

# **BOROUGH OF BRENTWOOD**

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## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

# **BOROUGH OF BRENTWOOD**

ALLEGHENY COUNTY, PENNSYLVANIA

FINANCIAL STATEMENTS

WITH REPORT BY

CERTIFIED PUBLIC ACCOUNTANT

**FOR THE YEAR ENDED  
DECEMBER 31, 2023**

**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**

**TABLE OF CONTENTS**

|                                            | <u>PAGE</u> |
|--------------------------------------------|-------------|
| Independent Auditor's Report .....         | i-iii       |
| Management's Discussion and Analysis ..... | iv-xxii     |

**BASIC FINANCIAL STATEMENTS**

|                                                                                                                                                                      |       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| <b>EXHIBIT A</b> – STATEMENT OF NET POSITION .....                                                                                                                   | 1     |
| <b>EXHIBIT B</b> – STATEMENT OF ACTIVITIES .....                                                                                                                     | 2     |
| <b>EXHIBIT C</b> – BALANCE SHEET – Governmental Funds .....                                                                                                          | 3     |
| <b>EXHIBIT D</b> – RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE<br>SHEET TO THE STATEMENT OF NET POSITION .....                                                  | 4     |
| <b>EXHIBIT E</b> – STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN<br>FUND BALANCES – Governmental Funds -General Fund .....                                      | 5     |
| <b>EXHIBIT F</b> – RECONCILIATION OF THE GOVERNMENT FUNDS STATEMENT OF<br>REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE<br>TO THE STATEMENT OF ACTIVITIES ..... | 6     |
| <b>EXHIBIT G</b> – STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN<br>FUND BALANCES, BUDGET TO ACTUAL – Governmental Funds -General Fund ...                      | 7     |
| <b>EXHIBIT H</b> – STATEMENT OF FIDUCIARY NET POSITION .....                                                                                                         | 8     |
| <b>EXHIBIT I</b> – STATEMENT OF CHANGES IN FIDUCIARY NET POSITION .....                                                                                              | 9     |
| <b>NOTES TO THE FINANCIAL STATEMENTS</b> .....                                                                                                                       | 10-41 |

**SUPPLEMENTARY INFORMATION**

|                                                                                                                                        |       |
|----------------------------------------------------------------------------------------------------------------------------------------|-------|
| <b>SCHEDULE 1</b> - SCHEDULE OF BUDGET AND ACTUAL REVENUES - General Fund .....                                                        | 42-43 |
| <b>SCHEDULE 2</b> - SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES<br>- General Fund .....                                                 | 44-52 |
| <b>SCHEDULE 3</b> - COMBINING BALANCE SHEET – Capital Project Funds .....                                                              | 53    |
| <b>SCHEDULE 4</b> – COMBINING STATEMENT OF REVENUES, EXPENDITURES AND<br>CHANGES IN FUND BALANCES – Capital Project Funds .....        | 54    |
| <b>SCHEDULE 5</b> - COMBINING BALANCE SHEET – Non-Major Governmental Funds .....                                                       | 55    |
| <b>SCHEDULE 6</b> – COMBINING STATEMENT OF REVENUES, EXPENDITURES AND<br>CHANGES IN FUND BALANCES – Non-Major Governmental Funds ..... | 56    |

**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**

**TABLE OF CONTENTS**

**REQUIRED SUPPLEMENTARY INFORMATION**

|                                                                                                                   |              |
|-------------------------------------------------------------------------------------------------------------------|--------------|
| <b>SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS – Police Pension Plan .....</b>                | <b>57</b>    |
| <b>SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS – Non-Police Pension Plan .....</b>            | <b>58</b>    |
| <b>SCHEDULE OF ACTUARIALLY DETERMINED PENSION CONTRIBUTION AND RELATED RATIOS – Police Pension Plan .....</b>     | <b>59</b>    |
| <b>SCHEDULE OF ACTUARIALLY DETERMINED PENSION CONTRIBUTION AND RELATED RATIOS – Non-Police Pension Plan .....</b> | <b>60</b>    |
| <b>SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS – Other Post-Employment Benefits .....</b>  | <b>61</b>    |
| <b>NOTES TO REQUIRED SUPPLEMENTARY INFORMATION .....</b>                                                          | <b>62-64</b> |

**To the Members of Borough Council  
Borough of Brentwood, Pennsylvania**

## **Independent Auditor's Report**

### **Opinions**

I have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Borough of Brentwood, Allegheny County, Pennsylvania as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough of Brentwood's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Borough of Brentwood as of December 31, 2023 and the respective changes in financial position, where applicable cash flows and the budgetary comparison for the General Fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Borough of Brentwood, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough of Brentwood's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My 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 my 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 generally accepted auditing standards 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, misrepresentations, 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, I:

- Exercise professional judgment 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 Borough of Brentwood'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough of Brentwood's ability to continue as a going concern for a reasonable period of time.

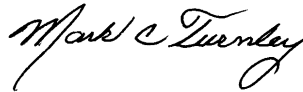
I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages iv-xxii and other required supplementary information on pages 57-64 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Brentwood's basic financial statements. The supplementary information (Schedules 1 through 6) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in black ink, reading "Mark C. Turnley". The signature is written in a cursive, flowing style.

Mark C. Turnley, CPA

September 17, 2024  
New Brighton, Pennsylvania

**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2023**

**INTRODUCTION**

This discussion and analysis of the Borough of Brentwood's financial performance provides an overall review of the Borough's financial activities for the year ended December 31, 2023. The intent of Management's Discussion and Analysis (MD&A) is to provide readers with an appreciation for the financial status of the Borough, the challenges faced, and accomplishments achieved. The reader should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the Borough's financial performance.

The Management Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Certain comparative information between the current year and the prior year is required to be presented in the MD& A.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2023 are as follows:

- *General Fund revenues, (excluding other financing sources), increased by \$937,120, from \$8,444,827 in 2022 to \$9,381,947 in 2023. General Fund expenditures, (excluding other financing uses), decreased by \$407,428, from \$8,287,231 in 2022 to \$7,879,803 in 2023.*
- *General Fund assets increased by \$418,606, from \$3,520,866 in 2022 to \$3,939,472 in 2023. General Fund liabilities and deferred inflows of resources increased by \$110,746, from \$2,197,240 in 2022 to \$2,307,986 in 2023.*
- *Significant general fund expenditure outlays continued in the following areas: public safety \$4,142,362 (50%) in 2022 and \$3,716,560 (47%) in 2023, general government operations \$893,975 (11%) in 2022 and \$890,158 (11%) in 2023, public works activities \$1,947,935 (24%) in 2022 and \$1,960,313 (25%) in 2023. In addition, there were transfers out totaling \$1,412,960 and \$1,767,175 during 2022 and 2023 respectively.*
- *The Borough Real Estate Tax millage remained at 9.5 mills for the General Fund and 0.5 mills for the Library Fund 2023.*

**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2023**

**FINANCIAL HIGHLIGHTS (Continued)**

- *Major components of the Borough's General Fund revenue include real estate taxes of \$3,869,940 (46%) in 2022 and \$4,587,156 (49%) in 2023 and earned income taxes of \$1,373,747 (16%) in 2022 and \$1,424,431 (15%) in 2023. The following is a breakdown of the General Fund real estate tax collections for 2023 and 2022:*

|                               | <u>2023</u>                | <u>2022</u>                | <u>Variance</u>          |
|-------------------------------|----------------------------|----------------------------|--------------------------|
| <i>Current Real Estate</i>    | \$ 3,744,587               | \$ 3,596,105               | \$ 148,482               |
| <i>Delinquent Real Estate</i> | 842,569                    | 273,835                    | 568,734                  |
|                               | <u><u>\$ 4,587,156</u></u> | <u><u>\$ 3,869,940</u></u> | <u><u>\$ 717,216</u></u> |

*The Library portion of the real estate tax allocation was \$204,000 and \$204,000 in 2023 and 2022 respectively. This represents the full library share of the beginning assessment.*

- *The General Fund was responsible for \$287,225 and \$115,949 respectively for police and non-police pension fund costs in order to meet the pensions MMO requirements.*

**USING THE ANNUAL COMPREHENSIVE FINANCIAL REPORT**

The Annual Comprehensive Financial Report (ACFR) consists of the Management Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the Borough of Brentwood as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The first two statements are government-wide financial statements – the Statement of Net Position and the Statement of Activities. These provide both long-term and short-term information about the Borough's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the Borough's operations in more detail than the government-wide statements. The governmental funds statements tell how general Borough services were financed in the short term as well as what remains for future spending. Fiduciary fund statements provide information about financial relationships where the Borough acts solely as a trustee or agent for the benefit of others to whom the resources in question belong.

**BOROUGH OF BRENTWOOD  
ALLEGHENY COUNTY, PENNSYLVANIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
DECEMBER 31, 2023**

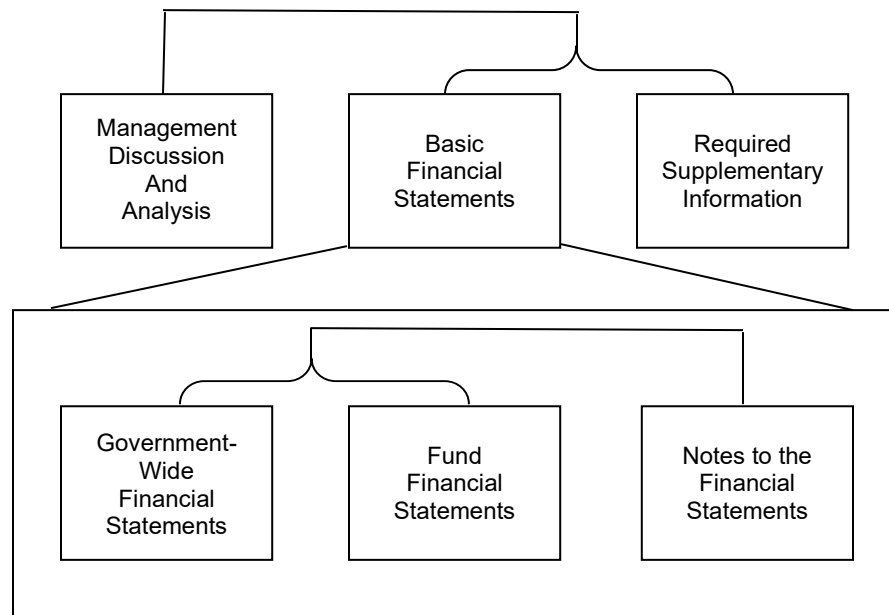
**USING THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (Continued)**

The police pension fund and the non-police pension plan comprise the Borough's fiduciary funds.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Figure A-1 shows how the required parts of the Financial Section are arranged and relate to one another:

**Figure A-1  
Required Components of  
Borough of Brentwood's Financial Report**



**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2023**

**USING THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (Continued)**

Figure A-2 summarizes the major features of the Borough’s financial statements, including the portion of the Borough they cover and the types of information they contain. The remainder of this overview section of management discussion and analysis explains the structure and contents of each of the statements.

**Figure A-2**  
**Major Features of the Borough of Brentwood**  
**Government-wide and Fund Financial Statements**

|                                                       | <b>GOVERNMENT-WIDE<br/>STATEMENTS</b>                                                | <b><u>FUND STATEMENTS</u></b>                                                                                                                                                              |                                                                                                    |
|-------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
|                                                       |                                                                                      | <b>GOVERNMENTAL FUNDS</b>                                                                                                                                                                  | <b>FIDUCIARY FUNDS</b>                                                                             |
| <b>SCOPE</b>                                          | Entire Borough<br>(except fiduciary funds)                                           | The activities of the Borough that are not proprietary or fiduciary, such as public safety, public works, and general administration                                                       | Instances in which the Borough is the trustee or agent to someone else’s resources – Pension Funds |
| <b>REQUIRED<br/>FINANCIAL<br/>STATEMENTS</b>          | Statement of net position<br>Statement of activities                                 | Balance Sheet<br>Statement of revenues, expenditures, and changes in fund balance                                                                                                          | Statement of fiduciary net position<br>Statement of changes in fiduciary net position              |
| <b>ACCOUNTING BASIS<br/>AND MEASUREMENT<br/>FOCUS</b> | Accrual accounting and economic resources focus                                      | Modified accrual accounting and current financial resources focus                                                                                                                          | Accrual accounting and economic resources focus                                                    |
| <b>TYPE OF<br/>ASSET/LIABILITY<br/>INFORMATION</b>    | All assets and liabilities, both financial and capital, and short-term and long-term | Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included                                                            | All assets and liabilities, both short-term and long-term                                          |
| <b>TYPE OF INFLOW-<br/>OUTFLOW<br/>INFORMATION</b>    | All revenues and expenses during year, regardless of when cash is received or paid   | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter | All revenues and expenses during year, regardless of when cash is received or paid                 |

**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2023**

## **OVERVIEW OF FINANCIAL STATEMENTS**

### **GOVERNMENT-WIDE STATEMENTS**

The government-wide statements report information about the Borough as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report on the Borough's net position and how they have changed. Net position, the difference between the Borough's assets and liabilities, is one way to measure the Borough's financial health or position. Over time, increases or decreases in the Borough's net position are an indication of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the Borough, you need to consider additional non-financial factors, such as changes in the Borough's property tax base and the condition of the Borough's infrastructure (roads and sewers).

The government-wide financial statements of the Borough consist of the following category:

- Governmental activities – All of the Borough's basic services are included here, such as general administration, public safety, and public works. Property and Act 511 taxes and state grants finance most of these activities.

### **FUND FINANCIAL STATEMENTS**

The Borough's fund financial statements, which begin on Page 3, provide detailed information about the most significant funds – not the Borough as a whole. The general and highway aid funds are required by state law.

**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2023**

**OVERVIEW OF FINANCIAL STATEMENTS (Continued)**

**FUND FINANCIAL STATEMENTS (Continued)**

**Governmental Funds** – Most of the Borough’s activities are reported in governmental funds, which focus on the determination of financial position and change in financial position, not on income determination. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Borough’s operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Borough’s programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**Fiduciary Funds** – The Borough is the trustee, or fiduciary, for the police and non-police pension fund. All of the Borough’s fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on Pages 8 and 9. We exclude these activities from the Borough’s other financial statements because the Borough cannot use these assets to finance its operations.

**FINANCIAL ANALYSIS OF THE BOROUGH AS A WHOLE**

The Borough has presented its financial statements using the reporting model required by Government Accounting Standards Board Statement No. 34 (GASB Statement #34), “Basic Financial Statements and Management’s Discussion and Analysis (MD&A) for State and Local Governments.

**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2023**

**FINANCIAL ANALYSIS OF THE BOROUGH AS A WHOLE (Continued)**

The Borough's net position on December 31, 2023 vs. December 31, 2022 is presented below:

Table A-1  
**Summary of Statement of Net Position**

|                                                            | <b>2023</b>          | <b>2022</b>          | <b>Difference</b>     |
|------------------------------------------------------------|----------------------|----------------------|-----------------------|
| Current Assets                                             | \$ 8,789,525         | \$ 9,702,982         | \$ (913,457)          |
| Non-Current Assets                                         | 19,142,757           | 18,837,312           | 305,445               |
| Deferred Outflows of Resources                             | 2,442,012            | 2,813,173            | (371,161)             |
| <b>TOTAL ASSETS AND DEFERRED<br/>OUTFLOWS OF RESOURCES</b> | <b>\$ 30,374,294</b> | <b>\$ 31,353,467</b> | <b>\$ (979,173)</b>   |
| Current Liabilities                                        | \$ 1,293,473         | \$ 1,674,558         | \$ (381,085)          |
| Short-term Liabilities                                     | 482,089              | 530,225              | (48,136)              |
| Long-term Liabilities                                      | 15,728,829           | 16,849,249           | (1,120,420)           |
| Deferred Inflows of Resources                              | 1,803,888            | 1,459,588            | 344,300               |
| <b>TOTAL LIABILITIES</b>                                   | <b>\$ 19,308,279</b> | <b>\$ 20,513,620</b> | <b>\$ (1,205,341)</b> |
| Net Investment in                                          |                      |                      |                       |
| Capital Assets                                             | \$ 6,253,498         | \$ 5,679,864         | \$ 573,634            |
| Restricted                                                 | 46,300               | 41,545               | 4,755                 |
| Unrestricted                                               | 4,766,217            | 5,118,438            | (352,221)             |
| <b>TOTAL NET POSITION</b>                                  | <b>\$ 11,066,015</b> | <b>\$ 10,839,847</b> | <b>\$ 226,168</b>     |

The results of this year's operations as a whole are reported in the Statement of Activities on Page 2. All expenses are reported in the first column. Specific charges, grants, revenues, and subsidies that directly relate to specific expense categories are represented to determine the final amount of the Borough's activities that are supported by other general revenues. The largest general revenues are local taxes assessed to and derived from community taxpayers.

**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2023**

**FINANCIAL ANALYSIS OF THE BOROUGH AS A WHOLE (Continued)**

Table A-2 takes the information from the Statement of Activities, rearranges it slightly, so you can see our total revenues, expenses, and change to the net position for 2023 and 2022.

Table A-2  
Year ended December 31, 2023 and 2022  
Changes in Net Position

|                                       | <u>2023</u>                 | <u>2022</u>                 |
|---------------------------------------|-----------------------------|-----------------------------|
| <b>REVENUES</b>                       |                             |                             |
| <b>Program Revenues:</b>              |                             |                             |
| Charges for Services                  | \$ 6,275,196                | \$ 5,929,458                |
| Operating Grants and Contributions    | 787,283                     | 1,219,019                   |
| <b>General Revenues:</b>              |                             |                             |
| Property Taxes                        | 4,870,669                   | 4,134,661                   |
| Other Taxes                           | 2,379,976                   | 2,536,100                   |
| Interest                              | 235,738                     | 79,402                      |
| Miscellaneous                         | 249,369                     | 267,475                     |
| <b>TOTAL REVENUES</b>                 | <b><u>\$ 14,798,231</u></b> | <b><u>\$ 14,166,115</u></b> |
| <b>EXPENSES</b>                       |                             |                             |
| General Government                    | \$ 1,359,331                | \$ 1,025,058                |
| Public Safety                         | 3,939,945                   | 3,616,436                   |
| Public Works                          | 6,229,658                   | 6,779,625                   |
| Culture and Recreation                | 1,856,621                   | 1,426,339                   |
| Economic Development                  | 34,798                      | 45,824                      |
| Debt Service                          | 450,964                     | 446,136                     |
| Insurance, Pension, and Miscellaneous | 700,746                     | 793,013                     |
| <b>TOTAL EXPENSES</b>                 | <b><u>\$ 14,572,063</u></b> | <b><u>\$ 14,132,431</u></b> |
| <b>CHANGE IN NET POSITION</b>         | <b><u>\$ 226,168</u></b>    | <b><u>\$ 33,684</u></b>     |

Total government-wide revenues of \$14,798,231 were derived primarily from property and other taxes representing 49% of the total revenues. Charges for Services made up the next largest source of revenue representing 42%.

**BOROUGH OF BRENTWOOD  
ALLEGHENY COUNTY, PENNSYLVANIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
DECEMBER 31, 2023**

**FINANCIAL ANALYSIS OF THE BOROUGH AS A WHOLE (Continued)**

Table A-3  
Year ended December 31, 2023 and 2022  
Governmental Activities

|                                                            | <b>2023</b>                             |                                       | <b>2022</b>                             |                                       |
|------------------------------------------------------------|-----------------------------------------|---------------------------------------|-----------------------------------------|---------------------------------------|
|                                                            | <b><u>TOTAL COST<br/>OF SERVICE</u></b> | <b><u>NET COST<br/>OF SERVICE</u></b> | <b><u>TOTAL COST<br/>OF SERVICE</u></b> | <b><u>NET COST<br/>OF SERVICE</u></b> |
| <b>EXPENSES</b>                                            |                                         |                                       |                                         |                                       |
| General Government                                         | \$ 1,359,331                            | \$ 1,218,447                          | \$ 1,025,058                            | \$ 882,371                            |
| Public Safety                                              | 3,939,945                               | 3,364,037                             | 3,616,436                               | 3,065,106                             |
| Public Works                                               | 6,229,658                               | 369,767                               | 6,779,625                               | 755,969                               |
| Culture and Recreation                                     | 1,856,621                               | 1,370,825                             | 1,426,339                               | 995,535                               |
| Economic Development                                       | 34,798                                  | 34,798                                | 45,824                                  | 45,824                                |
| Debt Service                                               | 450,964                                 | 450,964                               | 446,136                                 | 446,136                               |
| Insurance, Pension, and Miscellaneous                      | 700,746                                 | 700,746                               | 793,013                                 | 793,013                               |
| <b>TOTAL EXPENSES</b>                                      | <b>\$ 14,572,063</b>                    | <b>\$ 7,509,584</b>                   | <b>\$ 14,132,431</b>                    | <b>\$ 6,983,954</b>                   |
| <b>Less:</b>                                               |                                         |                                       |                                         |                                       |
| Unrestricted Grants, Subsidies                             |                                         | -                                     |                                         | -                                     |
| <b>TOTAL NEEDS FROM LOCAL TAXES<br/>AND OTHER REVENUES</b> |                                         | <b><u>\$ 7,509,584</u></b>            |                                         | <b><u>\$ 6,983,954</u></b>            |

**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2023**

**THE BOROUGH FUNDS**

The following table compares the revenues, expenditures and change in fund balance of the Borough's General Fund for the years 2023 and 2022:

|                                                 | <b>2023</b>           | <b>2022</b>         |
|-------------------------------------------------|-----------------------|---------------------|
| <b>REVENUES</b>                                 |                       |                     |
| Taxes                                           | \$ 6,967,133          | \$ 6,406,040        |
| Licenses and Permits                            | 260,193               | 186,758             |
| Fines and Forfeits                              | 125,660               | 83,856              |
| Interest and Rents                              | 197,239               | 130,754             |
| Intergovernmental                               | 316,309               | 296,900             |
| Charges for Services                            | 1,492,243             | 1,336,747           |
| Miscellaneous                                   | 23,170                | 3,772               |
| <b>TOTAL REVENUES</b>                           | <b>\$ 9,381,947</b>   | <b>\$ 8,444,827</b> |
| <b>EXPENSES</b>                                 |                       |                     |
| General Government                              | \$ 890,158            | \$ 893,975          |
| Public Safety                                   | 3,728,482             | 4,155,219           |
| Public Works                                    | 1,960,313             | 1,947,935           |
| Culture and Recreation                          | 634,306               | 598,478             |
| Economic Development                            | 506                   | 2,224               |
| Insurance, Employee Benefits, & Miscellaneous   | 666,038               | 689,400             |
| <b>TOTAL EXPENSES</b>                           | <b>\$ 7,879,803</b>   | <b>\$ 8,287,231</b> |
| <b>OTHER FINANCING SOURCES (USES)</b>           |                       |                     |
| Operating Transfers In                          | \$ 611,470            | \$ 595,628          |
| Refund of Prior Years Receipts/Expenses         | (38,579)              | (8,755)             |
| Operating Transfers Out                         | (1,767,175)           | (1,412,960)         |
| <b>TOTAL OTHER FINANCING SOURCES AND (USES)</b> | <b>\$ (1,194,284)</b> | <b>\$ (826,087)</b> |
| <b>NET CHANGE IN FUND BALANCE</b>               | <b>\$ 307,860</b>     | <b>\$ (668,491)</b> |

**GENERAL FUND BUDGET**

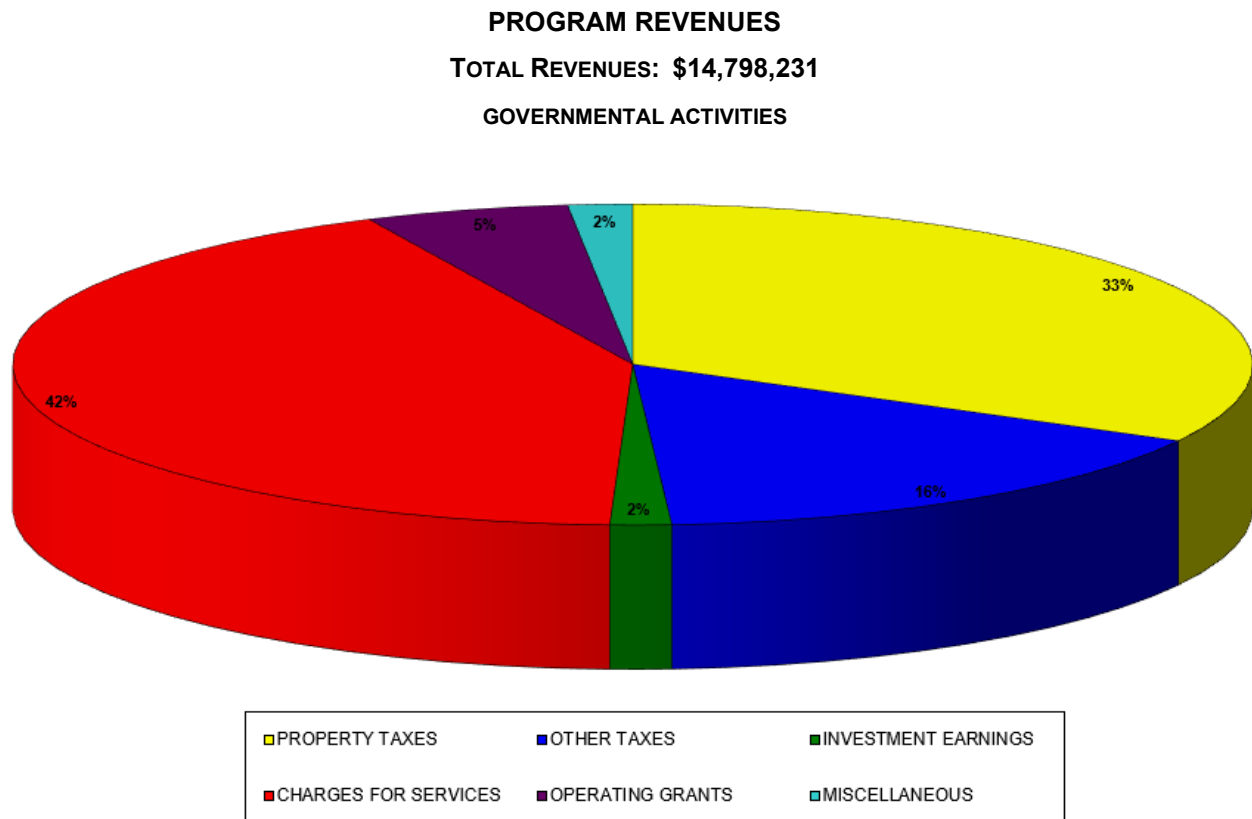
In December of 2022, the Borough of Brentwood adopted its 2023 annual budget for the General Fund in the amount of \$9,951,000. A schedule showing the Borough's original and final budget amounts compared with amounts actually paid and received is provided on Page 7 and in detail on Schedules 1 and 2.

