

This Preliminary Official Statement and the information contained herein are subject to completion, amendment or other changes without notice. The Bonds may not be sold nor may offers to buy be accepted prior to the time of the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the applicable securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 17, 2024

NEW ISSUE
BOOK ENTRY

S&P Insured _____ (_____) Outlook
S&P Underlying A+ (Stable Outlook)
See "RATINGS" herein

In the opinion of Stevens & Lee, P.C., Reading, Pennsylvania, Bond Counsel, assuming continuing compliance by the Borough with certain covenants to comply with provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable regulations thereunder; interest on the Bonds is not includable in gross income under Section 103(a) of the Code and interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax on individuals and corporations; however interest on the Bonds may be subject to the Federal alternative minimum tax on "applicable corporations" as defined in Section 59(k) of the Code" for tax years beginning after December 31, 2022. See "TAX MATTERS" in this Official Statement. Other provisions of the Code may afflict the purchasers and holders of the Bonds. See "TAX MATTERS" herein for a brief description of these provisions.

Under the laws of the Commonwealth of Pennsylvania, the Bonds and interest on the Bonds shall be free from taxation for State and local purposes within the Commonwealth of Pennsylvania, but this exemption does not extend to gift, estate, succession or inheritance taxes or any other taxes not levied or assessed directly on the Bonds or the interest thereon. Under the laws of the Commonwealth of Pennsylvania, profits, gains or income derived from the sale, exchange or other disposition of the Bonds shall be subject to State and local taxation within the Commonwealth of Pennsylvania.

The Borough has designated and determined under and for purposes of section 265(b)(3) of the Code to qualify each of the Bonds as a "qualified tax-exempt obligation" as such phrase is defined in the Code.

\$1,345,000* BOROUGH OF WEST READING BERKS COUNTY, PENNSYLVANIA GENERAL OBLIGATION BONDS, SERIES OF 2024

Dated: Date of Delivery
Principal Due: October 1, as shown on inside cover

Interest Payable: April 1 and October 1
First interest Payment: October 1, 2024

The Borough of West Reading, Berks County, Pennsylvania (the "Borough") will issue its General Obligation Bonds, Series of 2024 (the "Bonds"), in fully registered form, without coupons in denominations of \$5,000 or any integral multiples thereof. Interest on the Bonds is payable on April 1 and October 1 of each year, commencing October 1, 2024. The Bonds will initially be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York, an automated depository for securities and clearing house for securities transactions. Individual purchases of the Bonds will initially be made in book-entry form only in denominations of \$5,000 or any integral multiples thereof under the book-entry only system maintained by DTC. Purchasers of the Bonds will not receive physical delivery of the Bonds. Transfer of the Bonds will be effected through a book-entry system as described herein. For so long as any purchaser is the beneficial owner of a Bond, that purchaser must maintain an account with a broker or a dealer who is, or acts through, a DTC Participant to receive payment of principal of and interest on the Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein.

So long as DTC or its nominee, Cede & Co., is the registered owner of the Bonds, payments of the principal of and interest on the Bonds when due for payment, will be paid directly to DTC or its nominee, Cede & Co., which will in turn remit such payments to DTC Participants for subsequent disbursement to the Beneficial Owners of the Bonds. If the use of a book-entry system for the Bonds is ever discontinued, Bonds will be issued in certificated form and the principal of the Bonds will be payable when due, upon surrender of such Bonds at the designated corporate trust office of Manufacturers and Traders Trust Company, Harrisburg, Pennsylvania, as paying agent (the "Paying Agent") (or any successor paying agent at its designated offices), interest on such Bonds will be payable by check and mailed to the persons in whose name such Bonds are registered as of the Record Date with respect to the particular interest payment date, and the Bonds will be subject to registration of transfer, exchange and payment as described herein (see "THE BONDS" herein).

The Bonds are subject to redemption prior to maturity as described herein.

The Bonds are general obligations of the Borough, payable from its tax and other general revenues. The Borough has covenanted that it will include in its budget in each fiscal year, and will appropriate from its general revenues in each fiscal year, the amount of the debt service on the Bonds for such year and will duly and punctually pay or cause to be paid, the principal of every Bond and the interest thereon at the dates and places and in the manner stated in the Bonds, and for such budgeting, appropriation and payment the Borough irrevocably has pledged its full faith, credit and taxing power, which taxing power presently includes the power to levy ad valorem taxes on all taxable property within the Borough, presently unlimited as to rate or amount for such purpose.

The proceeds of the Bonds will be used to: (1) fund various capital projects within the Borough; and (2) pay the costs and expenses related to the issuance of the Bonds. See "PLAN OF FINANCE" herein.

The scheduled payment of principal of and interest on the Bonds when due is guaranteed under a municipal bond insurance policy issued concurrently with the delivery of the Bonds by _____ ("_____").

[Insurer Logo]

MATURITIES, AMOUNTS, RATES AND INITIAL REOFFERING PRICES/YIELDS {As shown on inside cover}

The Bonds are offered when, as and if issued by the Borough and received by Raymond James & Associates, Inc. (the "Underwriter"), subject to withdrawal or modification of the offer without notice, and subject to the approving legal opinion of Stevens & Lee, P.C., Reading, Pennsylvania, Bond Counsel, to be furnished upon delivery of the Bonds. Certain legal matters will be passed upon for the Borough by Kozloff Stoudt, Professional Corporation, Wyomissing, Pennsylvania. FSL Public Finance, LLC, Reading, Pennsylvania, has acted as financial advisor to the Borough and for the Underwriter by its limited scope underwriter's counsel, Eckert Seamans Cherin & Mellott, Harrisburg, Pennsylvania in connection with the issuance of the Bonds. It is expected that the Bonds will be available for delivery, through facilities of DTC, on or about _____, 2024.

RAYMOND JAMES®

_____, 2024

*Preliminary, subject to change

\$1,345,000*
BOROUGH OF WEST READING
BERKS COUNTY, PENNSYLVANIA
GENERAL OBLIGATION BONDS, SERIES OF 2024

<u>Due</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP No.**</u>
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					

\$ _____ Term Bonds due October 1, ____ @ ____ % Priced to Yield ____ %

* Preliminary, subject to change

** CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are provided for convenience or reference only. Neither the Borough, the Financial Advisor nor the Underwriter take any responsibility for the accuracy of such CUSIP numbers. The CUSIP numbers for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions, including, but not limited to, a refunding in whole or in part of such maturity.

BOROUGH OF WEST READING
Berks County, Pennsylvania

COUNCIL

Ryan Lineaweaver	President
Philip Wert	Vice President
Patrick Kaag	Member Pro-Tem
Denise Drobnick	Member
Zachary Shaver	Member
Zanna Leiendecker	Member
Bethany Bower	Member

MAYOR

Samantha Kaag

INTERIM BOROUGH MANAGER

Richard Sichler

BOROUGH SOLICITOR

Kozloff Stoudt, Professional Corporation
Wyomissing, Pennsylvania

BOND COUNSEL

Stevens & Lee, P.C.
Reading, Pennsylvania

LIMITED SCOPE UNDERWRITER'S COUNSEL

Eckert Seamans Cherin & Mellot, LLC
Harrisburg, Pennsylvania

FINANCIAL ADVISOR

FSL Public Finance, LLC
Reading, Pennsylvania

UNDERWRITER

Raymond James & Associates, Inc.
Lancaster, Pennsylvania

PAYING AGENT/BOND REGISTRAR/SINKING FUND DEPOSITARY

Manufacturers and Traders Trust Company
Harrisburg, Pennsylvania

BOROUGH ADDRESS

500 Chestnut Street
West Reading, Pennsylvania 19611

No dealer, broker, salesman or other person has been authorized by the Borough or the Underwriter to give any information or to make any representation, other than that given or made in this Official Statement, and if given or made, any such other information or representation may not be relied upon as having been authorized by the Borough or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. This Official Statement has been approved by the Borough and, while the information set forth in this Official Statement has been furnished by the Borough and other sources which are believed to be reliable, such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Underwriter or, as to information obtained from other sources, by the Borough.

The information and expressions of opinion set forth in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale made under this Official Statement shall, under any circumstances, create any implication that the affairs of the Borough have remained unchanged since the date of this Official Statement.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AND NOTES AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES MUST BE CONSIDERED IN ITS ENTIRETY. THE OFFERING OF THE BONDS AND NOTES ARE MADE ONLY BY THE MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

THE UNDERWRITER HAS PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT: THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT PURSUANT TO ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

_____ (“___”) makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, ___ has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding ___ supplied by ___ and presented under the heading “Bond Insurance” and “Appendix D - Specimen Municipal Bond Insurance Policy”.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
PLAN OF FINANCE	2
SOURCES AND USES OF FUNDS.....	2
AUTHORITY TO ISSUE	2
THE BONDS.....	2
General Description	2
Transfer, Exchange and Registration.....	3
Optional Redemption.....	4
Mandatory Redemption	4
Notice of Redemption.....	4
Manner of Redemption	5
SECURITY FOR THE BONDS.....	5
General Obligations	5
Sinking Fund	5
Actions in the Event of Default	6
BOND INSURANCE	6
BONDHOLDER CONSIDERATIONS	6
Bond Insurance Risk Factors	6
Cybersecurity.....	7
Climate Change	7
Operations Disruption Risk: COVID-19	8
Risk of Audit by Internal Revenue Service	8
BOOK-ENTRY ONLY SYSTEM	8
Disclaimer of Liability for Failures of DTC	10
FINANCIAL STATEMENTS.....	10
LITIGATION	10
TAX MATTERS	10
Federal Tax Laws	10
Tax Exemption	11
CONTINUING DISCLOSURE UNDERTAKING.....	12
UNDERWRITING	13
RATINGS.....	13
LEGAL OPINION.....	14
CERTAIN RELATIONSHIPS AMONG THE PARTIES	14
FINANCIAL ADVISOR.....	14
MISCELLANEOUS.....	14
Appendix A – Demographic, Financial and Economic Information Relating to the Borough	
Appendix B – Audited Financial Statements (Fiscal Year ended December 31, 2023)	
Appendix C – Proposed Form of Opinion of Bond Counsel	
Appendix D – Specimen of Municipal Bond Insurance Policy	
Appendix E – Form of Continuing Disclosure Agreement	

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\$1,345,000*
BOROUGH OF WEST READING
BERKS COUNTY, PENNSYLVANIA
GENERAL OBLIGATION BONDS, SERIES OF 2024

INTRODUCTION

This Official Statement, including the cover page and the Appendices hereto, is furnished by the Borough of West Reading, Berks County, Pennsylvania (the “Borough”), in connection with the offering of \$1,345,000* aggregate principal amount of its General Obligation Bonds, Series of 2024 (the “Bonds”). The Bonds will be dated as of the date of delivery, when interest on the Bonds will begin to accrue.

The Bonds are being issued pursuant to an Ordinance of the Borough enacted on April 16, 2024 and pursuant to the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, 53 Pa. C.S. Chaps. 80 through 82 (the “Debt Act”). The indebtedness represented by the Bonds constitutes non-electoral debt of the Borough under the Debt Act. Prior to delivery of the Bonds, the Department of Community and Economic Development of the Commonwealth (the “Department” or “DCED”) will issue its certificate of approval with respect to the increase of nonelectoral debt of the Borough evidenced by the Bonds. Copies of the Ordinance may be inspected at the Office of the Borough Manager, 500 Chestnut Street, West Reading, Pennsylvania 19611. Pursuant to the Ordinance, Manufacturers and Traders Trust Company, having a corporate trust office in Harrisburg, Pennsylvania, has been appointed to act as the paying agent, bond register and sinking fund depository (in each such capacity, the “Paying Agent”) for the Bonds.

The Bonds will be general obligations of the Borough and will be payable from its tax and other general revenues, including ad valorem taxes levied without limit, for debt service purposes, as to rate or amount on all taxable real property presently located in the Borough. The Borough has covenanted in the Ordinance that it will include the amount of debt service for the Bonds in its budget for each fiscal year, that it will appropriate such amounts from its general revenues for the payment of such debt service in each such fiscal year, and that it will duly and punctually pay or cause to be paid the principal of every Bond and the interest thereon at the dates and place and in the manner stated in the Bonds. For such budgeting, appropriation and payment, the Borough has irrevocably pledged its full faith, credit and taxing power, which taxing power is presently without limitation as to rate or amount for the payment of debt approved under the Debt Act. See “SECURITY FOR THE BONDS” herein.

The Borough has no power to pledge the credit or taxing power of the Commonwealth of Pennsylvania (the “Commonwealth”) or any other political subdivision thereof, nor shall the Bonds of the Borough be deemed to be obligations of the Commonwealth or any other political subdivision thereof except the Borough, nor shall the Commonwealth or any other political subdivision thereof except the Borough be liable for the payment of the principal of, premium, if any, or interest on the Bonds, nor are the members of the Council of the Borough personally liable for the Borough’s obligations. See “SECURITY FOR THE BONDS” herein.

Certain portions of the following information are summaries of the Ordinance, the Bonds and other documents relating to the issuance of the Bonds. Such summaries do not purport to be complete and reference is made to the individual documents so summarized, copies of which are on file and available for examination at the office of the Borough Manager. Neither the delivery of this Official Statement nor any sale of the Bonds made hereunder shall, under any circumstances, create any implication that there have not been any changes in the affairs of the Borough since the date of this Official Statement or the earliest date as of which certain information contained herein is given.

* Preliminary, subject to change

PLAN OF FINANCE

The proceeds of the Bonds will be used to: (1) fund various capital projects within the Borough; and (2) pay the costs and expenses related to the issuance of the Bonds.

SOURCES AND USES OF FUNDS

SOURCES OF FUNDS:

BOND PROCEEDS.....	\$
NET ORIGINAL ISSUE PREMIUM/DISCOUNT.....	\$
TOTAL SOURCES OF FUNDS.....	\$

USES OF FUNDS:

PROJECT FUND	\$
COSTS OF ISSUANCE ⁽¹⁾	\$
TOTAL USES OF FUNDS.....	\$

(1) Includes legal fees, printing fees, financial advisory fees, underwriter’s discount, rating agency fees, and other amounts incurred in connection with the issuance of the Bonds.

AUTHORITY TO ISSUE

The Borough is authorized to issue the Bonds pursuant to the Debt Act. Under the Debt Act, the General Assembly of the Commonwealth has granted full power and authority to issue Bonds to every local government unit in the Commonwealth, including the Borough, subject to certain limitations, restrictions and conditions set forth in the Debt Act. The Borough has authorized the issuance of the Bonds by enacting the Ordinance in accordance with the provisions of the Debt Act. The Bonds will be issued as nonelectoral debt of the Borough without the approval of the electorate.

As required by the Debt Act, prior to the delivery of the Bonds, the Borough will have received approval of the Department to incur the debt evidenced by the Bonds.

DESCRIPTION OF THE BONDS

The Bonds are issued as fully registered Bonds, without coupons, in the denominations of \$5,000 principal amount or any integral multiple thereof. Principal and interest are payable as set forth below.

When issued, the Bonds will be registered in the name of Cede & Co., as nominee for the Depository Trust Company (“DTC”), New York, New York. Purchasers of the Bonds (the “Beneficial Owners”) will not receive any physical delivery of bond certificates and beneficial ownership of the Bonds will be evidenced only by book entries. See “Book-Entry Only System” herein.

Payment of Principal and Interest

So long as Cede & Co., as nominee of DTC, is the registered owner of the Bonds, payments of principal of and interest on the Bonds, when due, are to be made to DTC and all such payments shall be valid and effective to satisfy fully and to discharge the obligations of the Borough with respect to, and to the extent of, principal and interest so paid.

If the use of the Book-Entry Only System for the Bonds is discontinued for any reason, bond certificates will be issued to the Beneficial Owners of the Bonds and payment of principal and interest on the Bonds shall be made as described in the following paragraphs.

Principal of the Bonds will be paid to the registered owners thereof or assigns, when due, upon surrender of the Bonds at the corporate trust office of the Paying Agent located in Harrisburg, Pennsylvania or Buffalo, New York.

