

MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants 791 South Chester Road, Swarthmore, PA 19081

610-544-5100
FAX: 610-544-9767

February 18, 2016

Board of Supervisors
East Bradford Township
East Bradford, Pennsylvania 19380

We have audited the Municipal Annual Audit and Financial Report of East Bradford Township (the Township) for the year ended December 31, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 8, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. No new accounting policies were adopted and the application of existing policies was not changed during 2015. We noted no transactions entered into by the Township during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no misstatements detected as a result of our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 17, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Township's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

East Bradford Township
February 18, 2016
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This information is intended solely for the use of East Bradford Township's Board of Supervisors and management and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Mingis, Gutowski & Company, LLP

Swarthmore, Pennsylvania

copy: Mr. Michael Lynch

**2015 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

150245 EAST BRADFORD TWP, CHESTER COUNTY

EAST BRADFORD TWP, CHESTER County

BALANCE SHEET

December 31, 2015

| | | Governmental Funds | | | | Proprietary Funds | | Fid. Fund | Account Groups | | Total |
|--|---|--------------------|--|------------------|--------------|-------------------|------------------|------------------|----------------------|------------------------|-----------------|
| | | General Fund | Special Revenue (Including State Liquid Fuels) | Capital Projects | Debt Service | Enterprise | Internal Service | Trust and Agency | General Fixed Assets | General Long Term Debt | Memorandum Only |
| Liabilities and Other Credits | | | | | | | | | | | |
| 260-269 | Long-Term-Liabilities | | | | | | | | | 10,201,000 | 10,201,000 |
| 240-259 | Current Portion of Long-Term Debt and Other Credits | | | | | | | | | 760,150 | 760,150 |
| Total Liabilities and Other Credits | | 115,270 | | | | | | | | 10,961,150 | 11,076,420 |
| Fund and Account Group Equity | | | | | | | | | | | |
| 281-284 | Contributed Capital | | | | | | | | | | |
| 290.00 | Investment in General Fixed Assets | | | | | | | | | | |
| 270-289 | Fund Balance / Retained Earnings on 12/31 | 2,271,160 | 866,775 | 279,696 | | 1,263,823 | | | | | 4,681,454 |
| 291-299 | Other Equity | | | | | | | | | | |
| Total Fund and Account Group Equity | | 2,271,160 | 866,775 | 279,696 | | 1,263,823 | | | | | 4,681,454 |
| TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY | | | | | | | | | | | 15,757,874 |

EAST BRADFORD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

| Governmental Funds | | | | Proprietary Funds | | Fiduciary Fund | Total |
|--------------------|---|---------------------|--------------|-------------------|---------------------|---------------------|--------------------|
| General Fund | Special Revenue (Including State Liquid Fuels) | Capital Projects | Debt Service | Enterprise | Internal Service | Trust and Agency | Memorandum Only |

REVENUES

| Taxes | | | | | | | | |
|--------------------|--|-----------|-----------|--|--|--|--|-----------|
| 301.00 | Real Estate Taxes | 267,770 | | | | | | 267,770 |
| 305.00 | Occupation Taxes (levied under municipal code) | | | | | | | |
| 308.00 | Residence Taxes (levied by cities of the 3rd Class) | | | | | | | |
| 309.00 | Regional Asset District Sales Tax (Allegheny County municipalities only) | | | | | | | |
| 310.00 | Per Capita Taxes | | | | | | | |
| 310.10 | Real Estate Transfer Taxes | 335,292 | | | | | | 335,292 |
| 310.20 | Earned Income Taxes / Wage Taxes | 2,355,186 | 1,132,433 | | | | | 3,487,619 |
| 310.30 | Business Gross Receipts Taxes | | | | | | | |
| 310.40 | Occupation Taxes (levied under Act 511) | | | | | | | |
| 310.50 | Local Services Tax ** | 75,400 | | | | | | 75,400 |
| 310.60 | Amusement / Admission Taxes | | | | | | | |
| 310.70 | Mechanical Device Taxes | | | | | | | |
| 310.90 | Other Local Tax Enabling Act / Act 511 / Taxes | | | | | | | |
| | Other: _____ | | | | | | | |
| Total Taxes | | 3,033,648 | 1,132,433 | | | | | 4,166,081 |