**BOROUGH OF BRENTWOOD  
ALLEGHENY COUNTY, PENNSYLVANIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
DECEMBER 31, 2023**

**PROGRAM REVENUES**

Total revenues for all programs in 2023 were \$14,798,231. The two largest sources of revenues were property and other taxes at 49% and charges for services at 42%.

The following chart graphically depicts the government-wide program revenues for the fiscal year ended December 31, 2023.

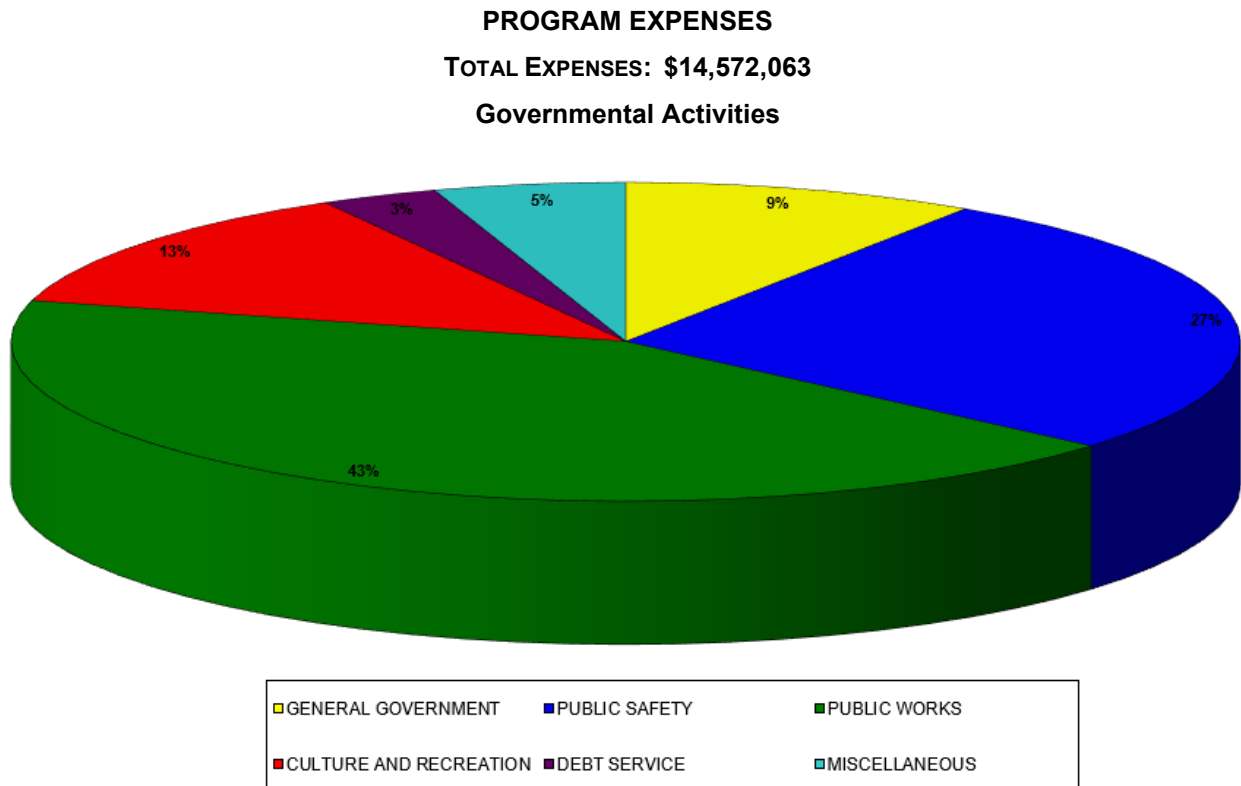


**BOROUGH OF BRENTWOOD  
ALLEGHENY COUNTY, PENNSYLVANIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
DECEMBER 31, 2023**

**PROGRAM EXPENSES**

Total expenses for all programs in 2023 were \$14,572,063. The expenses reflect the delivery of a wide range of services, with the two largest areas being Public Works at 43% and Public Safety at 27%. Culture and Recreation expenses were at 13% and General Government expenses were at 9%.

The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2023.



**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2023**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At December 31, 2023, the Borough had \$19,142,757 invested in capital assets, including land, infrastructure, buildings, machinery and equipment and vehicles net of depreciation. This amount represents a net increase (including additions, deletions, and depreciation) of \$305,445, or approximately 1.6% from last year. The Borough had approximately \$1,449,983 in capital additions during the 2023 year, \$416,243 related to building and site improvements, \$499,836 related to machinery and equipment, and \$533,904 related to construction in progress. Depreciation expense for 2023 was \$1,102,806.

**Long-Term Debt**

As of January 1, 2023, the Borough had a total outstanding debt principal balance of \$13,232,315. The Borough's outstanding debt includes General Obligation Bonds, Series of 2018 and 2019, a General Obligation Note with the Pittsburgh Water and Sewer Authority, and a financed purchase agreement with Huntington Public Capital Corporation. The Borough made payments against principal totaling \$530,225 resulting in ending outstanding debt principal balance of \$12,702,090 as of December 31, 2023. The Borough is scheduled to make principal and interest payments totaling \$913,250 during the 2024 calendar year.

Other obligations include compensated absences amounting to \$315,741 for specific employees of the Borough, a net OPEB liability of \$1,568,714, and a net pension liability of \$1,344,042.

**PENSION TRUST FUNDS**

The Borough of Brentwood has two pension plans – police and non-police. On December 31, 2023, the net position of the police and non-police pension plans was \$9,024,825 and \$2,013,835 respectively.

**2023 HIGHLIGHTED BUDGET COMPONENTS**

This section highlights components of the previous year's budget, including capital outlay, staffing, and the capital improvement program.

**General Fund**

The Borough's 2023 \$9.76 million General Operating Fund highlights include the following:

- Employee Wellness/Continuing Education = \$12,000.00  
The Borough continued to invest in its employees by offering and encouraging them to attend training and conferences. In addition, the formation of the Wellness Committee which included monthly Wellness themes and luncheons added to their commitment.

**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2023**

**2023 HIGHLIGHTED BUDGET COMPONENTS (Continued)**

- Information Technology-Networking-Data = \$85,000.00  
The Borough continued to upgrade its computers with an emphasis on cybersecurity. In addition, new software providing live streaming of Borough Council meetings continued. A new public budget reporting software was also included that made the budget process more efficient and more transparent to the public.
- Recreation/Programing = \$153,000.00  
Brentwood's residents enjoyed more recreational and leisure activities funded by the Borough in 2023 by expansion of the ever popular Taking It To The Streets summer family concerts, Community Day, and Light-Up Night.
- Pool = \$224,350.00  
The Brentwood Pool reopened with much anticipation and fanfare in 2021. The Borough increased some of its programming associated with the pool in 2023 such as water aerobics. In addition, the neighboring Whitehall Borough pool was closed for renovations that resulted in additional patrons attending Brentwood Pool and thus an increase in the associated operating costs.
- Park = \$138,285.00  
Brentwood Park continues to be a destination for many in the south hills area. Brentwood increased the police presence in the park to promote a sense of public safety. In addition, the Borough initiated a tree trimming program to ensure damaged and/or dead tree branches are removed as well as other vegetation control measures.
- Transfer to the Capital Improvement Fund = \$1,500,000.00  
Continuing with funding its annual \$500,000 roadway paving program, sidewalk improvement program, and police vehicle replace program the Borough made the necessary transfer from the General Fund.
- Transfer to the Economic Development Fund = \$50,000.00  
To fund future plans associated with economic development initiatives, the Borough transferred to the dedicated fund account.
- Transfer to the Park Fund = \$35,000.00.  
Required by the Lease Agreement with the Brentwood School District.
- Transfer to the Pension Funds = \$403,300.00  
As required by the Minimal Municipal Obligation (MMO)
- Transfer to the Operating Reserve Fund = \$100,000.00  
Maintaining their responsibility of good stewards of the people's funds, the Borough has budgeted a significant transfer to its Operating Reserve Fund ("Rainy Day Fund").

**BOROUGH OF BRENTWOOD  
ALLEGHENY COUNTY, PENNSYLVANIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
DECEMBER 31, 2023**

**2023 HIGHLIGHTED BUDGET COMPONENTS (Continued)**

**Sanitary Sewer Fund**

The Borough continued to comply with the Federal EPA's Consent Decree by following its Sanitary Sewer System's Operating & Maintenance Plan. Expended in 2023 included the following projects:

- Engineering = \$195,000.00  
These costs were primarily associated with information required as part of the Borough's attempt to sale its sanitary sewer system to PA American Water.
- Legal Services = \$162,000.00  
These costs were likewise associated with the Borough's attempt to sale its sanitary sewer system to PA American Water.
- O&M Plan = \$176,000.00  
The Borough continued with such maintenance and improvements to its aging sanitary sewer system by continuing with CCTVing its sewer system and making the necessary identified repairs.
- Transfer to the General Fund = \$609,000.00  
The annual transfer from the Sanitary Sewer Fund to the General Fund to account for those personnel related expenses associated with sanitary sewer related work. This included but is not limited to, collection of the current and delinquent fees by Borough staff, attending meetings at ALCOSAN or with the Borough Engineers, administration of the Borough's Sanitary Sewer Lateral Inspection Program by Borough Staff, and the involvement of the DPW employees with their maintaining of this system.
- Transfer to the Capital Improvement Fund = \$1,500,000.00  
To ensure the successful completion of some major projects, the Borough transferred \$1,500,000 from the Borough's Sanitary Sewer Fund to complete the following projects:
  - a. Stadium ADA Restroom and Calming Shelter
  - b. Stormwater Projects
  - c. Field No. 3 Light Project
  - d. Renovations to the Civic Center
  - e. Street Rehabilitation Work.

**BOROUGH OF BRENTWOOD  
ALLEGHENY COUNTY, PENNSYLVANIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
DECEMBER 31, 2023**

**2023 HIGHLIGHTED BUDGET COMPONENTS (Continued)**

**Park Fund**

The Borough of Brentwood owns, maintains, and operates Brentwood Stadium. This stadium is used by the Brentwood School District for all of their related sports and school activities. To ensure the proper maintenance of this facility, the following projects and purchases were made in 2023.

- Transfer to the Capital Improvement Fund = \$62,500.00  
The following projects are utilized by the Brentwood School District. As such, a portion of these projects were funded via a transfer from the Park Fund to the Capital Improvement Fund. These projects include the following:
  - a. Stadium ADA Restrooms and Calming Shelter
  - b. Field No. 3 Lighting Project

**Capital Improvement Fund**

The Borough completed nearly **\$5 million dollars'** worth of capital projects in 2023.

- Data Processing = \$18,800.00  
The Borough continued to rotate and update workstations in both administration and the police departments. This also included an expansion in its GIS and Borough Website. The majority of this expense was for a new Borough Server.
- Engineering = \$41,000.00  
The Borough expanded its in-house engineering by having the Borough Manager, who is a PA Licensed civil engineer, complete the engineering associated with the annual road program, sidewalk program, and ADA Curb Ramp replacement project. In addition, the inspections associated with these projects were completed by a summer engineering intern with the oversight of the Borough Manager. It was estimated that these costs will significantly offset over \$100,000 in related engineering fees.
- Buildings = \$336,000.00  
Costs associated with demolishing the former Borough Building and grading of the site to make it "pad ready" for future development opportunities.
- Police Department = \$79,600.00  
The Borough continued with its Police Cruiser rotation program by purchasing a new Police Cruiser as well as leasing a new vehicle.
- Parking Meter Enforcement = \$19,642.00.  
This was associated with a final payment for the parking kiosks located in the Central Business District.

**BOROUGH OF BRENTWOOD  
ALLEGHENY COUNTY, PENNSYLVANIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
DECEMBER 31, 2023**

**2023 HIGHLIGHTED BUDGET COMPONENTS (Continued)**

**Capital Improvement Fund (Continued)**

- Pool Improvements = \$49,350.00  
Items included a new turn-style and gate, shade structures, awnings, and a new ADA lift for the pool.
- Civic Center Improvements = \$95,000.00  
Architectural fees associated with the preparation of final bid documents.
- Park Improvements (Field No. 3 Lighting Project) = \$378,000.00  
The project was partially funded through a DCNR Grant (\$187,000) to replace and install new poles and lights for Ballfield No. 3 as well as additional lighting within the Brentwood Park.
- Park Improvements (Tennis Court Repairs) = \$14,000.00  
Improvements to the surface of the Borough Tennis Court included the addition of lines for Pickleball.
- Stadium Improvements = \$701,000.00.  
This expense is associated with the construction of a new stadium storage area, field house, and restrooms.
- Public Works = \$210,000.00  
The Borough initiated its Sign Management Program in 2017. This program is per the Federal Mandate that all signage throughout the Borough meet new MUTCD regulatory requirements. In addition, the Borough will purchase a new Ford F-650 Dump Truck and new High lift.
- Sidewalk Cost Sharing Project = \$65,000.00  
In the eighth year of this highly popular program, the Borough was able to make \$98,000 worth of repairs to the Borough sidewalks. In 2023 this line item will be increased by \$15,000 to fund the "sidewalk gaps" areas between the concrete sidewalks. This amount will be offset by the participating residents' share but the Borough's share will be approximately \$40,000.00.
- 2023 STRMP = \$500,000.00  
Year 9 of the Borough's continuous 5-Year Street Rehabilitation and Maintenance Plan will include the paving of five (5) roadways. The DPW continued to evaluate and cracks seal recently paved streets with the DPW's new crack sealer.
- SHACOG CDBG Curb Ramps = \$90,000.00  
The South Hills Council of Governments (SHACOG) grant funded Curb Ramp Replacement Project will be completed in 2023 for both the CD Year 47 and CD Year 48 projects.

**BOROUGH OF BRENTWOOD**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2023**

**2023 HIGHLIGHTED BUDGET COMPONENTS (Continued)**

**Capital Improvement Fund (Continued)**

- Stormwater Management = \$722,000.00.  
CCTVing of the Borough's Stormwater system will continue in 2023. The Borough will continue to take a proactive approach in maintaining its stormwater infrastructure. In 2023 the Borough will complete some mandated TMDL related projects to reduce sediment in both Sawmill Run and Street Run.
- Debt Service = \$952,000.00  
The GO 2018 and GO 2019 Bond payments are associated with the construction of the new Borough Building and Pool Renovations.

**Economic Development Fund**

The Borough continued to fund a special account associated with Economic Development in 2023. Projects associated with Economic Development will be funded from this account.

- Professional Services = \$58,000.00  
These costs include consulting fees and legal fees associated with the revision of the Borough's Implementable Comprehensive Plan that was awarded to Pashik+MTR in 2022 for \$95,000. This project is anticipated to be completed in the fall of 2023.

**Highway Aid Fund**

The Highway Aid Fund is considered a Special Revenue Fund. These funds are used or required to account for specific revenues that are legally restricted to expenditures for particular purposes. This fund, also referred to as the Liquid Fuels Fund, accounts for the state liquid fuels tax monies rebated to, and subsequently expended by the Borough for specific roadway related expenses.

- Road Salt = \$134,000.00
- Traffic Control Devices = \$8,000.00
- Street Lighting = \$131,000.00

**Operating Reserve Fund**

The PA Borough Code authorizes no more than 25% of the General Fund to be carried over in an Operating Reserve Fund. The 2023 End of Year Balance in this fund is budgeted at \$583,000 which is closer to the Borough's 25% goal of \$2 million.

- Transfer to Operating Reserve Fund = \$100,000.00

**BOROUGH OF BRENTWOOD  
ALLEGHENY COUNTY, PENNSYLVANIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
DECEMBER 31, 2023**

**CONTACTING THE BOROUGH**

This financial report is designed to provide our residents, taxpayers, customers, investors, and creditors with a general overview of the Borough's finances and to demonstrate the Borough's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact:

George Zboyovsky, Borough Manager  
Borough of Brentwood  
3735 Brownsville Road  
Pittsburgh, PA 15227

**BOROUGH OF BRENTWOOD**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2023**

**EXHIBIT A**

|                                                                                          | <b>Governmental<br/>Activities</b> |
|------------------------------------------------------------------------------------------|------------------------------------|
| <b>ASSETS</b>                                                                            |                                    |
| <b>Current Assets:</b>                                                                   |                                    |
| Cash and Cash Equivalents                                                                | \$ 5,481,498                       |
| Investments                                                                              | 540,033                            |
| Taxes Receivable                                                                         | 857,524                            |
| Due from other Governments                                                               | 797,000                            |
| Accounts Receivable - Refuse/Sewer (Net)                                                 | 979,923                            |
| Other Accounts Receivable                                                                | 50,569                             |
| Prepaid Expenditures                                                                     | 82,978                             |
| <b>Total Current Assets</b>                                                              | <b><u>\$ 8,789,525</u></b>         |
| <b>Noncurrent Assets:</b>                                                                |                                    |
| Land                                                                                     | \$ 515,992                         |
| Site Improvements (Net)                                                                  | 4,195,156                          |
| Buildings (Net)                                                                          | 11,686,273                         |
| Machinery and Equipment (Net)                                                            | 1,839,152                          |
| Construction in progress                                                                 | 906,184                            |
| <b>Total Noncurrent Assets</b>                                                           | <b><u>\$ 19,142,757</u></b>        |
| <b>TOTAL ASSETS</b>                                                                      | <b><u>\$ 27,932,282</u></b>        |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                                                    |                                    |
| Deferred Outflows of Resources - Pensions                                                | \$ 2,251,545                       |
| Deferred Outflows of Resources - OPEB                                                    | 97,305                             |
| Deferred Interest on Refunding                                                           | 93,162                             |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>                                              | <b><u>\$ 2,442,012</u></b>         |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>                                   | <b><u>\$ 30,374,294</u></b>        |
| <b>LIABILITIES</b>                                                                       |                                    |
| <b>Current Liabilities:</b>                                                              |                                    |
| Accounts Payable                                                                         | \$ 1,005,626                       |
| Due to Fiduciary Fund                                                                    | 10,030                             |
| Accrued Payroll                                                                          | 68,565                             |
| Payroll Tax Liabilities                                                                  | 55,034                             |
| Fire Escrow                                                                              | 10,500                             |
| Accrued Interest                                                                         | 143,718                            |
| Current Portion - Long Term Debt                                                         | 482,089                            |
| <b>Total Current Liabilities</b>                                                         | <b><u>\$ 1,775,562</u></b>         |
| <b>Noncurrent Liabilities:</b>                                                           |                                    |
| Bonds Payable - Long Term Portion                                                        | \$ 12,500,332                      |
| Accrued Compensated Absences                                                             | 315,741                            |
| Net Pension Liability                                                                    | 1,344,042                          |
| Net OPEB Liability                                                                       | 1,568,714                          |
| <b>Total Noncurrent Liabilities</b>                                                      | <b><u>\$ 15,728,829</u></b>        |
| <b>TOTAL LIABILITIES</b>                                                                 | <b><u>\$ 17,504,391</u></b>        |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                                     |                                    |
| Deferred Inflows of Resources - Pensions                                                 | \$ 1,456,501                       |
| Deferred Inflows of Resources - OPEB                                                     | 347,387                            |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>                                               | <b><u>\$ 1,803,888</u></b>         |
| <b>NET POSITION</b>                                                                      |                                    |
| Net Investment in Capital Assets                                                         | \$ 6,253,498                       |
| Restricted                                                                               | 46,300                             |
| Unrestricted                                                                             | 4,766,217                          |
| <b>TOTAL NET POSITION</b>                                                                | <b><u>\$ 11,066,015</u></b>        |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES<br/>            AND NET POSITION</b> | <b><u>\$ 30,374,294</u></b>        |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

| Functions/Programs                   | Expenses             | Program Revenues        |                                          |                                        | Net (Expense) Revenue<br>and<br>Changes in Net Position |
|--------------------------------------|----------------------|-------------------------|------------------------------------------|----------------------------------------|---------------------------------------------------------|
|                                      |                      | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Governmental<br>Activities                              |
| <b>Governmental Activities:</b>      |                      |                         |                                          |                                        |                                                         |
| General Government                   | \$ 1,359,331         | \$ 139,884              | \$ 1,000                                 | \$ -                                   | \$ (1,218,447)                                          |
| Public Safety                        | 3,928,023            | 344,495                 | 231,413                                  | -                                      | (3,352,115)                                             |
| Health and Human Services            | 11,922               | -                       | -                                        | -                                      | (11,922)                                                |
| Public Works - Sanitation/Sewer      | 3,921,076            | 5,387,409               | -                                        | -                                      | 1,466,333                                               |
| Public Works - Other                 | 2,308,582            | 137,056                 | 335,426                                  | -                                      | (1,836,100)                                             |
| Culture and Recreation               | 1,856,621            | 266,352                 | 219,444                                  | -                                      | (1,370,825)                                             |
| Economic Development                 | 34,798               | -                       | -                                        | -                                      | (34,798)                                                |
| Debt Service                         | 450,964              | -                       | -                                        | -                                      | (450,964)                                               |
| Insurance, Pension and Miscellaneous | 700,746              | -                       | -                                        | -                                      | (700,746)                                               |
| <b>Total Governmental Activities</b> | <b>\$ 14,572,063</b> | <b>\$ 6,275,196</b>     | <b>\$ 787,283</b>                        | <b>\$ -</b>                            | <b>\$ (7,509,584)</b>                                   |

**General Revenues:**

|                                                   |                      |
|---------------------------------------------------|----------------------|
| Taxes:                                            |                      |
| Property Taxes, Levied for General Purposes (net) | \$ 4,870,669         |
| Act 511 Taxes                                     | 1,757,699            |
| Regional Asset District - Sales Tax               | 622,277              |
| Cable Franchise Fees                              | 216,888              |
| Investment Earnings                               | 235,738              |
| Loss on the Disposition of Assets                 | (41,732)             |
| Miscellaneous                                     | 74,213               |
| <b>Total General Revenues</b>                     | <b>\$ 7,735,752</b>  |
| <b>Change in Net Position</b>                     | <b>\$ 226,168</b>    |
| Net Position — January 1, 2023                    | 10,839,847           |
| <b>Net Position — December 31, 2023</b>           | <b>\$ 11,066,015</b> |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2023**

**EXHIBIT C**

|                                                                                | <b>GENERAL<br/>FUND</b>    | <b>SEWER<br/>FUND</b>      | <b>CAPITAL<br/>PROJECTS<br/>FUND</b> | <b>NON-MAJOR<br/>GOVERNMENTAL<br/>FUNDS</b> | <b>TOTAL<br/>GOVERNMENTAL<br/>FUNDS</b> |
|--------------------------------------------------------------------------------|----------------------------|----------------------------|--------------------------------------|---------------------------------------------|-----------------------------------------|
| <b>ASSETS:</b>                                                                 |                            |                            |                                      |                                             |                                         |
| Cash and Cash Equivalents                                                      | \$ 2,234,354               | \$ 2,256,805               | \$ 598,338                           | \$ 392,001                                  | \$ 5,481,498                            |
| Investments                                                                    | -                          | 539,903                    | 130                                  | -                                           | 540,033                                 |
| Taxes Receivable                                                               | 857,524                    | -                          | -                                    | -                                           | 857,524                                 |
| Due From Other Funds                                                           | 494,177                    | 1,319,972                  | 253,536                              | 650                                         | 2,068,335                               |
| Due From Other Governments                                                     | -                          | -                          | 797,000                              | -                                           | 797,000                                 |
| Accounts Receivable - Refuse/Sewer                                             | 219,870                    | 760,053                    | -                                    | -                                           | 979,923                                 |
| Other Accounts Receivable                                                      | 50,569                     | -                          | -                                    | -                                           | 50,569                                  |
| Prepaid Expenditures                                                           | 82,978                     | -                          | -                                    | -                                           | 82,978                                  |
| <b>TOTAL ASSETS</b>                                                            | <b><u>\$ 3,939,472</u></b> | <b><u>\$ 4,876,733</u></b> | <b><u>\$ 1,649,004</u></b>           | <b><u>\$ 392,651</u></b>                    | <b><u>\$ 10,857,860</u></b>             |
| <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>           |                            |                            |                                      |                                             |                                         |
| <b>LIABILITIES:</b>                                                            |                            |                            |                                      |                                             |                                         |
| Accounts Payable                                                               | \$ 54,870                  | \$ 571,960                 | \$ 365,330                           | \$ 13,466                                   | \$ 1,005,626                            |
| Due to Other Funds                                                             | 1,584,188                  | -                          | 490,353                              | 3,824                                       | 2,078,365                               |
| Accrued Payroll                                                                | 68,565                     | -                          | -                                    | -                                           | 68,565                                  |
| Payroll Tax Liabilities                                                        | 55,028                     | -                          | -                                    | 6                                           | 55,034                                  |
| Fire Escrow                                                                    | 10,500                     | -                          | -                                    | -                                           | 10,500                                  |
| <b>TOTAL LIABILITIES</b>                                                       | <b><u>\$ 1,773,151</u></b> | <b><u>\$ 571,960</u></b>   | <b><u>\$ 855,683</u></b>             | <b><u>\$ 17,296</u></b>                     | <b><u>\$ 3,218,090</u></b>              |
| <b>DEFERRED INFLOWS OF RESOURCES:</b>                                          |                            |                            |                                      |                                             |                                         |
| Delinquent Real Estate                                                         | \$ 534,835                 | \$ -                       | \$ -                                 | \$ -                                        | \$ 534,835                              |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>                                     | <b><u>\$ 534,835</u></b>   | <b><u>\$ -</u></b>         | <b><u>\$ -</u></b>                   | <b><u>\$ -</u></b>                          | <b><u>\$ 534,835</u></b>                |
| <b>FUND BALANCES:</b>                                                          |                            |                            |                                      |                                             |                                         |
| Nonspendable                                                                   | \$ 82,978                  | \$ -                       | \$ -                                 | \$ -                                        | \$ 82,978                               |
| Restricted                                                                     | -                          | -                          | -                                    | 46,300                                      | 46,300                                  |
| Committed                                                                      | -                          | 4,304,773                  | 793,321                              | 329,055                                     | 5,427,149                               |
| Unassigned                                                                     | 1,548,508                  | -                          | -                                    | -                                           | 1,548,508                               |
| <b>TOTAL FUND BALANCES</b>                                                     | <b><u>\$ 1,631,486</u></b> | <b><u>\$ 4,304,773</u></b> | <b><u>\$ 793,321</u></b>             | <b><u>\$ 375,355</u></b>                    | <b><u>\$ 7,104,935</u></b>              |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES, AND FUND BALANCES</b> | <b><u>\$ 3,939,472</u></b> | <b><u>\$ 4,876,733</u></b> | <b><u>\$ 1,649,004</u></b>           | <b><u>\$ 392,651</u></b>                    | <b><u>\$ 10,857,860</u></b>             |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2023**

