



Borough of Renovo, Pennsylvania

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

December 31, 2020

Independent Auditors' Report

To the Honorable Members of Borough Council,
Borough of Renovo, Pennsylvania

Report on the Financial Statement

We have audited the accompanying *2020 Municipal Annual Audit and Financial Report*, Form DCED-CLGS-30 (the financial statement) of the Borough of Renovo, Pennsylvania (the Borough) as of and for the year ended December 31, 2020.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the financial reporting provisions of The Borough Code of the Commonwealth of Pennsylvania, as amended, which states that the Borough must file an annual report of its fiscal affairs with the Commonwealth of Pennsylvania, Department of Community and Economic Development (DCED) on forms prepared and distributed by the DCED. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

The Borough has stated its general fixed assets at values other than cost or estimated cost (generally, insurable values), which is a departure from the provisions of The Borough Code of the Commonwealth of Pennsylvania, as amended. The effect of stating general fixed assets at values other than cost or estimated cost is not known.

Qualified Opinion

In our opinion, except for the effect on the financial statement of not stating general fixed assets at cost or estimated cost as described in the Basis for Qualified Opinion paragraph, the financial statement referred to above presents fairly, in all material respects, the financial position of the Borough of Renovo, Pennsylvania as of December 31, 2020, and the results of its operations for the year then ended in accordance with financial reporting provisions of The Borough Code of the Commonwealth of Pennsylvania, as amended.

Basis of Accounting

We draw attention to the basis of accounting described under Management's Responsibility for the Financial Statement. The financial statement is prepared by the Borough of Renovo, Pennsylvania, on the basis of the financial reporting provisions of The Borough Code of the Commonwealth of Pennsylvania, as amended, using the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Restriction on Use

Our report is intended solely for the information and use of the Borough and for filing with the Commonwealth of Pennsylvania, Department of Community and Economic Development and is not intended to be and should not be used by anyone other than these specified parties.

Baker Tilly US, LLP

Williamsport, Pennsylvania
March 18, 2021

**2020 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

180753 RENOVO BORO, CLINTON COUNTY

RENOVO BORO, CLINTON County

BALANCE SHEET

December 31, 2020

		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									32,274	32,274
240-259	Current Portion of Long-Term Debt and Other Credits									13,702	13,702
Total Liabilities and Other Credits										45,976	45,976
Fund and Account Group Equity											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets								992,410		992,410
270-289	Fund Balance / Retained Earnings on 12/31	84,608	51,494	2,599				1,014,433			1,153,134
291-299	Other Equity										
Total Fund and Account Group Equity		84,608	51,494	2,599				1,014,433	992,410		2,145,544
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											2,191,520

RENOVO BORO, CLINTON County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

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	224,335						224,335
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	22						22
310.10	Real Estate Transfer Taxes	3,654						3,654
310.20	Earned Income Taxes / Wage Taxes	58,438						58,438
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	4,573						4,573
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
Total Taxes		291,022						291,022

Licenses and Permits

320-322	All Other Licenses and Permits	2,117						2,117
321.80	Cable Television Franchise Fees	18,312						18,312
Total Licenses and Permits		20,429						20,429

Fines and Forfeits

330-332	Fines and Forfeits	11,430						11,430
Total Fines and Forfeits		11,430						11,430

RENOVO BORO, CLINTON County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

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	4	50	7			125,381	125,442
342.00	Rents and Royalties	10,000						10,000
Total Interest, Rents and Royalties		10,004	50	7			125,381	135,442

Federal								
351.03	Highways and Streets							
351.09	Community Development							
351.00	All Other Federal Capital and Operating Grants	105,177						105,177
352.01	National Forest							
352.00	All Other Federal Shared Revenue and Entitlements							
353.00	Federal Payments in Lieu of Taxes							
Total Federal		105,177						105,177

State								
354.03	Highways and Streets	758						758
354.09	Community Development							
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants	36,720						36,720
355.01	Public Utility Realty Tax (PURTA)	272						272
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		45,754					45,754
355.04	Alcoholic Beverage Licenses	550						550
355.05	General Municipal Pension System State Aid	11,770						11,770
355.07	Foreign Fire Insurance Tax Distribution	4,411						4,411
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution	7,494						7,494

RENOVO BORO, CLINTON County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

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		61,975	45,754					107,729

Local Government Units								
357.03	Highways and Streets							
357.00	All Other Local Governmental Units Capital and Operating Grants	4,054						4,054
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		4,054						4,054

Charges for Service								
361.00	General Government	21						21
362.00	Public Safety	28,120						28,120
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							

