

DCED-CLGS-30 (9-09)

Received by DCED:
Approved by DCED:

Department of Community & Economic Development
Governor's Center for Local Government Services
Commonwealth Keystone Building
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Harrisburg, PA 17120-0225
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2023 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

030545 KISKIMINETAS TWP, ARMSTRONG COUNTY

Estermyer & Associates, P.C.

Certified Public Accountants

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L. Joseph Estermyer, CPA

INDEPENDENT AUDITOR'S REPORT

November 6, 2024

To the Board of Supervisors
Kiskiminetas Township
Apollo, PA 15613

Report on the Audit of the Special Purpose Financial Statements

Adverse and Unmodified Opinions

We have audited the Balance Sheet, Statement of Revenues and Expenditures, Debt Statement, and Statement of Capital Expenditures and Employee Compensation – regulatory basis (the Schedules) included in the Annual Audit and Financial Report of Kiskiminetas Township as of and for the year ended December 31, 2023.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the Schedules referred to above present fairly, in all material respects, the regulatory basis financial position of the Township as of December 31, 2023, and the regulatory results of its operations for the year then ended in accordance with the financial reporting provisions described in the instructions provided by Pennsylvania Department of Community and Economic Development (DCED).

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse and Unmodified Opinions" section of our report, 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 the Township as of December 31, 2023, and the results of its operations for the year then ended.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards as 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 the Township and to meet 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 adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

To meet the financial reporting requirements of the Commonwealth of Pennsylvania, the Schedules are prepared by Kiskiminetas Township on the basis of the instructions provided by the DCED, which is a basis of accounting other than accounting principles generally accepted in the United States of America. These requirements permit the Schedules to be prepared without Financial Statement disclosures, without cash flows, without component unit financial information, without government-wide financial statements, without Management's Discussion and Analysis, without budgetary comparisons and historical pension and post-employment benefit liability information and require all funds to be aggregated by fund type on the Schedules.

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 and pervasive.

Responsibilities of Management for the Special Purpose Financial Statements

Management is responsible for the preparation and fair presentation of these Schedules in accordance with the financial reporting provisions as described in the instructions provided by the Pennsylvania Department of Community and Economic Development (DCED) to meet filing requirements in Pennsylvania. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedules 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 those opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 the Township'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township'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.

Distribution

This report is intended solely for the information and use of the PA Department of Community and Economic Development, PA Clerk of Courts, and the Board of Supervisors and management of Kiskiminetas Township and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Estermyer & Associates, PC CPAs

Estermyer & Associates, CPAs
Moon Twp., PA

DCED-CLGS-30 (09-09)

December 31, 2023

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December 31, 2023

Fund and Account Group Equity										
281-284	Contributed Capital									
290.00	Investment in General Fixed Assets							150,609		150,609
270-289	Fund Balance / Retained Earnings on 12/31	689,613	104,690	353,704						1,148,007
291-299	Other Equity									
Total Fund and Account Group Equity		689,613	104,690	353,704				150,609		1,298,616

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY	1,354,179
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KISKIMINETAS TWP, ARMSTRONG 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	390,639						390,639
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	15,294						15,294
310.10	Real Estate Transfer Taxes	51,734						51,734
310.20	Earned Income Taxes / Wage Taxes	587,700						587,700
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	36,563						36,563
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
Total Taxes		1,081,930						1,081,930

Licenses and Permits								
320-322	All Other Licenses and Permits	2,490						2,490
321.80	Cable Television Franchise Fees	63,509						63,509
Total Licenses and Permits		65,999						65,999

Fines and Forfeits								
330-332	Fines and Forfeits	22,641						22,641
Total Fines and Forfeits		22,641						22,641

KISKIMINETAS TWP, ARMSTRONG 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	3,453	19	2,273			5,745
342.00	Rents and Royalties						
Total Interest, Rents and Royalties		3,453	19	2,273			5,745

Federal							
351.03	Highways and Streets						
351.09	Community Development						
351.00	All Other Federal Capital and Operating Grants	1,296					1,296
352.01	National Forest						
352.00	All Other Federal Shared Revenue and Entitlements						
353.00	Federal Payments in Lieu of Taxes						
Total Federal		1,296					1,296

State							
354.03	Highways and Streets		15,939				15,939
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)	861					861
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		271,620				271,620
355.04	Alcoholic Beverage Licenses	1,400					1,400
355.05	General Municipal Pension System State Aid	46,848					46,848
355.07	Foreign Fire Insurance Tax Distribution	22,486					22,486
355.08	Local Share Assessment/Gaming Proceeds						
355.09	Marcellus Shale Impact Fee Distribution	41,738					41,738

KISKIMINETAS TWP, ARMSTRONG 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 Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes							
Total State		113,333	287,559					400,892

Local Government Units								
357.03	Highways and Streets	2,665						2,665
357.00	All Other Local Governmental Units Capital and Operating Grants	60,750						60,750
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		63,415						63,415

Charges for Service								
361.00	General Government	1,410						1,410
362.00	Public Safety	224,449						224,449
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	775						775
365.00	Health							
366.00	Human Services							
367.00	Culture and Recreation							
368.00	Airports							

KISKIMINETAS TWP, ARMSTRONG 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								
379.00	All Other Charges for Service								
Total Charges for Service		226,634							226,634