**Total Fund Balances - Governmental Funds** **\$ 7,104,935**

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different from amounts reported for governmental funds on the balance sheet (Exhibit C) because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported as assets in governmental funds. The cost of assets is \$28,920,692, and the accumulated depreciation is \$9,777,935. 19,142,757

Property taxes receivable in the statement of net position, which will not be available soon enough to pay for the current period's expenditures, are deferred and not recognized as revenue in governmental funds. 534,835

Deferred outflows and inflows of resources related to pensions and debt are applicable to future periods and, therefore, are not reported in the funds.

|                                                    |             |
|----------------------------------------------------|-------------|
| Deferred outflows of resources related to pensions | 2,251,545   |
| Deferred outflows of resources related to OPEB     | 97,305      |
| Deferred Interest on Refunding                     | 93,162      |
| Deferred inflows of resources related to pensions  | (1,456,501) |
| Deferred inflows of resources related to OPEB      | (347,387)   |

Long term liabilities are not due and payable in the current period, and therefore, are not reported as liabilities in the governmental funds.  
 Long-term liabilities at year end consist of:

|                       |    |              |  |
|-----------------------|----|--------------|--|
| Net Pension Liability | \$ | 1,344,042    |  |
| Net OPEB Liability    |    | 1,568,714    |  |
| Bonds Payable (Net)   |    | 12,980,332   |  |
| Notes Payable         |    | 2,089        |  |
| Accrued Interest      |    | 143,718      |  |
| Compensated Absences  |    | 315,741      |  |
|                       |    | (16,354,636) |  |

**TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES** **\$ 11,066,015**

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                                              | <b>GENERAL<br/>FUND</b> | <b>SEWER<br/>FUND</b> | <b>CAPITAL<br/>PROJECTS<br/>FUND</b> | <b>NON-MAJOR<br/>GOVERNMENTAL<br/>FUNDS</b> | <b>TOTAL<br/>GOVERNMENTAL<br/>FUNDS</b> |
|--------------------------------------------------------------|-------------------------|-----------------------|--------------------------------------|---------------------------------------------|-----------------------------------------|
| <b><u>REVENUES</u></b>                                       |                         |                       |                                      |                                             |                                         |
| Taxes                                                        | \$ 6,967,133            | \$ -                  | \$ -                                 | \$ 204,000                                  | \$ 7,171,133                            |
| Licenses and Permits                                         | 260,193                 | -                     | -                                    | -                                           | 260,193                                 |
| Fines and Forfeitures                                        | 125,660                 | -                     | -                                    | -                                           | 125,660                                 |
| Interest and Rents                                           | 197,239                 | 86,543                | 26,593                               | 12,782                                      | 323,157                                 |
| Intergovernmental                                            | 316,309                 | -                     | -                                    | 480,506                                     | 796,815                                 |
| Charges for Services                                         | 1,492,243               | 4,423,947             | 77,350                               | 11,581                                      | 6,005,121                               |
| Miscellaneous                                                | 23,170                  | -                     | -                                    | 33,273                                      | 56,443                                  |
| <b>Total Revenue</b>                                         | <b>\$ 9,381,947</b>     | <b>\$ 4,510,490</b>   | <b>\$ 103,943</b>                    | <b>\$ 742,142</b>                           | <b>\$ 14,738,522</b>                    |
| <b><u>EXPENDITURES</u></b>                                   |                         |                       |                                      |                                             |                                         |
| General Government                                           | \$ 890,158              | \$ -                  | \$ 389,109                           | \$ -                                        | \$ 1,279,267                            |
| Public Safety                                                | 3,716,560               | -                     | 99,707                               | -                                           | 3,816,267                               |
| Health & Human Services                                      | 11,922                  | -                     | -                                    | -                                           | 11,922                                  |
| Public Works - Sanitation/Sewer                              | 824,733                 | 3,096,143             | -                                    | -                                           | 3,920,876                               |
| Public Works - Other                                         | 1,135,580               | -                     | 1,082,037                            | 261,553                                     | 2,479,170                               |
| Culture and Recreation                                       | 634,306                 | -                     | 1,065,658                            | 427,187                                     | 2,127,151                               |
| Economic Development                                         | 506                     | -                     | 34,292                               | -                                           | 34,798                                  |
| Debt Service                                                 | -                       | 25,136                | 957,605                              | -                                           | 982,741                                 |
| Insurance & Employee Benefits                                | 647,381                 | -                     | -                                    | -                                           | 647,381                                 |
| Miscellaneous                                                | 18,657                  | -                     | -                                    | -                                           | 18,657                                  |
| <b>Total Expenditures</b>                                    | <b>\$ 7,879,803</b>     | <b>\$ 3,121,279</b>   | <b>\$ 3,628,408</b>                  | <b>\$ 688,740</b>                           | <b>\$ 15,318,230</b>                    |
| <b>Excess ( Deficiency) of Revenue<br/>over Expenditures</b> | <b>\$ 1,502,144</b>     | <b>\$ 1,389,211</b>   | <b>\$ (3,524,465)</b>                | <b>\$ 53,402</b>                            | <b>\$ (579,708)</b>                     |
| <b><u>OTHER FINANCING SOURCES (USES)</u></b>                 |                         |                       |                                      |                                             |                                         |
| Operating Transfers In                                       | \$ 611,470              | \$ 40,000             | \$ 3,347,175                         | \$ -                                        | \$ 3,998,645                            |
| Operating Transfers (Out)                                    | (1,767,175)             | (2,111,470)           | (120,000)                            | -                                           | (3,998,645)                             |
| Refund of Prior Year Expenditures                            | -                       | 747                   | 6,493                                | -                                           | 7,240                                   |
| Refund of Prior Year (Revenues)                              | (38,579)                | (4,008)               | -                                    | -                                           | (42,587)                                |
| <b>Total Other Financing Sources (Uses)</b>                  | <b>\$ (1,194,284)</b>   | <b>\$ (2,074,731)</b> | <b>\$ 3,233,668</b>                  | <b>\$ -</b>                                 | <b>\$ (35,347)</b>                      |
| <b>NET CHANGE IN FUND BALANCES</b>                           | <b>\$ 307,860</b>       | <b>\$ (685,520)</b>   | <b>\$ (290,797)</b>                  | <b>\$ 53,402</b>                            | <b>\$ (615,055)</b>                     |
| FUND BALANCE - JANUARY 1, 2023                               | 1,323,626               | 4,990,293             | 1,084,118                            | 321,953                                     | 7,719,990                               |
| <b>FUND BALANCE - DECEMBER 31, 2023</b>                      | <b>\$ 1,631,486</b>     | <b>\$ 4,304,773</b>   | <b>\$ 793,321</b>                    | <b>\$ 375,355</b>                           | <b>\$ 7,104,935</b>                     |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                                               |                     |
|---------------------------------------------------------------|---------------------|
| <b>TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS</b> | <b>\$ (615,055)</b> |
|---------------------------------------------------------------|---------------------|

Amounts reported for governmental activities in the statement of activities are different because:

|                                                                                                                                                                                                                                                                                                                                                                                      |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$1,449,983) exceeds depreciation expense (\$1,102,806) in the period.                                                    | 347,177  |
| Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.                                                                                                                                                                          | 14,729   |
| Loss on the disposition of assets is recognized in the government-wide as an expense, however proceeds from the sale of assets is recognized as revenue in the governmental funds.                                                                                                                                                                                                   | (41,732) |
| Repayment of bond, note principal, and financed purchase agreements is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.                                                                                                                                                                                   | 530,225  |
| Deferred interest on bond refundings is recognized in the government-wide financial statements when bonds are refunded and amortized over the life of the bond issue as interest expense.                                                                                                                                                                                            | (8,469)  |
| Bond premiums are reported in governmental funds as revenues. However, in the statement of activities, this amount is capitalized and is accreted over the life of the bond issue as interest expense.                                                                                                                                                                               | 14,690   |
| In the statement of activities, interest is accrued on outstanding bonds and notes, whereas in governmental funds, an interest expenditure is reported when due.                                                                                                                                                                                                                     | 3,171    |
| Because certain property and wage taxes will not be collected for several months after the Township's year ends, they are not considered as "available" revenues in the governmental funds. Deferred inflows of resources from these taxes increased by this amount in 2023.                                                                                                         | 79,512   |
| In the statement of activities, certain operating expenses - compensated absences, and OPEB - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid). This is the amount by which compensated absences and OPEB earned exceeded the amount paid in 2023. | (98,080) |

|                                                          |                          |
|----------------------------------------------------------|--------------------------|
| <b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b> | <b>\$ <u>226,168</u></b> |
|----------------------------------------------------------|--------------------------|

**BOROUGH OF BRENTWOOD**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                                               | Budgeted Amounts      |                       | Actual                | Variance with<br>Final Budget |
|---------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-------------------------------|
|                                                               | Original              | Final                 | (Budgetary Basis)     | Positive<br>(Negative)        |
| <b><u>REVENUES</u></b>                                        |                       |                       |                       |                               |
| Taxes                                                         | \$ 6,102,000          | \$ 6,102,000          | \$ 6,967,133          | \$ 865,133                    |
| Licenses and Permits                                          | 182,000               | 182,000               | 260,193               | 78,193                        |
| Fines and Forfeitures                                         | 72,000                | 72,000                | 125,660               | 53,660                        |
| Interest and Rents                                            | 96,000                | 96,000                | 197,239               | 101,239                       |
| Intergovernmental                                             | 257,000               | 257,000               | 316,309               | 59,309                        |
| Charges for Services                                          | 1,304,000             | 1,304,000             | 1,492,243             | 188,243                       |
| Miscellaneous                                                 | 29,000                | 29,000                | 23,170                | (5,830)                       |
| <b>Total Revenues</b>                                         | <b>\$ 8,042,000</b>   | <b>\$ 8,042,000</b>   | <b>\$ 9,381,947</b>   | <b>\$ 1,339,947</b>           |
| <b><u>EXPENDITURES</u></b>                                    |                       |                       |                       |                               |
| General Government                                            | \$ 959,000            | \$ 959,000            | \$ 890,158            | \$ 68,842                     |
| Public Safety                                                 | 3,746,600             | 3,746,600             | 3,716,560             | 30,040                        |
| Health & Human Services                                       | 21,000                | 21,000                | 11,922                | 9,078                         |
| Public Works                                                  | 2,038,000             | 2,038,000             | 1,960,313             | 77,687                        |
| Culture and Recreation                                        | 845,400               | 845,400               | 634,306               | 211,094                       |
| Economic Development                                          | 2,000                 | 2,000                 | 506                   | 1,494                         |
| Insurance & Employee Benefits                                 | 645,000               | 645,000               | 647,381               | (2,381)                       |
| Miscellaneous                                                 | 9,000                 | 9,000                 | 18,657                | (9,657)                       |
| <b>Total Expenditures</b>                                     | <b>\$ 8,266,000</b>   | <b>\$ 8,266,000</b>   | <b>\$ 7,879,803</b>   | <b>\$ 386,197</b>             |
| <b>Excess ( Deficiency) of Revenues<br/>over Expenditures</b> | <b>\$ (224,000)</b>   | <b>\$ (224,000)</b>   | <b>\$ 1,502,144</b>   | <b>\$ 1,726,144</b>           |
| <b><u>OTHER FINANCING SOURCES (USES)</u></b>                  |                       |                       |                       |                               |
| Refund Prior Year Revenues                                    | \$ -                  | \$ -                  | \$ (38,579)           | \$ (38,579)                   |
| Operating Transfers In                                        | 609,000               | 609,000               | 611,470               | 2,470                         |
| Operating Transfers (Out)                                     | (1,685,000)           | (1,685,000)           | (1,767,175)           | (82,175)                      |
| <b>Total Other Financing Sources (Uses)</b>                   | <b>\$ (1,076,000)</b> | <b>\$ (1,076,000)</b> | <b>\$ (1,194,284)</b> | <b>\$ (118,284)</b>           |
| <b>NET CHANGE IN FUND BALANCES</b>                            | <b>\$ (1,300,000)</b> | <b>\$ (1,300,000)</b> | <b>\$ 307,860</b>     | <b>\$ 1,607,860</b>           |
| <b>FUND BALANCE - JANUARY 1, 2023</b>                         | <b>1,300,000</b>      | <b>1,300,000</b>      | <b>1,323,626</b>      | <b>23,626</b>                 |
| <b>FUND BALANCE - DECEMBER 31, 2023</b>                       | <b>\$ -</b>           | <b>\$ -</b>           | <b>\$ 1,631,486</b>   | <b>\$ 1,631,486</b>           |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**DECEMBER 31, 2023**

|                                           | <b><u>POLICE<br/>PENSION<br/>FUND</u></b> | <b><u>NON-POLICE<br/>PENSION<br/>FUND</u></b> | <b><u>TOTAL</u></b>         |
|-------------------------------------------|-------------------------------------------|-----------------------------------------------|-----------------------------|
| <b>ASSETS</b>                             |                                           |                                               |                             |
| Investments:                              |                                           |                                               |                             |
| Fixed Income Securities                   | \$ 3,034,504                              | \$ 719,821                                    | \$ 3,754,325                |
| Equity Securities                         | 4,172,656                                 | 830,099                                       | 5,002,755                   |
| Mutual Funds                              | 1,782,463                                 | 458,985                                       | 2,241,448                   |
| Accrued Interest                          | 24,242                                    | 5,860                                         | 30,102                      |
| Due from Other Funds                      | 10,960                                    | -                                             | 10,960                      |
| <b>TOTAL ASSETS</b>                       | <b><u>\$ 9,024,825</u></b>                | <b><u>\$ 2,014,765</u></b>                    | <b><u>\$ 11,039,590</u></b> |
| <b>LIABILITIES AND NET POSITION</b>       |                                           |                                               |                             |
| <b>LIABILITIES</b>                        |                                           |                                               |                             |
| Due to Other Funds                        | \$ -                                      | \$ 930                                        | \$ 930                      |
| <b>TOTAL LIABILITIES</b>                  | <b><u>\$ -</u></b>                        | <b><u>\$ 930</u></b>                          | <b><u>\$ 930</u></b>        |
| <b>NET POSITION</b>                       |                                           |                                               |                             |
| Restricted for Pension Benefits           | \$ 9,024,825                              | \$ 2,013,835                                  | \$ 11,038,660               |
| <b>TOTAL NET POSITION</b>                 | <b><u>\$ 9,024,825</u></b>                | <b><u>\$ 2,013,835</u></b>                    | <b><u>\$ 11,038,660</u></b> |
| <b>TOTAL LIABILITIES AND NET POSITION</b> | <b><u>\$ 9,024,825</u></b>                | <b><u>\$ 2,014,765</u></b>                    | <b><u>\$ 11,039,590</u></b> |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                         | <b>POLICE<br/>PENSION<br/>FUND</b> | <b>NON-POLICE<br/>PENSION<br/>FUND</b> | <b>TOTAL</b>         |
|-----------------------------------------|------------------------------------|----------------------------------------|----------------------|
| <b>ADDITIONS</b>                        |                                    |                                        |                      |
| Employer Contributions                  | \$ 287,225                         | \$ 115,949                             | \$ 403,174           |
| Employee Contributions                  | 110,449                            | 35,873                                 | 146,322              |
| Interest/Dividends                      | 188,817                            | 45,057                                 | 233,874              |
| Realized and Unrealized Gains/(Losses)  | 1,287,967                          | 288,389                                | 1,576,356            |
| Other Income                            | 758                                | 250                                    | 1,008                |
| <b>TOTAL ADDITIONS</b>                  | <b>\$ 1,875,216</b>                | <b>\$ 485,518</b>                      | <b>\$ 2,360,734</b>  |
| <b>DEDUCTIONS</b>                       |                                    |                                        |                      |
| Benefit Payments                        | \$ 260,384                         | \$ 342,681                             | \$ 603,065           |
| Administrative Expenses                 | 59,269                             | 29,782                                 | 89,051               |
| Trustee Fees                            | 4,057                              | 1,392                                  | 5,449                |
| <b>TOTAL DEDUCTIONS</b>                 | <b>\$ 323,710</b>                  | <b>\$ 373,855</b>                      | <b>\$ 697,565</b>    |
| <b>CHANGES IN NET POSITION</b>          | <b>\$ 1,551,506</b>                | <b>\$ 111,663</b>                      | <b>\$ 1,663,169</b>  |
| <b>NET POSITION - JANUARY 1, 2023</b>   | <b>7,473,319</b>                   | <b>1,902,172</b>                       | <b>9,375,491</b>     |
| <b>NET POSITION - DECEMBER 31, 2023</b> | <b>\$ 9,024,825</b>                | <b>\$ 2,013,835</b>                    | <b>\$ 11,038,660</b> |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**REPORTING ENTITY**

The Borough of Brentwood was incorporated in 1915 under the provisions governing the creation of municipal corporations in the Commonwealth of Pennsylvania. Members of the Borough Council are elected by the voting public. These board members have complete authority over the operations and administration of the Borough's activities. The major functions of the Borough include public safety, maintenance of Borough infrastructure (roads and sidewalks), maintenance of parks and other recreational facilities for use by Borough residents, and other general administrative functions necessary to facilitate Borough resident needs.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are not misleading. The primary government of Brentwood Borough consists of all funds, departments, boards, and agencies that are not legally separate from the Borough. Generally accepted accounting principles define component units as legally separate entities that are included in the Borough's reporting entity because of the nature and significance of their operating or financial relationships with the Borough. Based on the application of these criteria, the Borough of Brentwood has no component units.

**FINANCIAL STATEMENT PRESENTATION**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS** – The statement of net position – accrual basis of accounting (Exhibit A) and the statement of activities – accrual basis of accounting (Exhibit B) report information about the Borough as a whole. These financial statements combine all of the financial activity of the primary government excluding the fiduciary funds. As a general rule, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, if applicable, which rely to a significant extent on fees and charges for services. The Borough does not administer business-type (proprietary fund) activities.

The government-wide statements are prepared using the economic resources measurement focus. This approach differs from the way governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations (Exhibits D and F) with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities – accrual basis of accounting presents a comparison between direct expenses and program revenues for each function of the Borough's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, and grants, subsidies and contributions that are restricted to meeting the operational or capital requirements of a particular program.

**FUND FINANCIAL STATEMENTS** – Fund financial statements report detailed information about the Borough. The focus of governmental fund financial statements is on major funds. Major funds represent the Borough's most important funds with the General Fund always considered a major fund. Each other major governmental fund is presented in a separate column and non-major governmental funds are segregated and combined in a single column. Fiduciary funds are reported separately.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**BASIS OF ACCOUNTING AND MEASUREMENT FOCUS**

The financial statements of the Borough of Brentwood have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The basis of accounting determines when transactions are recorded in financial records and reported in the financial statements. Government-wide financial statements (Exhibits A and B) are prepared using the accrual basis of accounting in conformity with generally accepted accounting principles in the United States of America (GAAP) established by the Governmental Accounting Standards Board (GASB). Governmental funds (Exhibits C, E, and G) use the modified accrual basis of accounting. Fiduciary funds (Exhibits H and I) use the accrual basis of accounting.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on an accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Borough, available means expected to be received within sixty days of the fiscal year-end.

Revenue resulting from non-exchange transactions, in which the Borough receives value without directly giving equal value in return, includes property taxes, grants and contributions. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants and contributions are recognized in the fiscal year in which all eligibility requirements have been satisfied. On a modified accrual basis, revenue from non-exchange transactions must also be 'available' before it can be recognized.

The management of the Borough of Brentwood has determined that the revenues most susceptible to accrual at December 31, 2023 are **1)** current and delinquent real estate taxes collected for the month of December, **2)** certain Act 511 taxes, and **3)** other miscellaneous items of income pertaining to the 2023 calendar year received subsequent to December 31, 2023. On the governmental fund financial statements, receivables that will not be collected within the 'available' period have been reported as 'deferred inflows of resources'.

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. The primary expenditures deemed susceptible to accrual on December 31, 2023, are those for which Borough Council's intention was to expense these items as budgeted for in the 2023 official budget, and for which the Borough has incurred an obligation during 2023 but has not paid as of December 31, 2023.

Allocations of cost, such as depreciation, are not recognized in governmental funds but are included as part of expenses in the government-wide statement of activities.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**BASIS OF ACCOUNTING AND MEASUREMENT FOCUS (Continued)**

Program revenues include charges paid by the recipient of the goods or services offered by the program, and grants, subsidies and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Borough. The comparison of direct expenses with program revenues identifies the extent to which the government function is self-financing or draws from the general revenues of the Borough.

**FUND ACCOUNTING**

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Borough functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are classified into three categories: Governmental, proprietary, and fiduciary. Fund categories are defined as follows:

**Governmental Funds** – Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Borough's major and non-major governmental funds:

**MAJOR GOVERNMENTAL FUNDS:**

**GENERAL FUND** - Established under 'The Borough Code' of the Commonwealth of Pennsylvania and is used for the general operations of the Borough. Income in this fund is derived mainly from assessed revenue such as real estate taxes, local taxes established under Act 511 and other miscellaneous revenues not designated for other restricted fund purposes. These revenues are used for general ongoing government services such as public safety, public works, general administration of the Borough and other miscellaneous operating expenses.

**SEWER FUND (SPECIAL REVENUE)** – Established to account for the revenues and expenditures related to providing sewer services to Borough residents.

**CAPITAL PROJECT FUND** - Established to account for financial resources received earmarked for the acquisition or construction of major capital facilities or equipment. The Borough's capital project fund is comprised of the following funds of the Borough:

- Park Fund
- Economic Development Fund
- Building Fund
- Capital Improvement Fund

**NON-MAJOR GOVERNMENTAL FUNDS:**

**HIGHWAY AID FUND (SPECIAL REVENUE)** - Established and restricted under Act 655 of the Commonwealth of Pennsylvania. Funding is received from the Commonwealth and is restricted in use for the maintenance, repair and construction of roads, streets, and bridges for which the Borough is responsible.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**FUND ACCOUNTING (Continued)**

**NON-MAJOR GOVERNMENTAL FUNDS (Continued)**

**LIBRARY FUND** (SPECIAL REVENUE) - Established to account for the library's portion of real estate taxes and related services to the community.

**ASSET FORFEITURE FUND** (SPECIAL REVENUE) - Established to account for law enforcement proceeds to be used for police related activities.

**Fiduciary Funds** – Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the Borough under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Borough's own programs. Custodial funds report fiduciary activities that are not held in a Trust or equivalent arrangement that meets specific criteria. The Borough has two pension trust funds (police pension and non-police pension).

**BUDGETS**

On December 12, 2022, the Borough of Brentwood adopted its 2023 annual budget for its General Fund totaling \$9,951,000, in accordance with the provisions of the Commonwealth of Pennsylvania Borough Code. The budget is prepared utilizing the modified accrual basis of accounting in accordance with generally accepted accounting principles. The original and final budgetary amounts are reflected in these financial statements (Exhibit E). All annual appropriations of the general fund lapse at year-end.

The Borough uses the following procedures in establishing this budgetary data:

- a. In accordance with the Borough Code, beginning at least 30 days prior to the adoption of the budget, which shall not be later than December 31, a proposed budget for the ensuing year shall be prepared. The proposed budget shall be kept on file with the Borough and made available for public inspection for a period of ten days. Notice that the proposed budget is available for inspection is published in a newspaper of general circulation. After the expiration of the ten days, the Council makes such revisions in the budget as deemed advisable and shall adopt the budget by motion.
- b. Transfers of budget amounts are authorized between departments within any fund. However, any revisions that alter the total appropriations of any fund must be approved by the Council.

**CASH AND CASH EQUIVALENTS**

For the purposes of these basic financial statements, cash and cash equivalents include amounts in demand deposit accounts and all highly liquid short-term investments with original maturity terms of less than three months.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**INVESTMENTS**

Provisions of Section 1705 of the Commonwealth's Borough Code authorize the following investments:

- I. Obligations of (a) the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, (b) the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth of Pennsylvania, or (c) of any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.
- II. Deposits in savings accounts, time deposits and share accounts of institutions insured by the Federal Deposit Insurance Corporation (FDIC) to the extent that such accounts are so insured and, for any amounts above the insured maximum, provided that approved collateral, as provided by law, is pledged by the depository.
- III. U.S. government obligations, short-term commercial paper issued by a public corporation, and banker's acceptances.

The Borough of Brentwood's investment portfolio is in compliance with these provisions on December 31, 2023. Governmental fund type investments include funds pooled for investment purposes with the Pennsylvania Local Government Investment Trust (PLGIT). PLGIT funds are stated at amortized cost, which approximates market value. Fiduciary fund investments include monies invested with Huntington Bank for the Borough's police and non-police pension funds. Fiduciary fund investments are stated at fair value.

**RECEIVABLES**

Receivables are reflected at net realizable value as of December 31, 2023. Management uses the allowance method for charging bad debts to operations based on prior year collection experience.

**SHORT-TERM INTERFUND RECEIVABLES/PAYABLES**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if any, are classified as 'due from/to other funds' on the balance sheet. For the purposes of the government-wide statement of net position, governmental inter-fund receivables and payables have been eliminated.