RENOVO BORO, CLINTON County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

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		28,141						28,141

Unclassified Operating Revenues

383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	4,790						4,790
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues							
Total Unclassified Operating Revenues		4,790						4,790

Other Financing Sources

391.00	Proceeds of General Fixed Asset Disposition	75,681						75,681
392.00	Interfund Operating Transfers	6,600				11,770		18,370
393.00	Proceeds of General Long-Term Debt	13,300						13,300
394.00	Proceeds of Short Term-Debt							

RENOVO BORO, CLINTON County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

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	9,135						9,135
Total Other Financing Sources		104,716					11,770	116,486
TOTAL REVENUES		641,738	45,804	7			137,151	824,700

EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	9,600						9,600
401.00	Executive (Manager or Mayor)							
402.00	Auditing Services / Financial Administration	7,035						7,035
403.00	Tax Collection	10,830						10,830
404.00	Solicitor / Legal Services	13,041						13,041
405.00	Secretary / Clerk	22,850						22,850
406.00	Other General Government Administration	9,969						9,969
407.00	IT-Networking Services-Data Processing							
408.00	Engineering Services	5,176						5,176
409.00	General Government Buildings and Plant	69,679						69,679
Total General Government		148,180						148,180

Public Safety								
410.00	Police	177,947						177,947
411.00	Fire	4,411						4,411
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement	3,126						3,126

RENOVO BORO, CLINTON County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

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

EXPENDITURES

Public Safety

414.00	Planning and Zoning							
415.00	Emergency Management and Communications							
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety							
Total Public Safety		185,484						185,484

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)							
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection							
Total Public Works - Sanitation								

Public Works - Highways and Streets

430.00	General Services - Administration	110,611						110,611
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal		2,291					2,291
433.00	Traffic Control Devices		1,811					1,811
434.00	Street Lighting	191	22,760					22,951

RENOVO BORO, CLINTON County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

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		616					616
437.00	Repairs of Tools and Machinery	3,703						3,703
438.00	Maintenance and Repairs of Roads and Bridges	838	6,965					7,803
439.00	Highway Construction and Rebuilding Projects							
Total Public Works - Highways and Streets		115,343	34,443					149,786

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

Culture and Recreation								
451.00	Culture-Recreation Administration							
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks	7,396						7,396

RENOVO BORO, CLINTON County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

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	500						500
457.00	Civil and Military Celebrations	848						848
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
Total Culture and Recreation		8,744						8,744

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)	50,116						50,116
472.00	Debt Interest (short-term and long-term)	2,690						2,690
475.00	Fiscal Agent Fees							
Total Debt Service		52,806						52,806

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	19,098						19,098
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions							

RENOVO BORO, CLINTON County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2020

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	14,607					14,607
487.00	Other Group Insurance Benefits						
Total Employer Paid Benefits and Withholding Items		33,705					33,705

Insurance							
486.00	Insurance, Casualty, and Surety	27,289					27,289
Total Insurance		27,289					27,289

Unclassified Operating Expenditures							
488.00	Fiduciary Fund Benefits and Refunds Paid					3,234	3,234
489.00	All Other Unclassified Expenditures					11,772	11,772
Total Unclassified Operating Expenditures						15,006	15,006

Other Financing Uses							
491.00	Refund of Prior Year Revenues						
492.00	Interfund Operating Transfers	11,770	6,600				18,370
493.00	All Other Financing Uses						
Total Other Financing Uses		11,770	6,600				18,370

TOTAL EXPENDITURES		583,321	34,443	6,600			15,006	639,370
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES		58,417	11,361	-6,593			122,145	185,330
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RENOVO BORO
December 31, 2020

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											
General Obligation Bond	Bond	2007	2022	90,000	22,317		7,327		14,990		14,990
Revenue Bonds and Notes											
Note	Note	2014	2020	10,300	4,630		4,630		0		0
Note	Note	2018	2020	50,000	34,425		34,425		0		0
Note	Note	2018	2023	7,800	5,977		1,523		4,454		4,454
Lease Rental Debt											
Other											
Equipment Debt	Note	2017	2027	21,000	15,443		2,000		13,443		13,443
Equipment Debt	Note	2020	2024	13,300	0	13,300	211		13,089		13,089

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding	45,976
Capitalized lease obligations	0
Net debt	45,976

RENOVO BORO, CLINTON County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2020

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	43,567		43,567
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police	48,648		48,648
Recreation			
Sewer			
Solid Waste			
Streets / Highways		36,720	36,720
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	92,215	36,720	128,935

EMPLOYEE COMPENSATION

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

190,623

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

SIGNATURE AND VERIFICATION

Signed: Baker Tilly US, LLP Appointed Auditor/CPA

December 31, 2020

NOTES / COMMENTS