



A Professional Corporation
STYER ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

20 South School Lane
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Souderton, PA 18964
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Gregory S. Ede, CPA

Timothy N. Clemmer, CPA

R. David Styer, CPA
1949-2015

INDEPENDENT AUDITORS' REPORT

To the Borough Council
Borough of New Britain
New Britain, Pennsylvania

We have audited the accompanying Municipal Annual Audit and Financial Report of the Borough of New Britain, which comprises the balance sheet as of December 31, 2021, and the related statement of revenues and expenses, debt statement, and statement of capital expenditures for the year then ended, in accordance with the financial reporting provisions of the Department of Community and Economic Development of the Commonwealth of Pennsylvania.

In our opinion, the Municipal Annual Audit and Financial Report referred to above presents fairly, in all material respects, the assets, liabilities, and fund balances of the Borough of New Britain as of December 31, 2021, and its revenues and expenditures, debt obligations, and capital expenditures for the year then ended, in accordance with the financial reporting provisions of the Department of Community and Economic Development of the Commonwealth of Pennsylvania as described below under Basis of Accounting.

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 Municipal Annual Audit and Financial Report section of our report. We are required to be independent of the Borough of New Britain, 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.

Basis of Accounting

The Municipal Annual Audit and Financial Report is prepared by the Borough of New Britain, in accordance with the financial reporting provisions of 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, to meet the requirements of the Department of Community and Economic Development of the Commonwealth of Pennsylvania. As a result, the Municipal Annual Audit and Financial Report may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Municipal Annual Audit and Financial Report

Management is responsible for the preparation and fair presentation of the Municipal Annual Audit and Financial Report in accordance with the financial reporting provisions of the Department of Community and Economic Development of the Commonwealth of Pennsylvania, as described in the Basis of Accounting. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Municipal Annual Audit and Financial Report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Municipal Annual Audit and Financial Report

Our objectives are to obtain reasonable assurance about whether the Municipal Annual Audit and Financial Report as a whole is 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 Municipal Annual Audit and Financial Report.

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 Municipal Annual Audit and Financial Report, 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 Municipal Annual Audit and Financial Report.
- 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 New Britain'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 Municipal Annual Audit and Financial Report.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough of New Britain'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.



STYER ASSOCIATES
Certified Public Accountants

March 31, 2022



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1949-2015

April 15, 2022

To the Borough Council
Borough of New Britain
45 Keeley Avenue
New Britain, PA 18901

In planning and performing our audit of the 2021 Municipal Annual Audit and Financial Report of the Borough of New Britain as of and for the year ended December 31, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the Borough of New Britain's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the 2021 Municipal Annual Audit and Financial Report, but not for the purpose of expressing an opinion on the effectiveness of the Borough of New Britain's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of New Britain's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's 2021 Municipal Annual Audit and Financial Report will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in internal control to be a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in internal control to be significant deficiencies.

In addition, we identified other matters and recommendations to bring to your attention. As per our custom, we refer back to the prior year's management letter to review those findings and their status.

MATERIAL WEAKNESS NOTED - CURRENT YEAR AUDIT

Master Escrow Arrangement

Material Weakness: In August, 2021, a master escrow arrangement for maintaining certain escrow funds of the Borough was opened at Penn Community Bank; however, a new general ledger account for this arrangement was never set up in either a separate QuickBooks escrow fund or within the General Fund. When the deposits made to this account were recorded in your QuickBooks General Fund, they were entered as having been deposited to the General Fund Checking and the corresponding escrow liability account. In doing this, your General Checking cash amount was overstated by \$190,077 during the last months of the year. In addition, staff was not receiving bank statements on the master escrow account from the time it was opened and we found it was opened as an interest bearing account when the intent was for it to be a non-interest bearing account.

Recommendation: We would prefer to see this master escrow account and the associated escrow liabilities be set up as part of a new separate escrow fund. We would also then prefer to have the other existing escrow liabilities transferred from the General Fund, where they have historically been housed, to this new fund. While this would require Borough staff to change its current procedures and potentially utilize more due to/due from accounting, we feel it would provide for cleaner reporting of both escrow and general fund activity. However, should the Borough wish to continue housing all of its escrow accounting within its General Fund, the creation of a new general ledger account in the General Fund for the master escrow account would be required.