| Licenses and Permits | | | | | | | | |
|-----------------------------------|---------------------------------|---------|--|--|--|--|--|---------|
| 320-322 | All Other Licenses and Permits | | | | | | | |
| 321.80 | Cable Television Franchise Fees | 218,977 | | | | | | 218,977 |
| Total Licenses and Permits | | 218,977 | | | | | | 218,977 |

| Fines and Forfeits | | | | | | | | |
|---------------------------------|--------------------|--------|--|--|--|--|--|--------|
| 330-332 | Fines and Forfeits | 46,240 | | | | | | 46,240 |
| Total Fines and Forfeits | | 46,240 | | | | | | 46,240 |

EAST BRADFORD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

| Governmental Funds | | | | Proprietary Funds | | Fiduciary Fund | Total |
|--------------------|---|------------------|--------------|-------------------|------------------|------------------|-----------------|
| General Fund | Special Revenue (Including State Liquid Fuels) | Capital Projects | Debt Service | Enterprise | Internal Service | Trust and Agency | Memorandum Only |

REVENUES

| Interest, Rents and Royalties | | | | | | | | |
|--|---------------------|-------|-------|-------|--|-----|--|-------|
| 341.00 | Interest Earnings | 1,555 | 1,912 | 449 | | 923 | | 4,839 |
| 342.00 | Rents and Royalties | | | 4,410 | | | | 4,410 |
| Total Interest, Rents and Royalties | | 1,555 | 1,912 | 4,859 | | 923 | | 9,249 |

| Federal | | | | | | | | |
|----------------------|---|--|--|--|--|--|--|--|
| 351.03 | Highways and Streets | | | | | | | |
| 351.09 | Community Development | | | | | | | |
| 351.00 | All Other Federal Capital and Operating Grants | | | | | | | |
| 352.01 | National Forest | | | | | | | |
| 352.00 | All Other Federal Shared Revenue and Entitlements | | | | | | | |
| 353.00 | Federal Payments in Lieu of Taxes | | | | | | | |
| Total Federal | | | | | | | | |

| State | | | | | | | | |
|---------------|---|--------|---------|--|--|--|--|---------|
| 354.03 | Highways and Streets | | | | | | | |
| 354.09 | Community Development | | | | | | | |
| 354.15 | Recycling / Act 101 | 972 | | | | | | 972 |
| 354.00 | All Other State Capital and Operating Grants | | | | | | | |
| 355.01 | Public Utility Realty Tax (PURTA) | 5,019 | | | | | | 5,019 |
| 355.02-355.03 | Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback | | 302,237 | | | | | 302,237 |
| 355.04 | Alcoholic Beverage Licenses | | | | | | | |
| 355.05 | General Municipal Pension System State Aid | 47,050 | | | | | | 47,050 |
| 355.07 | Foreign Fire Insurance Tax Distribution | 93,894 | | | | | | 93,894 |
| 355.08 | Local Share Assessment/Gaming Proceeds | | | | | | | |
| 355.09 | Marcellus Shale Impact Fee Distribution | | | | | | | |

EAST BRADFORD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

| Governmental Funds | | | | Proprietary Funds | | Fiduciary Fund | Total |
|--------------------|---|------------------|--------------|-------------------|------------------|------------------|-----------------|
| General Fund | Special Revenue (Including State Liquid Fuels) | Capital Projects | Debt Service | Enterprise | Internal Service | Trust and Agency | Memorandum Only |

REVENUES

| State | | | | | | | | |
|--------------------|--|---------|---------|--|--|--|--|---------|
| 356.00 | State Payments in Lieu of Taxes | | | | | | | |
| 355.00 | All Other State Shared Revenues and Entitlements | 15,796 | | | | | | 15,796 |
| Total State | | 162,731 | 302,237 | | | | | 464,968 |

| Local Government Units | | | | | | | | |
|-------------------------------------|---|-----|--|-------|--|--|--|-------|
| 357.03 | Highways and Streets | | | | | | | |
| 357.00 | All Other Local Governmental Units Capital and Operating Grants | 172 | | 1,215 | | | | 1,387 |
| 358.00 | Local Government Unit Shared Payments for Contracted Intergovernmental Services | | | | | | | |
| 359.00 | Local Governmental Units and Authorities Payments in Lieu of Taxes | | | | | | | |
| Total Local Government Units | | 172 | | 1,215 | | | | 1,387 |