Interest on the Bonds is payable to the registered owner of a Bond from the interest payment date next preceding the date of registration and authentication of the Bond, unless: (a) such Bond is registered and authenticated as of an interest payment date, in which event such Bond shall bear interest from said interest payment date, or (b) such Bond is registered after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event such Bond shall bear interest from such interest payment date, or (c) such Bond is registered and authenticated on or prior to the Record Date preceding October 1, 2024, in which event such Bond shall bear interest from the date of delivery or, (d) as shown by the records of the Paying Agent, interest on such Bond shall be in default, in which event such Bond shall bear interest from the date on which interest was last paid on such Bond. Interest shall be paid semiannually on April 1 and October 1 of each year, beginning October 1, 2024, until the principal sum is paid at maturity or prior redemption. Interest on each Bond is payable by check drawn on the Paying Agent, which shall be mailed to the registered owner whose name and address shall appear, at the close of business on the fifteenth day (whether or not a business day) next preceding each interest payment date (the "Record Date"), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of the Bond subsequent to such Record Date and prior to such interest payment date, unless the Borough shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name the Bond is registered at the close of business on a special record date established for the payment of such defaulted interest by notice mailed by the Paying Agent to the registered owners of Bonds not less than ten (10) days preceding such special record date. Such notice shall be mailed to the person in whose names the Bonds are registered at the Close of business on the fifth (5th) day preceding the date of mailing.

If the date for payment of the principal of or interest on any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of such principal or interest shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date established for such payment.

Transfer, Exchange and Registration of Bonds

Subject to the provision described below under "Book-Entry Only System," Bonds are transferable or exchangeable by the registered owners thereof upon surrender of Bonds to the Paying Agent, at its principal corporate trust office, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner of such Bond or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of Bonds in the registration books and shall at the earliest practicable time authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of authorized denominations of the same Series, maturity and interest rate for the aggregate principal amount which the registered owner is entitled to receive. The Borough and the Paying Agent may deem and treat the registered owner of any Bond as the absolute owner thereof (whether or not a Bond shall be overdue) for the purpose of receiving payment of or on account of principal and interest and for all other purposes, and the Borough and the Paying Agent shall not be affected by any notice to the contrary.

The Borough and the Paying Agent shall not be required (a) to register the transfer of or exchange any Bonds then considered for redemption during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Bonds to be redeemed and ending at the close of business on the day on which the applicable notice of redemption is mailed or (b) to register the transfer of or exchange any portion of any Bond selected for redemption until after the redemption date. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same series, maturity and interest rate.

Optional Redemption

The Bonds which are stated to mature on or after October 1, 20__, are subject to redemption prior to maturity at the option of the Borough, in whole or in part (and if in part, in such order of maturity as the Borough shall elect), on ____, 20__ or any date thereafter, at 100% of the principal amount thereof, together with accrued interest thereon to the date fixed for redemption. In the event that less than all of the Bonds of any particular maturity are to be redeemed, the Bonds of such maturity shall be drawn by lot by the Paying Agent.

Mandatory Redemption

The Bonds stated to mature on October 1, ____ are subject to mandatory redemption prior to maturity, in the amounts and on October 1 of the years shown below, from money deposited by the Borough in the Sinking Fund (as hereafter defined) created pursuant to the Ordinance, upon payment of the principal amount thereof together with interest accrued to the date fixed for redemption.

Term Bonds due October 1, _____

Date **Amount**

\$

* Maturity

In lieu of such Mandatory Redemption, the Paying Agent, on behalf of the Borough, may purchase from money in the Sinking Fund, at a price not to exceed the principal amount plus accrued interest, or the Borough may tender to the Paying Agent, all or part of the Bonds subject to being drawn for redemption in any such year.

Notice of Redemption

So long as Cede & Co., as nominee of DTC, is the registered owner of the Bonds, the Borough and the Paying Agent shall send redemption notices only to Cede & Co. See "BOOK-ENTRY ONLY SYSTEM" herein for further information regarding conveyance of notices and Beneficial Owners.

If at the time of mailing of a notice of redemption the Borough has not deposited with the Paying Agent (or, in the case of a refunding, with another bank or depository acting as refunding escrow agent) money sufficient to redeem all Bonds called for redemption, the notice of redemption may state that it is conditional, *i.e.*, that it is subject to the deposit of sufficient redemption money with the Paying Agent not later than the opening of business on the redemption date, and such notice shall be of no effect unless such money is so deposited.

Notice of any redemption of the Bonds under the above provisions is required to be sent by first-class mail to the registered owners of the Bonds to be redeemed, at the addresses of such owners appearing in the Bond register maintained by the Paying Agent. Such notice shall be mailed not less than thirty (30) days nor more than sixty (60) days prior to any such redemption and shall be made in the manner and under the terms and conditions stated in the Bonds. No defect, whether in the notice of redemption or in the mailing thereof including failure to mail the notice, with respect to the redemption of any Bonds shall affect the validity of the redemption of other Bonds for which proper notice of redemption has been given.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal and interest being held by the Paying Agent, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds or portions thereof shall cease to be entitled to any benefit or security under the Ordinance, and registered owners of such Bonds or portions thereof so called for redemption shall have no rights with respect thereto, except to receive payment of the principal to be redeemed and accrued interest thereon to the date fixed for redemption.

Manner of Redemption

So long as Cede & Co., nominee of DTC, is the registered owner of the Bonds, however, payment of the redemption price shall be made by Cede & Co. in accordance with the existing arrangements by and among the Borough, the Paying Agent and DTC and, if less than all of the Bonds in a particular maturity are to be redeemed, the amount of the interest of each DTC Participant, Indirect Participant and Beneficial Owner on such Bonds to be redeemed shall be determined by the governing arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY ONLY SYSTEM" herein for further information regarding redemption of Bonds registered in the name of Cede & Co.

If a Bond is of a denomination larger than \$5,000, a portion of such Bond may be redeemed. For the purposes of redemption, a Bond shall be treated as representing the number of Bonds that is equal to the principal amount thereof divided by \$5,000, each \$5,000 portion of such Bond being subject to redemption. In the case of partial redemption of a certificated Bond, payment of the redemption price shall be made only upon surrender of such Bond in exchange for certificated Bonds of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the principal amount thereof.

If the redemption date for any Bonds shall be a Saturday, Sunday, legal holiday or on a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of such principal, premium, if any, and interest upon such redemption shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date of redemption.

SECURITY FOR THE BONDS

General Obligations

The Bonds will be general obligations of the Borough, payable from its tax and other general revenues, including ad valorem taxes, which may be levied on all taxable real property within the Borough presently without limitation as to rate or amount for the payment of debt service on the Bonds. The Borough has covenanted in the Ordinance that it will provide in its budget for each fiscal year, and will appropriate from its general revenues in each such fiscal year, the amount required to pay the debt service on the Bonds for such year and to make any other required sinking fund payments for such year. The Borough further covenants in the Ordinance that it will duly and punctually pay or cause to be paid from the Sinking Fund, or any other of its revenues or funds, the principal of every maturity of the Bonds and the interest thereon on the dates, at the place and in the manner stated in the Bonds. For such budgeting, appropriation and payment, the Borough has irrevocably pledged its full faith, credit and taxing power, which taxing power is presently without limitation as to rate or amount for the payment of debt approved under the Debt Act.

Sinking Fund

The Borough will create, pursuant to Section 8221 of the Debt Act, a sinking fund for the Bonds to be designated as the "Sinking Fund—General Obligation Bonds, Series of 2024", under the Ordinance, to be established and administered by the Paying Agent, in its capacity as sinking fund depository, segregated from all other funds of the Borough. The Borough shall deposit in the appropriate Sinking Fund not later than each date when interest or principal is to become due on the Bonds, as applicable, an amount which, together with any other available funds then on deposit therein, will be sufficient to permit the Paying Agent to pay, in full, interest and principal then due and payable on the Bonds.

The Sinking Fund shall be held by the Paying Agent, in its capacity as sinking fund depository, and any money in the Sinking Fund not required for prompt expenditure may, at the written direction of the Borough, be invested in securities or deposited in deposit accounts in accordance with the Debt Act. Such deposits and securities shall be in the name of the Borough but subject to withdrawal or collection only by the Paying Agent, in its capacity as sinking fund depository, and such deposits and securities, together with the interest thereon, shall be a part of the Sinking Fund.

After such deposits by the Borough to the applicable Sinking Fund, the Paying Agent, in its capacity as sinking fund depository, is authorized, without further authorization or direction from the Borough or any of its officials, to pay from the appropriate Sinking Fund the principal of and interest on the Bonds, as applicable, when due and payable in accordance with the terms of the Bonds, the Ordinance and the provisions of the Debt Act.

Actions in the Event of Default

The remedies available to registered owners of the Bonds upon any failure to pay principal or interest when due include those prescribed by the Act. If such failure should continue for 30 days, any registered owner will (subject to certain priorities) have the right to bring suit for the amount due such registered owner in the Court of Common Pleas of Berks County, Pennsylvania (the "Court"). If the Borough defaults in the payment of principal or interest, or if the Borough fails to comply with any provision of the Bonds or of the Ordinance, the registered owners of 25% in aggregate principal amount of the Bonds may appoint a trustee to represent the registered owners. Such trustee may, and upon written request of the registered owners of 25% in aggregate principal amount of the Bonds and being furnished with satisfactory indemnity must, take one or more of the following actions, which will preclude similar action by the individual registered owners: (i) bring suit to enforce all rights of the registered owners; (ii) bring suit on the Bonds; (iii) petition the Court to levy the amount due plus estimated costs of collection as an assessment upon all real estate and other property subject to ad valorem taxation in the Borough (any such assessment will have the same priority and preference as to other liens or security interests as a lien for unpaid taxes); (iv) by suit in equity, enjoin any acts and things which may be unlawful or in violation of the rights of the registered owners all as set forth more fully in the Debt Act; and (v) upon 30 days prior written notice to the Borough, and subject to any limitations in the Ordinance, declare the unpaid principal of all the Bonds immediately due and payable with interest at the rates stated in the Bonds until final payment.

Enforcement of a claim for payment of principal of or interest on the Bonds may be subject to the provisions of the federal bankruptcy laws, to the Distressed Municipalities Act, and to the provisions of other statutory laws enacted by Congress or the General Assembly of the Commonwealth of Pennsylvania and case law developed by courts having jurisdiction extending the time for payment or imposing other constraints upon enforcement insofar as such laws may be constitutionally applied.

BOND INSURANCE

[applied for]

BONDHOLDER CONSIDERATIONS

The Bonds, like all investment securities, carry a risk of loss of the investment, in whole or in part. This Official Statement does not purport to describe all of the risks of an investment in the Bonds; both the Borough and the Underwriter disclaims any responsibility to advise prospective investors of such risks either as they may exist at the date of dissemination of this Official Statement or as they may appear or change from time to time in the future. Prospective purchasers of the Bonds should consult their own legal and tax advisors as to the risks associated with an investment in the Bonds, their ability to bear a loss from an investment in the Bonds and the suitability of investing in the Bonds, in light of their particular, individual circumstances. Prospective purchasers should carefully consider the matters described below, as well as all the information contained within this entire Official Statement inclusive of its Appendices.

Bond Insurance Risk Factors

In the event of default of the payment of principal or interest with respect to the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under the applicable Bond Insurance Policy (the "Policy") for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Bonds by the Borough which is recovered by the Borough from the bond owner as a voidable

preference under applicable bankruptcy law is covered by the insurance policy, however, such payments will be made by the Insurer at such time and in such amounts as would have been due absence such prepayment by the Borough unless the Bond Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Bond Insurer without appropriate consent. The Bond Insurer may direct and must consent to any remedies that the Paying Agent exercises and the Bond Insurer's consent may be required in connection with amendments to the applicable agreements.

In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Bonds are payable solely from the moneys received by the Paying Agent pursuant to the applicable agreements. In the event the Bond Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Bond Insurer and its claim paying ability. The Bond Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the Bonds insured by the Bond Insurer will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See description under "RATINGS" herein.

The obligations of the Bond Insurer are general obligations of the Bond Insurer and in an event of default by the Bond Insurer, the remedies available to the Paying Agent may be limited by applicable bankruptcy law or other similar laws related to insolvency.

Neither the Borough or Underwriter has made independent investigation into the claims paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Bond Insurer is given.

Cybersecurity

The Borough, like other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the Borough may be the subject of cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized remote access to the Borough's systems for the purposes of misappropriating assets or information or causing operational disruption or damage, or demanding ransom for restored access to files or information. The Borough has never had a material cyber breach or a cyber breach that resulted in a financial loss. No assurance can be given that the Borough's current efforts to manage cyber threats and security will, in all cases, be successful. The Borough cannot predict what future cyber security events may occur and what impact said events could have on its operations or finances. In addition to the various processes in place to safeguard against cyber security attacks, the Borough also maintains a comprehensive insurance policy which includes privacy liability, cyber incident response, data breach, network security, internet media and network extortion coverages.

The Borough relies on other entities and service providers in the course of operating the Borough, including its accountants, attorneys, the trustee, and banks, as well as vendors with respect to outsourced critical digital network operations and functions. No assurance can be given that future cyber threats and attacks against other third party entities or service providers will not impact the Borough, including the possibility of impacting the timely payments of debt service on the Bonds or timely filings pursuant to the Continuing Disclosure Certificate.

Climate Change

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The Borough cannot predict the timing, extent, or severity of climate change and its impact on its operations and finances. The Borough has not experienced increases in extreme weather

events, but has established reserves to address severe weather disasters and maintains a comprehensive insurance policy.

Operations Disruption Risk; COVID-19

Certain external events beyond the control of the Borough, such as pandemics, could potentially disrupt the Borough's ability to conduct its operations. Since early 2020, the Borough, along with the rest of the world, has been dealing with the effects of COVID-19 pandemic. The COVID-19 pandemic and the governmental response has had a profound impact on the operations of educational institutions at all levels, including the Borough. As the result of the COVID-19 pandemic, the Borough has been awarded federal grant funding assistance totaling approximately \$450,000, all of which has been expended or earmarked for use by September 30, 2024. The Borough has addressed and continues to address challenges due to COVID-19. For information on the Borough's response to the COVID-19 pandemic and the impact of the COVID-19 pandemic on the Borough, please see the Borough's audited financial statements for the fiscal year ended December 31, 2023, set forth in Appendix "B" to this Preliminary Official Statement. The future severity of the economic challenges and duration of this and other public health crisis cannot be fully known at this time.

Risk of Audit by Internal Revenue Service

The Internal Revenue Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Internal Revenue Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Internal Revenue Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Internal Revenue Service is likely to treat the Borough as the taxpayer and Bond purchasers may have no right to participate in such procedure. None of the Borough, the Underwriter or Bond Counsel is obligated to defend the tax-exempt status of the Bonds on behalf of the Bond purchasers, nor to pay or reimburse the cost of any Bond purchaser with respect to any audit or litigation relating to the Bonds. See "TAX MATTERS" herein.

BOOK-ENTRY ONLY SYSTEM

The information under this heading has been obtained from materials provided by DTC for such purpose. The Borough (herein referred to as the "Issuer") and the Underwriter do not guaranty the accuracy or completeness of such information and such information is not to be construed as a representation of the Borough or the Underwriter.

DTC, New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Bonds of each separate maturity and interest rate, in the aggregate principal amount of such maturity and interest rate, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant,

either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices will be sent to DTC. If less than all of the Bonds of a maturity are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal, premium, if any, and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Issuer or the Trustee, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC, the Issuer or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of principal, premium, if any, and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

Disclaimer of Liability for Failures of DTC

The Borough and the Underwriter cannot and do not give any assurances that DTC, the Direct and Indirect Participants or others will distribute payments of principal, interest or premium with respect to the Bonds paid to DTC or its nominee as the owner of Bonds, or will distribute any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. The Borough and the Underwriter are not responsible or liable for the failure of DTC or any Participant to make any payment or give any notice to a Beneficial Owner with respect to the Bonds, or any error or delay relating thereto.