SIGNIFICANT DEFICIENCIES NOTED - PRIOR YEAR AUDIT

Loan Activity

Deficiency: During our audit of the loan activity of the Borough, we did not note that a separate sinking fund account was opened at the First National Bank and Trust of Newtown for both the 2017 and 2020 loans per the ordinance authorizing the loans.

Status: This remains a current deficiency of the Borough. We continue to note that separate sinking fund accounts have not been opened at the First National Bank and Trust of Newtown per the ordinances authorizing the 2021 note (which refinanced the 2017 loan) or the 2020 loan. In addition, we noted that staff began making the payments on these loans using the amounts shown on the amortization schedules provided by the bank for these loans, which tend to differ slightly from the billing statements. This may result in additional payments needing to be made. Once again, we recommend that, per the ordinances authorizing the loans, separate sinking accounts be opened at the First National Bank and Trust Company of Newtown and that staff wait to make payments on the loans until receiving billing statements from the bank.

SIGNIFICANT DEFICIENCIES NOTED - CURRENT YEAR AUDIT

Due To/Due Froms and Transfers

Deficiency: During our audit of the Borough, we noted that the due to/due from accounts for the amounts owed by one fund to another did not equal and neither did the various transfer accounts between funds. This interfund activity must match; if there is a due from in the General Fund from the Public Safety Fund, there must be a corresponding due to in the Public Safety Fund that matches that account and, conversely, the same must happen with transfers.

Recommendation: We recommend that staff be diligent in the way they move activity between funds to be sure that the corresponding entries are made to properly reflect the activity in each fund and ensure that they balance across the affected funds.

OTHER MATTERS NOTED – PRIOR YEAR AUDIT

Movement of Real Estate Taxes

Finding: During our audit of 2020, we noted that management staff did move the real estate taxes for the special revenue funds during the year; however, there were issues breaking out the real estate taxes between the various millages through June, 2020 until the tax collector began issuing checks for each millage.

Status: In regards to real estate taxes, this deficiency has been corrected due to the tax collector issuing separate checks for each millage; however, after the new manager started, they were not aware of the portion of the local services tax which needed to be moved to the public safety fund for its portion of that tax. That activity was recorded through due to/due from as of December 31, 2021 and was promptly paid to the public safety fund in early 2022. We expect this matter to be corrected for 2022.

OTHER MATTERS NOTED – CURRENT YEAR AUDIT

Groner Funds

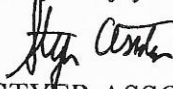
Finding: We noted that for the loan from the Groner Fund to the General Fund, the payments were booked incorrectly six times in the Groner Fund. Instead of being applied to the Burkart Hall Groner Fund due from, those six payments were booked to a due from general account.

Recommendation: We recommend that all payments received from the General Fund to the Groner Fund for the Burkart Hall Groner loan be processed to the proper account.

We would like to thank the staff of the Borough of New Britain for their assistance and cooperation during our audit and we look forward to a continuing relationship in the future. If you need any assistance implementing any of these recommendations, please feel free to contact us.

This communication is intended solely for the information and use of management, the Borough Council, and others within the Borough of New Britain and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



STYER ASSOCIATES
Certified Public Accountants

**NEW BRITAIN BOROUGH
CONCISE BALANCE SHEET
DECEMBER 31, 2021**

ASSETS

| | |
|---------------------------|----------------------------|
| Cash and investments..... | \$ 1,577,816 |
| Total Assets..... | \$ <u>1,577,816</u> |

LIABILITIES AND NET ASSETS

Liabilities:

| | |
|--------------------------------|-----------------------|
| Payroll tax withholdings | \$ 1,644 |
| Escrow deposits | 241,184 |
| Total Liabilities..... | <u>242,828</u> |