**CAPITAL ASSETS AND DEPRECIATION**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets are reported in the governmental activities' column of the government-wide statement of net position. All capital assets are recorded at cost (or estimated historical cost). Donated fixed assets are recorded at fair value at the time of receipt. The Borough maintains a capitalization threshold of \$1,500. In addition, capital assets purchased with long-term debt may be capitalized regardless of the thresholds established. Routine repair and maintenance costs that do not add to the value of the asset or extend its useful life are charged as an expense in the government-wide statement of activities. All reported capital assets, except land and construction in progress, are depreciated using the straight-line method over the following useful lives:

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**CAPITAL ASSETS AND DEPRECIATION (Continued)**

| <b><u>CATEGORY</u></b>  | <b><u>YEARS</u></b> |
|-------------------------|---------------------|
| Buildings               | 40 years            |
| Site Improvements       | 15-20 years         |
| Machinery and Equipment | 5-20 years          |

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets purchased by governmental funds are recorded as expenditures in the fund financial statements (Exhibit E). The results of capitalizing fixed assets net of depreciation on the government-wide statement of net position and statement of activities, as opposed to recording these same assets as an expenditure in the fund financial statements (Exhibit E), is reflected in the required reconciliations of fund balance to net position (Exhibit D) and the changes in fund balances to the changes in net position (Exhibit F).

**LONG-TERM DEBT FINANCING COSTS**

Bond and note issuance costs are recorded as expenditures in the governmental fund financial statements in the year paid.

**ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, the non-current portion of long-term liabilities that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, liabilities that mature or come due for payment within 60 days of the end of the fiscal year-end, are considered to be paid with current available financial resources. Capital leases and other long-term obligations, if any, that will be paid from governmental funds are not recognized as a liability in the fund financial statements when due. The Borough's Capital Improvement Fund and Sewer Fund are typically used to liquidate long-term liability obligations.

The results of recognizing these long-term obligations as liabilities on the government-wide statement of net position and statement of activities, as opposed to recording these same obligations as an expenditure in the fund financial statements (Exhibit E) only when paid, is reflected in the required reconciliations of fund balance to net position (Exhibit D) and the changes in fund balances to the changes in net position (Exhibit F).

**UNEARNED REVENUE**

Unearned revenue arises when the Borough receives resources before it has legal claim to them. This occurs when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Borough has a legal claim to the resources, the unearned revenue liability is removed, and revenue is recognized.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES**

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Borough has three items that qualify for reporting in this category. They are deferred outflows related to the Borough's pension and OPEB plans and deferred interest on refunding of bonds, reported on the statement of net position (Exhibit A).

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The Borough has three items that qualify for reporting in this category. They are delinquent real estate taxes reported on the governmental funds balance sheet (Exhibit C), and deferred inflows related to the Borough's pension and OPEB plans, reported on the statement of net position (Exhibit A).

**COMPENSATED ABSENCES**

The Borough's collective bargaining agreements provide for employees to accumulate sick days which they are paid for upon retirement or termination of service. The amount the employee is compensated, and the number of days varies based on the language in these agreements. The entire compensated absences liability of \$315,741 is shown as a non-current liability in the government-wide statement of net position. For governmental fund financial statements, compensated absences are recorded as expenditures when paid rather than accrued when earned as the likelihood of payment in the immediate fiscal year with available expendable resources is not assured.

**GOVERNMENT-WIDE NET POSITION**

Net position is classified into three categories according to external donor or legal restrictions or availability of assets to satisfy Borough obligations. Net position is classified as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of debt that is attributable to the acquisition, construction and improvement of the capital assets, plus deferred outflows of resources less deferred inflows of resources related to those assets.
- Restricted Net Position – This component of net position consists of restricted assets reduced by liabilities and deferred inflows related to those assets. Restricted net position includes Act 655 funding from the Commonwealth of Pennsylvania maintained in the Highway Aid Fund restricted in use for the maintenance, repair and construction of roads, streets, and bridges in the Borough totaling \$35,166, and law enforcement proceeds restricted in use for police-related activities maintained in the Borough's Asset Forfeiture Fund totaling \$11,134.
- Unrestricted – Consists of net position that does not meet the definition of 'restricted' or 'net investment in capital assets'.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the Borough's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**GOVERNMENTAL FUND BALANCES**

In the Balance Sheet – Governmental Funds (Exhibit C), fund balances are reported in specific categories to make the nature and extent of the constraints placed on any entity's fund balance more transparent in accordance with GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-spendable fund balance – amounts that are not in spendable form (such as prepaid expenditures) or are required to be maintained intact. As of December 31, 2023, the Borough has \$82,978 of non-spendable fund balance in its General Fund
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and high levels of government), through constitutional provisions, or by enabling legislation. Restricted fund balance includes Act 655 funding from the Commonwealth of Pennsylvania maintained in the Highway Aid Fund restricted in use for the maintenance, repair and construction of roads, streets, and bridges in the Borough totaling \$35,166, and law enforcement proceeds restricted in use for police-related activities maintained in the Borough's Asset Forfeiture Fund totaling \$11,134.
- Committed fund balance – amount constrained to specific purposes by the Borough itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint. The following represents the committed funds of the Borough on December 31, 2023:
  - Sewer Fund - \$4,304,773
  - Capital Project Fund - \$793,321
  - Library Fund - \$329,055
- Assigned fund balance – amounts the Borough intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- Unassigned fund balance – amount that is available for any purpose.

The Borough establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. The Borough Manager has authority to assign fund balance.

When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the Borough's general policy to spend the committed resources first, followed by assigned amounts and then unassigned amounts.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires the Borough's management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**ADOPTION OF GASB PRONOUNCEMENTS**

The requirements of the following GASB Statements were adopted for the Borough's 2023 financial statements. Except where noted, the adoption of these pronouncements did not have a significant impact on the Borough's financial statements.

- **GASB issued Statement No. 94**, *'Public-Private and Public-Public Partnerships and Availability Payment Arrangements'*.
- **GASB issued Statement No. 96**, *'Subscription-Based Information Technology Arrangements'*.
- **GASB issued Statement No 99**, *'Omnibus 2022'*. (except the requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 which are effective for the Borough's December 31, 2024 financial statements.

**PENDING GASB PRONOUNCEMENTS**

- **GASB issued Statement No 100**, *'Accounting Changes and Error Correction'*. The provisions of this Statement are effective for the Borough's December 31, 2024 financial statements.
- **GASB issued Statement No 101**, *'Compensated Absences'*. The provisions of this Statement are effective for the Borough's December 31, 2024 financial statements.
- **GASB issued Statement No 102**, *'Certain Risk Disclosures'*. The provisions of this Statement are effective for the Borough's December 31, 2025 financial statements.

The effects of implementing these Statements on the Borough's financial statements have not yet been determined.

**NOTE 2 - CASH DEPOSITS AND INVESTMENTS**

**CASH DEPOSITS**

On December 31, 2023, the Borough of Brentwood had the following carrying values on its cash and cash equivalent accounts:

|                              | <b><u>Bank Balance</u></b> | <b>(Memo Only)<br/><u>Book Balance</u></b> |
|------------------------------|----------------------------|--------------------------------------------|
| General Fund                 | \$ 2,395,656               | \$ 2,234,354                               |
| Sewer Fund                   | 2,279,355                  | 2,256,805                                  |
| Capital Project Fund         | 631,785                    | 598,338                                    |
| Non-Major Governmental Funds | 403,666                    | 392,001                                    |
|                              | <b><u>\$ 5,710,462</u></b> | <b><u>\$ 5,481,498</u></b>                 |

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 2 - CASH DEPOSITS AND INVESTMENTS (Continued)**

**CASH DEPOSITS (Continued)**

The difference between the bank balance and the carrying value represents year-end reconciling items such as deposits in transit and outstanding checks. The Federal Deposit Insurance Corporation (FDIC) and National Credit Union Share Insurance Fund (NCUSIF) coverage threshold for government accounts is \$250,000 per official custodian. This coverage includes checking and savings accounts, money market deposits accounts, and certificates of deposit.

**Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a bank failure, the Borough's deposits may not be returned to it. The Borough does not have a policy for custodial credit risk. As of December 31, 2023, \$5,121,386 of the Borough's deposits were exposed to custodial credit risk as this amount represents uninsured deposits (amounts exceeding FDIC coverage thresholds) collateralized with securities held by the pledging financial institution or by its trust department or agent, but not in the Borough's name. In accordance with Act Number 72-1971 Session of the Commonwealth of Pennsylvania, Brentwood and PNC Banks secure these excess deposits by the pledge of securities as collateral to a pooled public funds account with the Federal Reserve System.

**INVESTMENTS**

The fair value of the Borough's investments as of December 31, 2023, is as follows:

|                         | <b><u>Fair Value</u></b>    |
|-------------------------|-----------------------------|
| <b>Governmental:</b>    |                             |
| PLGIT                   | <b><u>\$ 540,033</u></b>    |
| <b>Fiduciary:</b>       |                             |
| Fixed Income Securities | \$ 3,754,325                |
| Equity Securities       | 5,002,755                   |
| Mutual Funds            | 2,241,448                   |
|                         | <b><u>\$ 10,998,528</u></b> |

The purpose of the Pennsylvania Local Government Investment Trust (PLGIT) is to enable governmental units to pool their available funds for investments authorized under the Intergovernmental Cooperation Act of 1972. The funds operate in a manner consistent with the SEC's Rule 2(a)7 of the Investment Company Act of 1940. The funds use amortized cost to report net position to compute share prices. These funds maintain net asset values of \$1 per share. Accordingly, the fair value of the position in these funds is the same as the value of these shares. These funds are rated by a nationally recognized statistical rating organization. Copies of the PLGIT annual report can be obtained by contacting their website of [www.plgit.com](http://www.plgit.com). PLGIT does not put any limitations or restrictions on withdrawals.

**Custodial Credit Risk:**

For an investment, custodial credit risk is the risk that in the event of a failure of the counterparty, the Borough will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. PLGIT funds have the characteristics of open-end mutual funds and are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 2 - CASH DEPOSITS AND INVESTMENTS (Continued)**

**INVESTMENTS (Continued)**

**Credit Risk:**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The investment policy for the Borough's fiduciary pension investments states that at least 60% of fixed income investments will be rated 'A' or better, and that no more than 15% will be related below 'BBB'. choices to those with certain credit ratings. As of December 31, 2023, ratings of the Borough's investments (excluding obligations explicitly guaranteed by the U.S. government) are indicated on the table below:

|                      | <u>Fair Value</u>        | <u>Credit Rating</u> |
|----------------------|--------------------------|----------------------|
| <b>Governmental:</b> |                          |                      |
| PLGIT                | <u><u>\$ 540,033</u></u> | AAA-m                |
| <b>Fiduciary:</b>    |                          |                      |
| <b>Police:</b>       |                          |                      |
| Corporate Debt       | \$ 53,845                | AA+-                 |
| Corporate Debt       | 341,495                  | A+-                  |
| Corporate Debt       | 556,039                  | BBB+-                |
|                      | <u><u>\$ 951,379</u></u> |                      |
| <b>Non-Police:</b>   |                          |                      |
| Corporate Debt       | \$ 103,397               | A                    |
| Corporate Debt       | 11,666                   | AA                   |
| Corporate Debt       | 158,095                  | BBB                  |
|                      | <u><u>\$ 273,158</u></u> |                      |

**Interest Rate Risk:**

Interest rate risk for investments is the risk that a change in interest rates will adversely affect the fair value of an investment. The Borough does not have a formal investment policy for interest rate risk other than the 55% limit on fixed income securities. The maturities of the fiduciary fund debt investments are listed in the table below.

|                          | <u>Fair Market</u>         |                         |                            |                          | <u>More than 10</u>        |
|--------------------------|----------------------------|-------------------------|----------------------------|--------------------------|----------------------------|
| <b>Investment Type</b>   | <b>Value</b>               | <b>Less than 1</b>      | <b>1-5.99 Years</b>        | <b>6-10 Years</b>        | <b>Years</b>               |
| U.S. Treasury Securities | \$ 1,235,814               | \$ 70,013               | \$ 534,972                 | \$ 242,333               | \$ 388,496                 |
| U.S. Agency Securities   | 949,565                    | -                       | 70,321                     | 60,344                   | 818,900                    |
| Municipal Debt           | 294,409                    | -                       | 52,748                     | 65,981                   | 175,680                    |
| Corporate Debt           | 1,274,537                  | -                       | 584,479                    | 184,553                  | 505,505                    |
|                          | <u><u>\$ 3,754,325</u></u> | <u><u>\$ 70,013</u></u> | <u><u>\$ 1,242,520</u></u> | <u><u>\$ 553,211</u></u> | <u><u>\$ 1,888,581</u></u> |

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 2 - CASH DEPOSITS AND INVESTMENTS (Continued)**

**INVESTMENTS (Continued)**

**Concentration of Credit Risk:**

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The Borough places no limit on the amount it may invest in any one issuer. On December 31, 2023, the Borough's fiduciary fund had the following investments (other than U.S. Government and U.S. Government guaranteed obligations, mutual funds or other pooled investments) in any one issuer that represent 5% or more of the plan net position:

**Police Pension Fund:**

iShares Core S&P 500 ETF – \$663,906  
iShares Core MSCI EAFE ETF - \$593,684

**Non-Police Pension Fund:**

iShares Core MSCI S&P 500 ETF - \$187,709

**Fair Value Measurements:**

The Borough of Brentwood's investments are reported at fair value within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value which establishes a three-level fair value hierarchy that prioritizes the inputs to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

**Level 1** – Observable inputs that reflect quoted prices for identical assets or liabilities in active markets such as stock quotes

**Level 2** – Includes inputs other than level 1 inputs that are directly or indirectly observable in the marketplace such as yield curves or other market data

**Level 3** – Unobservable inputs which reflect the reporting entity's assessment of the assumptions that market participants would use in pricing the asset or liability including assumptions about risk such as bid/ask spreads and liquidity discounts.

The following schedule presents the Investments of the Borough by level within the fair value hierarchy:

|                         | <b>Value<br/>at 12/31/2023</b> | <b>Fair Value Measurements</b> |                    |                    |
|-------------------------|--------------------------------|--------------------------------|--------------------|--------------------|
|                         |                                | <b>Level 1</b>                 | <b>Level 2</b>     | <b>Level 3</b>     |
| Fixed Income Securities | \$ 3,754,325                   | \$ 3,754,325                   | \$ -               | \$ -               |
| Equity Securities       | 5,002,755                      | 5,002,755                      | -                  | -                  |
| Mutual Funds            | 2,241,448                      | 2,241,448                      | -                  | -                  |
|                         | <b><u>\$ 10,998,528</u></b>    | <b><u>\$ 10,998,528</u></b>    | <b><u>\$ -</u></b> | <b><u>\$ -</u></b> |

Investments held in external investment pools such as PLGIT are not subject to the provisions of fair value measurements as they are recorded at amortized cost.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 3 - PROPERTY TAXES**

The Borough of Brentwood levies property taxes on March 1 of each calendar year. The calendar dates for payment of these taxes are as follows:

**PAYMENT PERIOD**

|                          |                   |
|--------------------------|-------------------|
| March 1 – June 30, 2023  | (Discount period) |
| July 1 – August 31, 2023 | (Face period)     |
| September 1 and after    | (Penalty period)  |

Taxpayers are entitled to a 2% discount if taxes are paid prior to June 30th. Collections after August 31st are assessed a 10% penalty. Unpaid taxes are sent to the Borough's Delinquent Real Estate Tax Collector for collection or subsequent lien with Allegheny County.

Unpaid taxes as of December 31, 2023, totaling \$266,588 represent 6.2% of the original assessment (as adjusted) for 2023 of \$4,289,779. The tax millage assessment for the 2023 calendar year is 10.00 mills on the assessed value of land and buildings, which represents \$10.00 of revenue for every \$1,000 of assessed value. The tax rate is allocated to the General Fund at 9.50 mills and the Library Fund at 0.5 mills.

Taxes receivable as shown in the government-wide statement of net position include property taxes of \$549,986 net of a provision for uncollectable taxes. For purposes of the governmental fund financial statements, a portion of the above property taxes receivable, although measurable, does not meet the available criteria to finance current fiscal year operations. Accordingly, this amount (\$534,835) is equally off set as a credit to deferred inflow of resources in the fund financial statements.

The effect of recognizing property tax revenue when taxes are levied, as opposed to when they are received using the 'measurable and available' criteria under the modified accrual basis of accounting, is reflected in the required reconciliations of fund balance to net position (Exhibit D) and the changes in fund balances to the changes in net position (Exhibit F). Taxes receivables are comprised of the following on December 31, 2023:

|                                |                          |
|--------------------------------|--------------------------|
| Real Estate Taxes - Current    | \$ 16,552                |
| Real Estate Taxes - Delinquent | 549,986                  |
| Earned Income Taxes - Current  | 279,763                  |
| Deed Transfer Taxes            | 11,223                   |
|                                | <u><u>\$ 857,524</u></u> |

**NOTE 4 – DUE FROM OTHER GOVERNMENTS**

The 'Due from other Governments' total of \$797,000, as reflected in Exhibits A and C, represents state grant funding applied for to offset the cost of certain Borough capital project outlays.

**NOTE 5 – OTHER ACCOUNTS RECEIVABLE**

Other Account Receivable totaling \$50,569, as reflected in Exhibits A and C, is comprised of miscellaneous billings for services provided by the Borough to third parties.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 6 - CAPITAL ASSETS**

A summary of the governmental fixed asset activity for the 2023 calendar year was as follows:

|                                       | <b>Balance<br/>1/1/2023</b> | <b>Additions</b>      | <b>Deductions/<br/>Adjustments</b> | <b>Balance<br/>12/31/2023</b> |
|---------------------------------------|-----------------------------|-----------------------|------------------------------------|-------------------------------|
| Land (non-depreciable)                | \$ 515,992                  | \$ -                  | \$ -                               | \$ 515,992                    |
| Site Improvements                     | 6,681,707                   | 411,443               | -                                  | 7,093,150                     |
| Buildings                             | 9,997,048                   | 5,540,340             | -                                  | 15,537,388                    |
| Machinery and Equipment               | 4,462,164                   | 499,836               | 94,022                             | 4,867,978                     |
| Construction in Progress              | 5,907,820                   | 533,904               | 5,535,540                          | 906,184                       |
|                                       | <b>\$ 27,564,731</b>        | <b>\$ 6,985,523</b>   | <b>\$ 5,629,562</b>                | <b>\$ 28,920,692</b>          |
| <b>Less: Accumulated depreciation</b> |                             |                       |                                    |                               |
| Site Improvements                     | \$ (2,565,370)              | \$ (332,624)          | \$ -                               | \$ (2,897,994)                |
| Buildings                             | (3,447,982)                 | (403,133)             | -                                  | (3,851,115)                   |
| Machinery and Equipment               | (2,714,067)                 | (367,049)             | (52,290)                           | (3,028,826)                   |
|                                       | <b>\$ (8,727,419)</b>       | <b>\$ (1,102,806)</b> | <b>\$ (52,290)</b>                 | <b>\$ (9,777,935)</b>         |
| <b>Governmental Activities</b>        |                             |                       |                                    |                               |
| <b>Capital Assets, Net</b>            | <b>\$ 18,837,312</b>        | <b>\$ 5,882,717</b>   | <b>\$ 5,577,272</b>                | <b>\$ 19,142,757</b>          |

Depreciation expense was allocated to governmental functions as follows:

|                        |                     |
|------------------------|---------------------|
| General Government     | \$ 80,064           |
| Public Safety          | 106,530             |
| Public Works           | 208,872             |
| Culture and Recreation | 707,340             |
|                        | <b>\$ 1,102,806</b> |

**NOTE 7 – INTER-FUND OBLIGATIONS AND TRANSFERS**

On December 31, 2023, interfund obligations for operating costs between Funds of the Borough were as follows:

|                      | <b>TO</b>           | <b>FROM</b>         |
|----------------------|---------------------|---------------------|
| General Fund         | \$ 494,177          | \$ 1,584,188        |
| Sewer Fund           | 1,319,972           | -                   |
| Capital Project Fund | 253,536             | 490,353             |
| Non-Major Funds      | 650                 | 3,824               |
| Fiduciary Funds      | 10,960              | 930                 |
|                      | <b>\$ 2,079,295</b> | <b>\$ 2,079,295</b> |

During the year ended December 31, 2023, the General Fund, Sewer Fund, and Park Fund transferred \$1,642,175, \$1,500,000, and \$120,000 respectively to the Capital Improvements Fund for various capital improvements. The Sewer Fund transferred \$611,470 to the General Fund for various operating costs. The General Fund transferred \$40,000 to the Sewer Fund, \$35,000 to the Park Fund, and \$50,000 to the Economic Development Fund for operating costs.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 8 - LONG-TERM DEBT OBLIGATIONS**

**GENERAL OBLIGATION BONDS**

On September 11, 2018, the Borough of Brentwood issued General Obligation Bonds – Series of 2018 in the amount of \$6,850,000 for **1)** renovations and expansion of the Brentwood Community Pool, **2)** renovation of the Borough Civic Center Dek and Parking Lot, **3)** construction of a new municipal complex, and **4)** payment of the costs of issuing the bonds. The bonds were issued in denominations of \$5,000 with interest payable on March 1 and September 1 of each year through maturity. Interest rates on the bonds range between 1.65% and 4.5%. These bonds are scheduled to mature on September 1, 2044. The bonds are subject to optional redemption prior to maturity.

On December 3, 2019, the Borough of Brentwood issued General Obligation Bonds – Series of 2019 in the amount of \$7,585,000 for the purpose of **1)** currently refunding the Borough's General Obligations Bonds Series of 2012, **2)** currently refunding the Borough's General Obligation Bonds Series of 2015, and **3)** payment of the costs of issuing the bonds. The bonds were issued in denominations of \$5,000 with interest payable on March 1 and September 1 of each year through maturity. Interest rates on the bonds range between 2% and 2.45%. These bonds are scheduled to mature on September 1, 2034. The bonds are subject to optional redemption prior to maturity.

**DEFAULT PROVISIONS**

The Bonds are general obligations of the Borough, and the full faith credit and taxing power of the Borough, are pledged for the payment of the principal and interest on the bonds when due. All taxable real estate in the Borough is subject to ad valorem taxation without limitation as to rate, or amount to pay debt service on the bonds. The Pennsylvania Local Government Debt Act prescribes certain remedies to the registered owners of the bonds in the event of default. If the Borough fails to make adequate provision in its budget, for any year, the sum payable on the bonds, or fails to appropriate or pay the monies necessary in such year for the payment of maturing principal and interest on the bonds, the registered owners may bring suit in the Court of Common Pleas of Allegheny County directing the Borough to make such obligated payments.

A schedule of the December 31, 2023, debt service requirement on the general obligation bonds is as follows:

| <b>Year End<br/>31-Dec</b> | <b>Series 2018<br/>Principal</b> | <b>Series 2019<br/>Principal</b> | <b>Total<br/>Interest</b> | <b>Total</b>         |
|----------------------------|----------------------------------|----------------------------------|---------------------------|----------------------|
| 2024                       | \$ 5,000                         | \$ 475,000                       | \$ 431,155                | \$ 911,155           |
| 2025                       | 5,000                            | 485,000                          | 421,505                   | 911,505              |
| 2026                       | 5,000                            | 495,000                          | 411,655                   | 911,655              |
| 2027                       | 5,000                            | 510,000                          | 396,655                   | 911,655              |
| 2028                       | 5,000                            | 520,000                          | 386,305                   | 911,305              |
| 2029-2033                  | 25,000                           | 2,790,000                        | 1,743,373                 | 4,558,373            |
| 2034-2038                  | 2,635,000                        | 600,000                          | 1,319,600                 | 4,554,600            |
| 2039-2043                  | 3,970,000                        | -                                | 589,950                   | 4,559,950            |
| 2044                       | 170,000                          | -                                | 7,650                     | 177,650              |
|                            | <b>\$ 6,825,000</b>              | <b>\$ 5,875,000</b>              | <b>\$ 5,707,848</b>       | <b>\$ 18,407,848</b> |

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 8 - LONG-TERM DEBT OBLIGATIONS (Continued)**

The Bond has refunded certain prior year bond issues in order to take advantage of favorable interest rates. The difference between the reacquisition price (amount placed with escrow agent) and the net carrying amount of the old debt is classified as 'deferred interest on refunding'. These amounts are being amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter, using the straight-line method. Amortization of the deferred interest totaled \$8,469 for 2023 and is shown as a component of interest expense. The remaining unamortized amount of \$93,162 as of December 31, 2023, is reflected as part of 'deferred outflows of resources' in the statement of net position.

The Borough paid bond insurance premiums totaling \$355,470 in connection with the issuance of their Series of 2018 and Series of 2019 bond issues. This amount is being amortized on a straight-line basis over the respective lives of the bond issues. Amortization of the premiums totaled \$14,690 for 2023 and is shown as a component of nonoperating miscellaneous revenue(expense). The remaining unamortized amount of \$280,332 as of December 31, 2023, is reflected as a component of 'bonds payable – long term portion' in the statement of net position.

**DIRECT BORROWINGS – GENERAL OBLIGATION NOTES**

In September of 2005, the Borough of Brentwood issued a General Obligation Note to the Pittsburgh Water and Sewer Authority (PWSA) in the amount of \$386,497 for capital improvements. The terms of the Note Agreement call for monthly payments of principal and interest of \$2,094.66 at an interest rate of 1.8%, scheduled to mature in January of 2024. A schedule of the December 31, 2023, debt service requirement on the General Obligation Note with the PWSA is as follows:

| <b>Year End</b> |                  |                 |              |
|-----------------|------------------|-----------------|--------------|
| <b>31-Dec</b>   | <b>Principal</b> | <b>Interest</b> | <b>Total</b> |
| 2024            | \$ 2,089         | \$ 6            | \$ 2,095     |

The following represents the changes in the Borough's long-term debt obligations liabilities during the 2023 year:

|                          | <b>1/1/2023</b>      | <b>Additions</b>  | <b>Reductions</b>   | <b>12/31/2023</b>    | <b>Due Within One Year</b> |
|--------------------------|----------------------|-------------------|---------------------|----------------------|----------------------------|
| General Obligation Bonds | \$ 13,175,000        | \$ -              | \$ 475,000          | \$ 12,700,000        | \$ 480,000                 |
| Direct Borrowings:       |                      |                   |                     |                      |                            |
| General Obligation Notes | 26,764               | -                 | 24,675              | 2,089                | 2,089                      |
| Capital Leases           | 30,550               | -                 | 30,550              | -                    | -                          |
| Compensated Absences     | 276,992              | 50,249            | 11,500              | 315,741              | -                          |
| Net Pension Liability    | 2,109,447            | -                 | 765,405             | 1,344,042            | -                          |
| Net OPEB Liability       | 1,465,699            | 103,015           | -                   | 1,568,714            | -                          |
|                          | <b>\$ 17,084,452</b> | <b>\$ 153,264</b> | <b>\$ 1,307,130</b> | <b>\$ 15,930,586</b> | <b>\$ 482,089</b>          |

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 - BOROUGH PENSION PLANS**

The following is a summary of the Borough of Brentwood's pension plans:

**POLICE PENSION PLAN** - The Borough of Brentwood Police Pension Plan is a single-employer defined benefit pension plan. The plan was established December 11, 1954, adopted pursuant to Act 600. The plan was amended and restated effective January 1, 2006. The plan is governed by the Borough Council of the Borough of Brentwood which may amend plan provisions, and which is responsible for the management of plan assets. The Borough has delegated the authority to manage certain plan assets to Huntington Bank. The plan is required to file Form PC-201C biennially with the Auditor General's Municipal Pension Reporting Program (MPRP). The most recent filing was as of January 1, 2023.