FINANCIAL STATEMENTS

The Borough's Financial Statements for its Fiscal Year ended December 31, 2022 included in APPENDIX B to this Official Statement have been audited by Maillie LLP, Oaks, Pennsylvania, independent certified public accountants, to the extent and for the periods indicated in their report thereon. The Borough has not asked Maillie LLP to perform any additional review or procedures in connection with this Official Statement.

LITIGATION

There is no litigation of any nature pending or, to the knowledge of the Borough, threatened against the Borough as of the date of this Official Statement to restrain or enjoin the issuance, sale, execution or delivery of the Bonds or in any way contesting the validity of the Bonds, or any proceedings of the Borough taken with respect to the issuance or sale thereof. At the time of delivery of the Bonds, the Borough and its Solicitor will furnish a certificate to the effect that no such litigation is then pending or, if such litigation is pending, an opinion of legal counsel satisfactory to the Underwriter will be delivered to the effect that such litigation is without legal merit.

TAX MATTERS

THE MATERIAL UNDER THIS CAPTION, "TAX MATTERS," CONCERNING THE TAX CONSEQUENCES OF OWNERSHIP OF THE BONDS, WAS WRITTEN TO SUPPORT THE MARKETING OF THE BONDS, AND EACH OWNER SHOULD SEEK ADVICE BASED ON THE OWNER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR. THIS MATERIAL WAS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY ANY TAXPAYER, FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER.

Federal Tax Matters

Numerous provisions of the Internal Revenue Code of 1986, as amended (the "Code"), affect the issuers of state and local government bonds, such as the Borough, and impair or restrict the ability of the Borough to finance projects on a tax-exempt basis. Failure on the part of the Borough to comply with any one or more of such provisions of the Code, or any regulations under the Code, could render interest on the Bonds includable in the gross income of the owners thereof for purposes of federal income tax retroactively to the date of issuance of the Bonds. Among these provisions are more restrictive rules relating to: (a) investment of funds treated as proceeds of the Bonds; (b) the prohibition on advance refunding of tax-exempt bonds and notes; and (c) the use of proceeds of the Bonds to benefit private activities. In addition, under the Code, the Borough is required to file an information return with respect to the Bonds and, if applicable, to "rebate" to the federal government certain arbitrage profits on an ongoing basis throughout the term of the issue constituting the Bonds. Bond Counsel has not undertaken to determine (or to inform any person) whether any action taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may affect the tax status of interest on the Bonds.

Other provisions of the Code affect the purchasers and holders of certain state and local government bonds or notes, such as the Bonds. Prospective purchasers of the Bonds should be aware that: (i) Section 265 of the Code denies a deduction for interest on (a) indebtedness incurred or continued to purchase or carry certain state or local government bonds or notes, such as the Bonds, or, (b) in the case of a financial institution, that portion of a financial institution's interest expense allocated to interest on certain state or local government bonds or notes, such as the Bonds, unless the issuer of the state or local government bonds or notes designates the bonds or notes as "qualified

tax-exempt obligations” for the purpose and effect contemplated by Section 265(b)(3)(B) of the Code (the Borough has designated the Bonds as “qualified tax exempt obligations” under Section 265(b)(3)(B) of the Code, as such phrase is defined in the Code); (ii) with respect to insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B)(i) of the Code reduces the deduction for loss reserves by 15% of the sum of certain items, including interest and amounts treated as such on certain state or local government bonds or notes, such as the Bonds; (iii) interest on certain state or local government bonds or notes, such as the Bonds, earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code, (iv) if a Subchapter S corporation has passive investment income (which passive investment income will include interest on state and local government bonds or notes, such as the Bonds) exceeding 25% of such Subchapter S corporation’s gross receipts and if such Subchapter S corporation has Subchapter “C” earnings and profits, then interest income derived from state and local government bonds or notes, such as the Bonds, may be subject to federal income tax under the Code; and (v) Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account, in determining gross income, receipts or accruals of interest on certain state or local government bonds or notes, such as the Bonds.

From time to time, there are legislative proposals in Congress that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. Various legislative proposals have been submitted to Congress during the last several years, which if enacted, would limit for certain individual taxpayers the value of certain deductions and exclusions, including the exclusion for tax exempt interest. If enacted into law, such proposals may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or otherwise prevent owners of the Bonds from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals may also affect the market price for, or marketability of, the Bonds.

No prediction is made whether these provisions will be enacted as proposed or concerning other future legislation which if passed might have the effect on the tax treatment of interest on the Bonds. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation. Bond Counsel will render its opinion as of the issue date, and will assume no obligation to update its opinions after the issue date to reflect any future facts or circumstances, or any future changes in law or interpretation, or otherwise. Moreover, the opinion of Bond Counsel is only an opinion and not a warranty or guaranty of the matters discussed. Bond Counsel has no obligation to provide updated information concerning pending or future legislation. The Borough does not have any obligation to provide updated information concerning pending or future legislation. Each purchaser of the Bonds should consult his or her own tax advisor regarding any pending or proposed federal tax legislation. PROSPECTIVE PURCHASERS OF THE BONDS SHOULD CONSULT THEIR OWN TAX ADVISERS REGARDING ANY PROPOSED FEDERAL TAX LEGISLATION, AS TO WHICH BOND COUNSEL EXPRESSES NO OPINION.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel’s judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service or the courts.

Bond Counsel’s engagement with respect to the Bonds ends with the issuance of the Bonds.

Tax Exemption

In the opinion of Bond Counsel, assuming continuing compliance by the Borough with certain certifications and agreements relating to the use of Bond proceeds and covenants to comply with provisions of the Code and any applicable regulations thereunder, now or hereafter enacted, interest on the Bonds is not includable in the gross income of the holders of the Bonds under Section 103(a) of the Code and interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum taxes on individuals and corporations; however, for tax years beginning after December 31, 2022, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. Other provisions of the Code will affect certain purchasers and holders of the Bonds. See “Federal Income Tax Treatment of the Bonds” above.

The Borough has designated and determined under and for purposes of Section 265(b)(3)(B) of the Code to qualify each of the Bonds as a “qualified tax-exempt obligation” as such phrase is defined in the Code.

In the opinion of Bond Counsel under the laws of the Commonwealth, the Bonds and interest on the Bonds shall be free from taxation for State and local purposes within the Commonwealth, but this exemption shall not extend to gift, estate, succession or inheritance taxes or any other taxes not levied directly on the Bonds or the interest thereon. Under the laws of the Commonwealth, profits, gains or income derived from the sale, exchange or other disposition of the Bonds are subject to State and local taxation within the Commonwealth of Pennsylvania.

The Borough will issue its certificate regarding the facts, estimates and circumstances in existence on the date of delivery of the Bonds and regarding the anticipated use of the proceeds of the Bonds. The Borough will certify that, on the basis of the facts, estimates and circumstances in existence on the date of issuance of the Bonds, the Borough does not reasonably expect to use the proceeds of the Bonds in a manner that would cause the Bonds to be or become “arbitrage bonds” or “private activity bonds” as those terms are defined in Section 148 and Section 141 of the Code.

THE ABOVE SUMMARY OF POSSIBLE TAX CONSEQUENCES IS NOT EXHAUSTIVE. ALL PURCHASERS OF THE BONDS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE POSSIBLE FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE BONDS. ANY STATEMENTS REGARDING TAX MATTERS HEREIN CANNOT BE RELIED UPON BY ANY PERSON TO AVOID TAX PENALTIES.

CONTINUING DISCLOSURE UNDERTAKING

In accordance with the requirement of Rule 15c2-12 (the “Rule”) of the United States Securities and Exchange Commission (the “SEC”), the Borough (being an “obligated person” with respect to the Bonds, within the meaning of the Rule), will agree to provide certain financial information and operating data to the Municipal Securities Rulemaking Board (the “MSRB”) in an electronic format as prescribed by the MSRB, either directly, or indirectly through a designated agent, as set forth in its Continuing Disclosure Certificate substantially in the form attached hereto as Appendix E.

With respect to the filing of annual financial information and operating data, the Borough reserves the right to modify from time to time the specific types of information and data provided or the format of the presentation of such information to the extent necessary or appropriate as a result of a change in legal requirements or a change in the nature of the Borough or its operations or financial reporting, but the Borough will agree that any such modification will be done in a manner consistent with the Rule.

The Borough is required to give notice of certain events as set forth in the Continuing Disclosure Certificate (not all of which will be relevant to the Borough). The Borough may from time to time choose to file notice of other events in addition to those specified in the Continuing Disclosure Certificate.

The Borough acknowledges that its undertaking pursuant to the Rule described herein and in the Continuing Disclosure Certificate is intended to be for the benefit of the holders and beneficial owners of the Bonds and shall be enforceable by the holder and beneficial owner of the Bonds, but the right of the holders and beneficial owners of the Bonds to enforce the provisions of the Borough’s continuing disclosure undertaking shall be limited to a right to obtain specific enforcement, and any failure by the Borough to comply with the provisions of the undertaking shall not be an event of default with respect to the Bonds.

The Borough’s obligations with respect to continuing disclosure described herein shall terminate upon the prior defeasance, redemption or payment in full of all of the Bonds or if and when the Borough is no longer an “obligated person” with respect to the Bonds, within the meaning of the Rule.

The MSRB has been designated by the SEC to be the central and sole repository for continuing disclosure information filed by issuers of municipal securities since July 1, 2009. Information and notices filed by municipal issuers (and other defined “obligated persons”) with respect to municipal securities issues are made available through the MSRB’s Electronic Municipal Market Access (EMMA) System, which may be accessed on the internet at <http://www.emma.msrb.org>.

The Borough has previously entered into Continuing Disclosure Agreements with respect to each one of its previously issued bond issues that are currently outstanding. The Borough’s filing history of its annual financial and operating information during the past five (5) years is outlined in the following table.

Fiscal Year Ending	Filing Due Date	Filing Dates		
		Audit	Operating Data	Budget
12/31/2022	8/31/2023	9/13/2023 ⁽¹⁾	2/01/2024 ⁽¹⁾	9/13/2023 ⁽¹⁾
12/31/2021	8/31/2022	4/15/2022	9/26/2022 ⁽¹⁾	3/26/2024 ⁽⁴⁾
12/31/2020	⁽²⁾	4/18/2022	⁽²⁾	⁽²⁾
12/31/2019	9/26/2020	5/19/2020	5/14/2021 ⁽³⁾	4/27/2021 ⁽³⁾
12/31/2018	9/27/2019	5/3/2019	9/3/2019	5/3/2019

⁽¹⁾The Borough filed a "Failure to Timely File Notice" on 2/5/2024.

⁽²⁾The Borough did not have any outstanding debt and was not subject to a filing under the Rule, but did voluntarily file its Audit to EMMA.

⁽³⁾The Borough filed a "Failure to Timely File Notice" on 4/23/2021.

⁽⁴⁾The Borough filed a "Failure to Timely File Notice" on 3/26/2024.

The Borough has reasonable procedures in place designed to ensure ongoing timely filings of its material continuing disclosure requirements.

UNDERWRITING

Raymond James & Associates, Inc., Lancaster, Pennsylvania (the “Underwriter”) subject to certain conditions, has purchased the Bonds from the Borough at a purchase price of \$____ (representing the par amount of the Bonds of \$____, [plus/minus] an original issue premium [discount] of \$____, less an underwriting discount of \$ ____). The Underwriter's obligations are subject to certain conditions precedent; however, the Underwriter will be obligated to purchase all such Bonds on the Delivery Date if any such Bonds are purchased. The Bonds may be offered and sold to certain dealers (including dealers depositing such bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriter.

The Underwriter and its respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and its respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and its respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the Borough. The Underwriter and its respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Borough. The Underwriter and its respective affiliates may make a market in credit default swaps with respect to municipal securities in the future.

RATINGS

At the Borough’s request, S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”) has assigned an underlying rating to the Bonds of “A+” (Stable Outlook).

At the Borough’s request, S&P is expected to rate the Bonds “__” (____ Outlook), with the understanding that _____ will issue the Policy insuring the payment when due of the principal and interest on the Bonds simultaneously with the initial issuance and delivery of the Bonds, See “MUNICIPAL BOND INSURANCE”.

Such rating reflects only the view of the particular rating agency assigning such rating and any desired explanation of the significance of such rating should be obtained from the particular rating agency furnishing the same. Further explanation of the significance of such ratings may be obtained from S&P. The rating is not a recommendation

to buy, sell or hold any of the Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such rating will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by S&P, if in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds. The Borough and the Underwriter have not undertaken any responsibility to maintain any particular rating on the Bonds or to advise owners of the Bonds of any change in the ratings assigned to the Bonds, except that the Borough has agreed to provide notice of rating changes as described herein under the caption "Continuing Disclosure".

LEGAL OPINION

The issuance and delivery of the Bonds is subject to the receipt of the unqualified approving legal opinion of, Stevens & Lee, P.C., Reading, Pennsylvania, Bond Counsel. Certain legal matters will be passed upon for the Borough by its Solicitor, Kozloff Stoudt, Professional Corporation, Wyomissing, Pennsylvania.

CERTAIN RELATIONSHIPS AMONG THE PARTIES

FSL Public Finance, LLC, an affiliated business of Stevens & Lee, P.C., Bond Counsel to the Borough is serving as financial advisor to the Borough in connection with the preparation, authorization and issuance of the Bonds.

FINANCIAL ADVISOR

FSL Public Finance, LLC, Reading, Pennsylvania, has served as financial advisor (the "Financial Advisor") to the Borough in connection with the issuance and sale of the Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification, or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. FSL Public Finance, LLC is an independent financial advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

MISCELLANEOUS

The information set forth in this Official Statement has been obtained from the Borough and from other sources believed to be reliable. Insofar as any statement herein includes matters of opinion or estimates about future conditions, it is not intended as a representation of fact, and there is no guarantee that it is, or will be, realized. Summaries or descriptions of provisions of the Bonds, the Ordinance, and all references to other materials not purporting to be quoted in full are only brief outlines of some of the provisions thereof. Reference is hereby made to the complete documents, copies of which will be furnished by the Borough upon request. The information assembled in this Official Statement is not to be construed as a contract with owners of the Bonds.

The Borough has authorized the distribution of this Official Statement.

BOROUGH OF WEST READING BERKS COUNTY, PENNSYLVANIA

By: _____
Ryan Lineaweaver, President

APPENDIX A

Demographic, Financial and Economic Information Relating to the Borough

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THE BOROUGH

Location and Character

The Borough of West Reading (the “Borough”) is governed by a seven-member Council elected for four-year staggered terms. The Borough Manager, appointed by Council, serves as chief administrative officer of the Borough.

The Borough provides a wide range of public services to its residents, including public safety, health, recreation, maintenance of streets and highways, parks and other public areas.

The Borough’s business address is 500 Chestnut Street, West Reading, Pennsylvania 19611.

Labor Relations

As of January 1, 2024, the total number of employees of the Borough was 87, including part-time and seasonal employees. The Borough characterizes its labor relations as “friendly”. There have been no strikes in recent history. Employees of the Borough are represented by the Fraternal Order of Police and the Teamsters Union as shown below:

	<u>Represents</u>	<u>Current Contract Expires</u>
Fraternal Order of Police	15 Police Employees	12/31/2026
Teamsters Union	8 Non-uniform Employees	12/31/2026
Non-Union	6 Office Employees	N/A
Non-Union	6 Appointed/Mgmt. Employees	N/A
Non-Union	1 Parking Enforcement	N/A
Seasonal part time	Approx. 50	N/A

Source: Borough Officials

Employment

The following table shows Borough employment for the 2024 fiscal year:

<u>Type of Personnel</u>	<u>Number of Employees</u>
Administrative.....	12
Police.....	15
Public Works.....	2
Total	36

Source: Borough Officials

Approximately 100% of the employees of the Borough participate in two (2) pension plans sponsored by the Borough. One plan covers members of the police department and the remaining plan covers all other employees.

Source: Borough Officials

PENSION PLANS

Police Pension Plan

The Borough has a pension plan covering all full-time police officers. The plan provides eligible employees with retirement and disability and death benefits as define and determined in the plan. The total contribution for 2023 was \$391,459. The Borough’s policy is to fund pension costs accrued.