| Charges for Service | | | | | | | | |
|---------------------|--|---------|--|-------|-----------|--|--|-----------|
| 361.00 | General Government | 101,497 | | | | | | 101,497 |
| 362.00 | Public Safety | 48,653 | | | | | | 48,653 |
| 363.20 | Parking | | | | | | | |
| 363.00 | All Other Charges for Highway & Street Services | | | | | | | |
| 364.10 | Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.) | | | | 1,110,016 | | | 1,110,016 |
| 364.30 | Solid Waste Collection and Disposal Charge (trash) | | | | | | | |
| 364.60 | Host Municipality Benefit Fee for Solid Waste Facility | | | | | | | |
| 364.00 | All Other Charges for Sanitation Services | | | | | | | |
| 365.00 | Health | | | | | | | |
| 366.00 | Human Services | | | | | | | |
| 367.00 | Culture and Recreation | | | 1,038 | | | | 1,038 |
| 368.00 | Airports | | | | | | | |

EAST BRADFORD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

| Governmental Funds | | | | Proprietary Funds | | Fiduciary Fund | Total |
|--------------------|---|------------------|--------------|-------------------|------------------|------------------|-----------------|
| General Fund | Special Revenue (Including State Liquid Fuels) | Capital Projects | Debt Service | Enterprise | Internal Service | Trust and Agency | Memorandum Only |

REVENUES

| Charges for Service | | | | | | | | |
|----------------------------------|-------------------------------|---------|--|-------|--|-----------|--|-----------|
| 369.00 | Bars | | | | | | | |
| 370.00 | Cemeteries | | | | | | | |
| 372.00 | Electric System | | | | | | | |
| 373.00 | Gas System | | | | | | | |
| 374.00 | Housing System | | | | | | | |
| 375.00 | Markets | | | | | | | |
| 377.00 | Transit Systems | | | | | | | |
| 378.00 | Water System | | | | | | | |
| 379.00 | All Other Charges for Service | | | | | | | |
| Total Charges for Service | | 150,150 | | 1,038 | | 1,110,016 | | 1,261,204 |

| Unclassified Operating Revenues | | | | | | | | |
|--|--|--------|--|--------|--|-----|--|--------|
| 383.00 | Special Assessments | | | | | | | |
| 386.00 | Escheats (sale of personal property) | | | | | | | |
| 387.00 | Contributions and Donations from Private Sectors | 54,273 | | 10,462 | | | | 64,735 |
| 388.00 | Fiduciary Fund Pension Contributions | | | | | | | |
| 389.00 | All Other Unclassified Operating Revenues | 12 | | | | 778 | | 790 |
| Total Unclassified Operating Revenues | | 54,285 | | 10,462 | | 778 | | 65,525 |

| Other Financing Sources | | | | | | | | |
|-------------------------|---|--------|---------|---------|--|--|--|---------|
| 391.00 | Proceeds of General Fixed Asset Disposition | | | | | | | |
| 392.00 | Interfund Operating Transfers | 51,725 | 199,192 | 245,600 | | | | 496,517 |
| 393.00 | Proceeds of General Long-Term Debt | | | | | | | |
| 394.00 | Proceeds of Short Term-Debt | | | | | | | |

EAST BRADFORD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

| Governmental Funds | | | | Proprietary Funds | | Fiduciary Fund | Total |
|--------------------|---|------------------|--------------|-------------------|------------------|------------------|-----------------|
| General Fund | Special Revenue (Including State Liquid Fuels) | Capital Projects | Debt Service | Enterprise | Internal Service | Trust and Agency | Memorandum Only |

REVENUES

| Other Financing Sources | | | | | | | |
|--------------------------------------|------------------------------------|--------|---------|---------|--|--|---------|
| 395.00 | Refunds of Prior Year Expenditures | 412 | | 758 | | | 1,170 |
| Total Other Financing Sources | | 52,137 | 199,192 | 246,358 | | | 497,687 |

| | | | | | | | |
|-----------------------|-----------|-----------|---------|--|-----------|--|-----------|
| TOTAL REVENUES | 3,719,895 | 1,635,774 | 263,932 | | 1,111,717 | | 6,731,318 |
|-----------------------|-----------|-----------|---------|--|-----------|--|-----------|