**Plan Membership**

Plan membership as of December 31, 2023, was comprised of:

|                                                         |                  |
|---------------------------------------------------------|------------------|
| Active employees                                        | 15               |
| Retirees and beneficiaries currently receiving benefits | 11               |
| Terminated employees entitled to benefits               | <u>2</u>         |
| Total                                                   | <u><u>28</u></u> |

**Plan Provisions**

A summary of the plan's provisions are as follows:

|                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b><u>PARTICIPANTS</u></b>   | All full-time policemen of the Borough of Brentwood police department.                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b><u>ELIGIBILITY</u></b>    | All participants are eligible for retirement benefits provided that they have completed twenty-five years of aggregate service as a Borough employee and have attained the age of fifty-five.                                                                                                                                                                                                                                                                                                                                  |
| <b><u>BENEFITS</u></b>       | A monthly benefit equal to 50% of gross pay averaged over the last 36 months of employment, plus a service increment of \$25 for each year of service in excess of 25 years, up to a maximum of \$100.                                                                                                                                                                                                                                                                                                                         |
| <b><u>DEATH BENEFITS</u></b> | <p>Before Retirement Eligibility: Refund of contributions, if any, plus interest.</p> <p>After Retirement Eligibility: A monthly benefit equal to 50% of the pension participant was receiving or was entitled to receive on the day of the participant's death. The monthly survivor's benefits are payable to the participants spouse for life. If there is no spouse, or the spouse later dies, the benefit will be paid to the participant's dependent children, if any, until age 18, or age 23 if attending college.</p> |

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 - BOROUGH PENSION PLANS (Continued)**

**POLICE PENSION PLAN (Continued)**

**Plan Provisions (Continued)**

**DISABILITY BENEFIT**

For total and permanent disablement, a monthly benefit equal to 50% of the member's salary at the time the disability was incurred, offset by social security disability benefits for the same injury.

**VESTING BENEFIT**

100% after 12 years of service. Accrued benefit at date of termination payable monthly starting at normal retirement date.

**MEMBER CONTRIBUTIONS**

Employee will contribute 5% of compensation. An interest rate of 4% will be credited to the member contributions. The employee contributions for 2023 totaled \$110,449.

**EMPLOYER CONTRIBUTIONS**

The Borough follows the funding policy prescribed by Act 205 of 1984 (as amended), which requires that annual contributions be based upon the Minimum Municipal Obligation (MMO) using the plan's most recent biennial actuarial valuation. The MMO includes the normal cost, estimated administrative expenses and an amortization contribution of the unfunded actuarial accrued liability, less estimated member contributions, and a credit equal to 10% of the excess (if any) of the actuarial value of assets over the actuarial accrued liability. The state provides an allocation of funds which must be used for pension funding. Any financial requirement established by the MMO which exceeds state contributions must be funded by the employer. The Borough's contribution for 2023 was \$287,225.

**Net Pension Liability**

The components of the net pension liability on December 31, 2023 are as follows:

|                                                                            |                          |
|----------------------------------------------------------------------------|--------------------------|
| Total pension liability*                                                   | \$ 9,620,595             |
| Plan fiduciary net position                                                | (9,011,283)              |
| Net pension liability                                                      | <u><u>\$ 609,312</u></u> |
| Plan fiduciary net position as a percentage of the total pension liability | 94%                      |

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 - BOROUGH PENSION PLANS (Continued)**

**POLICE PENSION PLAN (Continued)**

**Net Pension Liability (Continued)**

\*The total pension liability was determined by an actuarial valuation as of January 1, 2023, and rolled forward to the reporting date, using the following significant actuarial assumptions applied to all periods included in the measurement:

- Inflation – 2.75%
- Salary Increases – 5.0% including inflation.
- Mortality – RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment; rates et forward 5 years for disabled lives. Mortality improvement projected with 75% of scale AA.
- Expected Long-Term Rate of Return – 7.25% applied to all periods.

**Long-Term Expected Rate of Return on Investments**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which a best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates arithmetic rates of return for each major asset class included in the target asset allocation as of December 31, 2023, as summarized in the following table:

| <b>Asset Class</b>             | <b>Long-Term Expected<br/>Real Rate of Return</b> |
|--------------------------------|---------------------------------------------------|
| US Equity - Large Cap          | 4.25%-7.31%                                       |
| US Equity - Small/Mid Cap      | 4.70%-8.42%                                       |
| Non-US Equity - Developed      | 4.54%-7.92%                                       |
| Non-US Equity - Emerging       | 5.22%-9.27%                                       |
| US Corporate Bond - Core       | .97%-1.94%                                        |
| US Corporate Bond - High Yield | 2.62%-4.32%                                       |
| Non-US Debt - Developed        | .88%-2.14%                                        |
| Non-US Debt - Emerging         | 2.34%-4.06%                                       |
| US Treasuries/Cash             | .47%-1.07%                                        |

**Discount Rate**

The discount rate used to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made equal to the Minimum Municipal Obligation. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 - BOROUGH PENSION PLANS (Continued)**

**POLICE PENSION PLAN (Continued)**

**Changes in the Net Pension Liability (Asset)**

|                                                       | <b>Total Pension<br/>Liability<br/>( a )</b> | <b>Plan Fiduciary<br/>Net Position<br/>( b )</b> | <b>Net Pension<br/>Liability (Asset)<br/>( c )</b> |
|-------------------------------------------------------|----------------------------------------------|--------------------------------------------------|----------------------------------------------------|
| <b>Balance, beginning of year</b>                     | <b>\$ 8,791,160</b>                          | <b>\$ 7,473,319</b>                              | <b>\$ 1,317,841</b>                                |
| Changes for the year:                                 |                                              |                                                  |                                                    |
| Service cost                                          | 236,622                                      | -                                                | 236,622                                            |
| Interest                                              | 659,760                                      | -                                                | 659,760                                            |
| Differences between expected and<br>actual experience | 206,870                                      | -                                                | 206,870                                            |
| Changes of assumptions                                | -                                            | -                                                | -                                                  |
| Contributions-employer                                | -                                            | 287,225                                          | (287,225)                                          |
| Contributions-employee                                | -                                            | 110,449                                          | (110,449)                                          |
| Net investment income                                 | -                                            | 1,477,434                                        | (1,477,434)                                        |
| Benefit payments                                      | (273,817)                                    | (273,817)                                        | -                                                  |
| Administrative expense                                | -                                            | (63,327)                                         | 63,327                                             |
| Net changes                                           | <u>829,435</u>                               | <u>1,537,964</u>                                 | <u>(708,529)</u>                                   |
| <b>Balance, End of Year</b>                           | <b><u>\$ 9,620,595</u></b>                   | <b><u>\$ 9,011,283</u></b>                       | <b><u>\$ 609,312</u></b>                           |

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the Borough of Brentwood's police pension plan, calculated using the discount rate of 7.25%, as well as what the Borough's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

|                       | <b>1% Decrease<br/>6.25%</b> | <b>Current<br/>Discount Rate<br/>7.25%</b> | <b>1% Increase<br/>8.25%</b> |
|-----------------------|------------------------------|--------------------------------------------|------------------------------|
| Net pension liability | <b>\$ 1,867,769</b>          | <b>\$ 609,312</b>                          | <b>\$ (443,595)</b>          |

**Payable to the Pension Plan**

At December 31, 2023, there were no outstanding Borough contributions.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 - BOROUGH PENSION PLANS (Continued)**

**POLICE PENSION PLAN (Continued)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions:**

Components of Pension Expense for the Year Ended December 31, 2023:

|                                                                                         |                          |
|-----------------------------------------------------------------------------------------|--------------------------|
| Service Cost                                                                            | \$ 236,622               |
| Interest                                                                                | 659,760                  |
| Differences between expected and<br>and actual experience                               | (13,024)                 |
| Changes in benefit terms                                                                | -                        |
| Recognition of changes of assumptions                                                   | 31,835                   |
| Employee contributions                                                                  | (110,449)                |
| Projected earnings on pension plan investments                                          | (538,812)                |
| Recognition of differences between projected and<br>actual earnings on plan investments | (111,172)                |
| Pension plan administrative expense                                                     | 63,327                   |
| Other changes in fiduciary net position                                                 | -                        |
| Net changes                                                                             | <u>(18,535)</u>          |
| <b>Total pension expense</b>                                                            | <b><u>\$ 218,087</u></b> |

At December 31, 2023, the plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                        | <b><u>Deferred<br/>Outflows of<br/>Resources</u></b> | <b><u>Deferred<br/>Inflows of<br/>Resources</u></b> |
|----------------------------------------------------------------------------------------|------------------------------------------------------|-----------------------------------------------------|
| Differences between expected<br>and actual experience                                  | \$ 173,504                                           | \$ 153,332                                          |
| Changes of assumptions                                                                 | 50,937                                               | -                                                   |
| Net difference between<br>projected and actual earnings<br>on pension plan investments | <u>1,313,092</u>                                     | <u>1,053,499</u>                                    |
| <b>TOTAL</b>                                                                           | <b><u>\$ 1,537,533</u></b>                           | <b><u>\$ 1,206,831</u></b>                          |

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 - BOROUGH PENSION PLANS (Continued)**

**POLICE PENSION PLAN (Continued)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions (Continued)**

Amounts reported as deferred outflows of resources and deferred inflow of resources related to pensions will be recognized in pension expense as follows:

| <b><u>Year ended<br/>December 31,</u></b> |           |
|-------------------------------------------|-----------|
| 2024                                      | \$ 71,390 |
| 2025                                      | 159,405   |
| 2026                                      | 246,966   |
| 2027                                      | (187,099) |
| 2028                                      | 33,366    |
| Thereafter                                | 6,674     |

**NON-POLICE PENSION PLAN** - The Borough of Brentwood Non-Police Pension Plan is a single-employer defined benefit pension plan. The plan was established February 15, 1958. The plan was amended and restated by Ordinance No. 1152 effective January 1, 2006. The plan is governed by the Borough Council of the Borough of Brentwood which may amend plan provisions, and which is responsible for the management of plan assets. The Borough has delegated the authority to manage certain plan assets to Huntington Bank. The plan is required to file Form PC-201C biennially with the Auditor General's Municipal Pension Reporting Program (MPRP). The most recent filing was as of January 1, 2023.

**Plan Membership**

Plan membership as of December 31, 2023, was comprised of:

|                                                         |                  |
|---------------------------------------------------------|------------------|
| Active employees                                        | 15               |
| Retirees and beneficiaries currently receiving benefits | 3                |
| Terminated employees entitled to benefits               | <u>0</u>         |
| Total                                                   | <u><u>18</u></u> |

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 - BOROUGH PENSION PLANS (Continued)**

**NON-POLICE PENSION PLAN (Continued)**

**Plan Provisions**

A summary of the plan's provisions are as follows:

|                                    |                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b><u>PARTICIPANTS</u></b>         | All full-time non-police employees of the Borough of Brentwood.                                                                                                                                                                                                                                                                                                         |
| <b><u>ELIGIBILITY</u></b>          | Attainment of age 62 for Public Works Department employees, age 65 for all others. Eligible participants are entitled to early retirement at the later of age 55 and 25 years of service for Public Works Department employees, age 62 for all others.                                                                                                                  |
| <b><u>BENEFITS</u></b>             | A monthly benefit payable for life equal to the actuarial equivalent of the sum of all account balances on the date of determination.                                                                                                                                                                                                                                   |
| <b><u>DEATH BENEFITS</u></b>       | <p>Before Retirement Eligibility: The actuarial equivalent of the sum of all account balances based on the beneficiary's date of birth.</p> <p>After Retirement Eligibility: The normal form of benefit payment is a life annuity. At retirement, the participant may elect an optional form of benefit payment that is an actuarial equivalent of the normal form.</p> |
| <b><u>DISABILITY BENEFIT</u></b>   | Upon total and permanent disablement and qualification for social security disability benefits, participant receives the accrued benefit on the date of disablement.                                                                                                                                                                                                    |
| <b><u>VESTING BENEFIT</u></b>      | All participants are 100% vested in the employee and past service accounts. Employer account – 50% after completion of 5 years of service, increasing 10% per year through 10 years of service. Participant receives the actuarial equivalent of the sum of the account balances, payable as a life annuity or an optional form multiplied by the vested percentage.    |
| <b><u>MEMBER CONTRIBUTIONS</u></b> | Employee will contribute 3% of compensation. An interest rate of 6.5% will be credited to the member contributions. The employee contributions for 2023 totaled \$35,788.                                                                                                                                                                                               |

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 - BOROUGH PENSION PLANS (Continued)**

**NON-POLICE PENSION PLAN (Continued)**

**Plan Provisions (Continued)**

**EMPLOYER CONTRIBUTIONS** The Borough follows the funding policy prescribed by Act 205 of 1984 (as amended), which requires that annual contributions be based upon the Minimum Municipal Obligation (MMO) using the plan's most recent biennial actuarial valuation. The MMO includes the normal cost, estimated administrative expenses and an amortization contribution of the unfunded actuarial accrued liability, less estimated member contributions, and a credit equal to 10% of the excess (if any) of the actuarial value of assets over the actuarial accrued liability. The state provides an allocation of funds which must be used for pension funding. Any financial requirement established by the MMO which exceeds state contributions must be funded by the employer. The Borough's contribution for 2023 was \$115,949.

**Net Pension Liability**

The components of the net pension liability on December 31, 2023 are as follows:

|                                                                            |                          |
|----------------------------------------------------------------------------|--------------------------|
| Total pension liability*                                                   | \$ 2,748,565             |
| Plan fiduciary net position                                                | (2,013,835)              |
| Net pension liability                                                      | <u><u>\$ 734,730</u></u> |
| Plan fiduciary net position as a percentage of the total pension liability | 73.3%                    |

\*The total pension liability was determined by an actuarial valuation as of January 1, 2023, and rolled forward to the reporting date, using the following significant actuarial assumptions applied to all periods included in the measurement:

- Inflation – 2.75%
- Salary Increases – 4.5% including inflation.
- Mortality – RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment; rates et forward 5 years for disabled lives. Mortality improvement projected with 75% of scale AA.
- Expected Long-Term Rate of Return

**Long-Term Expected Rate of Return on Investments**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which a best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates arithmetic rates of return for each major asset class included in the target asset allocation as of December 31, 2023, as summarized in the following table:

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 - BOROUGH PENSION PLANS** (Continued)

**NON-POLICE PENSION PLAN** (Continued)

**Long-Term Expected Rate of Return on Investments** (Continued)

| <b>Asset Class</b>             | <b>Long-Term Expected<br/>Real Rate of Return</b> |
|--------------------------------|---------------------------------------------------|
| US Equity - Large Cap          | 4.25%-7.31%                                       |
| US Equity - Small/Mid Cap      | 4.70%-8.42%                                       |
| Non-US Equity - Developed      | 4.54%-7.92%                                       |
| Non-US Equity - Emerging       | 5.22%-9.27%                                       |
| US Corporate Bond - Core       | .97%-1.94%                                        |
| US Corporate Bond - High Yield | 2.62%-4.32%                                       |
| Non-US Debt - Developed        | .88%-2.14%                                        |
| Non-US Debt - Emerging         | 2.34%-4.06%                                       |
| US Treasuries/Cash             | .47%-1.07%                                        |

**Discount Rate**

The discount rate used to measure the total pension liability is 6.5%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made equal to the Minimum Municipal Obligation. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 - BOROUGH PENSION PLANS (Continued)**

**NON-POLICE PENSION PLAN (Continued)**

**Changes in the Net Pension Liability (Asset)**

|                                                       | Total Pension<br>Liability<br>( a ) | Plan Fiduciary<br>Net Position<br>( b ) | Net Pension<br>Liability (Asset)<br>( c ) |
|-------------------------------------------------------|-------------------------------------|-----------------------------------------|-------------------------------------------|
| <b>Balance, beginning of year</b>                     | \$ 2,693,863                        | \$ 1,902,257                            | \$ 791,606                                |
| Changes for the year:                                 |                                     |                                         |                                           |
| Service cost                                          | 69,652                              | -                                       | 69,652                                    |
| Interest                                              | 178,373                             | -                                       | 178,373                                   |
| Differences between expected and<br>actual experience | 149,297                             | -                                       | 149,297                                   |
| Changes of assumptions                                | -                                   | -                                       | -                                         |
| Contributions-employer                                | -                                   | 115,949                                 | (115,949)                                 |
| Contributions-employee                                | -                                   | 35,788                                  | (35,788)                                  |
| Net investment income                                 | -                                   | 333,636                                 | (333,636)                                 |
| Benefit payments                                      | (342,620)                           | (342,620)                               | -                                         |
| Administrative expense                                | -                                   | (31,175)                                | 31,175                                    |
| Net changes                                           | 54,702                              | 111,578                                 | (56,876)                                  |
| <b>Balance, End of Year</b>                           | <b>\$ 2,748,565</b>                 | <b>\$ 2,013,835</b>                     | <b>\$ 734,730</b>                         |

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the Borough of Brentwood's police pension plan, calculated using the discount rate of 6.50%, as well as what the Borough's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

|                       | 1% Decrease<br>5.50% | Current<br>Discount Rate<br>6.50% | 1% Increase<br>7.50% |
|-----------------------|----------------------|-----------------------------------|----------------------|
| Net pension liability | \$ 934,852           | \$ 734,730                        | \$ 562,095           |

**Payable to the Pension Plan**

At December 31, 2023, there were no outstanding Borough contributions.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 - BOROUGH PENSION PLANS (Continued)**

**NON-POLICE PENSION PLAN (Continued)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions:**

Components of Pension Expense for the Year Ended December 31, 2023:

|                                                                                         |                          |
|-----------------------------------------------------------------------------------------|--------------------------|
| Service Cost                                                                            | \$ 69,652                |
| Interest                                                                                | 178,373                  |
| Differences between expected and<br>and actual experience                               | 69,128                   |
| Changes in benefit terms                                                                | -                        |
| Recognition of changes of assumptions                                                   | 5,528                    |
| Employee contributions                                                                  | (35,788)                 |
| Projected earnings on pension plan investments                                          | (114,674)                |
| Recognition of differences between projected and<br>actual earnings on plan investments | (33,036)                 |
| Pension plan administrative expense                                                     | 31,175                   |
| Other changes in fiduciary net position                                                 | -                        |
| Net changes                                                                             | <u>100,706</u>           |
| <b>Total pension expense</b>                                                            | <b><u>\$ 170,358</u></b> |

At December 31, 2023, the plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                        | <b><u>Deferred<br/>Outflows of<br/>Resources</u></b> | <b><u>Deferred<br/>Inflows of<br/>Resources</u></b> |
|----------------------------------------------------------------------------------------|------------------------------------------------------|-----------------------------------------------------|
| Differences between expected<br>and actual experience                                  | \$ 369,875                                           | \$ -                                                |
| Changes of assumptions                                                                 | 13,265                                               | -                                                   |
| Net difference between<br>projected and actual earnings<br>on pension plan investments | <u>330,872</u>                                       | <u>249,670</u>                                      |
| TOTAL                                                                                  | <b><u>\$ 714,012</u></b>                             | <b><u>\$ 249,670</u></b>                            |

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 9 - BOROUGH PENSION PLANS (Continued)**

**NON-POLICE PENSION PLAN (Continued)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions (Continued)**

Amounts reported as deferred outflows of resources and deferred inflow of resources related to pensions will be recognized in pension expense as follows:

| <b>Year ended<br/>December 31,</b> |            |
|------------------------------------|------------|
| 2024                               | \$ 100,642 |
| 2025                               | 126,755    |
| 2026                               | 140,331    |
| 2027                               | 23,227     |
| 2028                               | 48,506     |
| Thereafter                         | 24,881     |

**NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION**

**Plan Description**

The Borough of Brentwood administers a single-employer defined benefit healthcare plan ("the Supplemental Health Plan"). The plan provides medical, dental and vision for eligible Borough employees. The benefits provided are for the eligible retirees and their spouses through the Borough group health insurance plan which covers both active and retired members. Benefit provisions are mostly established through negotiations between the Borough and union representing the employees.

The plan is unfunded and does not issue a publicly available financial report. These benefits are accounted for in accordance with GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"*.

**Funding Policy**

**Police**

**Eligibility** - Police officers retiring on pension whether due to normal retirement (except those hired on or after January 1, 2012, are not eligible for post-retirement healthcare benefits unless they retire after age 60 and 25 years of service which may include 5 years of DROP participation) or service-related disability retirement.

**Normal Retirement Eligibility** - Age 55 and completion of 25 years of service.

**Service-Related Disability Retirement Eligibility** - Total and complete disablement that occurs in the line of duty.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)**

**Funding Policy (Continued)**

**Police (Continued)**

**Coverage** - Eligible retired police officer, spouse, and dependents.

**Benefits** - The Borough shall pay ½ the cost of health insurance premiums including medical, dental, and vision for the retiree and his/her family until the earlier of the death of the retiree or the retiree's Medicare eligibility.

**Retiree Contributions** - The retiree must pay 50% of the premium at the coverage level selected.

**Medical Plans Available** - PPO through the Pennsylvania Municipal Health Insurance Cooperative.

**Life Insurance** - The Borough shall provide a term life insurance policy in the amount of \$15,000 for each officer.

**Non-Police**

**Eligibility** - Retiring on pension whether due to early, normal or disability retirement for life insurance.

**Normal Retirement Eligibility** – Public works employees who retire after January 1, 2022, after attaining age 62 and 25 years of service are eligible for single medical, dental, and vision Borough-paid coverage until the earlier of age 65 or Medicare eligibility. Age 65 for all others.

**Early Retirement Eligibility** - Attainment of age 55 after completing 25 years of service for public works department employees, age 62 for all others.

**Disability Retirement Eligibility** - Total and permanent disablement and qualification for social security disability benefits.

**Life Insurance** - The Borough shall provide a term life insurance policy in the amount of \$15,000 for public works department retired employees, \$10,000 for all others.

**Employees Covered by Benefit Terms**

As of January 1, 2022, the following employees were covered by the benefit terms:

|                      |           |
|----------------------|-----------|
| Retired Participants | 11        |
| Active Participants  | 33        |
| Total                | <u>44</u> |

**Total OPEB Liability**

The Borough's total OPEB liability of \$1,568,714 was measured as of January 1, 2022, and was determined by an actuarial valuation as of that date.

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)**

**Actuarial Methods and Assumptions**

The total OPEB liability in the January 1, 2022, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

1. Inflation - 2.75%
2. Discount Rate - 2.75%
3. Healthcare Cost Trend - 7.50% decreasing to 4.75% in 2030 and beyond.
4. Discount Rate - Based on a survey of 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.
5. Mortality rates - Based on the RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment. Mortality improvement rates are projected to improve with 75% of scale AA.

**Change in the Total OPEB Liability**

|                                                    | <b><u>Total OPEB Liability</u></b> |
|----------------------------------------------------|------------------------------------|
| Balance at January 1, 2023                         | \$ 1,465,699                       |
| Changes for the year:                              |                                    |
| Service cost                                       | 76,843                             |
| Interest                                           | 42,201                             |
| Changes of benefit terms                           | -                                  |
| Differences between expected and actual experience | -                                  |
| Changes in assumptions or other inputs             | -                                  |
| Benefit payments                                   | (16,029)                           |
| Net Changes                                        | 103,015                            |
| <b>Balance at December 31, 2023</b>                | <b><u>\$ 1,568,714</u></b>         |

**Sensitivity of the Total Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the Borough, as well as what the Borough's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.00%) or one percentage point higher (4.00%) than the current discount rate:

|                      | 1%<br>Decrease<br>1.75% | Current<br>Discount<br>Rate<br>2.75% | 1%<br>Increase<br>3.75% |
|----------------------|-------------------------|--------------------------------------|-------------------------|
| Total OPEB Liability | <u>\$ 1,741,280</u>     | <u>\$ 1,568,714</u>                  | <u>\$ 1,415,108</u>     |

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)**

**Sensitivity of the Total Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability of the Borough, as well as what the Borough's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

|                      | 1%<br>Decrease      | Healthcare<br>Cost Trend<br>Rates | 1%<br>Increase      |
|----------------------|---------------------|-----------------------------------|---------------------|
| Total OPEB Liability | <u>\$ 1,384,037</u> | <u>\$ 1,568,714</u>               | <u>\$ 1,789,174</u> |

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2023, the Borough recognized OPEB Expense of \$75,359. At December 31, 2023, the Borough reported deferred outflows and deferred inflows of resources related to OPEB from the following Sources.

|                                                   | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> |
|---------------------------------------------------|-------------------------------------------|------------------------------------------|
| Difference between expected and actual experience | \$ -                                      | \$ 283,039                               |
| Changes in assumptions                            | 97,305                                    | 64,348                                   |
|                                                   | <u>\$ 97,305</u>                          | <u>\$ 347,387</u>                        |

The other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <u>Year ended<br/>December 31,</u> |                |
|------------------------------------|----------------|
| 2024                               | \$ (43,685.00) |
| 2025                               | (43,685.00)    |
| 2026                               | (43,685.00)    |
| 2027                               | (43,685.00)    |
| 2028                               | (37,130.00)    |
| Thereafter                         | (38,212.00)    |

**BOROUGH OF BRENTWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 11 - RISK AND UNCERTAINTIES**

**GENERAL INSURANCE**

The Borough of Brentwood is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets, errors, and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims for these risks have not exceeded commercial insurance coverage for the past three years.