Nonuniformed Employees’ Pension Plan

The Borough has a pension plan covering substantially all full-time nonuniformed and nonunion employees. No pension contribution was made to this plan in 2023. The Borough’s policy is to fund pension costs accrued.

**WEST READING BOROUGH
BALANCE SHEET, GENERAL FUND, MODIFIED CASH BASIS DECEMBER 31**

	2019 <u>Audited</u>	2020 <u>Audited</u>	2021 <u>Audited</u>	2022 <u>Audited</u>	2023 <u>Audited</u>
ASSETS:					
Cash and Investments	\$ 1,865,747	\$ 1,954,057	\$ 2,315,418	\$ 2,477,928	\$ 3,102,946
Due From Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>107,488</u>	<u>375</u>
TOTAL ASSETS:	<u>\$ 1,865,747</u>	<u>\$ 1,954,057</u>	<u>\$ 2,315,418</u>	<u>\$ 2,585,376</u>	<u>\$ 3,103,321</u>
 FUND BALANCES:					
Reserved for:					
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	93,126	-	-
Current Liabilities	5,000	27,315	38,437	14,306	35,525
Unreserved	<u>1,860,747</u>	<u>1,926,742</u>	<u>2,183,855</u>	<u>2,571,070</u>	<u>3,067,796</u>
TOTAL FUND BALANCES:	<u>\$ 1,860,747</u>	<u>\$ 1,926,742</u>	<u>\$ 2,183,855</u>	<u>\$ 2,571,070</u>	<u>\$ 3,067,796</u>

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**WEST READING BOROUGH
SUMMARY OF GENERAL FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

	2019	2020	2021	2022	2023	2024 Budget
	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>	
REVENUES						
Taxes	\$ 2,732,870	\$ 2,786,874	\$3,035,369	\$ 3,054,305	\$ 3,306,503	\$3,473,145
Licenses and Permits	233,192	240,218	284,167	238,793	313,720	328,050
Fines and Forfeits	186,287	170,040	249,591	183,115	193,467	178,000
Interest and Rents	42,904	12,786	1,603	46,719	244,044	185,000
Intergovernmental	316,743	360,158	517,751	506,988	367,109	1,155,045
Charges for Services	342,556	68,527	269,106	285,037	319,027	284,350
Miscellaneous	653,034	658,621	651,839	690,836	687,953	715,733
Other Financing Sources	2,322,992	1,726,270	1,835,544	2,276,983	2,350,514	2,258,804
Unreserved Fund Balance	-	-	-	-	-	-
TOTAL REVENUE	<u>\$ 6,830,578</u>	<u>\$ 6,023,494</u>	<u>\$ 6,844,970</u>	<u>\$ 7,282,776</u>	<u>\$ 7,782,337</u>	<u>\$ 8,578,127</u>
EXPENDITURES						
General Government	\$ 571,942	\$ 519,124	\$ 583,735	\$ 663,687	\$ 654,027	\$ 779,782
Public Safety	2,811,385	3,113,029	3,367,521	3,476,851	3,550,141	4,243,958
Public Works	1,149,802	1,041,446	1,144,698	1,151,419	1,302,507	1,924,315
Culture and Recreation	347,777	99,645	225,460	271,814	361,605	381,725
Community Development	78,332	103,272	97,367	71,720	103,257	88,625
Debt Service	53,090	12,141	12,141	12,141	51,292	12,141
Miscellaneous	613,831	615,184	631,885	637,130	647,326	787,486
Other Financing Uses	511,515	453,658	525,050	610,799	615,456	898,760
Capital Outlay	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 6,137,674</u>	<u>\$ 5,957,499</u>	<u>\$ 6,587,857</u>	<u>\$ 6,895,561</u>	<u>\$ 7,285,611</u>	<u>\$ 9,116,792</u>
FUND BALANCES						
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ 692,904	\$ 65,995	\$ 257,113	\$ 387,215	\$ 496,726	\$ (538,665)
Beginning Fund Balance	<u>\$ 1,172,843</u>	<u>\$ 1,860,747</u>	<u>\$ 1,926,742</u>	<u>\$ 2,183,855</u>	<u>\$ 2,571,070</u>	<u>\$ 3,067,796</u>
End of Year Fund Balance	<u>\$ 1,860,747</u>	<u>\$ 1,926,742</u>	<u>\$ 2,183,855</u>	<u>\$ 2,571,070</u>	<u>\$ 3,067,796</u>	<u>\$ 2,529,131</u>

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Population

Shown below are statistics from the Bureau of Census illustrating population trends over the last decade for the Borough and comparable statistics for the Borough, Berks County (the “County”) and the Commonwealth of Pennsylvania (the “Commonwealth”).

The Borough’s population increased by 8.01% from 2010 to 2020.

	<u>2010</u>	<u>2020</u>	<u>2022⁽¹⁾</u>	<u>% Change 2010-2020</u>
West Reading Borough	4,212	4,553	4,533	8.01%
Berks County	411,442	428,849	428,483	4.23
Pennsylvania	12,702,379	13,002,700	12,989,208	2.36

Source: US Census Bureau

(1) American FactFinder 2018-2022 American Community Survey 5 Year Estimates.

Family Income (2022)

The following table shows the median family income levels and the percentage of families below poverty level of the Borough, the County and the Commonwealth.

	<u>Median Family Income</u>	<u>Families Below Poverty Level</u>
West Reading Borough	\$76,250	10.7%
Berks County	92,726	8.5
Pennsylvania	93,685	8.0

Source: US Census Bureau

(1) American FactFinder 2018-2022 American Community Survey 5 Year Estimates.

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Taxing Powers of the Borough

Under the Borough Code, the Borough may levy an annual tax on all taxable real estate, not to exceed 30 mills, for general borough purposes (plus an additional 5 mills, for general purposed, with court approval). The council of any borough may levy different rates of taxation on all real estate classified as land exclusive of buildings thereon, and on all real estate classified as buildings on land. However, the general purpose 30 mills maximum levy cannot be exceeded without court permission. The following additional taxes may be levied:

1. Unlimited millage for debt service
2. 2 mill for pension and retirement
3. 1/10 mill for shade trees
4. 8 mills for street lighting
5. 3 mills for library purposes
6. 5 mills for a special road fund
7. Unlimited millage for parks and recreation
8. 3 mills for fire equipment and firehouses
9. 8 mills for utilities
10. 2 mills for the municipal building
11. 2 mills for ambulance and rescue service

Under an Act of the Pennsylvania General Assembly, approved December 31, 1965, P.L. 1257, effective January 1, 1966 (the "Local Tax Enabling Act"), additional taxes may be levied by cities of the second, cities of the second class A, third class, boroughs, towns, townships of the first class, townships of the second class, school districts of the second, third and fourth classes (subject to division among political subdivisions authorized to levy similar taxes on the same person, subject, business, transactions of privilege) subject to the following limitations:

Limit

Per Capita Tax	\$10.00
Gross receipts of wholesalers	1 mill
Gross receipts of retailers	1-1/2 mills
Wages, salaries, commissions and other earned income of individuals	1%
Sales involving the transfer of title of real property	1%
Flat rate occupation and occupational privilege tax	\$10.00
Admissions (except motion picture theaters)	10%
Mechanical devices	No Limit

2% discount is allowed for payment within 60 days of the date of notice and a penalty of 10% is imposed on payments received more than 120 days after the date of such notice.

Delinquent taxes are liened by filing in the County Tax Claim Bureau by the first Monday of May in the year following the year of levy. The Borough levies its own taxes and is independent of any other taxing authority.

Current Tax Rates (2024)

The Borough imposes various license fees and taxes, certain of which (and their current rates) are described below:

1. Fire Equipment & Firehouses (mills).....	2.850
2. Mercantile/Business Privilege – Other (mills).....	1.500
3. Mercantile/Business Privilege – Retail (mills).....	.750
4. Mercantile/Business Privilege – Wholesale (mills).....	.500
5. Earned income tax on residents.....	0.5%
6. Transfer of Title of Real Property.....	0.5%
7. Local Services Tax.....	\$47.00
8. Real Estate – General Purpose (mills).....	9.250
9. Special Road Fund (mills).....	1.00

WEST READING BOROUGH TAX RATES

<u>Year</u>	<u>Real Estate Tax (Mills)</u>	<u>Local Services Tax</u>	<u>Earned Income Tax</u>	<u>Fire Tax (Mills)</u>
2015	5.500	47.00	0.50	1.600
2016	5.500	47.00	0.50	1.850
2017	6.000	47.00	0.50	1.850
2018	6.250	47.00	0.50	2.100
2019	7.000	47.00	0.50	2.100
2020	7.000	47.00	0.50	2.350
2021	7.250	47.00	0.50	2.850
2022	7.250	47.00	0.50	2.850
2023	8.250	47.00	0.50	2.850
2024	9.250	47.00	0.50	2.850

Source: Pennsylvania Department of Community and Economic Development.

COMPARATIVE REAL PROPERTY TAX RATES

	<u>(Mills)</u>					
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
West Reading Borough	7.0000	7.0000	7.2500	7.2500	8.2500	9.2500
Wyomissing Area School District	31.4340	31.9060	31.9060	33.1950	33.8260	33.8260
Berks County	7.6570	7.6570	7.6570	7.6570	7.6570	7.6570

Source: Pennsylvania Department of Community and Economic Development.

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REAL PROPERTY ASSESSMENT DATA

	<u>Assessed Valuation</u>	<u>Market Value</u>	<u>Common Level Ratio</u>
2013	170,730,700	207,620,640	82.23%
2014	170,064,600	208,363,659	81.62%
2015	169,143,500	208,001,230	81.32%
2016	169,090,100	211,075,766	80.11%
2017	169,099,500	211,108,416	80.10%
2018	166,245,000	219,025,066	75.90%
2019	165,491,800	217,781,759	75.99%
2020	177,008,500	257,135,974	68.84%
2021	177,979,800	258,910,399	68.74%
2022	179,400,400	291,862,200	61.47%

Source: State Tax Equalization Board & Borough Officials.

REAL PROPERTY ASSESSMENT DATA BY MUNICIPALITY

	2021 <u>Market Value</u>	2021 <u>Assessed Value</u>	2022 <u>Market Value</u>	2022 <u>Assessed Value</u>
West Reading Borough	\$ 258,910,399	\$ 177,979,800	\$ 291,862,200	\$ 179,400,400
Berks County	\$ 27,489,928,056	\$ 19,401,129,118	\$ 30,281,315,636	\$ 19,593,781,300

Source: West Reading Borough - State Tax Equalization Board. Berks County – Berks County Assessment Office.

Realty Tax Collection

Real estate taxes are levied as of January 1 of each year. Taxpayers making payment by April 30 are entitled to a two percent discount. Payments made through June 30 can be made at the flat rate, and remittances made after July 1 are subject to a ten percent penalty. After May 1 of the following year, any uncollected tax bills are turned over to the Tax Claim Bureau of the County for collection.

REAL ESTATE TAX COLLECTION

<u>Year</u>	<u>Taxable Real Estate</u>	<u>Tax Rate (Mills)</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>
2014	\$170,064,600	5.500	\$935,355	\$913,384	97.65%
2015	170,738,200	5.500	939,060	905,659	96.44%
2016	170,684,800	5.500	938,766	905,303	96.43%
2017	170,694,200	6.000	1,024,165	978,738	95.56%
2018	168,908,800	6.250	1,055,684	1,029,467	97.52%
2019	168,155,600	7.000	1,177,089	1,174,421	99.77%
2020	179,959,500	7.000	1,259,717	1,260,143	100.03%
2021	180,643,600	7.250	1,309,666	1,262,368	96.39%
2022	181,135,300	7.250	1,313,231	1,312,624	99.99%
2023	176,545,100	8.250	1,456,497	1,432,788	99.98%

Source: Borough Officials

**BOROUGH OF WEST READING
TEN LARGEST REAL PROPERTY TAXPAYERS, 2023**

<u>TAXPAYER</u>	<u>ASSESSMENT</u>	<u>% OF TOTAL</u>
Reading Hospital & Medical Center	\$11,692,100	6.64%
Eighth Avenue Operating %Equus	8,619,400	4.90%
The Lofts at Narrow LLC	4,216,800	2.40%
Spruce Manor	4,026,000	2.29%
HCP Mezzanine Lender LP	2,831,800	1.61%
Scottish Rite Cathedral	2,815,900	1.60%
Berkshire Village Partners LP	2,702,200	1.54%
Jay Sahebji Inc (Candlewood Suites)	2,663,800	1.51%
Back 9 Realty LLC	2,324,100	1.32%
Berkshire Terrace	1,100,200	.63%
Kimball Family LLC	1,007,500	.57%
TOTAL	\$43,999,800	25.00%

Source: Borough Officials

Employment

The table below depicts unemployment rates in the County, as compared to the Commonwealth and the United States, from 2013 through 2023 (not seasonally adjusted).

Unemployment Rates - 2013-2023

<u>Year</u>	<u>Berks County</u>	<u>Pennsylvania</u>	<u>United States</u>
2013	7.2	7.4	7.4
2014	5.5	5.9	6.2
2015	4.8	5.1	5.3
2016	5.0	5.4	4.9
2017	4.6	4.9	4.4
2018	4.2	4.3	3.9
2019	4.3	4.4	3.7
2020	9.1	8.9	8.1
2021	6.4	6.0	5.4
2022	4.3	4.4	3.6
2023 ⁽¹⁾	3.1 ⁽²⁾	2.9	3.5

Source: Bureau of Labor Statistics

(1) As of November 2023, annualized figures are unavailable

(2) Preliminary

Employment

The table below shows the distribution of employment by type for the Reading, PA Metropolitan Statistical Area for the past year.

READING METROPOLITAN STATISTICAL AREA						
(Berks County)						
November 2023						
NONFARM JOBS - NOT SEASONALLY ADJUSTED						
ESTABLISHMENT DATA	Industry Employment				Net Change From:	
	Nov 2023	Oct 2023	Sep 2023	Nov 2022	Oct 2023	Nov 2022
TOTAL NONFARM	182,100	181,000	180,500	180,600	1,100	1,500
TOTAL PRIVATE	162,800	161,800	161,300	160,700	1,000	2,100
GOODS-PRODUCING	38,700	39,000	39,100	39,300	-300	-600
Mining, Logging, and Construction	8,100	8,200	8,300	8,100	-100	0
Manufacturing	30,600	30,800	30,800	31,200	-200	-600
Durable Goods	21,200	21,400	21,400	21,400	-200	-200
Non-Durable Goods	9,400	9,400	9,400	9,800	0	-400
SERVICE-PROVIDING	143,400	142,000	141,400	141,300	1,400	2,100
PRIVATE SERVICE-PROVIDING	124,100	122,800	122,200	121,400	1,300	2,700
Trade, Transportation, and Utilities	36,900	36,100	35,600	36,400	800	500
Wholesale Trade	6,500	6,500	6,500	6,400	0	100
Retail Trade	19,800	19,300	18,900	19,500	500	300
Grocery and convenience retailers	3,700	3,600	3,600	3,600	100	100
Transportation, Warehousing, and Utilities	10,600	10,300	10,200	10,500	300	100
Information	1,000	1,000	1,000	1,000	0	0
Financial Activities	6,900	6,900	6,900	6,900	0	0
Credit Intermediation and Related Activities	2,300	2,400	2,400	2,400	-100	-100
Professional and Business Services	23,200	23,200	23,100	23,000	0	200
Education and Health Services	32,900	32,600	32,400	31,800	300	1,100
Health care and social assistance	29,700	29,400	29,200	28,500	300	1,200
Leisure and Hospitality	14,900	14,800	15,000	14,400	100	500
Other Services	8,300	8,200	8,200	7,900	100	400
Government	19,300	19,200	19,200	19,900	100	-600
Federal Government	800	800	800	800	0	0
State Government	3,800	3,700	3,600	3,800	100	0
Local Government	14,700	14,700	14,800	15,300	0	-600
Data benchmarked to March 2022	***Data changes of 100 may be due to rounding***					

