

**Westmoreland County
Tax Collection Committee**

Financial Statement – Cash Basis

For the Year Ended December 31, 2013
with Independent Auditor's Report

MaherDuessel
Certified Public Accountants

Pittsburgh | Harrisburg | Butler

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**WESTMORELAND COUNTY
TAX COLLECTION COMMITTEE**

FOR THE YEAR ENDED DECEMBER 31, 2013

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Independent Auditor's Report

Committee Members
Westmoreland County Tax Collection Committee

We have audited the accompanying statement of cash receipts, cash disbursements, and change in cash balance of the Westmoreland County Tax Collection Committee (Committee), for the year ended December 31, 2013, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting as described in Note 2; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this 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 and disclosures in the financial statement. The procedures selected depend on the auditor's 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 audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash balance of the Committee as of December 31, 2013, and the cash receipts and cash disbursements for the year then ended in accordance with the basis of accounting as described in Note 2.

Basis of Accounting

We draw attention to Note 2 of the financial statement, which describes the basis of accounting. The financial statement is prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Mahe Duessel

Pittsburgh, Pennsylvania
August 29, 2014

WESTMORELAND COUNTY TAX COLLECTION COMMITTEE

STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGE IN CASH BALANCE

FOR THE YEAR ENDED DECEMBER 31, 2013

Cash Receipts:

| | |
|------------------------------------|---------------|
| Assessments from Committee members | \$ 59,858 |
| Interest earned | 33 |
| Total cash receipts | <u>59,891</u> |

Cash Disbursements:

| | |
|---------------------------------|---------------|
| Accounting and auditing | 19,080 |
| Advertising and promotion | 238 |
| Insurance | 1,700 |
| Legal fees | 2,568 |
| Supplies, printing, and postage | 48 |
| Transcription | 370 |
| Website | 288 |
| Miscellaneous | 24 |
| Total cash disbursements | <u>24,316</u> |

Change in Cash Balance

| | |
|----------------------------------|------------------|
| Cash Balance - Beginning of Year | <u>27,679</u> |
| Cash Balance - End of Year | <u>\$ 63,254</u> |

See accompanying notes to financial statement - cash basis.

WESTMORELAND COUNTY TAX COLLECTION COMMITTEE

NOTES TO FINANCIAL STATEMENT – CASH BASIS

FOR THE YEAR ENDED DECEMBER 31, 2013

1. DESCRIPTION OF THE COMMITTEE

Organization

The Westmoreland County Tax Collection Committee (Committee) is a government entity created and organized under Act 32 of 2008. Under Act 32, the Committee is required to appoint a tax collector to collect earned income and possibly other taxes on a county-wide basis, and to oversee tax collection within the Westmoreland County Tax Collection District (TCD). The school districts and municipalities that are within the TCD are as follows:

School Districts

Belle Vernon Area
Burrell
Derry Area
Franklin Regional
Greater Latrobe
Greensburg Salem
Hempfield
Jeannette City
Kiski Area
Ligonier Valley
Monessen City
Mount Pleasant Area
New Kensington-Arnold
Norwin
Penn-Trafford
Southmoreland
Yough

Cities

Arnold
Greensburg
Jeannette
Lower Burrell
Monessen
New Kensington

Boroughs

Adamsburg
Arona
Avonmore
Belle Vernon
Bolivar
Delmont
Derry
Donegal
East Vandergrift
Everson
Export
Fayette City
Hunker
Hyde Park
Irwin
Latrobe
Laurel Mountain
Ligonier
Madison
Manor
Mt. Pleasant
Murrysville
New Alexandria
New Florence
New Stanton
North Belle Vernon

North Irwin
Oklahoma
Penn
Scottdale
Seward
Smithton
South Greensburg
Southwest Greensburg
Sutersville
Trafford
Vandergrift
West Newton
Youngstown
Youngwood

WESTMORELAND COUNTY TAX COLLECTION COMMITTEE

NOTES TO FINANCIAL STATEMENT – CASH BASIS

FOR THE YEAR ENDED DECEMBER 31, 2013

Townships

| | |
|------------------|------------------|
| Allegheny | Parks |
| Bell | Penn |
| Cook | Rostraver |
| Derry | Salem |
| Donegal | Sewickley |
| East Huntingdon | South Huntingdon |
| Fairfield | St. Clair |
| Hempfield | Unity |
| Ligonier | Upper Burrell |
| Mt. Pleasant | Upper Tyrone |
| North Huntingdon | Washington |

Delegates and alternate delegates from each school district and municipality within the TCD serve on the Committee. All actions taken by the Committee shall be by affirmative vote of a majority of all delegate votes present at the meeting. Each vote is weighted based on the following:

- 50% of the weight for each delegate vote will be allocated according to population.
- 50% of the weight for each delegate vote will be allocated in direct proportion to the income tax revenues collected.

The Committee accounts for the assessment revenues collected from its members and expenditures related to its oversight functions.

Financial Transactions

Contributions of each member are based on the current ratio of income tax revenues collected for each school district and municipality to the combined income tax revenues collected for the TCD.

This financial statement is intended to present the statement of cash receipts, cash disbursements, and change in cash balance of the Committee. This financial statement does not purport to, and does not, present fairly the financial position and results of operations of Westmoreland County or any of the individual school district and municipality committee members, in conformity with accounting principles generally accepted in the United States of America.

WESTMORELAND COUNTY TAX COLLECTION COMMITTEE

NOTES TO FINANCIAL STATEMENT – CASH BASIS

FOR THE YEAR ENDED DECEMBER 31, 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statement of the Committee has been prepared on the cash basis of accounting. Accordingly, revenue is recorded when received rather than when earned and expenditures are recorded when paid rather than when the obligation is incurred.

3. CASH BALANCE

The deposit and investment policy of the Committee adheres to state statutes and prudent business practice. There were no deposit or investment transactions during the year that were in violation of either the state statutes or the policy of the Committee.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Committee's deposits may not be returned to it. At December 31, 2013, the Committee had cash with book and bank balances of \$63,254 and \$63,650, respectively. All of the bank balance was FDIC insured.