

NOTICE OF AUDIT

Pursuant to the provisions of the Borough Code, as amended, notice is hereby given that the Auditor's Report of the Borough of Waynesboro, Franklin County, Pennsylvania for the year ended December 31, 2017 has been filed as required thereby. The audit was performed by Smith Elliott Kearns & Company, LLC, Certified Public Accountants, Chambersburg, Pennsylvania. The following is a concise modified cash basis financial statement of the Borough:

BOROUGH OF WAYNESBORO
Statement of Net Position - Modified Cash Basis
December 31, 2017

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 2,090,578	\$ 5,266,246	\$ 7,356,824
Investments	-	501,336	501,336
Internal balances	<u>46,162</u>	<u>(46,162)</u>	<u>-</u>
Total current assets	<u>2,136,740</u>	<u>5,721,420</u>	<u>7,858,160</u>
Noncurrent assets			
Capital assets not being depreciated:			
Land	301,652	161,582	463,234
Construction in process	21,739	115,158	136,897
Capital assets net of accumulated depreciation:			
Land improvements	4,808,583	395,835	5,204,418
Buildings	231,799	10,679,544	10,911,343
Machinery and equipment	248,169	4,046,980	4,295,149
Vehicles	334,494	-	334,494
Streets	<u>2,656,049</u>	<u>-</u>	<u>2,656,049</u>
Total noncurrent assets	<u>8,602,485</u>	<u>15,399,099</u>	<u>24,001,584</u>
Total assets	<u>\$ 10,739,225</u>	<u>\$ 21,120,519</u>	<u>\$ 31,859,744</u>
LIABILITIES			
Current liabilities			
Accrued wages and withholdings	\$ 44,846	\$ -	\$ 44,846
Utility escrow	94,801	34,064	128,865
Long-term liabilities: Due within one year			
Notes payable	<u>301,561</u>	<u>534,994</u>	<u>836,555</u>
Total current liabilities	<u>441,208</u>	<u>569,058</u>	<u>1,010,266</u>
Noncurrent liabilities			
Long-term liabilities: Due in more than one year			
Notes payable	<u>4,423,833</u>	<u>9,651,294</u>	<u>14,075,127</u>
Total noncurrent liabilities	<u>4,423,833</u>	<u>9,651,294</u>	<u>14,075,127</u>
Total liabilities	<u>4,865,041</u>	<u>10,220,352</u>	<u>15,085,393</u>
NET POSITION			
Net investment in capital assets	3,877,091	5,212,811	9,089,902
Restricted	1,687,820	-	1,687,820
Unrestricted	<u>309,273</u>	<u>5,687,356</u>	<u>5,996,629</u>
Total net position	<u>5,874,184</u>	<u>10,900,167</u>	<u>16,774,351</u>
Total liabilities net position	<u>\$ 10,739,225</u>	<u>\$ 21,120,519</u>	<u>\$ 31,859,744</u>

BOROUGH OF WAYNESBORO
Statement of Activities - Modified Cash Basis
Year Ended December 31, 2017

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities							
General government	\$ 1,573,907	\$ 139,616	\$ 203,757	\$ -	\$ (1,230,534)	\$ -	\$ (1,230,534)
Public safety	1,837,787	180,081	36,676	27,200	(1,593,830)	-	(1,593,830)
Public works - highways	696,459	26,099	-	782,838	112,478	-	112,478
Culture and recreation	183,440	440	5,000	98,745	(79,255)	-	(79,255)
Community development	92,075	-	46,539	-	(45,536)	-	(45,536)
Interest expense	49,625	-	-	-	(49,625)	-	(49,625)
Total governmental activities	4,433,293	346,236	291,972	908,783	(2,886,302)	-	(2,886,302)
Business-type activities							
Water	2,009,511	2,408,714	-	-	-	399,203	399,203
Sewer	2,127,569	1,845,347	-	-	-	(282,222)	(282,222)
Swimming pool	308,907	246,155	-	-	-	(62,752)	(62,752)
Sanitation	776,635	847,867	-	-	-	71,232	71,232
Total business-type activities	5,222,622	5,348,083	-	-	-	125,461	125,461
Total primary government	\$ 9,655,915	\$ 5,694,319	\$ 291,972	\$ 908,783	\$ (2,886,302)	\$ 125,461	\$ (2,760,841)
General revenues and transfers:							
Taxes:							
Property taxes, levied for general purposes					\$ 1,248,662	\$ -	\$ 1,248,662
Property taxes, levied for special purposes					469,404	-	469,404
Real estate transfer tax					135,546	-	135,546
Earned income tax					891,983	-	891,983
Other taxes					193,225	-	193,225
Unrestricted investment earnings					8,585	7,959	16,544
Miscellaneous income					48,929	560	49,489
Transfers					(33,817)	33,817	-
Total general revenues and transfers					2,962,517	42,336	3,004,853
Change in net position					76,215	167,797	244,012
Net position - beginning, as restated					5,797,969	10,732,370	16,530,339
Net position - ending					\$ 5,874,184	\$ 10,900,167	\$ 16,774,351