

Westmoreland County Tax Collection Committee

**Financial Statement – Cash Basis
For the Year Ended December 31, 2018**

**Singer Accounting, PC
Certified Public Accountants**

**WESTMORELAND COUNTY
TAX COLLECTION COMMITTEE
DECEMBER 31, 2018**

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INDEPENDENT AUDITOR'S REPORT

Committee Members
Westmoreland County Tax Collection Committee

We have audited the accompanying cash basis statement of cash receipts, cash disbursements, and change in cash balance (the financial statement) of Westmoreland County Tax Collection Committee (Committee) as of and for the year ended December 31, 2018 and the related notes to the financial statement which collectively comprise the Committee's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements 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 of the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

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 present fairly, in all material respects, the cash balances of the Committee as of December 31, 2018, 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 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.

Singer Accounting, PC

Ligonier, Pennsylvania

January 23, 2020

**WESTMORELAND COUNTY
TAX COLLECTION COMMITTEE
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGE IN CASH BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2018**

Cash Receipts	
Interest Income	\$ 24
 Cash Disbursements	
Advertising and Promotion	226
Insurance	1,822
Legal Fees	1,104
Transcription	70
Website	120
Bank Fees	269
Total Cash Disbursements	<u>3,611</u>
 Change in Cash Balance	 (3,587)
 Cash Balance - Beginning of Year	 <u>5,990</u>
 Cash Balance - End of Year	 \$ <u><u>2,403</u></u>

See Accompanying Notes to Financial Statement – Cash Basis

**WESTMORELAND COUNTY
TAX COLLECTION COMMITTEE
NOTES TO THE FINANCIAL STATEMENT – CASH BASIS
DECEMBER 31, 2018**

NOTE 1 – 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 count-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:

<u>School Districts</u>	<u>Boroughs</u>	<u>Townships</u>	<u>Cities</u>
Belle Vernon Area	Adamsburg	Allegheny	Arnold
Burrell	Arona	Bell	Greensburg
Derry Area	Avonmore	Cook	Jeannette
Franklin Regional	Belle Vernon	Derry	Lower Burrell
Greater Latrobe	Bolivar	Donegal	Monessen
Greensburg Salem	Delmont	East Huntingdon	New Kensington
Hempfield	Derry Donegal	Fairfield	
Jeannette City	East Vandergrift	Hempfield	
Kiski Area	Everson	Ligonier	
Ligonier Valley	Export	Mt. Pleasant	
Monessen City	Fayette City	North Huntingdon	
Mount Pleasant Area	Hunker	Parks	
New Kensington-Arnold	Hyde Park	Penn	
Norwin	Irwin	Rostraver	
Penn-Trafford	Latrobe	Salem	
Southmoreland	Laurel Mountain	Sewickley	
Yough	Ligonier	South Huntingdon	
	Madison	St. Clair	
	Manor	Unity	
	Mt. Pleasant	Upper Burrell	
	Murrysville	Upper Tyrone	
	New Alexandria	Washington	
	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 THE FINANCIAL STATEMENT – CASH BASIS
DECEMBER 31, 2018**

NOTE 1 – ORGANIZATION (continued)

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 meetings. 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 incomes tax revenues collected for the TCD.

The 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.

NOTE 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 occurred.

NOTE 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 statute 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, 2018, the Committee had cash with book and bank balances of \$2,403. The entire bank balance was FDIC insured.