EXPENDITURES

| General Government | | | | | | | |
|---------------------------------|--|---------|--------|---------|--------|--|---------|
| 400.00 | Legislative (Governing) Body | 26,179 | | | | | 26,179 |
| 401.00 | Executive (Manager or Mayor) | 206,065 | | | | | 206,065 |
| 402.00 | Auditing Services / Financial Administration | 17,876 | | | | | 17,876 |
| 403.00 | Tax Collection | 189 | | | | | 189 |
| 404.00 | Solicitor / Legal Services | 12,024 | 8,893 | | | | 20,917 |
| 405.00 | Secretary / Clerk | | | | | | |
| 406.00 | Other General Government Administration | 116,709 | 9,847 | | 11,563 | | 138,119 |
| 407.00 | IT-Networking Services-Data Processing | 26,671 | | 33,123 | | | 59,794 |
| 408.00 | Engineering Services | 125,736 | | | 1,857 | | 127,593 |
| 409.00 | General Government Buildings and Plant | 44,405 | | 84,692 | | | 129,097 |
| Total General Government | | 575,854 | 18,740 | 117,815 | 13,420 | | 725,829 |

| Public Safety | | | | | | | |
|---------------|--------------------------|-----------|--|--------|--|--|-----------|
| 410.00 | Police | 1,146,483 | | 37,719 | | | 1,184,202 |
| 411.00 | Fire | 366,421 | | | | | 366,421 |
| 412.00 | Ambulance / Rescue | 7,000 | | | | | 7,000 |
| 413.00 | UCC and Code Enforcement | 99,125 | | | | | 99,125 |

EAST BRADFORD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

| Governmental Funds | | | | Proprietary Funds | | Fiduciary Fund | Total |
|--------------------|---|------------------|--------------|-------------------|------------------|------------------|-----------------|
| General Fund | Special Revenue (Including State Liquid Fuels) | Capital Projects | Debt Service | Enterprise | Internal Service | Trust and Agency | Memorandum Only |

EXPENDITURES

| Public Safety | | | | | | | | |
|----------------------------|---|-----------|--|--------|--|--|--|-----------|
| 414.00 | Planning and Zoning | 74,769 | | | | | | 74,769 |
| 415.00 | Emergency Management and Communications | 1,515 | | | | | | 1,515 |
| 416.00 | Militia and Armories | | | | | | | |
| 417.00 | Examination of Licensed Occupations | | | | | | | |
| 418.00 | Public Scales (weights and measures) | | | | | | | |
| 419.00 | Other Public Safety | 323 | | | | | | 323 |
| Total Public Safety | | 1,695,636 | | 37,719 | | | | 1,733,355 |

| Health and Human Services | | | | | | | | |
|--|---------------------------|-------|--|--|--|--|--|-------|
| 420.00-425.00 | Health and Human Services | 2,500 | | | | | | 2,500 |
| Total Health and Human Services | | 2,500 | | | | | | 2,500 |

| Public Works - Sanitation | | | | | | | | |
|--|---|--------|--|--|---------|--|--|---------|
| 426.00 | Recycling Collection and Disposal | | | | | | | |
| 427.00 | Solid Waste Collection and Disposal (garbage) | 13,157 | | | | | | 13,157 |
| 428.00 | Weed Control | | | | | | | |
| 429.00 | Wastewater / Sewage Treatment and Collection | | | | 973,597 | | | 973,597 |
| Total Public Works - Sanitation | | 13,157 | | | 973,597 | | | 986,754 |

| Public Works - Highways and Streets | | | | | | | | |
|-------------------------------------|-----------------------------------|---------|--------|---------|--|--|--|---------|
| 430.00 | General Services - Administration | 411,239 | | 206,037 | | | | 617,276 |
| 431.00 | Cleaning of Streets and Gutters | | | | | | | |
| 432.00 | Winter Maintenance - Snow Removal | 37,330 | 52,844 | 20,876 | | | | 111,050 |
| 433.00 | Traffic Control Devices | 8,037 | 17,161 | | | | | 25,198 |
| 434.00 | Street Lighting | | | | | | | |