Source: U.S. Bureau of Labor Statistics, not seasonally adjusted

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**WEST READING BOROUGH
DEBT STATEMENT
(as of the Bonds date of issuance)**

	<u>Gross Outstanding Prior to Issuance</u>	<u>Gross Outstanding After Issuance</u>
Direct Debt		
General Obligation Debt:		
General Obligation Bonds, Series of 2021	\$ 6,670,000	\$ 6,670,000
General Obligation Bonds, Series of 2024 ⁽¹⁾	-	1,345,000
Total General Obligation Debt	\$ 6,670,000	\$ 8,190,000
Gross Direct Debt		\$ 8,190,000
Less Self-Supporting Debt		\$ 0
Net Direct Debt		\$ 8,190,000
Overlapping Debt		
Berks County, General Obligations ⁽²⁾		\$ 948,505
Wyomissing Area School District ⁽³⁾		15,163,762
Total Overlapping Debt		\$ 16,112,267
Net Direct and Overlapping Debt		\$ 24,302,267

⁽¹⁾ Preliminary, subject to change – The Bonds offered through this Official Statement

⁽²⁾ Pro rata 0.92% of outstanding general obligation debt of Berks County (\$103,594,000) as of January 2024

⁽³⁾ 21.38% Pro rata percent of outstanding general obligation debt of Wyomissing Area School District (\$70,935,000) as of January 2024

Source: Borough's Audited Financial Statements and Borough Officials

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Borrowing Capacity

The Debt Act establishes debt limits for local government units. The basis for determining nonelectoral borrowing capacity is related to adjusted revenues received over the most recent three fiscal years. The following is a calculation of the current “borrowing base,” which is the arithmetic average of the total revenues of the Borough after adjustments by the exclusion of certain subsidies, reimbursements, pledged revenues and non-recurring items:

	Fiscal Year Ending December 31		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
Net Revenues	\$6,844,970	\$7,282,776	\$7,782,337
Annual Arithmetic Average (Borrowing Base)			\$7,303,361
Net Nonelectoral Debt Limit:			
Borrowing Limit: Nonelectoral Debt (250%)			\$ 18,258,403
Less: Net Nonelectoral Debt			<u>8,190,000</u>
Remaining Nonelectoral Debt Borrowing Capacity			<u>\$ 10,068,403</u>
Net Nonelectoral Debt and Net Lease Rental Debt Limit:			
Borrowing Limit: Nonelectoral Debt Plus Lease Rental Debt (350%)			\$ 25,561,764
Less: Net Nonelectoral Debt and Net Lease Rental Debt			<u>8,190,000</u>
Remaining Nonelectoral and Lease Rental Debt Capacity			<u>\$ 17,371,764</u>

Source: Borough Annual Financial Reports & Borough Officials

Debt Ratio Calculations

Net Direct Debt Plus Overlapping Debt Per Capita.....	\$5,361.19
Net Direct Debt Plus Overlapping Debt to Market Value	8.33%
Net Direct Debt Per Capita	\$1,806.75
Net Direct Debt to Market Value.....	2.81%
Gross Direct Debt Per Capita	\$1,806.75
Gross Direct Debt to Market Value	2.81%
2022 Population.....	4,533
2022 Market Value	\$291,862,200
Net Direct Debt.....	\$8,190,000
Gross Direct Debt	\$8,190,000
Net Direct Debt Plus Overlapping Debt	\$24,302,267

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APPENDIX B

Audited Financial Statements (Fiscal Year ended December 31, 2023)

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BOROUGH OF WEST READING

DCED REPORT

Year Ended December 31, 2023

BOROUGH OF WEST READING

TABLE OF CONTENTS

YEAR ENDED DECEMBER 31, 2023

	Page
Independent Auditors' Report	1
Financial Statements	
Balance Sheet	10
Statement of Revenues and Expenditures	12
Debt Statement	24
Statement of Capital Expenditures	25
Supplementary Information	
Other Supplementary Information	26
Combining Balance Sheet - Capital Projects Fund	50
Combining Statement of Revenues and Expenditures - Capital Projects Fund	51
Combining Balance Sheet - Enterprise Funds	57
Combining Statement of Revenues and Expenditures - Enterprise Funds	58

Independent Auditors' Report

To the Honorable Mayor and Members of the Council
Borough of West Reading
West Reading, Pennsylvania

Opinions

We have audited the accompanying municipal annual audit and financial report ("financial statements") included in the Pennsylvania Department of Community and Economic Development ("DCED") prescribed form of the Borough of West Reading as of and for the year ended December 31, 2023.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Borough of West Reading, as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with the basis of accounting practices prescribed or permitted by the DCED as described in Item B in the Other Supplementary Information to the Financial Statements.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Borough of West Reading as of December 31, 2023, or the changes in financial position and cash flows thereof for the year then ended.

Basis for Qualified Opinion

The Borough of West Reading's financial statements do not present an accounting of General Fixed Assets, which are required to be reported in the DCED prescribed form under the General Fixed Assets Account Group.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Borough of West Reading and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Item B in the Other Supplementary Information to the Financial Statements, the financial statements are prepared on the basis of accounting prescribed or permitted by the DCED to demonstrate compliance with the DCED's regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Item B of the Other Supplementary Information to the Financial Statements and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

To the Honorable Mayor and Members of the Council
Borough of West Reading
West Reading, Pennsylvania

Responsibilities of Management for the Financial Statements

The Borough of West Reading's management is responsible for the preparation and fair presentation of the financial statements in accordance the financial reporting provisions prescribed or permitted by the Pennsylvania Department of Community and Economic Development (DCED), 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, 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 GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Borough of West Reading's financial statements. The Other Supplementary Information to the Financial Statements is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

To the Honorable Mayor and Members of the Council
Borough of West Reading
West Reading, Pennsylvania

The Other Supplementary Information to the Financial Statements 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. Such 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 our opinion, the Other Supplementary Information to the Financial Statements is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Limerick, Pennsylvania
March 27, 2024



2023 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

Department of Community & Economic Development
Governor's Center for Local Government Services
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225
ph: 888-223-6837 | fax: 717-783-1402

City of: _____ County: _____

Borough of: WEST READING County: BERKS

Township of: _____ County: _____

Municipality of: _____ County: _____

Section I - Introduction

Statutory Requirements

- State law, under the provisions of the Borough Code, First Class Township Code and Second Class Township Code, requires that either the borough controller, elected auditors or appointed auditors file an Annual Audit and Financial Report.
- State law, under the provisions of the Third Class City Code, requires a city's Director of Accounts and Finance to file an Annual Audit and Financial Report.
- The state's Administrative Code requires home rule municipalities to file an Annual Audit and Financial Report.
- The Annual Audit and Financial Report forms, supplied by the Pennsylvania Department of Community and Economic Development (DCED), were developed and approved by a Uniform Forms Committee composed of representatives of the respective municipal associations.
- Form DCED-CLGS-30 (See Section IV) is the form adopted by the Committee for use by all municipalities in Pennsylvania to fulfill their statutory reporting requirements.

One Form

All municipalities are required to submit forms electronically to the DCED. The online form contains the same categories as in previous years: assets, liabilities, revenues and expenditures. Enter data only for those funds that your municipality uses. Leave the remaining columns blank. The online form will automatically calculate the amounts in the "Total" column.

Submitting the Report

- File one copy by the designated date at each of the places listed on page 9.
- DO NOT submit a paper copy of this report to the DCED. Reports must be submitted online at: munstats.pa.gov/forms (Please see the e-filing instructions on page 7.)
- The online system will automatically round all figure to the nearest whole dollar. The system will also add all rows and columns, following basic accounting principles.
- Appointed independent auditors should attach their own opinion in the "Final Review" step of the online form. Additionally, appointed independent auditors should place a checkmark in Section II at the bottom of the "Final Review" step, then choose the "Appointed Auditor/CPA" title from the dropdown and provide a name and contact number in order to submit the form online.
- Elected controllers should place a checkmark in the box in Section I at the bottom of the "Final Review" step of the online form then choose the "Controller" title from the dropdown and provide a name and contact number in order to submit the form online.
- Elected Auditors must place a check mark in the box in Section I of the "Final Review" step of the online form, then choose the "Elected Auditor" title from the dropdown and provide the name and phone number for **at least 2 of the 3 elected auditors**. If you appointed an auditor to fill an elected auditor position, please choose the "Elected Auditor" title, not the "Appointed Auditor/CPA" title when submitting online.
- If you need assistance or have any questions when completing this report, please contact the Governor's Center for Local Government Services (GCLGS) toll-free at 888-223-6837.

BALANCE SHEET

December 31, 2023

GOVERNMENTAL FUNDS				
ASSETS AND OTHER DEBITS	General Fund	Special Revenue (Including State Liquid Fuels)		Debt Service
		Capital Projects	Debt Service	
100-120 Cash and Investments.....	3,102,946	120,984	328,185	-
140-144 Tax Receivable.....	-	-	-	-
121-129				
145-149 Accounts Receivable (excluding taxes).....	-	-	-	-
130 Due From Other Funds.....	375	-	-	-
131-139				
150-159 Other Current Assets.....	-	-	-	-
160-169 Fixed Assets.....	-	-	-	-
180-189 Other Debits.....	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS.....	\$ 3,103,321	\$ 120,984	\$ 328,185	\$ -

LIABILITIES AND OTHER CREDITS				
210-229 Payroll Taxes and Other Payroll Withholdings.....	22,559	-	-	-
200-209				
231-239 All Other Current Liabilities.....	12,966	-	-	-
230 Due To Other Funds.....	-	-	375	-
260-269 Long-Term Liabilities.....	-	-	-	-
240-259 Current Portion of Long-Term Debt & Other Credits...	-	-	-	-
TOTAL LIABILITIES AND OTHER CREDITS.....	35,525	-	375	-

FUND AND ACCOUNT GROUP EQUITY				
281-284 Contributed Capital.....	-	-	-	-
290 Investment in General Fixed Assets.....	-	-	-	-
270-289 Fund Balance/Retained Earnings on 12/31.....	3,067,796	120,984	327,810	-
291-299 Other Equity.....	-	-	-	-
TOTAL FUND AND ACCOUNT GROUP EQUITY.....	3,067,796	120,984	327,810	-

Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity.

2023 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | BALANCE SHEET

	PROPRIETARY FUNDS		FIDUCIARY FUND	ACCOUNT GROUPS		TOTAL
	Enterprise	Internal Service	Trust and Agency	General	General	Memorandum Only
				Fixed Assets	Long Term Debt	
ASSETS AND OTHER DEBITS						
100-120 Cash and Investments.....	2,089,628	-	-	-	-	5,641,743
140-144 Tax Receivable.....	-	-	-	-	-	-
121-129						
145-149 Accounts Receivable (excluding taxes).....	-	-	-	-	-	-
130 Due From Other Funds.....	-	-	-	-	-	375
131-139						
150-159 Other Current Assets.....	-	-	-	-	-	-
160-169 Fixed Assets.....	-	-	-	-	-	-
180-189 Other Debits.....	-	-	-	-	6,820,086	6,820,086
TOTAL ASSETS AND OTHER DEBITS.....	\$ 2,089,628	\$ -	\$ -	\$ -	\$ 6,820,086	\$ 12,462,204

LIABILITIES AND OTHER CREDITS						
210-229 Payroll Taxes and Other Payroll Withholdings.....	-	-	-	-	-	22,559
200-209						
231-239 All Other Current Liabilities.....	-	-	-	-	-	12,966
230 Due To Other Funds.....	-	-	-	-	-	375
260-269 Long-Term Liabilities.....	-	-	-	-	6,024,916	6,024,916
240-259 Current Portion of Long-Term Debt & Other Credits....	-	-	-	-	795,170	795,170
TOTAL LIABILITIES AND OTHER CREDITS.....	-	-	-	-	6,820,086	6,855,986

FUND AND ACCOUNT GROUP EQUITY						
281-284 Contributed Capital.....	-	-	-	-	-	-
290 Investment in General Fixed Assets.....	-	-	-	-	-	-
270-289 Fund Balance/Retained Earnings on 12/31.....	2,089,628	-	-	-	-	5,606,218
291-299 Other Equity.....	-	-	-	-	-	-
TOTAL FUND AND ACCOUNT GROUP EQUITY.....	2,089,628	-	-	-	-	5,606,218

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY.....	\$ 12,462,204
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Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity.

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

REVENUES	GOVERNMENTAL FUNDS			
TAXES	General Fund	Special Revenue <i>(Including State Liquid Fuels)</i>	Capital Projects	Debt Service
301.00 Real Estate Taxes.....	1,433,979	669,190	-	-
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.....	163,806	-	-	-
310.20 Earned Income Taxes/Wage Taxes.....	989,014	-	-	-
310.30 Business Gross Receipts Taxes.....	313,210	-	-	-
310.40 Occupation Taxes (levied under Act 511).....	-	-	-	-
310.50 Local Services Tax**.....	406,494	-	-	-
310.60 Amusement/Admission Taxes.....	-	-	-	-
310.70 Mechanical Device Taxes.....	-	-	-	-
310.90 Other Local Tax Enabling Act/Act 511 Taxes.....	-	-	-	-
.....			-	
.....			-	
.....			-	
TOTAL TAXES	\$ 3,306,503	\$ 669,190	\$ -	\$ -

LICENSES & PERMITS				
320-322 All Other Licenses and Permits.....	244,967	-	-	-
321.80 Cable Television Franchise Fees.....	68,753	-	-	-
TOTAL LICENSES & PERMITS	313,720	-	-	-

FINES & FORFEITS				
330-332 Fines and Forfeits.....	193,467	-	-	-
TOTAL FINES & FORFEITS	193,467	-	-	-

INTEREST, RENTS & ROYALTIES				
341.00 Interest Earnings.....	243,498	3,146	12,666	-
342.00 Rents and Royalties.....	546	-	-	-
TOTAL INTEREST, RENTS & ROYALTIES	244,044	3,146	12,666	-

**This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.

2023 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
TAXES					
301.00	Real Estate Taxes.....	-	-	-	2,103,169
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.....	-	-	-	163,806
310.20	Earned Income Taxes/Wage Taxes.....	-	-	-	989,014
310.30	Business Gross Receipts Taxes.....	-	-	-	313,210
310.40	Occupation Taxes (levied under Act 511).....	-	-	-	-
310.50	Local Services Tax**.....	-	-	-	406,494
310.60	Amusement/Admission Taxes.....	-	-	-	-
310.70	Mechanical Device Taxes.....	-	-	-	-
310.90	Other Local Tax Enabling Act/Act 511 Taxes.....	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
TOTAL TAXES	\$ -	\$ -	\$ -	\$ 3,975,693

LICENSES & PERMITS		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
320-322	All Other Licenses and Permits.....	-	-	-	244,967
321.80	Cable Television Franchise Fees.....	-	-	-	68,753
TOTAL LICENSES & PERMITS	-	-	-	313,720

FINES & FORFEITS		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
330-332	Fines and Forfeits.....	-	-	-	193,467
TOTAL FINES & FORFEITS	-	-	-	193,467

INTEREST, RENTS & ROYALTIES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
341.00	Interest Earnings.....	-	-	-	259,310
342.00	Rents and Royalties.....	-	-	-	546
TOTAL INTEREST, RENTS & ROYALTIES	-	-	-	259,856

**This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.

2023 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

INTERGOVERNMENTAL REVENUES		GOVERNMENTAL FUNDS			
		Special Revenue <i>(Including State Liquid Fuels)</i>		Capital Projects	Debt Service
FEDERAL		General Fund			
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 & Entitlements.....	-	-	-	-
353.00	Federal Payments in Lieu of Taxes.....	-	-	-	-
TOTAL FEDERAL		-	-	-	-