**LEGAL MATTERS**

The Borough of Brentwood, in the normal course of operations, is party to various legal matters normally associated with municipalities such as real estate tax assessment appeals, personnel wage and benefits, and other miscellaneous legal matters. As of December 31, 2023, the Borough is unaware of any pending litigation that would be material to the financial position of the Borough of Brentwood.

**FEDERAL AND STATE FUNDING**

The Borough of Brentwood's state and federally funded programs, including its pension funds, are subject to program compliance audits by various governmental agencies. The audit scopes of these program compliance audits are different than the scope of financial audits performed by an outside, independent certified public accounting firm. The Borough is potentially liable for any expenditure disallowed by the results of these program compliance audits. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

**NOTE 12 – SUBSEQUENT EVENTS**

On December 7, 2020, Borough Council adopted Resolution No. 2020-72 authorizing the execution of an asset purchase agreement between the Borough and the purchaser - Pennsylvania American Water Company (PAWC), authorizing the assignment of the Borough's rights and obligations in all relevant agreements to PAWC, authorizing and approving all information and cooperation with PAWC, authorizing all actions relating to the execution of the purchase agreement and the assignment of all relevant agreements, and authorizing incidental action to be taken by specified officers of the Borough. The purchase price for the acquired assets is \$19,200,000. The PUC rejected PAWC's application to purchase Brentwood's Sanitary Sewer Assets. PAWC has appealed this decision to the Commonwealth courts. It is expected that the decision will be received in the first quarter of 2025.

Management has determined that there are no additional events subsequent to December 31, 2023, through the September 17, 2024 date of the 'Independent Auditor's Report', which is the date the financial statements were available to be issued, that require disclosure in the financial statements.

# **SUPPLEMENTARY INFORMATION**

**BOROUGH OF BRENTWOOD**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL REVENUES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                      | <b>BUDGET</b>       | <b>ACTUAL</b>       | <b>(OVER)/UNDER<br/>BUDGET</b> |
|--------------------------------------|---------------------|---------------------|--------------------------------|
| <b><u>TAXES:</u></b>                 |                     |                     |                                |
| R.E. Taxes - Current                 | \$ 3,900,000        | \$ 3,744,587        | \$ 155,413                     |
| R.E. Taxes - Delinquent              | 300,000             | 842,569             | (542,569)                      |
| RAD Sales Tax Proceeds               | 435,000             | 622,277             | (187,277)                      |
| R.E. Transfer Tax                    | 120,000             | 150,491             | (30,491)                       |
| Earned Income Tax - Current          | 1,220,000           | 1,423,774           | (203,774)                      |
| Earned Income Tax - Delinquent       | 2,000               | 657                 | 1,343                          |
| Local Service Tax                    | 97,000              | 128,377             | (31,377)                       |
| Amusement Permits - Video Machines   | 27,000              | 52,800              | (25,800)                       |
| Amusement Permits - Pool Tables      | 1,000               | 1,600               | (600)                          |
| <b>TOTAL TAXES</b>                   | <b>\$ 6,102,000</b> | <b>\$ 6,967,133</b> | <b>\$ (865,133)</b>            |
| <b><u>LICENSES AND PERMITS:</u></b>  |                     |                     |                                |
| Cable TV Franchise Fees              | \$ 149,000          | \$ 216,888          | \$ (67,888)                    |
| Street Permits                       | 32,000              | 42,350              | (10,350)                       |
| Sign Permits                         | 1,000               | 920                 | 80                             |
| Solicitation Permits                 | -                   | 35                  | (35)                           |
| <b>TOTAL LICENSES AND PERMITS</b>    | <b>\$ 182,000</b>   | <b>\$ 260,193</b>   | <b>\$ (78,193)</b>             |
| <b><u>FINES AND FORFEITURES:</u></b> |                     |                     |                                |
| Motor Vehicle Violations             | \$ 60,000           | \$ 60,275           | \$ (275)                       |
| DPW Reimbursements                   | 6,000               | 14,388              | (8,388)                        |
| Restitutions/Settlements             | 1,000               | 37,788              | (36,788)                       |
| Code Enforcement Citation Receipts   | 5,000               | 13,209              | (8,209)                        |
| <b>TOTAL FINES AND FORFEITURES</b>   | <b>\$ 72,000</b>    | <b>\$ 125,660</b>   | <b>\$ (53,660)</b>             |
| <b><u>INTEREST AND RENTS:</u></b>    |                     |                     |                                |
| Interest - Temp Invest               | \$ 5,000            | \$ 95,130           | \$ (90,130)                    |
| Rent of Land                         | 67,000              | 68,014              | (1,014)                        |
| Recreation Center                    | 5,000               | 10,050              | (5,050)                        |
| Rent of Buildings                    | 16,000              | 16,355              | (355)                          |
| Pool Party                           | 1,900               | 2,750               | (850)                          |
| Community Center                     | 1,000               | 4,600               | (3,600)                        |
| Rent of Pavilion                     | 100                 | 340                 | (240)                          |
| <b>TOTAL INTEREST AND RENTS</b>      | <b>\$ 96,000</b>    | <b>\$ 197,239</b>   | <b>\$ (101,239)</b>            |
| <b><u>INTERGOVERNMENTAL:</u></b>     |                     |                     |                                |
| Public Utility Realty Tax            | \$ 5,000            | \$ 5,931            | \$ (931)                       |
| Liquor Licenses                      | 2,000               | 2,500               | (500)                          |
| State Aid to Pension Fund            | 210,000             | 256,427             | (46,427)                       |
| Foreign Fire Insurance               | 39,000              | 49,350              | (10,350)                       |
| Marcellus Shale Impact Fee           | 1,000               | 2,101               | (1,101)                        |
| <b>TOTAL INTERGOVERNMENTAL</b>       | <b>\$ 257,000</b>   | <b>\$ 316,309</b>   | <b>\$ (59,309)</b>             |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL REVENUES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                                       | BUDGET              | ACTUAL              | (OVER)/UNDER<br>BUDGET |
|-------------------------------------------------------|---------------------|---------------------|------------------------|
| <b><u>CHARGES FOR SERVICES:</u></b>                   |                     |                     |                        |
| Zoning/Planning Fees                                  | \$ 3,000            | \$ 4,200            | \$ (1,200)             |
| Wellness Grant                                        | -                   | 1,000               | (1,000)                |
| Special Police Services                               | 20,000              | 62,879              | (42,879)               |
| Accident Reports                                      | 2,500               | 4,380               | (1,880)                |
| Engineering Reimbursables                             | 24,000              | 16,436              | 7,564                  |
| Building Permits                                      | 20,000              | 31,899              | (11,899)               |
| Occupancy Permits                                     | 47,000              | 42,802              | 4,198                  |
| Tenant Registration                                   | 20,000              | 26,193              | (6,193)                |
| Rental Inspection Fees                                | 14,000              | 11,489              | 2,511                  |
| Vacant Property Registration                          | 3,500               | 2,550               | 950                    |
| Parking Meter Violations                              | 7,000               | 3,540               | 3,460                  |
| Parking Meter Revenue                                 | 50,000              | 29,434              | 20,566                 |
| Solid Waste Collection & Disposal Charges             | 801,000             | 803,433             | (2,433)                |
| Del Solid Waste Collection & Disposal Charges         | 59,800              | 157,109             | (97,309)               |
| Recycle Bins                                          | 200                 | 345                 | (145)                  |
| Lien Removal Fee                                      | 2,000               | 2,576               | (576)                  |
| Swimming Pool Fees                                    | 85,000              | 100,631             | (15,631)               |
| Recreation Program Fees                               | 11,000              | 19,256              | (8,256)                |
| Stadium Rental Fee                                    | 35,000              | 54,175              | (19,175)               |
| Baseball Rental Fee                                   | 1,000               | -                   | 1,000                  |
| Military Banner Program                               | 1,000               | 860                 | 140                    |
| Park & Rec Concessions                                | 40,000              | 57,640              | (17,640)               |
| Community Day                                         | 3,000               | 4,468               | (1,468)                |
| School Guard Payroll                                  | 53,000              | 39,701              | 13,299                 |
| Municipal Lien Letters                                | 1,000               | 15,248              | (14,248)               |
| <b>TOTAL CHARGES FOR SERVICES</b>                     | <b>\$ 1,304,000</b> | <b>\$ 1,492,243</b> | <b>\$ (188,243)</b>    |
| <b><u>MISCELLANEOUS:</u></b>                          |                     |                     |                        |
| Miscellaneous Revenue                                 | \$ 19,000           | \$ 553              | \$ 18,447              |
| Sale of Borough Property - Auction                    | 10,000              | 22,617              | (12,617)               |
| Donations (K-9 Fund)                                  | -                   | -                   | -                      |
| <b>TOTAL MISCELLANEOUS</b>                            | <b>\$ 29,000</b>    | <b>\$ 23,170</b>    | <b>\$ 5,830</b>        |
| <b><u>OTHER FINANCIAL SOURCES:</u></b>                |                     |                     |                        |
| Transfer - Sewer Fund                                 | \$ 609,000          | \$ 611,470          | \$ (2,470)             |
| <b>TOTAL FINANCIAL SOURCES</b>                        | <b>\$ 609,000</b>   | <b>\$ 611,470</b>   | <b>\$ (2,470)</b>      |
| <b>TOTAL REVENUES AND<br/>OTHER FINANCING SOURCES</b> | <b>\$ 8,651,000</b> | <b>\$ 9,993,417</b> | <b>\$ (1,342,417)</b>  |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                       | BUDGET           | ACTUAL           | (OVER)/UNDER<br>BUDGET |
|---------------------------------------|------------------|------------------|------------------------|
| <b>GENERAL GOVERNMENT:</b>            |                  |                  |                        |
| <b>LEGISLATIVE:</b>                   |                  |                  |                        |
| Earned Salaries & Wages               | \$ 16,800        | \$ 22,626        | \$ (5,826)             |
| Social Security (FICA)                | 1,300            | 1,285            | 15                     |
| Office Supplies                       | 500              | -                | 500                    |
| Dues & Memberships                    | 2,700            | 2,633            | 67                     |
| Meetings & Conferences                | 9,000            | 7,558            | 1,442                  |
| Contributions - Civic                 | -                | 125              | (125)                  |
| Minor Purchases                       | 1,700            | 591              | 1,109                  |
| <b>TOTAL LEGISLATIVE</b>              | <b>\$ 32,000</b> | <b>\$ 34,818</b> | <b>\$ (2,818)</b>      |
| <b>EXECUTIVE:</b>                     |                  |                  |                        |
| Earned Salaries & Wages               | \$ 3,400         | \$ 3,400         | \$ 0                   |
| Social Security (FICA)                | 300              | 260              | 40                     |
| Office Supplies                       | 300              | -                | 300                    |
| Dues & Memberships                    | 300              | 260              | 40                     |
| Meetings & Conferences                | 1,600            | 255              | 1,345                  |
| Minor Purchases                       | 100              | -                | 100                    |
| <b>TOTAL EXECUTIVE</b>                | <b>\$ 6,000</b>  | <b>\$ 4,175</b>  | <b>\$ 1,825</b>        |
| <b>FINANCIAL ADMINISTRATION:</b>      |                  |                  |                        |
| Auditing Services                     | \$ 20,000        | \$ 5,750         | \$ 14,250              |
| Actuarial Services                    | 4,000            | 4,200            | (200)                  |
| <b>TOTAL FINANCIAL ADMINISTRATION</b> | <b>\$ 24,000</b> | <b>\$ 9,950</b>  | <b>\$ 14,050</b>       |
| <b>TAX COLLECTION:</b>                |                  |                  |                        |
| Salary of Real Estate Collector       | \$ 7,000         | \$ 7,000         | \$ (0)                 |
| Social Security (FICA)                | 600              | 536              | 64                     |
| Unemployment Compensation             | 100              | 70               | 30                     |
| Office Supplies                       | 2,000            | 546              | 1,454                  |
| Del RE Tax Commission                 | 29,000           | 22,767           | 6,233                  |
| EIT Collection Commission             | 500              | -                | 500                    |
| LST Collection Commission             | 2,000            | 2,271            | (271)                  |
| Special Legal Services                | 20,000           | 19,734           | 266                    |
| Postage                               | 2,000            | -                | 2,000                  |
| Contracted Services                   | 1,000            | 695              | 305                    |
| Refund of Prior Years                 | 8,800            | 9,219            | (419)                  |
| <b>TOTAL TAX COLLECTION</b>           | <b>\$ 73,000</b> | <b>\$ 62,838</b> | <b>\$ 10,162</b>       |
| <b>LEGAL:</b>                         |                  |                  |                        |
| Special Legal Services                | \$ 5,000         | \$ 4,499         | \$ 501                 |
| Solicitor (Retainer)                  | 12,000           | 9,500            | 2,500                  |
| Solicitor (Hourly)                    | 50,000           | 46,349           | 3,651                  |
| Codification                          | 4,000            | 2,890            | 1,110                  |
| Advertising                           | 10,000           | 14,005           | (4,005)                |
| <b>TOTAL LEGAL</b>                    | <b>\$ 81,000</b> | <b>\$ 77,243</b> | <b>\$ 3,757</b>        |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                               | <u>BUDGET</u>     | <u>ACTUAL</u>     | <u>(OVER)/UNDER<br/>BUDGET</u> |
|-----------------------------------------------|-------------------|-------------------|--------------------------------|
| <b><u>GENERAL GOVERNMENT: (continued)</u></b> |                   |                   |                                |
| <b><u>ADMINISTRATION:</u></b>                 |                   |                   |                                |
| Salaries Professional                         | \$ 209,000        | \$ 208,888        | \$ 112                         |
| Salaries Staff                                | 84,000            | 83,415            | 585                            |
| Salaries Intern                               | 9,000             | -                 | 9,000                          |
| Health - Disability                           | 2,500             | 1,921             | 579                            |
| Health - Hospitalization                      | 98,000            | 93,865            | 4,135                          |
| Health - Copay Reimbursement                  | 2,000             | 2,819             | (819)                          |
| Life Insurance                                | 1,000             | 671               | 329                            |
| Social Security (FICA)                        | 24,000            | 22,899            | 1,101                          |
| Unemployment Compensation                     | 1,000             | 386               | 614                            |
| Employee Retirement Benefits                  | 10,000            | 9,064             | 936                            |
| Overtime                                      | 4,000             | 1,601             | 2,399                          |
| PTO Buy Back                                  | 11,500            | 12,064            | (564)                          |
| Office Supplies                               | 6,000             | 5,534             | 466                            |
| Postage                                       | 5,000             | 3,573             | 1,427                          |
| Vehicle Fuel                                  | 1,500             | 1,455             | 45                             |
| Operating Expenses                            | 3,000             | 5,819             | (2,819)                        |
| Telephone Charges                             | 4,500             | 4,534             | (34)                           |
| Wireless Telephone                            | 2,500             | 2,763             | (263)                          |
| Fidelity Bonds                                | 2,000             | 1,329             | 671                            |
| Rental - Machinery & Equipment                | 8,500             | 8,104             | 396                            |
| Dues & Memberships                            | 3,000             | 2,569             | 431                            |
| Contracted Services                           | 2,000             | 881               | 1,119                          |
| Meetings & Conferences                        | 17,000            | 10,264            | 6,736                          |
| Minor Purchases                               | 2,000             | -                 | 2,000                          |
| <b>TOTAL ADMINISTRATION</b>                   | <b>\$ 513,000</b> | <b>\$ 484,416</b> | <b>\$ 28,584</b>               |
| <b><u>PUBLICATIONS:</u></b>                   |                   |                   |                                |
| Community Magazine                            | \$ 23,000         | \$ 22,080         | \$ 920                         |
| <b>TOTAL PUBLICATIONS</b>                     | <b>\$ 23,000</b>  | <b>\$ 22,080</b>  | <b>\$ 920</b>                  |
| <b><u>IT/DATA PROCESSING:</u></b>             |                   |                   |                                |
| General IT Supplies                           | \$ 1,000          | \$ 745            | \$ 255                         |
| Contracted Services IT                        | 44,000            | 37,493            | 6,507                          |
| Web Design/Maintenance                        | 3,000             | 1,170             | 1,830                          |
| General Hardware                              | 1,000             | 939               | 61                             |
| General Software Licenses                     | 26,000            | 24,330            | 1,670                          |
| Police Hardware                               | 1,000             | 1,570             | (570)                          |
| Police Software                               | 33,000            | 23,306            | 9,694                          |
| <b>TOTAL IT / DATA PROCESSING</b>             | <b>\$ 109,000</b> | <b>\$ 89,553</b>  | <b>\$ 19,447</b>               |
| <b><u>ENGINEER:</u></b>                       |                   |                   |                                |
| General Engineering Services                  | \$ 5,000          | \$ 4,129          | \$ 871                         |
| <b>TOTAL ENGINEER</b>                         | <b>\$ 5,000</b>   | <b>\$ 4,129</b>   | <b>\$ 871</b>                  |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                        | BUDGET            | ACTUAL            | (OVER)/UNDER<br>BUDGET |
|----------------------------------------|-------------------|-------------------|------------------------|
| <b>GENERAL GOVERNMENT: (continued)</b> |                   |                   |                        |
| <b><u>MUNICIPAL BUILDING:</u></b>      |                   |                   |                        |
| Operating Supplies                     | \$ 6,000          | \$ 4,259          | \$ 1,741               |
| Internet Service                       | 3,000             | 3,154             | (154)                  |
| Electricity                            | 26,000            | 33,645            | (7,645)                |
| Gas                                    | 14,000            | 10,943            | 3,057                  |
| Water                                  | 5,500             | 5,513             | (13)                   |
| R&M Services                           | 5,000             | 4,279             | 721                    |
| R&M Machinery & Equipment              | 1,000             | 795               | 205                    |
| Rental Machinery & Equipment           | 500               | -                 | 500                    |
| Contracted Services                    | 30,000            | 36,299            | (6,299)                |
| Minor Purchases                        | 2,000             | 2,069             | (69)                   |
| <b>TOTAL MUNICIPAL BUILDING</b>        | <b>\$ 93,000</b>  | <b>\$ 100,956</b> | <b>\$ (7,956)</b>      |
| <b>TOTAL GENERAL GOVERNMENT</b>        | <b>\$ 959,000</b> | <b>\$ 890,158</b> | <b>\$ 68,842</b>       |
| <b><u>PUBLIC SAFETY:</u></b>           |                   |                   |                        |
| <b><u>POLICE PROTECTION:</u></b>       |                   |                   |                        |
| Salaries Professional                  | \$ 135,000        | \$ 134,964        | \$ 36                  |
| Salaries Staff                         | 1,500,000         | 1,502,539         | (2,539)                |
| Personal Day Buy Back                  | 10,500            | 12,649            | (2,149)                |
| Health - Disability                    | 11,000            | 8,844             | 2,156                  |
| Sick Day Buy Back                      | 4,000             | 15,754            | (11,754)               |
| Health - Hospitalization               | 475,000           | 380,254           | 94,746                 |
| Copay Reimbursement                    | 8,000             | 4,750             | 3,250                  |
| Life Insurance                         | 5,000             | 4,127             | 873                    |
| Social Security (FICA)                 | 153,000           | 158,995           | (5,995)                |
| Unemployment Compensation              | 2,100             | 1,502             | 598                    |
| Retiree Benefits                       | 500               | 261               | 239                    |
| Overtime                               | 115,000           | 130,866           | (15,866)               |
| Officer in Charge                      | 5,000             | 4,427             | 573                    |
| Healthcare Benefits Buy Back           | -                 | 34,594            | (34,594)               |
| Holiday Pay                            | 103,000           | 82,687            | 20,313                 |
| Court Pay                              | 118,000           | 161,012           | (43,012)               |
| Reimbursable Overtime                  | 23,000            | 81,373            | (58,373)               |
| Uniforms                               | 24,000            | 23,573            | 427                    |
| Training/Education                     | 23,000            | 18,159            | 4,841                  |
| Office Supplies                        | 4,000             | 944               | 3,056                  |
| Postage                                | 500               | 587               | (87)                   |
| Vehicle Fuel                           | 27,000            | 25,983            | 1,017                  |
| Operating Supplies                     | 7,000             | 4,320             | 2,680                  |
| Police Protection Services             | 6,000             | 9,704             | (3,704)                |
| Crime Scene Supplies                   | 1,000             | 318               | 682                    |
| Crime Hardware                         | 1,000             | 35                | 965                    |
| K-9 Officer                            | 16,000            | -                 | 16,000                 |
| Vehicle Parts                          | 17,000            | 16,966            | 34                     |
| Professional Services                  | 1,000             | -                 | 1,000                  |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                       | BUDGET              | ACTUAL              | (OVER)/UNDER<br>BUDGET |
|---------------------------------------|---------------------|---------------------|------------------------|
| <b>PUBLIC SAFETY: (continued)</b>     |                     |                     |                        |
| <b>POLICE PROTECTION: (continued)</b> |                     |                     |                        |
| Special Legal Services                | 25,000              | 6,773               | 18,227                 |
| Other Services                        | 1,000               | 682                 | 318                    |
| Telephone                             | 3,500               | 3,223               | 277                    |
| Wireless Telephone                    | 7,000               | 4,954               | 2,046                  |
| Radio Equipment/Maintenance           | 2,000               | 3,588               | (1,588)                |
| Printing                              | 1,000               | 420                 | 580                    |
| R&M Machinery & Equipment             | 2,000               | -                   | 2,000                  |
| Rental - Machine & Equipment          | 7,500               | 6,553               | 947                    |
| Court Costs                           | 2,000               | 32,718              | (30,718)               |
| Dues & Memberships                    | 8,000               | 10,084              | (2,084)                |
| Contracted Services                   | 18,000              | 17,237              | 763                    |
| Civil Service Commission              | 4,000               | 213                 | 3,788                  |
| Meetings & Conferences                | 5,000               | 2,813               | 2,187                  |
| Minor Purchases                       | 4,000               | 1,485               | 2,515                  |
| <b>TOTAL POLICE PROTECTION</b>        | <b>\$ 2,885,600</b> | <b>\$ 2,910,932</b> | <b>\$ (25,332)</b>     |
| <b>FIRE PROTECTION:</b>               |                     |                     |                        |
| Vehicle Fuel                          | \$ 5,000            | \$ 5,496            | \$ (496)               |
| Professional Liability Insurance      | 1,000               | 872                 | 128                    |
| Hydrant Service                       | 32,800              | 36,685              | (3,885)                |
| Dues & Memberships                    | 1,200               | 1,128               | 72                     |
| Contributions to VFD                  | 116,000             | 116,000             | -                      |
| State Fire Relief Assoc               | 40,000              | 49,350              | (9,350)                |
| Major Purchases                       | 40,000              | 13,752              | 26,248                 |
| <b>TOTAL FIRE PROTECTION</b>          | <b>\$ 236,000</b>   | <b>\$ 223,283</b>   | <b>\$ 12,717</b>       |
| <b>AMBULANCE:</b>                     |                     |                     |                        |
| Contributions to EMS                  | \$ 100,000          | \$ 160,000          | \$ (60,000)            |
| <b>TOTAL AMBULANCE</b>                | <b>\$ 100,000</b>   | <b>\$ 160,000</b>   | <b>\$ (60,000)</b>     |
| <b>PLANNING AND ZONING:</b>           |                     |                     |                        |
| Salaries Professional                 | \$ 180,000          | \$ 144,068          | \$ 35,932              |
| Health - Disability                   | 1,500               | 899                 | 601                    |
| Health - Hospitalization              | 49,500              | 22,905              | 26,595                 |
| Health - Copay Reimbursement          | 1,000               | -                   | 1,000                  |
| Life Insurance                        | 400                 | 337                 | 63                     |
| Social Security (FICA)                | 13,000              | 12,523              | 477                    |
| Unemployment Compensation             | 300                 | 200                 | 100                    |
| PTO Buy Back                          | 6,500               | 19,247              | (12,747)               |
| Training/Education                    | 1,000               | 1,365               | (365)                  |
| Office Supplies                       | 500                 | 79                  | 421                    |
| Vehicle Fuel                          | 1,500               | 688                 | 812                    |
| Operating Supplies                    | 1,000               | 125                 | 875                    |
| R&M Vehicle Supplies                  | 1,000               | 466                 | 534                    |
| Reimbursable Engineering Fees         | 23,500              | 12,974              | 10,526                 |
| Special Legal Service                 | 9,500               | 6,328               | 3,172                  |
| Other Services                        | 3,000               | 2,225               | 775                    |
| Telephone                             | 400                 | 396                 | 4                      |
| Wireless Telephone                    | 1,400               | 1,564               | (164)                  |
| Advertising                           | 1,000               | 724                 | 276                    |
| Dues & Memberships                    | 1,500               | 1,533               | (33)                   |
| Contracted Services                   | 3,800               | 550                 | 3,250                  |
| Meetings & Conferences                | 5,000               | 894                 | 4,106                  |
| Minor Purchases                       | 700                 | 50                  | 650                    |
| <b>TOTAL PLANNING AND ZONING</b>      | <b>\$ 307,000</b>   | <b>\$ 230,139</b>   | <b>\$ 76,861</b>       |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                                    | BUDGET              | ACTUAL              | (OVER)/UNDER<br>BUDGET |
|----------------------------------------------------|---------------------|---------------------|------------------------|
| <b>PUBLIC SAFETY: (continued)</b>                  |                     |                     |                        |
| <b><u>EMERGENCY MANAGEMENT: COMMUNICATION</u></b>  |                     |                     |                        |
| Salaries Staff                                     | \$ 42,000           | \$ 41,703           | \$ 297                 |
| Health - Disability                                | 400                 | 191                 | 209                    |
| Health - Hospitalization                           | -                   | (203)               | 203                    |
| Life Insurance                                     | 200                 | 147                 | 53                     |
| Social Security (FICA)                             | 3,500               | 4,602               | (1,102)                |
| Unemployment Compensation                          | 200                 | 100                 | 100                    |
| Retiree Benefits                                   | 100                 | 342                 | (242)                  |
| Overtime                                           | 3,000               | 624                 | 2,376                  |
| Healthcare Benefits Buy Back                       | 17,000              | 16,928              | 72                     |
| Holiday Pay                                        | 400                 | -                   | 400                    |
| Vacation/PTO Buy Back                              | 2,000               | -                   | 2,000                  |
| Uniform Allowance                                  | 300                 | 65                  | 235                    |
| Meal Money                                         | 300                 | 186                 | 114                    |
| Training & Education                               | 800                 | -                   | 800                    |
| Operating Expenses                                 | 800                 | 536                 | 264                    |
| Wireless Telephone                                 | -                   | 737                 | (737)                  |
| <b>TOTAL EMERGENCY MANAGEMENT</b>                  | <b>\$ 71,000</b>    | <b>\$ 65,957</b>    | <b>\$ 5,043</b>        |
| <b><u>CODE ENFORCEMENT: PARKING METERS</u></b>     |                     |                     |                        |
| Salaries Staff                                     | \$ 13,000           | \$ 10,812           | \$ 2,188               |
| Social Security (FICA)                             | 1,000               | 915                 | 85                     |
| Unemployment Compensation                          | 200                 | 108                 | 92                     |
| Holiday Pay                                        | 400                 | 124                 | 276                    |
| Uniform Allowance                                  | 300                 | 62                  | 238                    |
| Vehicle Fuel                                       | 1,000               | 315                 | 685                    |
| Operating Supplies                                 | 2,100               | 799                 | 1,301                  |
| Contracted Services                                | 22,000              | 27,043              | (5,043)                |
| <b>TOTAL CODE ENFORCEMENT</b>                      | <b>\$ 40,000</b>    | <b>\$ 40,178</b>    | <b>\$ (178)</b>        |
| <b><u>OTHER PUBLIC SAFETY: CROSSING GUARDS</u></b> |                     |                     |                        |
| Salaries Staff                                     | \$ 95,000           | \$ 74,184           | \$ 20,816              |
| Social Security (FICA)                             | 8,000               | 6,060               | 1,940                  |
| Unemployment Compensation                          | 1,500               | 648                 | 852                    |
| Uniform Allowance                                  | 1,500               | 3,611               | (2,111)                |
| Operating Expenses                                 | 1,000               | 1,569               | (569)                  |
| <b>TOTAL OTHER PUBLIC SAFETY</b>                   | <b>\$ 107,000</b>   | <b>\$ 86,071</b>    | <b>\$ 20,929</b>       |
| <b>TOTAL PUBLIC SAFETY</b>                         | <b>\$ 3,746,600</b> | <b>\$ 3,716,560</b> | <b>\$ 30,040</b>       |
| <b><u>HEALTH AND HUMAN SERVICES:</u></b>           |                     |                     |                        |
| <b><u>HEALTH OFFICER:</u></b>                      |                     |                     |                        |
| Salaries Staff                                     | \$ 16,000           | \$ 8,734            | \$ 7,266               |
| Social Security (FICA)                             | 1,500               | 436                 | 1,064                  |
| Unemployment Compensation                          | 500                 | 51                  | 449                    |
| Holiday Pay                                        | 3,000               | 2,701               | 299                    |
| <b>TOTAL HEALTH OFFICER</b>                        | <b>\$ 21,000</b>    | <b>\$ 11,922</b>    | <b>\$ 9,078</b>        |
| <b>TOTAL HEALTH AND HUMAN SERVICES</b>             | <b>\$ 21,000</b>    | <b>\$ 11,922</b>    | <b>\$ 9,078</b>        |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                                 | BUDGET              | ACTUAL              | (OVER)/UNDER<br>BUDGET |
|-------------------------------------------------|---------------------|---------------------|------------------------|
| <b>PUBLIC WORKS:</b>                            |                     |                     |                        |
| <b>RECYCLING/REFUSE:</b>                        |                     |                     |                        |
| Contracted Services - Leaf Bins                 | \$ 18,000           | \$ 3,794            | \$ 14,206              |
| Contracted Services - Refuse                    | 715,000             | 774,118             | (59,118)               |
| Contracted Services - Household Hazardous Waste | 35,000              | 37,076              | (2,076)                |
| Minor Purchases                                 | 3,000               | 9,745               | (6,745)                |
| <b>TOTAL SANITATION</b>                         | <b>\$ 771,000</b>   | <b>\$ 824,733</b>   | <b>\$ (53,733)</b>     |
| <b>HIGHWAYS AND STREETS:</b>                    |                     |                     |                        |
| Salaries Professional                           | \$ 160,000          | \$ 147,897          | \$ 12,103              |
| Salaries Staff                                  | 499,000             | 462,003             | 36,997                 |
| Salaries Summer/Part Time                       | 36,000              | 30,885              | 5,115                  |
| Health - Disability                             | 6,000               | 3,572               | 2,428                  |
| Health - Hospitalization                        | 185,000             | 153,837             | 31,163                 |
| Health - Copay Reimbursement                    | 3,000               | -                   | 3,000                  |
| Life Insurance                                  | 2,000               | 1,763               | 237                    |
| Social Security (FICA)                          | 59,000              | 56,384              | 2,616                  |
| Unemployment Compensation                       | 2,000               | 1,269               | 731                    |
| Employee Retirement                             | 8,500               | 6,312               | 2,188                  |
| Overtime                                        | 62,000              | 39,838              | 22,162                 |
| Healthcare Benefits Buy Back                    | 41,500              | 51,653              | (10,153)               |
| PTO Buy Back                                    | 7,000               | 6,154               | 846                    |
| Uniform Allowance                               | 11,000              | 12,830              | (1,830)                |
| Meal Allowance                                  | 1,500               | 1,205               | 295                    |
| Training/Education                              | 1,900               | 50                  | 1,850                  |
| Office Supplies                                 | 500                 | 327                 | 173                    |
| Vehicle Fuel                                    | 29,000              | 25,950              | 3,050                  |
| Operating Supplies                              | 18,000              | 16,341              | 1,659                  |
| Highway Supplies                                | 18,000              | 17,611              | 389                    |
| R&M Supplies                                    | 3,000               | 970                 | 2,030                  |
| R&M Supplies - Vehicle Maintenance              | 29,000              | 27,546              | 1,454                  |
| Special Legal Services                          | 2,000               | 2,224               | (224)                  |
| Other Services                                  | 2,000               | 583                 | 1,417                  |
| Telephones                                      | 1,500               | 2,279               | (779)                  |
| Wireless Telephones                             | 3,000               | 2,311               | 689                    |
| Internet Services                               | 3,000               | 1,888               | 1,112                  |
| Radio Equipment Maintenance                     | 400                 | -                   | 400                    |
| Electricity                                     | 4,500               | 5,161               | (661)                  |
| Gas                                             | 5,000               | 5,176               | (176)                  |
| Water                                           | 6,000               | 8,181               | (2,181)                |
| R&M - Machinery & Equipment                     | 4,000               | 2,619               | 1,381                  |
| Rental Machinery & Equipment                    | 1,000               | -                   | 1,000                  |
| Dues & Memeberships                             | 1,200               | 564                 | 636                    |
| Contracted Services                             | 8,000               | 12,981              | (4,981)                |
| Meetings & Conferences                          | 2,500               | 1,593               | 907                    |
| Minor Purchases                                 | 22,000              | 16,669              | 5,332                  |
| <b>TOTAL HIGHWAY AND STREETS</b>                | <b>\$ 1,249,000</b> | <b>\$ 1,126,626</b> | <b>\$ 122,374</b>      |
| <b>TRAFFIC SIGNAL:</b>                          |                     |                     |                        |
| Electricity                                     | \$ 1,000            | \$ -                | \$ 1,000               |
| Contracted Services                             | 7,000               | 8,082               | (1,082)                |
| Street Lighting                                 | 10,000              | 872                 | 9,128                  |
| <b>TOTAL TRAFFIC SIGNALS</b>                    | <b>\$ 18,000</b>    | <b>\$ 8,954</b>     | <b>\$ 9,046</b>        |
| <b>TOTAL PUBLIC WORKS</b>                       | <b>\$ 2,038,000</b> | <b>\$ 1,960,313</b> | <b>\$ 77,687</b>       |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                                    | <b>BUDGET</b>     | <b>ACTUAL</b>     | <b>(OVER)/UNDER<br/>BUDGET</b> |
|----------------------------------------------------|-------------------|-------------------|--------------------------------|
| <b><u>CULTURE AND RECREATION:</u></b>              |                   |                   |                                |
| <b><u>ADMINISTRATION:</u></b>                      |                   |                   |                                |
| Salaries Professional                              | \$ 54,000         | \$ 57,762         | \$ (3,762)                     |
| Salaries Temp/Part time                            | 12,000            | 6,587             | 5,413                          |
| Life Insurance                                     | 200               | 174               | 26                             |
| Social Security (FICA)                             | 6,000             | 6,001             | (1)                            |
| Unemployment Compensation                          | 400               | 169               | 231                            |
| Overtime                                           | 6,000             | 12,660            | (6,660)                        |
| PTO Buy Back                                       | 3,000             | 800               | 2,200                          |
| Office Supplies                                    | 1,000             | 357               | 643                            |
| Vehicle Fuel                                       | -                 | 56                | (56)                           |
| Operating Supplies                                 | 4,000             | 3,523             | 477                            |
| Wireless Telephones                                | 800               | 782               | 18                             |
| Dues Subscriptions & Memberships                   | 500               | 334               | 166                            |
| Contracted Services                                | 26,000            | 14,872            | 11,128                         |
| Light Up Night                                     | 14,000            | 16,500            | (2,500)                        |
| Community Day                                      | 14,000            | 14,828            | (828)                          |
| Taking it to the Streets                           | 18,000            | 23,680            | (5,680)                        |
| Meetings & Conferences                             | 500               | -                 | 500                            |
| Contributions - Gov't Groups                       | 2,000             | -                 | 2,000                          |
| Minor Purchases                                    | 4,600             | 3,791             | 809                            |
| <b>TOTAL ADMINISTRATION</b>                        | <b>\$ 167,000</b> | <b>\$ 162,877</b> | <b>\$ 4,123</b>                |
| <b><u>SWIMMING POOL:</u></b>                       |                   |                   |                                |
| Salaries Professional                              | \$ 44,400         | \$ 44,221         | \$ 179                         |
| Social Security (FICA)                             | 3,400             | 3,449             | (49)                           |
| Unemployment Compensation                          | 1,000             | 445               | 555                            |
| Training Education Expenses                        | 600               | -                 | 600                            |
| Operating Supplies                                 | 9,500             | 12,812            | (3,312)                        |
| Concession Stand                                   | 19,000            | 21,905            | (2,905)                        |
| Telephones Charges                                 | 1,000             | -                 | 1,000                          |
| Electricity                                        | 11,000            | 12,507            | (1,507)                        |
| Gas                                                | 10,000            | 4,174             | 5,826                          |
| Water                                              | 11,000            | 9,729             | 1,271                          |
| Pool Maintenance Repairs                           | 1,000             | 815               | 185                            |
| Contracted Services                                | 72,000            | 100,790           | (28,790)                       |
| Concession Stand Sales Tax                         | -                 | 1,004             | (1,004)                        |
| Minor Purchases                                    | 16,000            | 11,768            | 4,232                          |
| <b>TOTAL SWIMMING POOL</b>                         | <b>\$ 199,900</b> | <b>\$ 223,619</b> | <b>\$ (23,719)</b>             |
| <b><u>CIVIC CENTER (SPECTATOR RECREATION):</u></b> |                   |                   |                                |
| Operating Supplies                                 | \$ 2,000          | \$ 1,860          | \$ 140                         |
| Electricity                                        | 5,000             | 2,471             | 2,529                          |
| Gas                                                | 5,000             | 3,594             | 1,406                          |
| Pool Maintenance Repairs                           | 2,500             | 77                | 2,423                          |
| Contracted Services                                | 1,500             | 3,198             | (1,698)                        |
| Minor Purchases                                    | 5,000             | 3,474             | 1,526                          |
| <b>TOTAL CIVIC CENTER</b>                          | <b>\$ 21,000</b>  | <b>\$ 14,674</b>  | <b>\$ 6,326</b>                |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                                   | <b>BUDGET</b>     | <b>ACTUAL</b>     | <b>(OVER)/UNDER<br/>BUDGET</b> |
|---------------------------------------------------|-------------------|-------------------|--------------------------------|
| <b><u>CULTURE AND RECREATION: (continued)</u></b> |                   |                   |                                |
| <b><u>PARKS:</u></b>                              |                   |                   |                                |
| Salaries Staff                                    | \$ 55,000         | \$ 49,452         | \$ 5,548                       |
| Social Security (FICA)                            | 5,000             | 3,697             | 1,303                          |
| Operating Supplies                                | 7,000             | 8,342             | (1,342)                        |
| R&M Supplies - Vehicle Maintenance                | 1,000             | 578               | 422                            |
| Electricity                                       | 9,000             | 14,875            | (5,875)                        |
| Water                                             | 2,000             | 2,072             | (72)                           |
| R&M Facilities                                    | 14,000            | (10,391)          | 24,391                         |
| R&M - Machinery & Equipment                       | 2,000             | 1,818             | 182                            |
| Rental Machinery & Equipment                      | 1,000             | 105               | 895                            |
| Contracted Services                               | 27,000            | 32,873            | (5,873)                        |
| Meetings & Conferences                            | 1,000             | -                 | 1,000                          |
| Minor Purchases                                   | 15,000            | 11,875            | 3,125                          |
| <b>TOTAL PARKS</b>                                | <b>\$ 139,000</b> | <b>\$ 115,297</b> | <b>\$ 23,703</b>               |
| <b><u>LIBRARY:</u></b>                            |                   |                   |                                |
| Operating Supplies                                | \$ 3,500          | \$ 2,387          | \$ 1,113                       |
| Auditing Services                                 | 2,000             | 3,250             | (1,250)                        |
| Electricity                                       | 15,000            | 15,353            | (353)                          |
| Gas                                               | 7,000             | 5,316             | 1,684                          |
| Water                                             | 2,500             | 1,252             | 1,248                          |
| Pool Maintenance Repairs                          | 4,500             | 4,493             | 7                              |
| Contracted Services                               | 3,000             | 10,176            | (7,176)                        |
| Contributions                                     | 204,000           | -                 | 204,000                        |
| Minor Purchases                                   | 1,500             | 1,808             | (308)                          |
| <b>TOTAL LIBRARY</b>                              | <b>\$ 243,000</b> | <b>\$ 44,036</b>  | <b>\$ 198,964</b>              |
| <b><u>CIVIL &amp; MILITARY CELEBRATIONS:</u></b>  |                   |                   |                                |
| Contracted Services                               | \$ 9,000          | \$ 2,003          | \$ 6,997                       |
| Contributions - Civic                             | 17,000            | 16,000            | 1,000                          |
| Minor Purchases                                   | 10,000            | 11,603            | (1,603)                        |
| <b>TOTAL CIVIL &amp; MILITARY CELEBRATIONS</b>    | <b>\$ 36,000</b>  | <b>\$ 29,606</b>  | <b>\$ 6,394</b>                |
| <b><u>STADIUM:</u></b>                            |                   |                   |                                |
| Operating Supplies                                | \$ 1,500          | \$ 1,795          | \$ (295)                       |
| Internet Services                                 | 5,000             | 4,760             | 240                            |
| Electricity                                       | 22,000            | 28,991            | (6,991)                        |
| Water                                             | -                 | 253               | (253)                          |
| Repairs & Maintenance                             | 2,000             | 2,524             | (524)                          |
| Contracted Services                               | 4,000             | 3,026             | 974                            |
| Minor Purchases                                   | 5,000             | 2,848             | 2,152                          |
| <b>TOTAL STADIUM</b>                              | <b>\$ 39,500</b>  | <b>\$ 44,198</b>  | <b>\$ (4,698)</b>              |
| <b>TOTAL CULTURE AND RECREATION</b>               | <b>\$ 845,400</b> | <b>\$ 634,306</b> | <b>\$ 211,094</b>              |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                                        | BUDGET              | ACTUAL              | (OVER)/UNDER<br>BUDGET |
|--------------------------------------------------------|---------------------|---------------------|------------------------|
| <b><u>COMMUNITY DEVELOPMENT:</u></b>                   |                     |                     |                        |
| Advertising & Marketing                                | \$ 2,000            | \$ 215              | \$ 1,785               |
| R&M                                                    | -                   | 250                 | (250)                  |
| Special Legal Services                                 | -                   | 41                  | (41)                   |
| <b>TOTAL COMMUNITY DEVELOPMENT</b>                     | <b>\$ 2,000</b>     | <b>\$ 506</b>       | <b>\$ 1,494</b>        |
| <b><u>INSURANCE AND BENEFITS:</u></b>                  |                     |                     |                        |
| Non-Police MMO                                         | \$ 116,000          | \$ 115,949          | \$ 51                  |
| Police Pension MMO                                     | 288,000             | 287,225             | 775                    |
| Property/Casualty                                      | 47,000              | 49,088              | (2,088)                |
| Liability Insurance                                    | 40,000              | 47,068              | (7,068)                |
| Worker's Compensation                                  | 132,000             | 126,536             | 5,464                  |
| Insurance Deductibles                                  | 15,000              | 18,203              | (3,203)                |
| Wellness Grant                                         | -                   | -                   | -                      |
| Meetings/Conferences                                   | 7,000               | 3,311               | 3,689                  |
| <b>TOTAL INSURANCE</b>                                 | <b>\$ 645,000</b>   | <b>\$ 647,381</b>   | <b>\$ (2,381)</b>      |
| <b><u>MISCELLANEOUS:</u></b>                           |                     |                     |                        |
| RAD Distribution                                       | \$ 5,000            | \$ 14,075           | \$ (9,075)             |
| Shacog Membership                                      | 3,000               | 3,000               | -                      |
| Connect Membership                                     | 1,000               | 1,582               | (582)                  |
| <b>TOTAL MISCELLANEOUS</b>                             | <b>\$ 9,000</b>     | <b>\$ 18,657</b>    | <b>\$ (9,657)</b>      |
| <b><u>OTHER FINANCING USES:</u></b>                    |                     |                     |                        |
| Refund Prior Year Revenues                             | \$ -                | \$ 38,579           | \$ (38,579)            |
| Transfer to Sewer Fund                                 | -                   | 40,000              | (40,000)               |
| Transfer to Operating Reserve Fund                     | 100,000             | -                   | 100,000                |
| Transfer to Park Fund                                  | 35,000              | 35,000              | -                      |
| Transfer to Capital Improvement Fund                   | 1,500,000           | 1,642,175           | (142,175)              |
| Transfer to Economic Development Fund                  | 50,000              | 50,000              | -                      |
| <b>TOTAL OTHER FINANCING USES</b>                      | <b>\$ 1,685,000</b> | <b>\$ 1,805,754</b> | <b>\$ (120,754)</b>    |
| <b>TOTAL EXPENDITURES AND OTHER<br/>FINANCING USES</b> | <b>\$ 9,951,000</b> | <b>\$ 9,685,557</b> | <b>\$ 265,443</b>      |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**COMBINING BALANCE SHEET**  
**CAPITAL PROJECT FUNDS**  
**DECEMBER 31, 2023**