EAST BRADFORD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

| Governmental Funds | | | | Proprietary Funds | | Fiduciary Fund | Total |
|--------------------|---|------------------|--------------|-------------------|------------------|------------------|-----------------|
| General Fund | Special Revenue (Including State Liquid Fuels) | Capital Projects | Debt Service | Enterprise | Internal Service | Trust and Agency | Memorandum Only |

EXPENDITURES

| Public Works - Highways and Streets | | | | | | | |
|--|--|---------|---------|---------|--|--|-----------|
| 435.00 | Sidewalks and Crosswalks | 6,486 | | | | | 6,486 |
| 436.00 | Storm Sewers and Drains | 8,392 | | | | | 8,392 |
| 437.00 | Repairs of Tools and Machinery | 9,998 | | | | | 9,998 |
| 438.00 | Maintenance and Repairs of Roads and Bridges | 40,748 | 199,192 | | | | 239,940 |
| 439.00 | Highway Construction and Rebuilding Projects | 15,975 | 8,598 | 242,663 | | | 267,236 |
| Total Public Works - Highways and Streets | | 538,205 | 277,795 | 469,576 | | | 1,285,576 |

| Other Public Works Enterprises | | | | | | | |
|---|-------------------------------|--|--|--|--|--|--|
| 440.00 | Airports | | | | | | |
| 441.00 | Cemeteries | | | | | | |
| 442.00 | Electric System | | | | | | |
| 443.00 | Gas System | | | | | | |
| 444.00 | Markets | | | | | | |
| 445.00 | Parking | | | | | | |
| 446.00 | Storm Water and Flood Control | | | | | | |
| 447.00 | Transit System | | | | | | |
| 448.00 | Water System | | | | | | |
| 449.00 | Water Transport and Terminals | | | | | | |
| Total Other Public Works Enterprises | | | | | | | |

| Culture and Recreation | | | | | | | |
|------------------------|-----------------------------------|--------|--|--------|--|--|--------|
| 451.00 | Culture-Recreation Administration | | | | | | |
| 452.00 | Participant Recreation | | | | | | |
| 453.00 | Spectator Recreation | | | | | | |
| 454.00 | Parks | 43,488 | | 20,913 | | | 64,401 |

EAST BRADFORD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

| Governmental Funds | | | | Proprietary Funds | | Fiduciary Fund | Total |
|--------------------|---|------------------|--------------|-------------------|------------------|------------------|-----------------|
| General Fund | Special Revenue (Including State Liquid Fuels) | Capital Projects | Debt Service | Enterprise | Internal Service | Trust and Agency | Memorandum Only |

EXPENDITURES

| Culture and Recreation | | | | | | | | |
|-------------------------------------|----------------------------------|--------|--|--------|--|--|--|--------|
| 455.00 | Shade Trees | | | | | | | |
| 456.00 | Libraries | 7,500 | | | | | | 7,500 |
| 457.00 | Civil and Military Celebrations | | | | | | | |
| 458.00 | Senior Citizens' Centers | | | | | | | |
| 459.00 | All Other Culture and Recreation | 8,148 | | | | | | 8,148 |
| Total Culture and Recreation | | 59,136 | | 20,913 | | | | 80,049 |

| Community Development | | | | | | | | |
|------------------------------------|-----------------------------------|--|-----------|--|--|--|--|-----------|
| 461.00 | Conservation of Natural Resources | | 1,022,873 | | | | | 1,022,873 |
| 462.00 | Community Development and Housing | | | | | | | |
| 463.00 | Economic Development | | | | | | | |
| 464.00 | Economic Opportunity | | | | | | | |
| 465-469 | All Other Community Development | | | | | | | |
| Total Community Development | | | 1,022,873 | | | | | 1,022,873 |

| Debt Service | | | | | | | | |
|---------------------------|---|--|-----------|---------|--|--|--|-----------|
| 471.00 | Debt Principal (short-term and long-term) | | 623,000 | 128,812 | | | | 751,812 |
| 472.00 | Debt Interest (short-term and long-term) | | 382,922 | 42,676 | | | | 425,598 |
| 475.00 | Fiscal Agent Fees | | 1,078 | | | | | 1,078 |
| Total Debt Service | | | 1,007,000 | 171,488 | | | | 1,178,488 |

| Employer Paid Benefits and Withholding Items | | | | | | | | |
|--|---|---------|--|--|--|--|--|---------|
| 481.00 | Employer Paid Withholding Taxes and Unemployment Compensation | 72,169 | | | | | | 72,169 |
| 482.00 | Judgments and Losses | | | | | | | |
| 483.00 | Pension / Retirement Fund Contributions | 122,525 | | | | | | 122,525 |