Fund Balances:

| | |
|---|----------------------------|
| Restricted | 988,060 |
| Unrestricted..... | 346,928 |
| Total Fund Balances | <u>1,334,988</u> |
| Total Liabilities and Fund Balances..... | \$ <u>1,577,816</u> |

**CONCISE STATEMENT OF REVENUES AND EXPENDITURES
YEAR ENDED DECEMBER 31, 2021**

Revenues:

| | |
|--|-------------------------|
| Taxes, penalties and interest | \$ 1,785,405 |
| Charges for services and intergovernmental revenues..... | 330,553 |
| Licenses and permits..... | 64,215 |
| Proceeds of long term debt | 759,000 |
| Interest and other | 168,587 |
| Total Revenues | <u>3,107,760</u> |

Expenditures:

| | |
|---|----------------------------|
| General government..... | 291,991 |
| Public safety..... | 2,643,751 |
| Public works | 115,005 |
| Recreation and parks..... | 71,967 |
| Debt service | 865,663 |
| Other operating expenses..... | 86,601 |
| Total Expenditures..... | <u>4,074,978</u> |
| Excess of Revenues Over (Under) Expenditures | \$ <u>(967,218)</u> |

NOTICE

These concise financial statements are published pursuant to the appropriate provisions of the Borough Code. A copy of the 2021 Municipal Annual Report, prepared by Styer Associates, P.C., CPA's, Souderton, PA is on file in the Borough Office.

**2021 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

090753 NEW BRITAIN BORO, BUCKS COUNTY

BALANCE SHEET

DCED-CLGS-30 (09-09)

NEW BRITAIN BORO, BUCKS County

BALANCE SHEET

December 31, 2021

| | | Governmental Funds | | | | Proprietary Funds | | Fld. Fund | Account Groups | | Total |
|--------------------------------------|--|--------------------|--|------------------|--------------|-------------------|------------------|------------------|----------------------|------------------------|-----------------|
| | | General Fund | Special Revenue (Including State Liquid Funds) | Capital Projects | Debt Service | Enterprise | Internal Service | Trust and Agency | General Fixed Assets | General Long Term Debt | Memorandum Only |
| Assets and Other Debits | | | | | | | | | | | |
| 100-120 | Cash and Investments | 907,501 | 64,231 | 134,561 | 85,805 | | | 362,902 | | | 1,555,000 |
| 140-144 | Tax Receivable | | | | | | | | | | |
| 121-129, 145-149 | Accounts Receivable (excluding taxes) | | | | | | | | | | |
| 130.00 | Due From Other Funds | 34,803 | 28,536 | | | | | 26,192 | | | 89,531 |
| 131-139, 150-159 | Other Current Assets | | | | | | | 22,816 | | | 22,816 |
| 160-169 | Fixed Assets | | | | | | | | 3,918,176 | | 3,918,176 |
| 180-189 | Other Debits | | | | | | | | | 2,231,000 | 2,231,000 |
| Total Assets and Other Debits | | 942,304 | 92,767 | 134,561 | 85,805 | | | 411,910 | 3,918,176 | 2,231,000 | 7,816,523 |
| Liabilities and Other Credits | | | | | | | | | | | |
| 210-229 | Payroll Taxes and Other Payroll Withholdings | 1,644 | | | | | | | | | 1,644 |
| 200-209, 231-239 | All Other Current Liabilities | | | | | | | 241,184 | | | 241,184 |
| 230.00 | Due To Other Funds | 76,490 | 12,136 | 905 | | | | | | | 89,531 |

December 31, 2021

| | |
|--|------------------|
| TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY | 7,816,523 |
|--|------------------|

