

*Brian T. Kelly, CPA
& Associates, LLC*

INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors
Clifton Township, Pennsylvania

Opinion

We have audited the accompanying *2023 Municipal Annual Audit and Financial Report, Form DCED-CLGS-30* (Report), of Clifton Township, Pennsylvania (Township), as of and for the year ended December 31, 2023.

In our opinion, the Report referred to above presents fairly, in all material respects, the financial position of the Township as of December 31, 2023, and the results of its operations for the year then ended in accordance with the financial reporting provisions of the Pennsylvania Second Class Township Code of 1933, as amended, as described under the Responsibilities of Management for the Report section.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Report section of our report. We are required to be independent of the Township 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 the basis of accounting described under the Responsibilities of Management for the Report section. The Report is prepared on the basis of the financial reporting provisions of the Pennsylvania Second Class Township Code of 1933, as amended, using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. As a result, the Report may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Report

Management is responsible for the preparation and fair presentation of the Report in accordance with the financial reporting provisions of the Pennsylvania Second Class Township Code of 1933, as amended, which states that the Township 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 Report that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Report

Our objectives are to obtain reasonable assurance about whether the Report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 GAAS 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, misrepresentation 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 judgement made by a reasonable user based on the Report.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism through the audit.
- Identify and assess the risks of material misstatement of the 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 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 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 Report.

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

Our Report is intended solely for the information and use of the governing body and management of the Township and for filing with DCED and is not intended to be and should not be used by anyone other than these specified parties.

B. Kelly CPA & ASSOCIATES L.L.C.

Honesdale, Pennsylvania
March 26, 2024

**2023 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

350275 CLIFTON TWP, LACKAWANNA COUNTY

CLIFTON TWP, LACKAWANNA 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										
240-259	Current Portion of Long-Term Debt and Other Credits										
Total Liabilities and Other Credits		325									325
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	1,706,912	82,111								1,789,023
291-299	Other Equity										
Total Fund and Account Group Equity		1,706,912	82,111								1,789,023
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											1,789,348

CLIFTON TWP, LACKAWANNA 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	157,443						157,443
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	139,943						139,943
310.20	Earned Income Taxes / Wage Taxes	168,166						168,166
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **							
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
Total Taxes		465,552						465,552

Licenses and Permits

320-322	All Other Licenses and Permits	912						912
321.80	Cable Television Franchise Fees	20,524						20,524
Total Licenses and Permits		21,436						21,436

Fines and Forfeits

330-332	Fines and Forfeits	1,640						1,640
Total Fines and Forfeits		1,640						1,640

CLIFTON TWP, LACKAWANNA 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	64,495	12,376					76,871
342.00	Rents and Royalties							
Total Interest, Rents and Royalties		64,495	12,376					76,871

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							
355.01	Public Utility Realty Tax (PURTA)	348						348
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		41,702					41,702
355.04	Alcoholic Beverage Licenses	150						150
355.05	General Municipal Pension System State Aid							
355.07	Foreign Fire Insurance Tax Distribution	12,399						12,399
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution							

CLIFTON TWP, LACKAWANNA County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

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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	6,275						6,275
Total State		19,172	41,702					60,874

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							
Total Local Government Units								

Charges for Service

361.00	General Government	3,889						3,889
362.00	Public Safety	35,044						35,044
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)	199						199
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							

CLIFTON TWP, LACKAWANNA 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		39,132						39,132

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors							
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues	3,451						3,451
Total Unclassified Operating Revenues		3,451						3,451

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

CLIFTON TWP, LACKAWANNA 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	484						484
Total Other Financing Sources		484						484

TOTAL REVENUES

615,362	54,078						669,440
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EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	6,889						6,889
401.00	Executive (Manager or Mayor)							
402.00	Auditing Services / Financial Administration	5,000						5,000
403.00	Tax Collection	16,734						16,734
404.00	Solicitor / Legal Services	11,216						11,216
405.00	Secretary / Clerk	31,504						31,504
406.00	Other General Government Administration	12,440						12,440
407.00	IT-Networking Services-Data Processing	5,531						5,531
408.00	Engineering Services	21,370						21,370
409.00	General Government Buildings and Plant	44,017						44,017
Total General Government		154,701						154,701

Public Safety

410.00	Police	450						450
411.00	Fire	60,422						60,422
412.00	Ambulance / Rescue	6,467						6,467
413.00	UCC and Code Enforcement	17,617						17,617

CLIFTON TWP, LACKAWANNA 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	31,336						31,336
415.00	Emergency Management and Communications	6,223						6,223
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		122,515						122,515

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)	7,053						7,053
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection	10,942						10,942
Total Public Works - Sanitation		17,995						17,995

Public Works - Highways and Streets

430.00	General Services - Administration	1,900						1,900
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	12,439						12,439
433.00	Traffic Control Devices	1,560						1,560
434.00	Street Lighting	1,134						1,134

CLIFTON TWP, LACKAWANNA 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	1,336						1,336
438.00	Maintenance and Repairs of Roads and Bridges	17,641						17,641
439.00	Highway Construction and Rebuilding Projects		340,259					340,259
Total Public Works - Highways and Streets		36,010	340,259					376,269

Other Public Works Enterprises								
440.00	Airports							
441.00	Cemeteries	750						750
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		750						750

Culture and Recreation								
451.00	Culture-Recreation Administration							
452.00	Participant Recreation	100						100
453.00	Spectator Recreation							
454.00	Parks	25						25

CLIFTON TWP, LACKAWANNA 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	3,000						3,000
457.00	Civil and Military Celebrations	58						58
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
Total Culture and Recreation		3,183						3,183

Community Development								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing							
463.00	Economic Development							
464.00	Economic Opportunity	8,526						8,526
465-469	All Other Community Development							
Total Community Development		8,526						8,526

Debt Service								
471.00	Debt Principal (short-term and long-term)							
472.00	Debt Interest (short-term and long-term)							
475.00	Fiscal Agent Fees							
Total Debt Service								

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	6,255						6,255
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions							

CLIFTON TWP, LACKAWANNA 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	2,227						2,227
487.00	Other Group Insurance Benefits							
Total Employer Paid Benefits and Withholding Items		8,482						8,482

Insurance								
486.00	Insurance, Casualty, and Surety	11,235						11,235
Total Insurance		11,235						11,235

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid							
489.00	All Other Unclassified Expenditures	486						486
Total Unclassified Operating Expenditures		486						486

Other Financing Uses								
491.00	Refund of Prior Year Revenues	500						500
492.00	Interfund Operating Transfers							
493.00	All Other Financing Uses							
Total Other Financing Uses		500						500

TOTAL EXPENDITURES	364,383	340,259						704,642
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	250,979	-286,181						-35,202
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CLIFTON 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											
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding	0
Capitalized lease obligations	0
Net debt	0

CLIFTON TWP, LACKAWANNA County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2023

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

EMPLOYEE COMPENSATION

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

73,626

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

SIGNATURE AND VERIFICATION

Signed: Brian T. Kelly, CPA & Associates Appointed Auditor/CPA

December 31, 2023

NOTES / COMMENTS