EAST BRADFORD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

| Governmental Funds | | | | Proprietary Funds | | Fiduciary Fund | Total |
|--------------------|---|------------------|--------------|-------------------|------------------|------------------|-----------------|
| General Fund | Special Revenue (Including State Liquid Fuels) | Capital Projects | Debt Service | Enterprise | Internal Service | Trust and Agency | Memorandum Only |

EXPENDITURES

| Employer Paid Benefits and Withholding Items | | | | | | | |
|---|--------------------------------|---------|--|--|--|--|---------|
| 484.00 | Worker Compensation Insurance | 16,025 | | | | | 16,025 |
| 487.00 | Other Group Insurance Benefits | 281,123 | | | | | 281,123 |
| Total Employer Paid Benefits and Withholding Items | | 491,842 | | | | | 491,842 |

| Insurance | | | | | | | |
|------------------------|---------------------------------|--------|--|--|-------|--|--------|
| 486.00 | Insurance, Casualty, and Surety | 77,906 | | | 7,450 | | 85,356 |
| Total Insurance | | 77,906 | | | 7,450 | | 85,356 |

| Unclassified Operating Expenditures | | | | | | | |
|--|--|----|--|--|--|--|----|
| 488.00 | Fiduciary Fund Benefits and Refunds Paid | | | | | | |
| 489.00 | All Other Unclassified Expenditures | 75 | | | | | 75 |
| Total Unclassified Operating Expenditures | | 75 | | | | | 75 |

| Other Financing Uses | | | | | | | |
|-----------------------------------|-------------------------------|---------|---------|--|--------|--|---------|
| 491.00 | Refund of Prior Year Revenues | | | | | | |
| 492.00 | Interfund Operating Transfers | 245,600 | 228,917 | | 22,000 | | 496,517 |
| 493.00 | All Other Financing Uses | | | | | | |
| Total Other Financing Uses | | 245,600 | 228,917 | | 22,000 | | 496,517 |

| | | | | | | | | |
|---------------------------|--|-----------|-----------|---------|--|-----------|--|-----------|
| TOTAL EXPENDITURES | | 3,699,911 | 2,555,325 | 817,511 | | 1,016,467 | | 8,089,214 |
|---------------------------|--|-----------|-----------|---------|--|-----------|--|-----------|

| | | | | | | | | |
|---|--|--------|----------|----------|--|--------|--|------------|
| EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES | | 19,984 | -919,551 | -553,579 | | 95,250 | | -1,357,896 |
|---|--|--------|----------|----------|--|--------|--|------------|

EAST BRADFORD TWP

December 31, 2015

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES

Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.

| Purpose | Bond (B) Capital Lease (C) Lease Rental (L) Note (N) | Issue Year (yyyy) | Maturity Year (yyyy) | Original Amount of Issue | Outstanding Beginning of Year (1) | Principal Incurred This Year | Principal Paid This Year | Current Year Accretion on Compound Interest Bonds | Outstanding at Year End (1) | Plus (less) Unamortized Premium (Discount) | Total Balance |
|---|---|----------------------|----------------------------|--------------------------------|---|------------------------------------|--------------------------------|--|--------------------------------|---|------------------|
| General Obligation Bonds and Notes | | | | | | | | | | | |
| G.O. Bond | Bond | 2011 | 2028 | 4,150,000 | 4,135,000 | | 5,000 | | 4,130,000 | | 4,130,000 |
| G.O. Bond | Bond | 2013 | 2028 | 5,025,000 | 4,280,000 | | 380,000 | | 3,900,000 | | 3,900,000 |
| Revenue Bonds and Notes | | | | | | | | | | | |
| Guaranteed Revenue Note | Note | 2002 | 2023 | 12,000,000 | 3,194,000 | | 308,000 | | 2,886,000 | | 2,886,000 |
| Lease Rental Debt | | | | | | | | | | | |
| Truck Lease | Capital Leases | 2013 | 2015 | 50,430 | 17,709 | | 17,709 | | 0 | | 0 |
| Truck Lease | Capital Leases | 2014 | 2016 | 79,552 | 51,615 | | 24,053 | | 27,562 | | 27,562 |
| Truck Lease | Capital Leases | 2014 | 2016 | 51,165 | 34,638 | | 17,050 | | 17,588 | | 17,588 |
| Other | | | | | | | | | | | |
| | | | | | | | | | | | |