NEW BRITAIN BORO, BUCKS County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2021

| 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 | 894,724 | 60,626 | | 103,740 | | | | 1,059,090 |
| 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 | 202,269 | | | | | | | 202,269 |
| 310.20 | Earned Income Taxes / Wage Taxes | 445,900 | | | | | | | 445,900 |
| 310.30 | Business Gross Receipts Taxes | | | | | | | | |
| 310.40 | Occupation Taxes (levied under Act 511) | | | | | | | | |
| 310.50 | Local Services Tax ** | 52,358 | 25,788 | | | | | | 78,146 |
| 310.60 | Amusement / Admission Taxes | | | | | | | | |
| 310.70 | Mechanical Device Taxes | | | | | | | | |
| 310.90 | Other: _____ | | | | | | | | |
| | Other: _____ | | | | | | | | |
| Total Taxes | | 1,595,251 | 86,414 | | 103,740 | | | | 1,785,405 |

| Licenses and Permits | | | | | | | | | |
|-----------------------------------|---------------------------------|---------------|--|--|--|--|--|--|---------------|
| 320-322 | All Other Licenses and Permits | 7,950 | | | | | | | 7,950 |
| 321.80 | Cable Television Franchise Fees | 56,265 | | | | | | | 56,265 |
| Total Licenses and Permits | | 64,215 | | | | | | | 64,215 |

| Fines and Forfeits | | | | | | | | | |
|---------------------------------|--------------------|---------------|--|--|--|--|--|--|---------------|
| 330-332 | Fines and Forfeits | 11,529 | | | | | | | 11,529 |
| Total Fines and Forfeits | | 11,529 | | | | | | | 11,529 |

NEW BRITAIN BORO, BUCKS County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2021

| 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 | 78,518 | 514 | 435 | 4,489 | | 30,717 | 114,673 |
| 342.00 | Rents and Royalties | 33,266 | | | | | | 33,266 |
| Total Interest, Rents and Royalties | | 111,784 | 514 | 435 | 4,489 | | 30,717 | 147,939 |

| 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 | | | 155,381 | | | | 155,381 |
| 353.00 | Federal Payments in Lieu of Taxes | | | | | | | |
| Total Federal | | | | 155,381 | | | | 155,381 |

| State | | | | | | | | |
|---------------|---|--------|--------|--|--|--|-------|--------|
| 354.03 | Highways and Streets | | | | | | | |
| 354.09 | Community Development | | | | | | | |
| 354.15 | Recycling / Act 101 | 5,962 | | | | | | 5,962 |
| 354.00 | All Other State Capital and Operating Grants | | | | | | | |
| 355.01 | Public Utility Realty Tax (PURTA) | 1,568 | | | | | | 1,568 |
| 355.02-355.03 | Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback | | 82,205 | | | | | 82,205 |
| 355.04 | Alcoholic Beverage Licenses | 200 | | | | | | 200 |
| 355.05 | General Municipal Pension System State Aid | | | | | | 9,315 | 9,315 |
| 355.07 | Foreign Fire Insurance Tax Distribution | 19,181 | | | | | | 19,181 |
| 355.08 | Local Share Assessment/Gaming Proceeds | | | | | | | |
| 355.09 | Marcellus Shale Impact Fee Distribution | | | | | | | |

NEW BRITAIN BORO, BUCKS County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2021

| 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 | | 26,911 | 82,205 | | | | | 9,315 | 118,431 |

| Local Government Units | | | | | | | | | |
|-------------------------------------|---|-----|--|-------|--|--|--|--|-------|
| 357.03 | Highways and Streets | | | | | | | | |
| 357.00 | All Other Local Governmental Units Capital and Operating Grants | 500 | | 2,500 | | | | | 3,000 |
| 358.00 | Local Government Unit Shared Payments for Contracted Intergovernmental Services | | | | | | | | |
| 359.00 | Local Governmental Units and Authorities Payments in Lieu of Taxes | | | | | | | | |
| Total Local Government Units | | 500 | | 2,500 | | | | | 3,000 |

| Charges for Service | | | | | | | | | |
|---------------------|--|--------|--|--|--|--|--|--|--------|
| 361.00 | General Government | 11,383 | | | | | | | 11,383 |
| 362.00 | Public Safety | 37,070 | | | | | | | 37,070 |
| 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 | 5,288 | | | | | | | 5,288 |
| 368.00 | Airports | | | | | | | | |

