Solicitor / Legal Services	18,640						18,640
405.00	Secretary / Clerk	42,937						42,937
406.00	Other General Government Administration	47,269		2,213				49,482
407.00	IT-Networking Services-Data Processing							
408.00	Engineering Services	262						262
409.00	General Government Buildings and Plant	60,288		62,630				122,918
Total General Government		234,200	558	64,843		596		300,197

Public Safety

410.00	Police	568,503		4,500				573,003
411.00	Fire	25,000	28,356					53,356
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement	35,965						35,965

ORWIGSBURG BORO, SCHUYLKILL County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	28,309						28,309
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		657,777	28,356	4,500				690,633

Health and Human Services

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

Public Works - Sanitation

426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)				410,008			410,008
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection				727,732			727,732
Total Public Works - Sanitation					1,137,740			1,137,740

Public Works - Highways and Streets

430.00	General Services - Administration	209,413						209,413
431.00	Cleaning of Streets and Gutters	3,200						3,200
432.00	Winter Maintenance – Snow Removal	17,934						17,934
433.00	Traffic Control Devices	3,158						3,158
434.00	Street Lighting	26,300						26,300

ORWIGSBURG BORO, SCHUYLKILL County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	38,230						38,230
437.00	Repairs of Tools and Machinery							
438.00	Maintenance and Repairs of Roads and Bridges	25,996						25,996
439.00	Highway Construction and Rebuilding Projects							
Total Public Works - Highways and Streets		324,231						324,231

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				739,624			739,624
449.00	Water Transport and Terminals							
Total Other Public Works Enterprises					739,624			739,624

Culture and Recreation								
451.00	Culture-Recreation Administration	113,426						113,426
452.00	Participant Recreation		91,137					91,137
453.00	Spectator Recreation							
454.00	Parks	28,106						28,106

ORWIGSBURG BORO, SCHUYLKILL County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	289,139						289,139
Total Culture and Recreation		430,671		91,137				521,808

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)	754,508						754,508
472.00	Debt Interest (short-term and long-term)	27,602			140			27,742
475.00	Fiscal Agent Fees							
Total Debt Service		782,110			140			782,250

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	56,970						56,970
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions	133,212						133,212

ORWIGSBURG BORO, SCHUYLKILL County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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	12,655						12,655
487.00	Other Group Insurance Benefits	139,227						139,227
Total Employer Paid Benefits and Withholding Items		342,064						342,064

Insurance								
486.00	Insurance, Casualty, and Surety	23,310						23,310
Total Insurance		23,310						23,310

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid							
489.00	All Other Unclassified Expenditures							
Total Unclassified Operating Expenditures								

Other Financing Uses								
491.00	Refund of Prior Year Revenues							
492.00	Interfund Operating Transfers	85,007	84,970		2,861			172,838
493.00	All Other Financing Uses	2			578,350			578,352
Total Other Financing Uses		85,009	84,970		581,211			751,190

TOTAL EXPENDITURES	2,879,372	28,914	245,450		2,459,311			5,613,047
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	-180,426	178,133	-57,902		-238,364			-298,559
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ORWIGSBURG BORO

December 31, 2023

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											
CURBS	Note	2016	2021	85,000	34,110		8,953		25,157		25,157
GO BOND	Bond	2020	2045	10,840,000	9,840,000		315,000		9,525,000	721,701	10,246,701
2021 GO Note	Note	2022	2023	750,000	691,000	59,000	731,250		18,750		18,750
2022 GO Note	Note	2022	2042	425,000	423,933		14,304		409,629		409,629
Revenue Bonds and Notes											
Lease Rental Debt											
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding 10,700,237

Capitalized lease obligations 0

Net debt 10,700,237

ORWIGSBURG BORO, SCHUYLKILL County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2023

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	39,859	37,334	77,193
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police		4,500	4,500
Recreation	28,112	129,089	157,201
Sewer	1,136	650,645	651,781
Solid Waste			
Streets / Highways		45,290	45,290
Water	109,352	3,129	112,481
Other: _____			
TOTAL CAPITAL EXPENDITURES	178,459	869,987	1,048,446

EMPLOYEE COMPENSATION

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

1,036,236

BOROUGH OF ORWIGSBURG
Notes to Financial Statements
December 31, 2023

NOTE 1 BASIS OF ACCOUNTING

The financial statements are prepared on the accrual/modified accrual basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The underlying basis of accounting used to record transactions is similar to that prescribed by accounting principles generally accepted in the United States of America, however the financial data is presented within the accompanying annual financial report which is prepared for the purpose of complying with rules and regulations of the Department of Community and Economic Development of the Commonwealth of Pennsylvania, does not include supporting disclosures, government-wide statements, or cash flow statements, if applicable, and is not intended to be a complete presentation of Borough of Orwigsburg's assets, liabilities, revenues and expenses.

NOTE 2 PENSION

The Borough uses a defined benefit pension plan. This is not reported as a Fiduciary Fund of the Borough for reporting on the DCED report due to the fact the Borough does not hold the assets in a fiduciary capacity.

NOTE 3 LINE 471 - DEBT SERVICE

Principal payments do not match the debt statement because the Borough reports the debt of the business-type activities on the balance sheet, therefore the principal repayment reduces the liability and does not show as an expenditure.