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding

10,961,150

Capitalized lease obligations

0

Net debt

10,961,150

EAST BRADFORD TWP, CHESTER County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2015

| Category | Capital Purchases | Capital Construction | Total |
|-----------------------------------|-------------------|----------------------|------------------|
| Community Development | | | |
| Electric | | | |
| Fire | | | |
| Gas System | | | |
| General Government | 14,700 | 294,629 | 309,329 |
| Health | | | |
| Housing | | | |
| Libraries | | | |
| Mass Transit | | | |
| Parks | | | |
| Police | | | |
| Recreation | | | |
| Sewer | | | |
| Solid Waste | | | |
| Streets / Highways | 63,741 | 209,192 | 272,933 |
| Water | | | |
| Other: Open Space Acquisition | 1,014,739 | | 1,014,739 |
| TOTAL CAPITAL EXPENDITURES | 1,093,180 | 503,821 | 1,597,001 |

EMPLOYEE COMPENSATION

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

851,963

ELECTED CONTROLLER'S/AUDITOR'S CERTIFIED OPINION

To the:
Governing Body of the Municipality
President Judge of the Court of Common Pleas
Secretary of the Department of Community & Economic Development

I/We, the undersigned, the duly elected (or appointed replacement), qualified, and Acting Controller/Auditors of the EAST BRADFORD TWP have audited, adjusted and settled the various funds and account groups of the EAST BRADFORD TWP for the year ended December 31, 2015. My/Our audit, adjustment and settlement was made in accordance with law rather than with generally accepted auditing standards

(PLEASE CROSS OUT ONLY IF ON MODIFIED ACCRUAL/ACCRUAL BASIS)

This municipality's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenditures or expenses are recognized when paid rather than when a liability is incurred. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations of this municipality in conformity with generally accepted accounting principles.

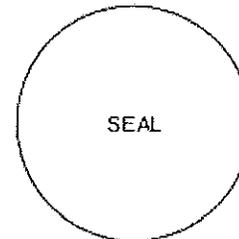
These financial statements do not include all of the disclosures required by generally accepted accounting principles.

In my/our opinion, the aforementioned financial statements present the financial position of the various funds and account groups of the municipality of EAST BRADFORD TWP for the year ended December 31, 2015, and the results of operations of such funds in accordance with the law.

SIGNATURE AND VERIFICATION

Signed:

Subscribed and sworn to before me this 16 day of February, 2016.



Signed: _____

Witness (Controller)/Auditor (Auditors)

December 31, 2015

NOTES / COMMENTS

December 31, 2015

NOTES / COMMENTS

Other Current Assets and Other Current Liabilities represent escrow deposits maintained on behalf of developers

The independent auditing firm was not engaged to audit the pension fund

TOWNSHIP OF EAST BRADFORD, PENNSYLVANIA
SUMMARY FINANCIAL INFORMATION DERIVED FROM THE ANNUAL AUDIT
AND FINANCIAL REPORT (DCED-CLGS-30) FOR THE YEAR ENDED DECEMBER 31, 2015.
A COPY OF THE AUDITED FINANCIAL STATEMENTS, PREPARED BY INDEPENDENT CERTIFIED
PUBLIC ACCOUNTANTS, IS AVAILABLE FOR PUBLIC INSPECTION IN THE EAST BRADFORD
TOWNSHIP BUILDING, 666 COPELAND SCHOOL ROAD, WEST CHESTER, PA 19380.
MONDAY-FRIDAY, 8:30 AM – 4:30 PM