NEW BRITAIN BORO, BUCKS County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2021

| 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 | | 53,741 | | | | | | | 53,741 |

| Unclassified Operating Revenues | | | | | | | | | |
|--|--|-------|--|--|--|--|-----|--|-------|
| 383.00 | Special Assessments | | | | | | | | |
| 386.00 | Escheats (sale of personal property) | | | | | | | | |
| 387.00 | Contributions and Donations from Private Sectors | 1,393 | | | | | | | 1,393 |
| 388.00 | Fiduciary Fund Pension Contributions | | | | | | | | |
| 389.00 | All Other Unclassified Operating Revenues | | | | | | 508 | | 508 |
| Total Unclassified Operating Revenues | | 1,393 | | | | | 508 | | 1,901 |

| Other Financing Sources | | | | | | | | | |
|-------------------------|---|--------|---------|--|--|--|--|--|---------|
| 391.00 | Proceeds of General Fixed Asset Disposition | | | | | | | | |
| 392.00 | Interfund Operating Transfers | 10,392 | 926 | | | | | | 11,318 |
| 393.00 | Proceeds of General Long-Term Debt | | 759,000 | | | | | | 759,000 |
| 394.00 | Proceeds of Short Term-Debt | | | | | | | | |

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2021

| 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 | 7,218 | | | | | | 7,218 |
| Total Other Financing Sources | | 17,610 | 759,926 | | | | | 777,536 |

| | | | | | | | | |
|-----------------------|-----------|---------|---------|---------|--|--|--------|-----------|
| TOTAL REVENUES | 1,882,934 | 929,059 | 158,316 | 108,229 | | | 40,540 | 3,119,078 |
|-----------------------|-----------|---------|---------|---------|--|--|--------|-----------|

EXPENDITURES

| General Government | | | | | | | | |
|---------------------------------|--|---------|--|--|--|--|-------|---------|
| 400.00 | Legislative (Governing) Body | 2,496 | | | | | | 2,496 |
| 401.00 | Executive (Manager or Mayor) | 106,541 | | | | | | 106,541 |
| 402.00 | Auditing Services / Financial Administration | 7,358 | | | | | | 7,358 |
| 403.00 | Tax Collection | 3,316 | | | | | | 3,316 |
| 404.00 | Solicitor / Legal Services | 40,796 | | | | | | 40,796 |
| 405.00 | Secretary / Clerk | 43,053 | | | | | | 43,053 |
| 406.00 | Other General Government Administration | 5,570 | | | | | | |
| 407.00 | IT-Networking Services-Data Processing | 5,867 | | | | | | 5,867 |
| 408.00 | Engineering Services | 40,714 | | | | | | 40,714 |
| 409.00 | General Government Buildings and Plant | 34,630 | | | | | | 34,630 |
| Total General Government | | 290,341 | | | | | 1,650 | 291,991 |

| Public Safety | | | | | | | | |
|---------------|--------------------------|-----------|--------|--|-----------|--|--|-----------|
| 410.00 | Police | 1,016,475 | | | 1,466,139 | | | 2,482,614 |
| 411.00 | Fire | 19,181 | 58,869 | | | | | 78,050 |
| 412.00 | Ambulance / Rescue | | 19,534 | | | | | 19,534 |
| 413.00 | UCC and Code Enforcement | 45,923 | | | | | | 45,923 |

NEW BRITAIN BORO, BUCKS County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2021

| 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 | 16,430 | | | | | | | 16,430 |
| 415.00 | Emergency Management and Communications | 1,200 | | | | | | | 1,200 |
| 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 | | 1,099,209 | 78,403 | | 1,466,139 | | | | 2,643,751 |

| 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 | 1,960 | | | | | | | 1,960 |
| 427.00 | Solid Waste Collection and Disposal (garbage) | | | | | | | | |
| 428.00 | Weed Control | | | | | | | | |
| 429.00 | Wastewater / Sewage Treatment and Collection | | | | | | | | |
| Total Public Works - Sanitation | | 1,960 | | | | | | | 1,960 |

| Public Works - Highways and Streets | | | | | | | | | |
|-------------------------------------|-----------------------------------|--------|--|--|--|--|--|--|--------|
| 430.00 | General Services - Administration | 30,816 | | | | | | | 30,816 |
| 431.00 | Cleaning of Streets and Gutters | 3,231 | | | | | | | 3,231 |
| 432.00 | Winter Maintenance – Snow Removal | 50,442 | | | | | | | 50,442 |
| 433.00 | Traffic Control Devices | 3,253 | | | | | | | 3,253 |
| 434.00 | Street Lighting | 19,803 | | | | | | | 19,803 |