|                                            | <b><u>PARK FUND</u></b> | <b><u>ECONOMIC<br/>DEVELOPMENT<br/>FUND</u></b> | <b><u>BUILDING<br/>FUND</u></b> | <b><u>CAPITAL<br/>IMPROVEMENT<br/>FUND</u></b> | <b><u>TOTAL</u></b> |
|--------------------------------------------|-------------------------|-------------------------------------------------|---------------------------------|------------------------------------------------|---------------------|
| <b><u>ASSETS</u></b>                       |                         |                                                 |                                 |                                                |                     |
| Cash and Cash Equivalents                  | \$ 65,631               | \$ 72,109                                       | \$ 69,861                       | \$ 390,737                                     | \$ 598,338          |
| Investments                                | -                       | -                                               | 130                             | -                                              | 130                 |
| Other Receivables                          | -                       | -                                               | -                               | 797,000                                        | 797,000             |
| Due from Other Funds                       | -                       | 25,000                                          | 168,310                         | 60,226                                         | 253,536             |
| <b>TOTAL ASSETS</b>                        | <b>\$ 65,631</b>        | <b>\$ 97,109</b>                                | <b>\$ 238,301</b>               | <b>\$ 1,247,963</b>                            | <b>\$ 1,649,004</b> |
| <b><u>LIABILITIES</u></b>                  |                         |                                                 |                                 |                                                |                     |
| Accounts Payable                           | \$ -                    | \$ -                                            | \$ -                            | \$ 365,330                                     | \$ 365,330          |
| Due to Other Funds                         | 48,982                  | -                                               | -                               | 441,371                                        | 490,353             |
| <b>TOTAL ACCOUNTS PAYABLE</b>              | <b>\$ 48,982</b>        | <b>\$ -</b>                                     | <b>\$ -</b>                     | <b>\$ 806,701</b>                              | <b>\$ 855,683</b>   |
| <b><u>FUND BALANCES</u></b>                |                         |                                                 |                                 |                                                |                     |
| Committed                                  | \$ 16,649               | \$ 97,109                                       | \$ 238,301                      | \$ 441,262                                     | \$ 793,321          |
| <b>TOTAL FUND BALANCES</b>                 | <b>\$ 16,649</b>        | <b>\$ 97,109</b>                                | <b>\$ 238,301</b>               | <b>\$ 441,262</b>                              | <b>\$ 793,321</b>   |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 65,631</b>        | <b>\$ 97,109</b>                                | <b>\$ 238,301</b>               | <b>\$ 1,247,963</b>                            | <b>\$ 1,649,004</b> |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECT FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                               | <b>PARK FUND</b>   | <b>ECONOMIC<br/>DEVELOPMENT<br/>FUND</b> | <b>BUILDING<br/>FUND</b> | <b>CAPITAL<br/>IMPROVEMENT<br/>FUND</b> | <b>TOTAL</b>        |
|-----------------------------------------------|--------------------|------------------------------------------|--------------------------|-----------------------------------------|---------------------|
| <b>REVENUES:</b>                              |                    |                                          |                          |                                         |                     |
| Interest                                      | \$ 3,198           | \$ 2,697                                 | \$ 2,535                 | \$ 18,163                               | \$ 26,593           |
| Charges for Services                          | -                  | -                                        | -                        | 77,350                                  | 77,350              |
| <b>TOTAL REVENUES</b>                         | <b>\$ 3,198</b>    | <b>\$ 2,697</b>                          | <b>\$ 2,535</b>          | <b>\$ 95,513</b>                        | <b>\$ 103,943</b>   |
| <b>EXPENDITURES:</b>                          |                    |                                          |                          |                                         |                     |
| General Government                            | \$ -               | \$ -                                     | \$ 13,128                | \$ 375,981                              | \$ 389,109          |
| Public Safety                                 | -                  | -                                        | -                        | 99,707                                  | 99,707              |
| Public Works - Other                          | -                  | -                                        | -                        | 1,082,037                               | 1,082,037           |
| Culture and Recreation                        | -                  | -                                        | -                        | 1,065,658                               | 1,065,658           |
| Economic Development                          | -                  | 34,292                                   | -                        | -                                       | 34,292              |
| Debt Service                                  | -                  | -                                        | -                        | 957,605                                 | 957,605             |
| <b>TOTAL EXPENDITURES</b>                     | <b>\$ -</b>        | <b>\$ 34,292</b>                         | <b>\$ 13,128</b>         | <b>\$ 3,580,988</b>                     | <b>\$ 3,628,408</b> |
| <b>OTHER FINANCING SOURCES (USES)</b>         |                    |                                          |                          |                                         |                     |
| Operating Transfers In                        | \$ 35,000          | \$ 50,000                                | \$ -                     | \$ 3,262,175                            | \$ 3,347,175        |
| Operating Transfers (Out)                     | (120,000)          | -                                        | -                        | -                                       | (120,000)           |
| Refund of Prior Year Expenditures             | -                  | 6,493                                    | -                        | -                                       | 6,493               |
| <b>TOTAL OTHER FINANCING SOURCES AND USES</b> | <b>\$ (85,000)</b> | <b>\$ 56,493</b>                         | <b>\$ -</b>              | <b>\$ 3,262,175</b>                     | <b>\$ 3,233,668</b> |
| <b>NET CHANGE IN FUND BALANCES</b>            | <b>\$ (81,802)</b> | <b>\$ 24,898</b>                         | <b>\$ (10,593)</b>       | <b>\$ (223,300)</b>                     | <b>\$ (290,797)</b> |
| FUND BALANCE - January 1, 2023                | 98,451             | 72,211                                   | 248,894                  | 664,562                                 | 1,084,118           |
| <b>FUND BALANCE - December 31, 2023</b>       | <b>\$ 16,649</b>   | <b>\$ 97,109</b>                         | <b>\$ 238,301</b>        | <b>\$ 441,262</b>                       | <b>\$ 793,321</b>   |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2023**

|                                            | <b><u>LIQUID FUELS<br/>FUND</u></b> | <b><u>LIBRARY<br/>FUND</u></b> | <b><u>ASSET<br/>FORFEITURE<br/>FUND</u></b> | <b><u>TOTAL</u></b>      |
|--------------------------------------------|-------------------------------------|--------------------------------|---------------------------------------------|--------------------------|
| <b><u>ASSETS</u></b>                       |                                     |                                |                                             |                          |
| Cash and Cash Equivalents                  | \$ 52,456                           | \$ 329,061                     | \$ 10,484                                   | \$ 392,001               |
| Due from Other Funds                       | -                                   | -                              | 650                                         | 650                      |
| <b>TOTAL ASSETS</b>                        | <b><u>\$ 52,456</u></b>             | <b><u>\$ 329,061</u></b>       | <b><u>\$ 11,134</u></b>                     | <b><u>\$ 392,651</u></b> |
| <b><u>LIABILITIES</u></b>                  |                                     |                                |                                             |                          |
| Accounts Payable                           | \$ 13,466                           | \$ -                           | \$ -                                        | \$ 13,466                |
| Due to Other Funds                         | 3,824                               | -                              | -                                           | 3,824                    |
| Payroll Withholding Liabilities            | -                                   | 6                              | -                                           | 6                        |
| <b>TOTAL ACCOUNTS PAYABLE</b>              | <b><u>\$ 17,290</u></b>             | <b><u>\$ 6</u></b>             | <b><u>\$ -</u></b>                          | <b><u>\$ 17,296</u></b>  |
| <b><u>FUND BALANCES</u></b>                |                                     |                                |                                             |                          |
| Restricted                                 | \$ 35,166                           | \$ -                           | \$ 11,134                                   | \$ 46,300                |
| Committed                                  | -                                   | 329,055                        | -                                           | 329,055                  |
| <b>TOTAL FUND BALANCES</b>                 | <b><u>\$ 35,166</u></b>             | <b><u>\$ 329,055</u></b>       | <b><u>\$ 11,134</u></b>                     | <b><u>\$ 375,355</u></b> |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b><u>\$ 52,456</u></b>             | <b><u>\$ 329,061</u></b>       | <b><u>\$ 11,134</u></b>                     | <b><u>\$ 392,651</u></b> |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF BRENTWOOD**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

|                                         | LIQUID FUELS<br>FUND | LIBRARY<br>FUND   | ASSET<br>FORFEITURE<br>FUND | TOTAL             |
|-----------------------------------------|----------------------|-------------------|-----------------------------|-------------------|
| <b><u>REVENUES:</u></b>                 |                      |                   |                             |                   |
| Real Estate Taxes                       | \$ -                 | \$ 204,000        | \$ -                        | \$ 204,000        |
| Interest                                | 5,246                | 7,536             | -                           | 12,782            |
| Intergovernmental                       | 261,062              | 219,444           | -                           | 480,506           |
| Charges for Services                    | -                    | 11,581            | -                           | 11,581            |
| Miscellaneous                           | -                    | 33,273            | -                           | 33,273            |
| <b>TOTAL REVENUES</b>                   | <b>\$ 266,308</b>    | <b>\$ 475,834</b> | <b>\$ -</b>                 | <b>\$ 742,142</b> |
| <b><u>EXPENDITURES:</u></b>             |                      |                   |                             |                   |
| Public Works                            | \$ 261,553           | \$ -              | \$ -                        | \$ 261,553        |
| Culture and Recreation                  | -                    | 427,187           | -                           | 427,187           |
| <b>TOTAL EXPENDITURES</b>               | <b>\$ 261,553</b>    | <b>\$ 427,187</b> | <b>\$ -</b>                 | <b>\$ 688,740</b> |
| <b>NET CHANGE IN FUND BALANCES</b>      | <b>\$ 4,755</b>      | <b>\$ 48,647</b>  | <b>\$ -</b>                 | <b>\$ 53,402</b>  |
| FUND BALANCE - January 1, 2023          | 30,411               | 280,408           | 11,134                      | 321,953           |
| <b>FUND BALANCE - December 31, 2023</b> | <b>\$ 35,166</b>     | <b>\$ 329,055</b> | <b>\$ 11,134</b>            | <b>\$ 375,355</b> |