GENERAL FUND

| | |
|--|---------------------|
| <i>Receipts</i> | |
| <i>Taxes</i> | \$ 3,033,648 |
| <i>Licenses and Permits</i> | 218,977 |
| <i>Fines and Forfeits</i> | 46,240 |
| <i>Interest and Rents</i> | 1,555 |
| <i>Intergovernmental Revenues</i> | 162,903 |
| <i>Charges for Services</i> | 150,150 |
| <i>Miscellaneous</i> | 54,285 |
| <i>Interfund Transfers</i> | 51,725 |
| <i>Refunds and Reimbursements</i> | <u>412</u> |
| <i>Total</i> | <u>3,719,895</u> |
| <i>Expenditures</i> | |
| <i>General Government</i> | 575,854 |
| <i>Public Safety</i> | 1,695,636 |
| <i>Public Works</i> | 551,362 |
| <i>Health and Human Services</i> | 2,500 |
| <i>Recreation</i> | 59,136 |
| <i>Insurance and Employee Benefits</i> | 569,748 |
| <i>Miscellaneous</i> | 75 |
| <i>Interfund Transfers</i> | <u>245,600</u> |
| <i>Total</i> | <u>3,699,911</u> |
| <i>Excess (deficiency)</i> | 19,984 |
| <i>Cash Balance January 1, 2015</i> | <u>2,251,176</u> |
| <i>Cash Balance December 31, 2015</i> | <u>\$ 2,271,160</u> |

OPEN SPACE FUND

| | |
|--------------------------------|-------------------|
| Cash Balance December 31, 2015 | <u>\$ 599,443</u> |
|--------------------------------|-------------------|

LIQUID FUELS FUND

| | |
|--------------------------------|-------------------|
| Cash Balance December 31, 2015 | <u>\$ 251,870</u> |
|--------------------------------|-------------------|

SEWER FUND

| | |
|--------------------------------|---------------------|
| Cash Balance December 31, 2015 | <u>\$ 1,263,823</u> |
|--------------------------------|---------------------|

HIGHWAY IMPROVEMENT FUND

| | |
|--------------------------------|------------------|
| Cash Balance December 31, 2015 | <u>\$ 15,462</u> |
|--------------------------------|------------------|

CAPITAL RESERVE FUND

| | |
|--------------------------------|-------------------|
| Cash Balance December 31, 2015 | <u>\$ 279,696</u> |
|--------------------------------|-------------------|

Michael P. Lynch
Township Secretary

MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants 791 South Chester Road, Swarthmore, PA 19081

610-544-5100
FAX: 610-544-9767

INDEPENDENT AUDITORS' REPORT

Board of Supervisors
East Bradford Township
East Bradford, PA 19380

We have audited the accompanying financial statements included in the Municipal Annual Audit and Financial Report (DCED-CLGS-30), a prescribed form, of East Bradford Township as of December 31, 2015 and for the year then ended.

Management's Responsibility for the Financial Report

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Pennsylvania Department of Community and Economic Development and with the basis of accounting described below; this includes determining that the presentation and the use of the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the modified cash basis financial position of East Bradford Township as of December 31, 2015 and the revenue it received and expenditures it paid for the year then ended on the prescribed form in conformity with the basis of accounting described below.

Basis of Accounting

East Bradford Township's policy is to prepare its financial statements for inclusion in the Municipal Annual Audit and Financial Report (DCED-CLGS-30), a prescribed form, on a prescribed basis of accounting that demonstrates compliance with the modified cash basis and budget laws of the Department of Community and Economic Development, which is a special purpose framework other than accounting principles generally accepted in the United States of America. As permitted by DCED, East Bradford Township prepares its annual audit and financial report on the modified cash basis of accounting; consequently, certain revenue and related assets are recognized when received rather than when earned and certain expenditures are recognized when paid rather than when the liability is incurred. Additionally, in accordance with the prescribed accounting practices permitted by DCED, East Bradford Township does not include footnote disclosures. Our opinion is not modified with respect to this matter.

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Restriction on Use

This report is intended solely for the information and use of management and the Supervisors of East Bradford Township and for filing with the Department of Community and Economic Development and the Office of the Prothonotary and should not be used by anyone other than these specified parties.

Mingis, Gutowski & Company, LLP

Swarthmore, Pennsylvania
February 17, 2016