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2021

| 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 | 500 | | | | | | | 500 |
| 437.00 | Repairs of Tools and Machinery | | | | | | | | |
| 438.00 | Maintenance and Repairs of Roads and Bridges | | | | | | | | |
| 439.00 | Highway Construction and Rebuilding Projects | | | | | | | | |
| Total Public Works - Highways and Streets | | 108,045 | | | | | | | 108,045 |

| 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 | 5,000 | | | | | | | 5,000 |
| 448.00 | Water System | | | | | | | | |
| 449.00 | Water Transport and Terminals | | | | | | | | |
| Total Other Public Works Enterprises | | 5,000 | | | | | | | 5,000 |

| Culture and Recreation | | | | | | | | | |
|------------------------|-----------------------------------|-------|--|--------|--|--|--|--|--------|
| 451.00 | Culture-Recreation Administration | | | 33,571 | | | | | 33,571 |
| 452.00 | Participant Recreation | | | | | | | | |
| 453.00 | Spectator Recreation | | | | | | | | |
| 454.00 | Parks | 6,522 | | | | | | | 6,522 |

NEW BRITAIN BORO, BUCKS County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2021

| 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 | 1,200 | | | | | | | 1,200 |
| 458.00 | Senior Citizens' Centers | | | | | | | | |
| 459.00 | All Other Culture and Recreation | 30,674 | | | | | | | 30,674 |
| Total Culture and Recreation | | 38,396 | | 33,571 | | | | | 71,967 |

| 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) | | 762,000 | | 20,000 | | | | 782,000 |
| 472.00 | Debt Interest (short-term and long-term) | 940 | 11,746 | | 40,227 | | | | 52,913 |
| 475.00 | Fiscal Agent Fees | | 30,750 | | | | | | 30,750 |
| Total Debt Service | | 940 | 804,496 | | 60,227 | | | | 865,663 |

| Employer Paid Benefits and Withholding Items | | | | | | | | | |
|--|---|--------|--|--|--|--|--|--|--------|
| 481.00 | Employer Paid Withholding Taxes and Unemployment Compensation | 12,158 | | | | | | | 12,158 |
| 482.00 | Judgments and Losses | | | | | | | | |
| 483.00 | Pension / Retirement Fund Contributions | | | | | | | | |

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2021

| 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 | 44,040 | | | | | | | 44,040 |
| Total Employer Paid Benefits and Withholding Items | | 56,198 | | | | | | | 56,198 |

| Insurance | | | | | | | | | |
|------------------------|---------------------------------|--------|--|--|--|--|--|--|--------|
| 486.00 | Insurance, Casualty, and Surety | 10,845 | | | | | | | 10,845 |
| Total Insurance | | 10,845 | | | | | | | 10,845 |

| Unclassified Operating Expenditures | | | | | | | | | |
|--|--|--|--|--|--|--|--------|--|--------|
| 488.00 | Fiduciary Fund Benefits and Refunds Paid | | | | | | 15,724 | | 15,724 |
| 489.00 | All Other Unclassified Expenditures | | | | | | | | |
| Total Unclassified Operating Expenditures | | | | | | | 15,724 | | 15,724 |

| Other Financing Uses | | | | | | | | | |
|-----------------------------------|-------------------------------|-------|-----|-------|--|--|--|--|--------|
| 491.00 | Refund of Prior Year Revenues | | | | | | | | |
| 492.00 | Interfund Operating Transfers | 3,426 | 487 | 7,405 | | | | | 11,318 |
| 493.00 | All Other Financing Uses | 3,834 | | | | | | | 3,834 |
| Total Other Financing Uses | | 7,260 | 487 | 7,405 | | | | | 15,152 |