The accompanying notes are an integral part of these financial statements

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

**BOROUGH OF BRENTWOOD**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**POLICE PENSION PLAN**  
**DECEMBER 31,**

|                                                                           | 2023                | 2022                | 2021                | 2020                | 2019                | 2018                | 2017                | 2016                | 2015                | 2014                |
|---------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Total pension liability-beginning</b>                                  | \$ 8,791,160        | \$ 8,225,955        | \$ 7,925,623        | \$ 7,449,625        | \$ 6,807,051        | \$ 6,422,480        | \$ 6,095,625        | \$ 6,026,831        | \$ 6,188,441        | \$ 5,850,241        |
| Service Cost                                                              | 236,622             | 229,462             | 218,535             | 220,941             | 210,420             | 196,266             | 186,920             | 179,574             | 171,023             | 180,157             |
| Interest                                                                  | 659,760             | 603,482             | 565,922             | 545,762             | 510,075             | 485,464             | 458,633             | 445,015             | 429,168             | 411,607             |
| Actual (gain)/loss                                                        | -                   | -                   | 53,412              | -                   | 55,206              | -                   | -                   | -                   | -                   | -                   |
| Assumption (gain)/loss                                                    | -                   | -                   | -                   | -                   | 210,112             | -                   | (21,539)            | -                   | (346,694)           | -                   |
| Adjustments                                                               | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Differences between expected<br>an actual experience                      | 206,870             | -                   | (250,983)           | -                   | (46,080)            | -                   | -                   | -                   | (170,385)           | -                   |
| Benefit payments                                                          | (273,817)           | (267,739)           | (286,554)           | (290,705)           | (297,159)           | (297,159)           | (297,159)           | (555,795)           | (244,722)           | (253,564)           |
| Net change in total pension liability                                     | \$ 829,435          | \$ 565,205          | \$ 300,332          | \$ 475,998          | \$ 642,574          | \$ 384,571          | \$ 326,855          | \$ 68,794           | \$ (161,610)        | \$ 338,200          |
| <b>Total pension liability-ending</b>                                     | <b>\$ 9,620,595</b> | <b>\$ 8,791,160</b> | <b>\$ 8,225,955</b> | <b>\$ 7,925,623</b> | <b>\$ 7,449,625</b> | <b>\$ 6,807,051</b> | <b>\$ 6,422,480</b> | <b>\$ 6,095,625</b> | <b>\$ 6,026,831</b> | <b>\$ 6,188,441</b> |
| <br><b>Plan fiduciary net position-beginning</b>                          | <br>\$ 7,473,319    | <br>\$ 8,952,622    | <br>\$ 7,849,899    | <br>\$ 6,829,140    | <br>\$ 5,664,682    | <br>\$ 5,983,664    | <br>\$ 5,317,734    | <br>\$ 5,403,059    | <br>\$ 5,444,831    | <br>\$ 5,275,071    |
| Contributions-employer                                                    | 287,225             | 287,191             | 272,015             | 295,747             | 211,242             | 207,536             | 199,504             | 195,215             | 279,131             | 218,893             |
| Contributions-member                                                      | 110,449             | 98,094              | 96,485              | 87,439              | 81,386              | 77,290              | 76,477              | 73,603              | 70,451              | 71,843              |
| Net investment income                                                     | 1,477,434           | (1,542,335)         | 1,077,454           | 978,295             | 1,210,346           | (262,662)           | 722,030             | 236,152             | (88,543)            | 179,997             |
| Benefit payments                                                          | (273,817)           | (267,739)           | (286,554)           | (290,705)           | (297,159)           | (297,159)           | (297,159)           | (555,795)           | (244,722)           | (253,564)           |
| Administrative expenses                                                   | (63,327)            | (54,514)            | (56,677)            | (50,017)            | (41,357)            | (43,987)            | (34,922)            | (34,500)            | (58,089)            | (47,409)            |
| Other                                                                     | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Change in plan fiduciary net position                                     | \$ 1,537,964        | \$ (1,479,303)      | \$ 1,102,723        | \$ 1,020,759        | \$ 1,164,458        | \$ (318,982)        | \$ 665,930          | \$ (85,325)         | \$ (41,772)         | \$ 169,760          |
| <b>Plan fiduciary net position-ending</b>                                 | <b>\$ 9,011,283</b> | <b>\$ 7,473,319</b> | <b>\$ 8,952,622</b> | <b>\$ 7,849,899</b> | <b>\$ 6,829,140</b> | <b>\$ 5,664,682</b> | <b>\$ 5,983,664</b> | <b>\$ 5,317,734</b> | <b>\$ 5,403,059</b> | <b>\$ 5,444,831</b> |
| <br><b>Net pension liability (asset)-beginning</b>                        | <br>\$ 1,317,841    | <br>\$ (726,667)    | <br>\$ 75,724       | <br>\$ 620,485      | <br>\$ 1,142,369    | <br>\$ 438,816      | <br>\$ 777,891      | <br>\$ 623,772      | <br>\$ 743,610      | <br>\$ 575,170      |
| <br><b>Net pension liability (asset)-ending</b>                           | <br>\$ 609,312      | <br>\$ 1,317,841    | <br>\$ (726,667)    | <br>\$ 75,724       | <br>\$ 620,485      | <br>\$ 1,142,369    | <br>\$ 438,816      | <br>\$ 777,891      | <br>\$ 623,772      | <br>\$ 743,610      |
| <br><b>RATIOS:</b>                                                        |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Plan fiduciary net position as a<br>percentage of total pension liability | 93.67%              | 85.01%              | 108.83%             | 99.04%              | 91.67%              | 83.22%              | 93.17%              | 87.24%              | 89.65%              | 87.98%              |
| <br>Covered-employee payroll                                              | <br>\$ 2,211,982    | <br>\$ 2,039,891    | <br>\$ 1,987,346    | <br>\$ 1,768,634    | <br>\$ 1,639,977    | <br>\$ 1,545,802    | <br>\$ 1,529,537    | <br>\$ 1,463,019    | <br>\$ 1,409,011    | <br>\$ 1,330,937    |
| <br>Net pension liability as a percentage<br>of covered-employee payroll  | <br>27.55%          | <br>64.60%          | <br>-36.56%         | <br>4.28%           | <br>37.83%          | <br>73.90%          | <br>28.69%          | <br>53.17%          | <br>44.27%          | <br>55.87%          |

**BOROUGH OF BRENTWOOD**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**NON-POLICE PENSION PLAN**  
**DECEMBER 31.**

|                                                                           | 2023                | 2022                | 2021                | 2020                | 2019                | 2018                | 2017                | 2016                | 2015                | 2014                |
|---------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Total pension liability-beginning</b>                                  | \$ 2,693,863        | \$ 2,989,129        | \$ 2,422,807        | \$ 2,233,668        | \$ 2,291,324        | \$ 2,169,501        | \$ 1,988,188        | \$ 2,012,801        | \$ 2,068,057        | \$ 1,882,661        |
| Service Cost                                                              | 69,652              | 70,549              | 76,414              | 69,637              | 66,638              | 66,626              | 63,757              | 57,494              | 55,018              | 51,202              |
| Interest                                                                  | 178,373             | 181,375             | 183,852             | 148,778             | 156,544             | 153,158             | 142,904             | 137,369             | 135,141             | 135,332             |
| Actual (gain)/loss                                                        | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Assumption (gain)/loss                                                    | -                   | -                   | -                   | -                   | 40,905              | -                   | -                   | -                   | -                   | -                   |
| Adjustments                                                               | -                   | -                   | 351,765             | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Differences between expected<br>an actual experience                      | 149,297             | -                   | -                   | -                   | 85,208              | -                   | 3,928               | -                   | (141,315)           | -                   |
| Benefit payments                                                          | (342,620)           | (547,190)           | (45,709)            | (29,276)            | (406,951)           | (97,961)            | (29,276)            | (219,476)           | (104,100)           | (1,138)             |
| Net change in total pension liability                                     | \$ 54,702           | \$ (295,266)        | \$ 566,322          | \$ 189,139          | \$ (57,656)         | \$ 121,823          | \$ 181,313          | \$ (24,613)         | \$ (55,256)         | \$ 185,396          |
| <b>Total pension liability-ending</b>                                     | <b>\$ 2,748,565</b> | <b>\$ 2,693,863</b> | <b>\$ 2,989,129</b> | <b>\$ 2,422,807</b> | <b>\$ 2,233,668</b> | <b>\$ 2,291,324</b> | <b>\$ 2,169,501</b> | <b>\$ 1,988,188</b> | <b>\$ 2,012,801</b> | <b>\$ 2,068,057</b> |
| <br><b>Plan fiduciary net position-beginning</b>                          | <br>\$ 1,902,257    | <br>\$ 2,709,896    | <br>\$ 2,324,356    | <br>\$ 1,968,276    | <br>\$ 1,887,394    | <br>\$ 1,971,149    | <br>\$ 1,690,701    | <br>\$ 1,749,843    | <br>\$ 1,787,577    | <br>\$ 1,648,639    |
| Contributions-employer                                                    | 115,949             | 116,303             | 141,648             | 111,402             | 107,762             | 78,561              | 74,248              | 71,334              | 97,953              | 74,645              |
| Contributions-member                                                      | 35,788              | 36,707              | 37,785              | 35,465              | 31,514              | 32,901              | 32,703              | 30,875              | 29,898              | 29,418              |
| Net investment income                                                     | 333,636             | (390,528)           | 273,039             | 260,422             | 365,752             | (75,728)            | 218,657             | 76,973              | (28,332)            | 44,438              |
| Benefit payments                                                          | (342,620)           | (547,190)           | (45,709)            | (29,276)            | (406,951)           | (97,961)            | (29,276)            | (219,476)           | (104,100)           | (1,138)             |
| Administrative expenses                                                   | (31,175)            | (22,931)            | (21,223)            | (21,933)            | (17,195)            | (22,328)            | (15,884)            | (18,848)            | (33,153)            | (9,954)             |
| Other                                                                     | -                   | -                   | -                   | -                   | -                   | 800                 | -                   | -                   | -                   | 1,529               |
| Change in plan fiduciary net position                                     | \$ 111,578          | \$ (807,639)        | \$ 385,540          | \$ 356,080          | \$ 80,882           | \$ (83,755)         | \$ 280,448          | \$ (59,142)         | \$ (37,734)         | \$ 138,938          |
| <b>Plan fiduciary net position-ending</b>                                 | <b>\$ 2,013,835</b> | <b>\$ 1,902,257</b> | <b>\$ 2,709,896</b> | <b>\$ 2,324,356</b> | <b>\$ 1,968,276</b> | <b>\$ 1,887,394</b> | <b>\$ 1,971,149</b> | <b>\$ 1,690,701</b> | <b>\$ 1,749,843</b> | <b>\$ 1,787,577</b> |
| <br><b>Net pension liability (asset)-beginning</b>                        | <br>\$ 791,606      | <br>\$ 279,233      | <br>\$ 98,451       | <br>\$ 265,392      | <br>\$ 403,930      | <br>\$ 198,352      | <br>\$ 297,487      | <br>\$ 262,958      | <br>\$ 280,480      | <br>\$ 234,022      |
| <b>Net pension liability (asset)-ending</b>                               | <b>\$ 734,730</b>   | <b>\$ 791,606</b>   | <b>\$ 279,233</b>   | <b>\$ 98,451</b>    | <b>\$ 265,392</b>   | <b>\$ 403,930</b>   | <b>\$ 198,352</b>   | <b>\$ 297,487</b>   | <b>\$ 262,958</b>   | <b>\$ 280,480</b>   |
| <br><b>RATIOS:</b>                                                        |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Plan fiduciary net position as a<br>percentage of total pension liability | 73.27%              | 70.61%              | 90.66%              | 95.94%              | 88.12%              | 82.37%              | 90.86%              | 85.04%              | 86.94%              | 86.44%              |
| <br>Covered-employee payroll                                              | <br>\$ 1,173,831    | <br>\$ 1,109,285    | <br>\$ 1,288,795    | <br>\$ 1,229,192    | <br>\$ 1,060,022    | <br>\$ 1,058,006    | <br>\$ 1,080,443    | <br>\$ 1,053,506    | <br>\$ 908,231      | <br>\$ 1,010,456    |
| <br>Net pension liability as a percentage<br>of covered-employee payroll  | <br>62.59%          | <br>71.36%          | <br>21.67%          | <br>8.01%           | <br>25.04%          | <br>38.18%          | <br>18.36%          | <br>28.24%          | <br>28.95%          | <br>27.76%          |

**BOROUGH OF BRENTWOOD**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**SCHEDULE OF ACTUARIALLY DETERMINED PENSION CONTRIBUTION AND RELATED RATIOS**  
**POLICE PENSION PLAN**  
**DECEMBER 31,**

|                                                                | <b>2023</b>    | <b>2022</b>    | <b>2021</b>       | <b>2020</b>      | <b>2019</b>    | <b>2018</b>    | <b>2017</b>    | <b>2016</b>    | <b>2015</b>    | <b>2014</b>    |
|----------------------------------------------------------------|----------------|----------------|-------------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Actuarially determined contribution                            | \$ 287,225     | \$ 287,191     | \$ 269,776        | \$ 290,641       | \$ 211,242     | \$ 207,536     | \$ 199,504     | \$ 195,215     | \$ 279,131     | \$ 218,893     |
| Contributions                                                  | <u>287,225</u> | <u>287,191</u> | <u>272,015</u>    | <u>222,521</u>   | <u>211,242</u> | <u>207,536</u> | <u>199,504</u> | <u>195,215</u> | <u>279,131</u> | <u>218,893</u> |
| Contribution deficiency (excess)                               | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ (2,239)</u> | <u>\$ 68,120</u> | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    |
| <b>RATIOS:</b>                                                 |                |                |                   |                  |                |                |                |                |                |                |
| Covered-employee payroll                                       | \$ 2,211,982   | \$ 2,039,891   | \$ 1,987,346      | \$ 1,768,634     | \$ 1,639,977   | \$ 1,545,802   | \$ 1,529,537   | \$ 1,463,019   | \$ 1,409,011   | \$ 1,330,937   |
| Contributions as a percentage of covered-employee payroll      | 12.98%         | 14.08%         | 13.69%            | 12.58%           | 12.88%         | 13.43%         | 13.04%         | 13.34%         | 19.81%         | 16.45%         |
| Annual money-weighted rate of return net of investment expense | 19.95%         | -17.37%        | 13.92%            | 14.48%           | 21.73%         | -4.47%         | 13.69%         | N/A            | -2.38%         | 2.86%          |

**BOROUGH OF BRENTWOOD**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**SCHEDULE OF ACTUARIALLY DETERMINED PENSION CONTRIBUTION AND RELATED RATIOS**  
**NON-POLICE PENSION PLAN**  
**DECEMBER 31,**

|                                                                | <b>2023</b>  | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019</b>  | <b>2018</b>  | <b>2017</b>  | <b>2016</b>  | <b>2015</b> | <b>2014</b>  |
|----------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|--------------|
| Actuarially determined contribution                            | \$ 115,949   | \$ 116,303   | \$ 141,648   | \$ 111,402   | \$ 107,762   | \$ 78,561    | \$ 74,248    | \$ 71,334    | \$ 97,953   | \$ 74,645    |
| Contributions                                                  | 115,949      | 116,303      | 141,648      | 111,402      | 107,762      | 78,561       | 74,248       | 71,334       | 97,953      | 74,645       |
| Contribution deficiency (excess)                               | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u> | <u>\$ -</u>  |
| <b>RATIOS:</b>                                                 |              |              |              |              |              |              |              |              |             |              |
| Covered-employee payroll                                       | \$ 1,173,831 | \$ 1,109,285 | \$ 1,288,795 | \$ 1,229,192 | \$ 1,060,022 | \$ 1,058,006 | \$ 1,080,443 | \$ 1,053,506 | \$ 908,231  | \$ 1,010,456 |
| Contributions as a percentage of covered-employee payroll      | 9.88%        | 10.48%       | 10.99%       | 9.06%        | 10.17%       | 7.43%        | 6.87%        | 6.77%        | 10.79%      | 7.39%        |
| Annual money-weighted rate of return net of investment expense | 19.42%       | -16.95%      | 11.67%       | 13.12%       | 19.57%       | -3.85%       | 12.71%       | N/A          | -2.38%      | 2086.00%     |

**BOROUGH OF BRENTWOOD**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**OTHER POST-EMPLOYMENT BENEFITS**  
**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**DECEMBER 31,**

|                                                         | <b><u>2023</u></b>  | <b><u>2022</u></b>  | <b><u>2021</u></b>  | <b><u>2020</u></b>  | <b><u>2019</u></b>  | <b><u>2018</u></b>  |
|---------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Service cost                                            | \$ 76,843           | \$ 74,786           | \$ 73,381           | \$ 71,417           | \$ 55,838           | \$ 54,344           |
| Interest                                                | 42,201              | 39,270              | 41,912              | 39,442              | 44,589              | 42,503              |
| Changes of benefit terms                                | -                   | 161,833             | -                   | -                   | -                   | -                   |
| Differences between expected and actual                 | -                   | (144,833)           | -                   | (322,858)           | -                   | -                   |
| Changes of assumptions or other inputs                  | -                   | (84,458)            | -                   | 181,921             | -                   | -                   |
| Benefit payments                                        | (16,029)            | (3,130)             | (33,221)            | (27,804)            | (36,754)            | (31,597)            |
| <b>Net Change in Total OPEB Liability</b>               | <b>\$ 103,015</b>   | <b>\$ 43,468</b>    | <b>\$ 82,072</b>    | <b>\$ (57,882)</b>  | <b>\$ 63,673</b>    | <b>\$ 65,250</b>    |
| Total OPEB Liability - Beginning of Year                | 1,465,699           | 1,422,231           | 1,340,159           | 1,398,041           | 1,334,368           | 1,269,118           |
| <b>Total OPEB Liability - End of Year</b>               | <b>\$ 1,568,714</b> | <b>\$ 1,465,699</b> | <b>\$ 1,422,231</b> | <b>\$ 1,340,159</b> | <b>\$ 1,398,041</b> | <b>\$ 1,334,368</b> |
| Covered payroll                                         | \$ 3,375,168        | \$ 3,375,168        | \$ 3,276,141        | \$ 2,788,496        | \$ 2,609,980        | \$ 2,609,980        |
| Total OPEB liability as a percentage of covered payroll | 46.48%              | 43.43%              | 43.41%              | 48.06%              | 53.57%              | 51.13%              |

This schedule is presented to illustrate the requirements to show information for a ten (10) year period. However, the information shown above is for the years which information is available.

**BOROUGH OF BRENTWOOD**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**POLICE PENSION PLAN**  
**DECEMBER 31, 2023**

**Actuarial Methods and Assumptions**

The following actuarial methods and assumptions were used in the calculation of the most recent actuarially determined contributions reported in the supplementary RSI schedules.

- Actuarial Valuation Date – January 1, 2021
- Actuarial Cost Method – Entry Age Normal
- Amortization Method – Level dollar, closed.
- Remaining amortization period – 5 years (aggregate)
- Asset Valuation Method – 4-year smoothing
- Inflation – 2.75%
- Salary Increases – 5.0% including inflation.
- Investment Rate of Return – 7.25% net of investment expenses not funded through the MMO and including inflation.
- Mortality - RP-2000 Combined Healthy Mortality Table with Blue Collar adjustment, with rates set forward 5 years for disabled members. Improvement projected with 75% of scale AA.
- Retirement Age – Normal retirement age or attained age if currently eligible to retire.

**Changes in Benefits**

January 1, 2009 – Survivor benefits under Act 92 added.

January 1, 2011 – Killed in service benefit cancelled. Deferred Retirement Option Plan (DROP) added. Additional survivor benefits added under Act 92.

January 1, 2020 – Retired officers who reached normal retirement prior to 1/1/2020 receive an additional \$100 per month.

**Changes in Assumptions**

January 1, 2009 – Actuarial value of assets changed from market value to a 4-year smoothing.

January 1, 2011 – Mortality assumption updated to RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment. Rates projected to improve at 75% of scale AA.

January 1, 2015 – Interest Rate increased from 7% to 7.5%.

January 1, 2019 – Inflation was lowered from 3% to 2.75% and interest rate lowered from 7.5% to 7.25%.

**BOROUGH OF BRENTWOOD**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**NON-POLICE PENSION PLAN**  
**DECEMBER 31, 2023**

**Actuarial Methods and Assumptions**

The following actuarial methods and assumptions were used in the calculation of the most recent actuarially determined contributions reported in the supplementary RSI schedules.

- Actuarial Valuation Date – January 1, 2021
- Actuarial Cost Method – Entry Age Normal
- Amortization Method – Level dollar, closed.
- Remaining amortization period – 7 years (aggregate)
- Asset Valuation Method – 4-year smoothing
- Inflation – 2.75%
- Salary Increases – 4.5% including inflation.
- Investment Rate of Return – 6.5% net of investment expenses not funded through the MMO and including inflation.
- Mortality - RP-2000 Combined Healthy Mortality Table with Blue Collar adjustment, with rates set forward 5 years for disabled members. Improvement projected with 75% of scale AA.
- Retirement Age – Normal retirement age or attained age if currently eligible to retire.

**Changes in Benefits**

None

**Changes in Assumptions**

January 1, 2007 – Assumed interest rate increased from 7% to 7.5%.

January 1, 2009 – Assumed interest rate decreased from 7.5% to 7%.

January 1, 2011 – Mortality assumption updated to RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment. Rates projected to improve at 75% of scale AA. Benefit form assumption updated from 100% elect lump sum to 75% lump sum and 25% elect life annuity.

January 1, 2019 – Inflation was lowered from 3% to 2.75% and interest rate lowered from 7% to 6.5%.

**BOROUGH OF BRENTWOOD**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**OTHER POST EMPLOYMENT BENEFITS**  
**DECEMBER 31, 2023**

The total OPEB liability in the January 1, 2022, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|                       |                                                                                                                                                                                                                                 |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Inflation             | 2.75%                                                                                                                                                                                                                           |
| Discount Rate         | 2.75% per year – based on a survey of 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.                                                                                          |
| Mortality             | RP-2000 Combined Healthy Mortality Table with Blue Collar adjustment.                                                                                                                                                           |
| Mortality Improvement | Rates projected to improve with 75% of scale AA.                                                                                                                                                                                |
| Withdrawal            | Police – Table T-1, Actuary's Pension Handbook<br>Non-Police – Table T-3, Actuary's Pension Handbook                                                                                                                            |
| Disablement           | 60% of rates of disablement from Advanced Pension Tables.                                                                                                                                                                       |
| Retirement Age        | Police – if hired on or before 1/1/2012, age 57 with 27 years of Service, or age 63 with 25 years of service, if earlier. If hired after 1/1/2023, age 60 with 25 years of service. Public works – age 62. All others – age 65. |
| Participation         | 80% of eligible retirees for medical coverage, 100% of eligible retirees for dental, vision, and/or life insurance.                                                                                                             |
| Coverage Level        | Future Police Retirees – 80% husband/wife, 20% individual, 0% other; Future Public Works – 100% individual, 0% other; Current retirees – continuation at current coverage level.                                                |
| Spouse Age            | Female spouse assumed to be 3 years younger than male spouse.                                                                                                                                                                   |

Changes in Benefit Terms – Beginning January 1, 2022:

- Public Works employees who retire after January 1, 2022, who attain age 62 with 25 years of service are eligible for Borough-paid single level medical, dental, and vision until the earlier of age 65 or Medicare eligibility with the retiree required to pay 50% of the single premium costs.
- Public Works life insurance has increased from \$10,000 to \$15,000.

Changes in Assumptions – Beginning January 1, 2022:

- Assumed discount rate reduced from 3.0% to 2.75%.
- Trend rates were updated.