STATE					
354.03	Highways and Streets.....	3,865	-	-	-
354.09	Community Development.....	-	-	-	-
354.15	Recycling/Act 101.....	-	-	-	-
354.00	All Other State Capital and Operating Grants.....	62,486	-	-	-
355.01	Public Utility Realty Tax (PURTA).....	3,355	-	-	-
355.02 - 355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback.....	-	117,902	-	-
355.04	Alcoholic Beverage Licenses.....	3,000	-	-	-
355.05	General Municipal Pension System State Aid.....	268,083	-	-	-
355.07	Foreign Fire Insurance Tax Distribution.....	26,320	-	-	-
355.08	Local Share Assessment/Gaming Proceeds.....	-	-	-	-
355.09	Marcellus Shale Impact Fee Distribution.....	-	-	-	-
355.00	All Other State Shared Revenues & Entitlements.....	-	-	-	-
356.00	State Payments in Lieu of Taxes.....	-	-	-	-
TOTAL STATE		367,109	117,902	-	-

LOCAL GOVERNMENT UNITS					
357.03	Highways and Streets.....	-	-	-	-
357.00	All Other Local Governmental Units Capital and Operating Grants.....	-	-	-	-
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services.....	-	-	-	-
359.00	Local Governmental Units, Authorities Payments and Payments in Lieu of Taxes.....	-	-	-	-
TOTAL LOCAL GOVERNMENT UNITS		-	-	-	-

2023 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

	INTERGOVERNMENTAL REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
			Enterprise	Internal Service	Trust and Agency	Memorandum Only
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 & Entitlements.....	-	-	-	-	-
353.00	Federal Payments in Lieu of Taxes.....	-	-	-	-	-
TOTAL FEDERAL		-	-	-	-	-

STATE						
354.03	Highways and Streets.....	-	-	-	-	3,865
354.09	Community Development.....	-	-	-	-	-
354.15	Recycling/Act 101.....	17,138	-	-	-	17,138
354.00	All Other State Capital and Operating Grants.....	-	-	-	-	62,486
355.01	Public Utility Realty Tax (PURTA).....	-	-	-	-	3,355
355.02 - 355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback.....	-	-	-	-	117,902
355.04	Alcoholic Beverage Licenses.....	-	-	-	-	3,000
355.05	General Municipal Pension System State Aid.....	-	-	-	-	268,083
355.07	Foreign Fire Insurance Tax Distribution.....	-	-	-	-	26,320
355.08	Local Share Assessment/Gaming Proceeds.....	-	-	-	-	-
355.09	Marcellus Shale Impact Fee Distribution.....	-	-	-	-	-
355.00	All Other State Shared Revenues & Entitlements.....	-	-	-	-	-
356.00	State Payments in Lieu of Taxes.....	-	-	-	-	-
TOTAL STATE		17,138	-	-	-	502,149

LOCAL GOVERNMENT UNITS						
357.03	Highways and Streets.....	-	-	-	-	-
357.00	All Other Local Governmental Units Capital and Operating Grants.....	-	-	-	-	-
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services.....	-	-	-	-	-
359.00	Local Governmental Units, Authorities Payments and Payments in Lieu of Taxes.....	-	-	-	-	-
TOTAL LOCAL GOVERNMENT UNITS		-	-	-	-	-

TOTAL INTERGOVERNMENTAL REVENUES						502,149
---	--	--	--	--	--	---------

REVENUES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue <i>(Including State Liquid Fuels)</i>	Capital Projects	Debt Service
CHARGES FOR SERVICE					
361.00	General Government.....	33,521	-	-	-
362.00	Public Safety.....	47,340	-	-	-
363.20	Parking.....	51,015	-	-	-
363.00	All Other Charges for Highway & Streets Services.....	12,334	-	-	-
364.10	Wastewater/Sewage Charges.....	-	-	-	-
364.30	Solid Waste Collection & 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.....	174,817	-	-	-
368.00	Airports.....	-	-	-	-
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		319,027	-	-	-

UNCLASSIFIED OPERATING REVENUES					
383.00	Assessments.....	674,031	-	-	-
386.00	Escheats (sale of personal property).....	-	-	-	-
387.00	Contributions & Donations from Private Sectors.....	13,922	-	-	-
388.00	Fiduciary Fund Pension Contributions.....	 	 	 	
389.00	All Other Unclassified Operating Revenues***.....	-	-	-	-
TOTAL UNCLASSIFIED OPERATING REVENUES		687,953	-	-	-

OTHER FINANCING SOURCES					
391.00	Proceeds of General Fixed Asset Disposition.....	21,308	-	-	-
392.00	Interfund Operating Transfers**.....	2,258,390	-	1,146,660	-
393.00	Proceeds of General Long-Term Debt.....	37,338	-	-	-
394.00	Proceeds of Short-Term Debt.....	6,513	-	-	-
395.00	Refunds of Prior Year Expenditures.....	26,965	-	-	-
TOTAL OTHER FINANCING SOURCES		2,350,514	-	1,146,660	-

TOTAL REVENUES		7,782,337	790,238	1,159,326	-
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** The total of line 392.00 must match the total of line 492.00

*** This amount cannot be greater than 1% of "TOTAL REVENUES" in each of the funds.

2023 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
CHARGES FOR SERVICE					
361.00	General Government.....	-	-	-	33,521
362.00	Public Safety.....	-	-	-	47,340
363.20	Parking.....	-	-	-	51,015
363.00	All Other Charges for Highway & Streets Services.....	-	-	-	12,334
364.10	Wastewater/Sewage Charges.....	2,155,046	-	-	2,155,046
364.30	Solid Waste Collection & Disposal Charge (trash).....	716,210	-	-	716,210
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.....	-	-	-	174,817
368.00	Airports.....	-	-	-	-
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.....	1,965,965	-	-	1,965,965
379.00	All Other Charges for Service.....	45	-	-	45
TOTAL CHARGES FOR SERVICE.....		4,837,266	-	-	5,156,293

UNCLASSIFIED OPERATING REVENUES					
383.00	Assessments.....	-	-	-	674,031
386.00	Escheats (sale of personal property).....	-	-	-	-
387.00	Contributions & Donations from Private Sectors.....	-	-	-	13,922
388.00	Fiduciary Fund Pension Contributions.....	-	-	-	-
389.00	All Other Unclassified Operating Revenues***.....	-	-	-	-
TOTAL UNCLASSIFIED OPERATING REVENUES.....		-	-	-	687,953

OTHER FINANCING SOURCES					
391.00	Proceeds of General Fixed Asset Disposition.....	-	-	-	21,308
392.00	Interfund Operating Transfers**.....	58,000	-	-	3,463,050
393.00	Proceeds of General Long-Term Debt.....	-	-	-	37,338
394.00	Proceeds of Short-Term Debt.....	-	-	-	6,513
395.00	Refunds of Prior Year Expenditures.....	-	-	-	26,965
TOTAL OTHER FINANCING SOURCES.....		58,000	-	-	3,555,174

TOTAL REVENUES.....		4,912,404	-	-	14,644,305
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** The total of line 392.00 must match the total of line 492.00

*** This amount cannot be greater than 1% of "TOTAL REVENUES" in each of the funds.

EXPENDITURES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue <i>(Including State Liquid Fuels)</i>	Capital Projects	Debt Service
GENERAL GOVERNMENT					
400.00	Legislative (Governing) Body.....	68,480	-	685	-
401.00	Executive (Manager or Mayor).....	82,750	-	-	-
402.00	Auditing Services/Financial Administration.....	79,382	-	-	-
403.00	Tax Collection.....	23,128	-	-	-
404.00	Solicitor/Legal Services.....	78,430	-	-	-
405.00	Secretary/Clerk.....	118,020	-	-	-
406.00	Other General Government Administration.....	106,045	-	-	-
407.00	IT-Networking Services-Data Processing.....	-	-	-	-
408.00	Engineering Services.....	16,157	-	-	-
409.00	General Government Buildings and Plant.....	81,635	-	43,593	-
TOTAL GENERAL GOVERNMENT		654,027	-	44,278	-

PUBLIC SAFETY					
410.00	Police.....	2,799,965	-	1,720	-
411.00	Fire.....	273,226	-	8,549	-
412.00	Ambulance/Rescue.....	-	-	-	-
413.00	UCC and Code Enforcement.....	450,052	-	-	-
414.00	Planning and Zoning.....	2,253	-	-	-
415.00	Emergency Management & Communications.....	18,954	-	-	-
416.00	Militia and Armories.....	-	-	-	-
417.00	Examination of Licensed Occupations.....	-	-	-	-
418.00	Public Scales (weights and measures).....	-	-	-	-
419.00	Other Public Safety.....	5,691	-	-	-
TOTAL PUBLIC SAFETY		3,550,141	-	10,269	-

HEALTH AND HUMAN SERVICES					
420.00-425.00	Health and Human Services.....	-	-	-	-

PUBLIC WORKS - SANITATION					
426.00	Recycling Collection and Disposal.....	-	-	-	-
427.00	Solid Waste Collection and Disposal (trash).....	-	-	-	-
428.00	Weed Control.....	-	-	-	-
429.00	Wastewater/Sewage Collection & Treatment.....	-	-	-	-
TOTAL PUBLIC WORKS - SANITATION		-	-	-	-

2023 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS			FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only	
GENERAL GOVERNMENT					
400.00 Legislative (Governing) Body.....	8,385	-	-	-	77,550
401.00 Executive (Manager or Mayor).....	-	-	-	-	82,750
402.00 Auditing Services/Financial Administration.....	-	-	-	-	79,382
403.00 Tax Collection.....	-	-	-	-	23,128
404.00 Solicitor/Legal Services.....	-	-	-	-	78,430
405.00 Secretary/Clerk.....	-	-	-	-	118,020
406.00 Other General Government Administration.....	-	-	-	-	106,045
407.00 IT-Networking Services-Data Processing.....	-	-	-	-	-
408.00 Engineering Services.....	-	-	-	-	16,157
409.00 General Government Buildings and Plant.....	-	-	-	-	125,228
TOTAL GENERAL GOVERNMENT.....	8,385	-	-	-	706,690

PUBLIC SAFETY					
410.00 Police.....	-	-	-	-	2,801,685
411.00 Fire.....	-	-	-	-	281,775
412.00 Ambulance/Rescue.....	-	-	-	-	-
413.00 UCC and Code Enforcement.....	-	-	-	-	450,052
414.00 Planning and Zoning.....	-	-	-	-	2,253
415.00 Emergency Management & Communications.....	-	-	-	-	18,954
416.00 Militia and Armories.....	-	-	-	-	-
417.00 Examination of Licensed Occupations.....	-	-	-	-	-
418.00 Public Scales (weights and measures).....	-	-	-	-	-
419.00 Other Public Safety.....	-	-	-	-	5,691
TOTAL PUBLIC SAFETY.....	-	-	-	-	3,560,410

HEALTH AND HUMAN SERVICES					
420.00-425.00 Health and Human Services.....	-	-	-	-	-

PUBLIC WORKS - SANITATION					
426.00 Recycling Collection and Disposal.....	-	-	-	-	-
427.00 Solid Waste Collection and Disposal (garbage).....	645,122	-	-	-	645,122
428.00 Weed Control.....	-	-	-	-	-
429.00 Wastewater/Sewage Collection & Treatment.....	942,581	-	-	-	942,581
TOTAL PUBLIC WORKS - SANITATION.....	1,587,703	-	-	-	1,587,703

EXPENDITURES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue <i>(Including State Liquid Fuels)</i>	Capital Projects	Debt Service
PUBLIC WORKS - HIGHWAYS & STREETS					
430.00	General Services - Administration.....	1,074,191	-	-	-
431.00	Cleaning of Streets and Gutters.....	4,931	-	-	-
432.00	Winter Maintenance - Snow Removal.....	-	10,314	-	-
433.00	Traffic Control Devices.....	38,221	14,086	-	-
434.00	Street Lighting.....	630	101,307	-	-
435.00	Sidewalks and Crosswalks.....	-	-	-	-
436.00	Storm Sewers and Drains.....	-	-	-	-
437.00	Repairs of Tools and Machinery.....	-	-	-	-
438.00	Maintenance & Repairs of Roads & Bridges.....	5,759	-	-	-
439.00	Highway Construction and Rebuilding Projects.....	105,494	-	352,332	-
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS		1,229,226	125,707	352,332	-

PUBLIC WORKS - OTHER SERVICES					
440.00	Airports.....	-	-	-	-
441.00	Cemeteries.....	-	-	-	-
442.00	Electric System.....	-	-	-	-
443.00	Gas System.....	-	-	-	-
444.00	Markets.....	-	-	-	-
445.00	Parking.....	37,976	-	-	-
446.00	Storm Water and Flood Control.....	35,305	-	-	-
447.00	Transit System.....	-	-	-	-
448.00	Water System.....	-	-	-	-
449.00	Water Transport and Terminals.....	-	-	-	-
TOTAL PUBLIC WORKS - OTHER SERVICES		73,281	-	-	-

CULTURE AND RECREATION					
451.00	Culture-Recreation Administration.....	76,662	-	-	-
452.00	Participant Recreation.....	248,709	-	-	-
453.00	Spectator Recreation.....	-	-	-	-
454.00	Parks.....	-	-	-	-
455.00	Shade Trees.....	36,234	-	-	-
456.00	Libraries.....	-	-	-	-
457.00	Civil and Military Celebrations.....	-	-	-	-
458.00	Senior Citizens' Centers.....	-	-	-	-
459.00	All Other Culture and Recreation.....	-	-	5,600	-
TOTAL CULTURE AND RECREATION		361,605	-	5,600	-

COMMUNITY DEVELOPMENT					
461.00	Conservation of Natural Resources.....	-	-	-	-
462.00	Community Development and Housing.....	93,245	-	-	-
463.00	Economic Development.....	-	-	-	-
464.00	Economic Opportunity.....	-	-	-	-
465.00 - 469.00	All Other Community Development.....	10,012	-	-	-
TOTAL COMMUNITY DEVELOPMENT		103,257	-	-	-

2023 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
PUBLIC WORKS - HIGHWAYS & STREETS				
430.00 General Services - Administration.....	-	-	-	1,074,191
431.00 Cleaning of Streets and Gutters.....	-	-	-	4,931
432.00 Winter Maintenance - Snow Removal.....	-	-	-	10,314
433.00 Traffic Control Devices.....	-	-	-	52,307
434.00 Street Lighting.....	-	-	-	101,937
435.00 Sidewalks and Crosswalks.....	-	-	-	-
436.00 Storm Sewers and Drains.....	-	-	-	-
437.00 Repairs of Tools and Machinery.....	-	-	-	-
438.00 Maintenance & Repairs of Roads & Bridges.....	-	-	-	5,759
439.00 Highway Construction and Rebuilding Projects.....	-	-	-	457,826
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS	-	-	-	1,707,265

PUBLIC WORKS - OTHER SERVICES				
440.00 Airports.....	-	-	-	-
441.00 Cemeteries.....	-	-	-	-
442.00 Electric System.....	-	-	-	-
443.00 Gas System.....	-	-	-	-
444.00 Markets.....	-	-	-	-
445.00 Parking.....	-	-	-	37,976
446.00 Storm Water and Flood Control.....	-	-	-	35,305
447.00 Transit System.....	-	-	-	-
448.00 Water System.....	868,568	-	-	868,568
449.00 Water Transport and Terminals.....	-	-	-	-
TOTAL PUBLIC WORKS - OTHER SERVICES	868,568	-	-	941,849

CULTURE AND RECREATION				
451.00 Culture-Recreation Administration.....	-	-	-	76,662
452.00 Participant Recreation.....	-	-	-	248,709
453.00 Spectator Recreation.....	-	-	-	-
454.00 Parks.....	-	-	-	-
455.00 Shade Trees.....	-	-	-	36,234
456.00 Libraries.....	-	-	-	-
457.00 Civil and Military Celebrations.....	-	-	-	-
458.00 Senior Citizens' Centers.....	-	-	-	-
459.00 All Other Culture and Recreation.....	-	-	-	5,600
TOTAL CULTURE AND RECREATION	-	-	-	367,205

COMMUNITY DEVELOPMENT				
461.00 Conservation of Natural Resources.....	-	-	-	-
462.00 Community Development and Housing.....	-	-	-	93,245
463.00 Economic Development.....	-	-	-	-
464.00 Economic Opportunity.....	-	-	-	-
465.00 - 469.00 All Other Community Development.....	-	-	-	10,012
TOTAL COMMUNITY DEVELOPMENT	-	-	-	103,257