Unclassified Operating Revenues									
383.00	Special Assessments								
386.00	Escheats (sale of personal property)								
387.00	Contributions and Donations from Private Sectors	20,388							20,388
388.00	Fiduciary Fund Pension Contributions								
389.00	All Other Unclassified Operating Revenues								
Total Unclassified Operating Revenues		20,388							20,388

Other Financing Sources									
391.00	Proceeds of General Fixed Asset Disposition								
392.00	Interfund Operating Transfers	50,000							50,000
393.00	Proceeds of General Long-Term Debt								
394.00	Proceeds of Short Term-Debt								

KISKIMINETAS TWP, ARMSTRONG 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	17						17
Total Other Financing Sources		50,017						50,017

TOTAL REVENUES

1,649,106	287,578	2,273					1,938,957
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EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	17,596						17,596
401.00	Executive (Manager or Mayor)							
402.00	Auditing Services / Financial Administration	11,395						11,395
403.00	Tax Collection	27,182						27,182
404.00	Solicitor / Legal Services	25,679						25,679
405.00	Secretary / Clerk	90,280						90,280
406.00	Other General Government Administration	31,932						31,932
407.00	IT-Networking Services-Data Processing	11,957						11,957
408.00	Engineering Services	2,682						2,682
409.00	General Government Buildings and Plant	18,383						18,383
Total General Government		237,086						237,086

Public Safety

410.00	Police	816,549						816,549
411.00	Fire	90,148						90,148
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement							

KISKIMINETAS TWP, ARMSTRONG 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	9,447						9,447
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		916,144						916,144

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	10,145						10,145
427.00	Solid Waste Collection and Disposal (garbage)							
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection	153,132						153,132
Total Public Works - Sanitation		163,277						163,277

Public Works - Highways and Streets								
430.00	General Services - Administration	283,191	7,700					290,891
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	5,347						5,347
433.00	Traffic Control Devices	2,384						2,384
434.00	Street Lighting							

KISKIMINETAS TWP, ARMSTRONG 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								
437.00	Repairs of Tools and Machinery	27,035	14,611						41,646
438.00	Maintenance and Repairs of Roads and Bridges	147,877	223,196						371,073
439.00	Highway Construction and Rebuilding Projects								
Total Public Works - Highways and Streets		465,834	245,507						711,341

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								

KISKIMINETAS TWP, ARMSTRONG 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								
Total Culture and Recreation									

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)	14,200	10,221						24,421
472.00	Debt Interest (short-term and long-term)	878							878
475.00	Fiscal Agent Fees								
Total Debt Service		15,078	10,221						25,299

Employer Paid Benefits and Withholding Items									
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	71,822							71,822
482.00	Judgments and Losses								
483.00	Pension / Retirement Fund Contributions	88,053							88,053

KISKIMINETAS TWP, ARMSTRONG 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	36,324						36,324
487.00	Other Group Insurance Benefits							
Total Employer Paid Benefits and Withholding Items		196,199						196,199

Insurance

486.00	Insurance, Casualty, and Surety	18,695						18,695
Total Insurance		18,695						18,695

Unclassified Operating Expenditures

488.00	Fiduciary Fund Benefits and Refunds Paid							
489.00	All Other Unclassified Expenditures	54						54
Total Unclassified Operating Expenditures		54						54

Other Financing Uses

491.00	Refund of Prior Year Revenues							
492.00	Interfund Operating Transfers		50,000					50,000
493.00	All Other Financing Uses							
Total Other Financing Uses			50,000					50,000

TOTAL EXPENDITURES

2,012,367	255,728	50,000					2,318,095
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES

-363,261	31,850	-47,727					-379,138
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KISKIMINETAS TWP
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											
Revenue Bonds and Notes											
Lease Rental Debt											
THE BANCORP BANK	Capital Leases	2023	2025	42,600	42,600		14,200		28,400		28,400
THE BANCORP BANK	Capital Leases	2023	2025	25,500	25,500		0		25,500		25,500
FNB EQUIPMENT FINANCE	Capital Leases	2018	2023	60,280	10,221		10,221		0		0
Other											

(1) - excludes unamortized premium/discount	Total bonds and notes outstanding	53,900
	Capitalized lease obligations	0
	Net debt	53,900

KISKIMINETAS TWP, ARMSTRONG County
STATEMENT OF CAPITAL EXPENDITURES
 December 31, 2023

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	5,469		5,469
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police	97,742		97,742
Recreation			
Sewer			
Solid Waste			
Streets / Highways			
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	103,211		103,211

EMPLOYEE COMPENSATION

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

907,238

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

SIGNATURE AND VERIFICATION

Signed: L.J. ESTERMYER Appointed Auditor/CPA

December 31, 2023

NOTES / COMMENTS

INCORRECT FIGURES WERE INCLUDED ON THE 2022 DEBT STATEMENT:

1. THE JOHN DEERE NOTE WAS PAID IN FULL IN 2022.
2. THERE WAS AN FNB CAPITAL LEASE THAT SHOULD HAVE BEEN INCLUDED FOR 2022.
3. FNB CAPITAL LEASE IS REFLECTED IN THE 2023 STATEMENT. 2023 WAS FINAL YEAR OF THE LEASE.

THE 2023 GENERAL FIXED ASSETS ON THE BALANCE SHEET REFLECT THE AMOUNTS FOR 2022 AND 2023
FIXED ASSET ACQUISITIONS ONLY AS PRIOR YEAR FIGURES WERE NOT ASCERTAINABLE.