| | | | | | | | | | |
|---------------------------|-----------|---------|--------|-----------|--|--|--------|--|-----------|
| TOTAL EXPENDITURES | 1,618,194 | 883,386 | 40,976 | 1,526,366 | | | 17,374 | | 4,086,296 |
|---------------------------|-----------|---------|--------|-----------|--|--|--------|--|-----------|

| | | | | | | | | | |
|---|---------|--------|---------|------------|--|--|--------|--|----------|
| EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES | 264,740 | 45,673 | 117,340 | -1,418,137 | | | 23,166 | | -967,218 |
|---|---------|--------|---------|------------|--|--|--------|--|----------|

NEW BRITAIN BORO

December 31, 2021

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 | | | | | | | | | | | |
| | | | | | | | | | | | |
| First National Bank of Newtown | Note | 2017 | 2027 | 1,000,000 | 717,000 | | 717,000 | | 0 | | 0 |
| First National Bank of Newtown | Note | 2020 | 2039 | 1,537,000 | 1,537,000 | | 20,000 | | 1,517,000 | | 1,517,000 |
| First National Bank of Newtown | Note | 2021 | 2028 | 759,000 | 0 | 759,000 | 45,000 | | 714,000 | | 714,000 |
| Revenue Bonds and Notes | | | | | | | | | | | |
| | | | | | | | | | | | |
| Lease Rental Debt | | | | | | | | | | | |
| | | | | | | | | | | | |
| Other | | | | | | | | | | | |
| | | | | | | | | | | | |

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding

2,231,000

Capitalized lease obligations

0

Net debt

2,231,000

NEW BRITAIN BORO, BUCKS County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2021

| Category | Capital Purchases | Capital Construction | Total |
|-----------------------------------|-------------------|----------------------|-----------|
| Community Development | | | |
| Electric | | | |
| Fire | | | |
| Gas System | | | |
| General Government | | | |
| Health | | | |
| Housing | | | |
| Libraries | | | |
| Mass Transit | | | |
| Parks | | | |
| Police | | 1,450,036 | 1,450,036 |
| Recreation | | | |
| Sewer | | | |
| Solid Waste | | | |
| Streets / Highways | | | |
| Water | | | |
| Other: _____ | | | |
| TOTAL CAPITAL EXPENDITURES | | 1,450,036 | 1,450,036 |

EMPLOYEE COMPENSATION

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

142,465

ELECTED CONTROLLER'S/AUDITOR'S CERTIFIED OPINION

To the:
Governing Body of the Municipality
President Judge of the Court of Common Pleas
Secretary of the Department of Community & Economic Development

I/We, the undersigned, the duly elected (or appointed replacement), qualified, and Acting Controller/Auditors of the NEW BRITAIN BORO have audited, adjusted and settled the various funds and account groups of the NEW BRITAIN BORO for the year ended December 31, 2021. My/Our audit, adjustment and settlement was made in accordance with law rather than with generally accepted auditing standards

(PLEASE CROSS OUT ONLY IF ON MODIFIED ACCRUAL/ACCRUAL BASIS)

This municipality's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenditures or expenses are recognized when paid rather than when a liability is incurred. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations of this municipality in conformity with generally accepted accounting principles.

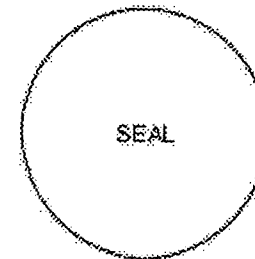
These financial statements do not include all of the disclosures required by generally accepted accounting principles.

In my/our opinion, the aforementioned financial statements present the financial position of the various funds and account groups of the municipality of NEW BRITAIN BORO for the year ended December 31, 2021, and the results of operations of such funds in accordance with the law.

SIGNATURE AND VERIFICATION

Signed: Gregory S Ede Appointed Auditor/CPA

Subscribed and sworn to before me this 1 day of January, 1.



Signed: _____
Witness (Controller)/Auditor (Auditors)

December 31, 2021

NOTES / COMMENTS