2023 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
DEBT SERVICE				
471.00 Debt Principal (short-term and long-term).....	45,408	-	705,000	-
472.00 Debt Interest (short-term and long-term).....	5,884	-	162,330	-
475.00 Fiscal Agent Fees.....	-	-	-	-
TOTAL DEBT SERVICE.....	51,292	-	867,330	-

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	-	-	-	-
482.00 Judgments and Losses.....	-	-	-	-
483.00 Pension/Retirement Fund Contributions.....	452,973	-	-	-
484.00 Worker Compensation Insurance.....	-	-	-	-
487.00 Group Insurance and Other Benefits.....	97,706	-	-	-
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS.....	550,679	-	-	-

INSURANCE				
486.00 Insurance, Casualty and Surety.....	96,647	-	-	-

UNCLASSIFIED OPERATING EXPENDITURES				
488.00 Fiduciary Fund Benefits and Refunds Paid.....				
489.00 All Other Unclassified Expenditures***.....	-	-	-	-
TOTAL UNCLASSIFIED OPERATING EXPENDITURES.....	-	-	-	-

OTHER FINANCING USES				
491.00 Refund of Prior Year Revenues.....	-	-	-	-
492.00 Interfund Operating Transfers**.....	615,456	669,190	11,500	-
493.00 All Other Financing Uses.....	-	-	-	-
TOTAL OTHER FINANCING USES.....	615,456	669,190	11,500	-

TOTAL EXPENDITURES.....	7,285,611	794,897	1,291,309	-
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES.....	496,726	(4,659)	(131,983)	-
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** The total of line 492.00 must match the total of line 392.00

*** This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

2023 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
DEBT SERVICE				
471.00 Debt Principal (short-term and long-term).....	20,058	-	-	770,466
472.00 Debt Interest (short-term and long-term).....	980	-	-	169,194
475.00 Fiscal Agent Fees.....	-	-	-	-
TOTAL DEBT SERVICE	21,038	-	-	939,660

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	-	-	-	-
482.00 Judgments and Losses.....	-	-	-	-
483.00 Pension/Retirement Fund Contributions.....	-	-	-	452,973
484.00 Worker Compensation Insurance.....	-	-	-	-
487.00 Group Insurance and Other Benefits.....	-	-	-	97,706
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS	-	-	-	550,679

INSURANCE				
486.00 Insurance, Casualty and Surety.....	-	-	-	96,647

UNCLASSIFIED OPERATING EXPENDITURES				
488.00 Fiduciary Fund Benefits and Refunds Paid.....	-	-	-	-
489.00 All Other Unclassified Expenditures***.....	-	-	-	-
TOTAL UNCLASSIFIED OPERATING EXPENDITURES	-	-	-	-

OTHER FINANCING USES				
491.00 Refund of Prior Year Revenues.....	-	-	-	-
492.00 Interfund Operating Transfers**.....	2,166,904	-	-	3,463,050
493.00 All Other Financing Uses.....	-	-	-	-
TOTAL OTHER FINANCING USES	2,166,904	-	-	3,463,050

TOTAL EXPENDITURES	4,652,598	-	-	14,024,415
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	259,806	-	-	619,890
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** The total of line 492.00 must match the total of line 392.00

*** This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

DEBT STATEMENT

Purpose	Issuance Type	Issue Date (year)	Maturity Date (year)	Original Amount of Issue	Outstanding Beginning of Year	Principal Incurred This Year (Additions)	Principal Paid This Year	Current Year Accretion of Compound Interest Bonds	Outstanding Year End	Plus (less) Unamortized Premium (Discount)	Total Balance
GENERAL OBLIGATION BONDS AND NOTES											
Series of 2021	B	2021	2032	8,330,000	7,375,000	-	705,000		6,670,000		\$ 6,670,000
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
REVENUE BONDS AND NOTES											
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
LEASE RENTAL DEBT/GENERAL LEASES											
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
OTHER											
Fire Truck Loan		2006	2026	200,000	43,020	-	9,471		33,549		\$ 33,549
Police Vehicle Loan		2022	2025	53,662	53,662	-	18,517		35,145		\$ 35,145
Police Vehicle Loan		2022	2025	28,783	28,783	-	9,932		18,851		\$ 18,851
Dodge Durango		2023	2025	37,338	-	37,338	7,489		29,849		\$ 29,849
Excavator Loan		2022	2025	60,959	52,749	-	20,057		32,692		\$ 32,692
Total debt.....										\$	6,820,086
Capitalized lease obligations.....											-
NET DEBT											6,820,086

SUPPLEMENTARY INFORMATION

BOROUGH OF WEST READING
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

ITEM A - NATURE OF ACTIVITY

The Borough of West Reading, Berks County, Pennsylvania (the "Borough"), which was founded and incorporated in 1907, has a population of 4,575, based on a July 1, 2022 census report, living within an area of one square mile. The Borough is in the southeastern portion of the Commonwealth of Pennsylvania and is located in the County of Berks.

ITEM B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements conform to the modified cash basis method of accounting as applicable to governmental units. The following is a summary of the more significant accounting policies used by the Borough.

Reporting Entity

The Borough is a Pennsylvania Municipal Corporation which operates under a Council-Mayor form of government. Accounting principles generally accepted in the United States of America require that the reporting entity consists of the primary government and organizations for which the primary government is financially accountable. In addition, the primary government may determine through the exercise of the management's professional judgment that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's financial statements from being misleading. In such instances, that organization should be included as a component unit if the nature and significance of their relationship with the primary government or other component units, are such that exclusion from the financial reporting entity would render the financial reporting entity's financial statements incomplete or misleading. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the above criteria. The component units as determined under the above criteria and as discussed below are not included in the Borough's reporting entity as these financial statements include only the modified cash activities of the primary government.

Individual Component Unit Disclosures

West Reading Community Revitalization Foundation - The West Reading Community Revitalization Foundation is a nonprofit corporation organized for the purpose of facilitating the streetscape rehabilitation, design and construction within the Borough to promote business activity and preserve the historical continuity of properties within the Borough's Neighborhood Improvement District. Although it is legally separate from the Borough, the West Reading Community Revitalization Foundation is a component unit of the Borough.

BOROUGH OF WEST READING
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

ITEM B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Jointly Governed Organizations

Western Berks Water Authority - The Borough, in conjunction with the Boroughs of Shillington and Wyomissing, has created the Western Berks Water Authority. The Western Berks Water Authority's Board is composed of two members from each of the municipalities. The primary purpose of the Western Berks Water Authority is to provide water utilities to the member municipalities.

Joint Municipal Authority of Wyomissing Valley - The Borough, in conjunction with the Borough of Wyomissing, has created the Joint Municipal Authority of Wyomissing Valley. The Joint Municipal Authority of Wyomissing Valley's Board is composed of three members from each of the municipalities. The primary purpose of the Joint Municipal Authority of Wyomissing Valley is to provide sewer utilities to the member municipalities.

Basis of Presentation

The accounts of the Borough are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The various funds of the Borough are grouped in the primary government financial statements in this report as follows.

Governmental Fund Types - Governmental Funds are those through which most governmental functions of the Borough are financed. The acquisition, use and balance of the Borough's expendable financial resources and the related liabilities (except those accounted for in the proprietary funds) are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination.

BOROUGH OF WEST READING
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

ITEM B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following are the Borough's Governmental Fund Types:

- **General Fund** - The General Fund is the primary operating fund of the Borough. It is used to account for all activities except those legally or administratively required to be accounted for in other funds. The principal activities accounted for in the General Fund are general government, public safety, public works, community development, culture and recreation and debt service. These activities are funded principally by property taxes, earned income taxes, business privilege taxes, local services taxes and licenses and permits.
- **Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a Special Revenue Fund. The reporting entity includes the following Special Revenue Fund:
 - State Liquid Fuels Highway Aid Fund - The State Liquid Fuels Highway Aid Fund is used to account for the proceeds from the State Motor License Fund. Under the Act of June 1, 1956, P.L. 1944, No. 145, this fund must be kept separate from all other funds and no other funds shall be commingled with the fund. Expenditures are legally restricted to expenditures for highway purposes in accordance with Department of Transportation regulations. County liquid fuels tax payments to the local government are not accounted for in this Fund.

The Borough also levies a Fire Equipment and Firehouse special purpose real estate tax, as well as a Roads special purpose real estate tax. The real estate tax revenue and the transfer of these revenues to the General Fund are also reflected in the Special Revenue Fund.

- **Capital Projects Funds** - The Capital Projects Funds are used to account for and report financial resources to be used for the acquisition or construction and maintenance of major capital assets. The reporting entity includes the following Capital Projects Funds:
 - Capital Reserve Fund - The Capital Reserve Fund is used to account for budgetary transfers from the general and utility funds to be used to replace major equipment as needed. The Fund also accounts for the payment of principal and interest on the General Obligation Bonds, Series of 2021, as well as the cost of certain capital projects.
 - Special Reserve Fund - The Special Reserve Fund is used to account for budgetary transfers from the general and utility funds to be used for special projects approved by Council as needed. The fund also accounts for the special purpose real estate taxes for Firehouse, Fire Equipment and Roads that are transferred in from the General Fund.

BOROUGH OF WEST READING

SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

ITEM B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Fund Types

- **Enterprise Funds** - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The measurement focus is upon determination of net income. The reporting entity includes the following Enterprise Funds:
 - **Water Fund** - is used to account for operations of the water distribution system. The water distribution system is a public utility service which is maintained on a self-supporting basis.
 - **Sewer Fund** - is used to account for the operation of the liquid waste collection system which is operated as a public utility and is not included as a regular function in the General Fund.
 - **Sanitation Fund** - is used to account for the operation of the solid waste collection system which is operated as a public utility and is not included as a regular function in the General Fund.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the primary government financial statements.

Modified Cash Basis

The Borough's policy is to prepare its financial statements on a modified cash basis under which only revenues collected, and expenditures paid and intergovernmental due to and due from receivables and payables are record. Under this basis, revenue is recognized when collected rather than when earned and expenditures are generally recognized when paid rather than when the related liability is incurred. Consequently, other receivables, other payables, inventories, long-lived assets, accrued income and expenses and amortization and depreciation, which may be material in amount, are not reflected in the accompanying primary government financial statements, which are not intended to present the financial position, results of operation or cash flows in conformity with accounting principles generally accepted in the United States of America (GAAP). To meet the financial reporting requirements, the Schedules are prepared on the basis of the instructions provided by the DCED, which is a basis of accounting other than accounting principles generally accepted in the United States of America. These requirements permit the Schedules to be prepared without financial statement disclosures, without cash flows, without component unit financial information, without government-wide financial statements, without Management's Discussion and Analysis, without budgetary comparisons, and without historical pension and post-employment benefit liability information, and require all funds to be aggregated by fund type on the Schedules.

BOROUGH OF WEST READING
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

ITEM B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus

The accounting and reporting treatment applied to a fund is determined by its measurement focus. Governmental Funds are accounted for on a spending or “financial flow” measurement focus. Governmental Fund Type operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net position.

Proprietary Funds and Nonexpendable Trust Funds are accounted for on a cost of services or “capital maintenance” measurement focus. Their reported fund equity is segregated into contributed capital and retained earnings components. Proprietary Fund Type operating statement presents increased (revenues) and decreases (expenses) in equity.

Cash

The Borough considers all accounts which are not subject to withdrawal restriction or penalties to be cash.

The Borough pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. Cash in excess of current requirements is invested in various certificates of deposit.

For the purpose of financial reporting, cash includes all demand and saving accounts and certificates of deposit or short-term investments with an original maturity of three months or less.

Due To and From Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

Capital Assets

Purchased capital assets are recorded as expenditures in the Governmental Fund Types. Proprietary Fund Type capital assets are recorded as expenditures in the fund in which it is utilized. Infrastructure assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are recorded as expenditures in the fund types expending the funds.

Long-Term Debt

Debt proceeds from issuance of long-term debt are reported as other financing sources, and the payment of principal and interest is reported as expenditures in the fund financial statements. Debt service expenditures are recognized in the period paid.

Compensated Absences

Compensated absences for vacation and sick leave are recorded when paid.

BOROUGH OF WEST READING
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

ITEM B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Program Revenues

All revenues are recognized when received.

Property Taxes

The Borough is permitted by state law to levy taxes up to 30 mills of assessed valuation for general purposes. State law also permits additional millage to be levied for specific purposes as defined in the law. The millage rate levied by the Borough for 2023 was 12.10 mills, consisting of 8.25 mills for general purposes, 2.85 mills for fire purposes, and 1.00 mills for roads, as established by the Borough Council. Current tax collections for the Borough were approximately 98% of the total tax levy.

The Borough's real estate taxes are based on assessed values established by the County of Berks Board of Assessments. The taxes are collected by an elected local tax collector. Real estate taxes attach an enforceable lien on property when levied on March 1. A discount of 2% is applied to payments made prior to April 30. A penalty of 10% is added to the face amount of taxes paid after June 30. The County of Berks Tax Claim Bureau collects delinquent real estate taxes on behalf of itself and other taxing authorities. Return of unpaid real estate taxes to the County of Berks Tax Claim Bureau is made by January 15 of the subsequent year.

Intergovernmental Revenues

Intergovernmental revenues represent revenues received from the Commonwealth of Pennsylvania, federal agencies and local governmental units, generally to fund specific programs and are recognized when received.

BOROUGH OF WEST READING
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

ITEM B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expenditures/Expenses

Expenditures and expenses are recognized when paid.

Internal and Interfund Balances and Activities

Interfund activity, if any, within and among the Governmental and Proprietary Fund categories is reported as follows in the financial statements:

- ***Interfund Services*** - Sales or purchases of goods and services between funds are reported as revenues and expenditures.
- ***Interfund Reimbursements*** - Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transaction that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund as reduction of expenditures/expenses in the fund that is reimbursed.
- ***Interfund Transfers*** - All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

ITEM C - BUDGET MATTERS

The Borough Council annually adopts the budget for the General Fund, State Liquid Fuels Highway Aid Fund, Capital Reserve Fund, Special Reserve Fund, Water Fund, Sewer Fund and Sanitation Fund. Budgetary control is legally maintained at the fund level.

The Borough Code provides for the modification of the budget and supplemental appropriations and transfers.

Appropriations, except open project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year.

The budget is prepared on the same modified cash basis of accounting as applied to the governmental funds in the financial statements.

Budget amounts are not presented in the accompanying financial statements.

BOROUGH OF WEST READING

SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

ITEM D - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Finance-Related Legal and Contractual Provisions

The Borough had no material violations of finance-related legal and contractual provisions.

ITEM E - DEPOSITS

The Borough's available cash is invested in demand deposit accounts, savings accounts and certificates of deposit.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a financial institution failure, the Borough's deposits may not be returned. The Pennsylvania Government Code and the Borough's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: Pennsylvania Act 72 requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

The Borough has a deposit policy for custodial risk that requires depository institutions to pledge securities as collateral for deposits that exceed depository in insurance.

At December 31, 2023, the carrying amount of the Borough's bank deposits was \$5,641,743, and the corresponding bank balances were \$5,656,023 of which \$358,725 was covered by Federal Depository Insurance and \$977,291 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Borough's name. The remaining \$4,320,007 was uninsured and uncollateralized deposits held in a state investment pool (PLGIT).

BOROUGH OF WEST READING
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

ITEM F - LONG-TERM DEBT

	Balance Outstanding December 31, 2022	Additions	Payments	Balance Outstanding December 31, 2023
General Obligation Bonds, Series of 2021, initial issue \$8,330,000, interest rates ranging from 0.25% to 4.00% per annum to October 2032.	\$ 7,375,000	\$ -	\$ (705,000)	\$ 6,670,000
Installment loan payable to the Commonwealth of Pennsylvania, initial issue of \$200,000 due in monthly payments of \$1,012, including interest at 2.00% to October 2026.	43,020	-	(9,471)	33,549
Installment loan payable to First National Bank of Pennsylvania, initial issue \$60,959, monthly payments of \$1,753, including interest at 2.22% to July 2025.	52,749	-	(20,057)	32,692
Installment loan payable to First National Bank of Pennsylvania, initial issue \$28,783, monthly payments of \$859, including interest at 4.63% to November 2025.	28,783	-	(9,932)	18,851
Installment loan payable to First National Bank of Pennsylvania, initial issue \$53,662, monthly payments of \$1,601, including interest at 4.63% to November 2025.	53,662	-	(18,517)	35,145
Installment loan payable to First National Bank of Pennsylvania, initial issue \$37,338 monthly payments of \$1,638, including interest at 4.88% to June 2025.	-	37,338	(7,489)	29,849
	<u>\$ 7,553,214</u>	<u>\$ 37,338</u>	<u>\$ (770,466)</u>	<u>\$ 6,820,086</u>

Total interest expense for the year ended December 31, 2023, was \$169,194.

Aggregate maturities required on long-term debt at December 31, 2023, are as follows:

Year Ending December 31,	Principal	Interest	Total Debt Service
2024	\$ 795,170	\$ 158,570	\$ 953,740
2025	796,686	127,104	923,790
2026	773,230	96,578	869,808
2027	790,000	77,150	867,150
2028	795,000	65,300	860,300
2029 to 2032	<u>2,870,000</u>	<u>128,075</u>	<u>2,998,075</u>
	<u>\$ 6,820,086</u>	<u>\$ 652,777</u>	<u>\$ 7,472,863</u>

BOROUGH OF WEST READING
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

ITEM F - LONG-TERM DEBT (Continued)

Bond principal and interest payments are paid from the Capital Reserve Fund. Installment loan principal and interest payments are made from the General Fund, Water Fund and Sewer Fund.

Substantially all of the Borough's assets are pledged as collateral for the long-term debt.

ITEM G - INTERFUND TRANSFERS AND BALANCES

Transfers between funds for the year ended December 31, 2023, were as follows:

	<u>Transfers In/From Other Funds</u>	<u>Transfers Out/To Other Funds</u>
General Fund	\$ 2,258,390	\$ 615,456
Special Revenue	<u>-</u>	<u>669,190</u>
Capital Projects Funds		
Capital Reserve Fund	1,136,660	-
Special Reserve Fund	10,000	11,500
	<u>1,146,660</u>	<u>11,500</u>
Enterprise Funds		
Water Fund	18,000	1,008,420
Sewer Fund	-	920,484
Sanitation Fund	40,000	238,000
	<u>58,000</u>	<u>2,166,904</u>
	<u>\$ 3,463,050</u>	<u>\$ 3,463,050</u>

Interfund balances between funds as of December 31, 2023, were as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 375	\$ -
Capital Projects Funds		
Special Reserve Fund	<u>-</u>	<u>375</u>
	<u>\$ 375</u>	<u>\$ 375</u>

BOROUGH OF WEST READING
 SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2023

ITEM H - DEFINED BENEFIT PENSION PLANS

The Borough administers and contributes to two defined benefit pension plans: the Borough of West Reading Police Pension Plan and the Borough of West Reading Nonuniformed Employees' Pension Plan. The assets of the plans are invested separately, and each Plan's assets may be used only for the payment of benefits to the members of that plan in accordance with the terms of the plan.

Valuation of Investments

All investments of the pension plans are reported at fair value based on quoted market values. Investments that do not have an established market value are reported at estimated fair value. Insurance holdings, if any, are valued at reported contract values.

Plan Descriptions and Contribution Information

Borough of West Reading Police Pension Plan

Plan Description - The Borough of West Reading Police Pension Plan is a single-employer defined benefit pension plan. The plan participates in the Pennsylvania State Association of Boroughs Municipal Retirement Trust (PSAB-MRT) which is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating municipal pension plans. The Borough of West Reading Police Pension Plan provides retirement, disability and death benefits to plan members and beneficiaries. The Borough receives from PSAB-MRT a publicly available financial report that includes financial statements and required supplementary information for the Borough of West Reading Police Pension Plan.

Contributions - The authority under which obligations to contribute to the Police Pension Plan by the Plan members, employer and other contributing entities is established or may be amended include Act 600 and Act 205 (the "Act") of the Commonwealth of Pennsylvania. The Act requires that annual contributions be based upon the calculation of the minimum municipal obligation (MMO). The MMO is based upon the biennial actuarial valuation. In accordance with Act 205, the Borough was required to contribute \$391,459 to the Plan for the year 2023. The Borough's actual contribution for the Plan year 2023 was \$391,459.

Plan Membership

As of December 31, 2023, membership consisted of:

Inactive plan members currently receiving benefits	11
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	<u>14</u>
TOTAL	<u><u>26</u></u>

BOROUGH OF WEST READING

SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

ITEM H - DEFINED BENEFIT PENSION PLANS (Continued)

Benefits Provided

The following is a summary of the Plan benefit provisions:

- Eligibility Requirements:
 - Normal Retirement: Age 50 and 25 years of service.
 - Early Retirement: 20 years of service (Act 24).
 - Vesting: 100% after 12 years of service.
- Retirement Benefit: 50% of final 36 month average compensation plus \$20/month for each year of service in excess of 25 not to exceed \$100/month.
- Survivor Benefit: Killed-in-Service (Act 51): In the event of the death of a retired officer, the survivor would receive 50% of the pension the member was receiving. Vested - Refund of contribution with interest or 50% of vested benefit payable beginning at officer's superannuation retirement date.
- Disability Benefit Service Related: 50% of salary offset by social security disability benefits.
- Post Retirement Adjustments: None.
- Act 44 Deferred Retirement Option Program: An active member who has met the eligibility requirements for normal retirement may elect to participate in the DROP for a period of up to 36 months.
- Members Contributions:
 - Amount or Rate: 8.0%
 - Interest Rate Credited to Member Contributions: 5%

Financial Requirement and Minimum Municipal Obligation Budget for 2023:

Total annual payroll	\$ 1,600,000
Normal cost as a percentage of payroll	14.88%
Total normal cost	\$ 238,080
Estimated administrative expenses	33,943
Amortization contribution	247,436
Estimated members' contributions	(128,000)
Minimum municipal obligation	391,459
Less actual state aid deposited into plan	<u>(268,083)</u>
REQUIRED MUNICIPAL OBLIGATION	<u>\$ 123,376</u>

BOROUGH OF WEST READING
 SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2023

ITEM H - DEFINED BENEFIT PENSION PLANS (Continued)

Three-Year Funding Trend

<u>Year Ended</u> <u>December 31,</u>	<u>Annual</u> <u>Pension</u> <u>Cosit (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>
2021	\$ 357,132	100%
2202	391,459	100%
2023	391,459	100%

Deposits and Investments

The deposits and investments of the Plan are held separately from those of the Borough and are governed by Title 20 of the Pennsylvania Consolidated Statutes, Chapter 73 Municipalities Investments, Section 7302.

Deposits

The Plan held no deposits that were exposed to custodial credit risk or foreign currency risk as of December 31, 2023.

Investments

As of December 31, 2023, the Plan's investment balances were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>
PSABMRT	\$ 5,804,812	Not applicable

Investment Policy Summary

The Plan's investment policy has been delegated to the PSABMRT in regard to the allocation of invested Plan assets. The investment policy is established and may be amended by the PSABMRT Board of Trustees. The PSABMRT provides two investment options - the Balanced Fund and the Fixed Income Fund. The investment objective of the Balanced Fund is long-term growth and income expected to earn returns comprised of long-term capital appreciation and substantial current income. The objective of the investment strategy is to reduce risk while maximizing returns through the prudent diversification of the portfolio in order to maintain a fully funded status and meet the benefit and expense obligations when due. The Plan's formal Investment Policy Statement which is revised periodically provides more comprehensive details on investment strategy and authorized investments.

BOROUGH OF WEST READING
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

ITEM H - DEFINED BENEFIT PENSION PLANS (Continued)

The Balanced Fund's investment policy establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target Allocation</u>
US Large Value	12.00%
US Large Core	13.00%
US Large Growth	12.00%
US Mid/Small Equity	8.00%
International Equity	15.00%
Fixed Income	33.00%
Real Estate	7.00%
Cash	<u>0.00%</u>
TOTAL	<u>100.00%</u>

Expected Real Rate of Return: 4.8%. Excludes an inflation expectation of 2.5%.

Long-term Expected Rate of Return Including Inflation: 7.3%.

The long-term expected rate of return on the Plan's investments was determined using an asset allocation study conducted by the Plan's investment management consultant in December 2023 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best-estimates or arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2023, are listed in the table above.

Rate of Return

For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 14.11 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Custodial Credit Risk, Concentration of Credit Risk, Foreign Currency Risk

The Plan held no investments that were exposed to custodial credit risk, concentration of credit risk, or foreign currency risk as of December 31, 2023.

BOROUGH OF WEST READING
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

ITEM H - DEFINED BENEFIT PENSION PLANS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates that will adversely affect the fair value of an investment or a deposit. Investments in mutual funds, 2a7 like external investment pools are excluded from this requirement. The PSABMRT’s formal investment policy states that the portfolio maintained in the Balanced Fund shall be broadly diversified by maturity with the maximum effective maturity of any single security not to exceed 40 years. For the Fixed Income Fund, the portfolio shall be limited to intermediate maturity instruments with effective maturities not to exceed 15 years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. PSABMRT is not rated by a Nationally Recognized Statistical Rating Organization (NRSRO) such as Morningstar, Inc. (Morningstar) or Moody’s Investor Services (Moody’s), however, PSABMRT’s formal investment policy requires that any fixed income security maintained within its portfolio should be rated “BBB-” or higher at the time of purchase by a NRSRO. Asset backed securities, mortgage backed securities, and collateralized mortgage obligations (CMOs) should be rated “AAA” (or its equivalent) at the time of purchase by a NRSRO.

Net Pension Liability

The components of the net pension liability of the Plan as of December 31, 2023, were as follows:

Total pension liability (TPL)	\$ 8,411,931
Plan fiduciary net position	<u>5,936,529</u>
Net pension liability (NPL)	<u>\$ 2,475,402</u>
Plan fiduciary net position of the total pension liability	70.6%

Update procedures were used to roll forward to the plan’s fiscal year ending December 31, 2023. The total pension liability was determined as part of an actuarial valuation at January 1, 2023 and rolled forward to December 31, 2023.

BOROUGH OF WEST READING
 SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2023

ITEM H - DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions

An actuarial valuation of the total pension liability is performed biennially. This report was based upon the Plan’s actuarial assumptions, asset valuation method, and cost method described below:

Actuarial valuation date	January 1, 2023
Actuarial cost method	Entry age
Amortization method	Level dollar
Remaining amortization period	8 years
Asset valuation method	Smoothing per Section 210(a) of Act 44
Assumptions:	
Inflation	2.25%
Salary increases	5.00%
Investment rate of return	7.50% (Net of pension plan investment expense including inflation)
Retirement age	50

Mortality rates were based on the Blue Collar RP-2000 Mortality Table projected to 2017 using Scale AA.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. 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 municipal contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based upon the Plan’s current target investment allocation and the associated long-term expected investment returns for its asset classes, the Plan’s long-term returns may be less than its actuarial discount rate assumption used to determine its pension liability. This may result in future increased total and net pension liability. The actuary recommends that the governing body explore the costs of lowering the actuarial assumed investment rate of return going forward to be more consistent with the plan’s anticipated investment returns.

Net Pension Liability Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability calculated using the discount rate of 7.50% as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate.

BOROUGH OF WEST READING
 SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2023

ITEM H - DEFINED BENEFIT PENSION PLANS (Continued)

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Net pension liability	\$ 3,534,015	\$ 2,475,402	\$ 1,591,877

Borough of West Reading Nonuniformed Employees' Pension Plan

Plan Description - The Borough of West Reading Nonuniformed Employees' Pension Plan is a single-employer defined benefit pension plan administered by the Borough. The plan participates in the Pennsylvania State Association of Boroughs Municipal Retirement Trust (PSAB-MRT) which is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating municipal pension plans. The Borough of West Reading Nonuniformed Employees' Pension Plan provides retirement, disability and death benefits to Plan members and beneficiaries. The Borough receives from PSAB-MRT a publicly available financial report that includes financial statements and required supplementary information for the Borough of West Reading Police Pension Plan. This plan was frozen at the end of 2014 with the creation of a new defined contribution plan for nonuniformed employees.

Contributions - The authority under which obligations to contribute to the Nonuniformed Employees' Pension Plan by the Plan members, employer and other contributing entities is established or may be amended include Act 600 and Act 205 (the "Act") of the Commonwealth of Pennsylvania. The Act requires that annual contributions be based upon the calculation of the minimum municipal obligation (MMO). The MMO is based upon the biennial actuarial valuation. In accordance with Act 205, the Borough had no contribution requirement to the Plan for the year 2023.

Plan Membership

As of December 31, 2023, membership consisted of:

Inactive plan members currently receiving benefits	9
Inactive plan members entitled to but not yet receiving benefits	19
Active plan members	<u>-</u>
TOTAL	<u><u>28</u></u>

BOROUGH OF WEST READING
 SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2023

ITEM H - DEFINED BENEFIT PENSION PLANS (Continued)

Benefits Provided

The following is a summary of the Plan benefit provisions:

- Eligibility Requirements:
 - Normal Retirement: Age 65.
 - Early Retirement: Age 55 with 10 or more years of service.
 - Vesting: As of 12/31/14, all members are 100% vested; plan is now frozen

- Retirement Benefit: 1.65% times average monthly compensation times years of benefit service. Average monthly compensation is based on the final 60 consecutive months of employment.

- Survivor Benefit: A death benefit for a vested married participant payable in the form of a Pre-Retirement Survivor Annuity. Such annuity payments shall be equal to the amount that would be payable as a survivor annuity under the joint and survivor annuity provisions of the plan.

- Disability Benefit Service & Non-Service Related: Monthly benefit payable until the earliest of retirement, death or recovery, and a deferred annuity payable at normal retirement age. The amount is equal to the accrued benefit on the date of disability.

- Post Retirement Adjustments: None.

- Members Contributions:
 - Amount or Rate: None
 - Interest Rate Credited to Member Contributions: None

Financial Requirement and Minimum Municipal Obligation Budget for 2023:

Total annual payroll	\$	-
Normal cost as a percentage of payroll		0.00%
Total normal cost	\$	-
Estimated administrative expenses		21,485
Funding adjustment		(103,914)
Minimum municipal obligation		-
Less actual state aid deposited into plan		-
		<hr/>
REQUIRED MUNICIPAL OBLIGATION	\$	<hr/> <hr/>

BOROUGH OF WEST READING
 SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2023

ITEM H - DEFINED BENEFIT PENSION PLANS (Continued)

Three-Year Funding Trend

<u>Year Ended December 31,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2021	\$ -	N/A	\$ -
2022	-	N/A	-
2023	-	N/A	-

Deposits and Investments

The deposits and investments of the Plan are held separately from those of the Borough and are under the control of the Plan’s Borough Council and are governed by Title 20 of the Pennsylvania Consolidated Statutes, Chapter 73 Municipalities Investments, Section 7302.

Deposits

The Plan held no deposits that were exposed to custodial credit risk or foreign currency risk as of December 31, 2023.

Investments

As of December 31, 2023, the Plan’s investment balances were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>
PSABMRT	\$ 2,530,442	Not applicable

Investment Policy Summary

The Plan’s investment policy has been delegated to the PSABMRT in regards to the allocation of invested Plan assets. The investment policy is established and may be amended by the PSABMRT Board of Trustees. The PSABMRT provides two investment options - the Balanced Fund and the Fixed Income Fund. The investment objective of the Balanced Fund is long-term growth and income expected to earn returns comprised of long-term capital appreciation and substantial current income. The objective of the investment strategy is to reduce risk while maximizing returns through the prudent diversification of the portfolio in order to maintain a fully funded status and meet the benefit and expense obligations when due. The Plan’s formal Investment Policy Statement which is revised periodically provides more comprehensive details on investment strategy and authorized investments.

BOROUGH OF WEST READING
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

ITEM H - DEFINED BENEFIT PENSION PLANS (Continued)

The Balanced Fund's investment policy establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target Allocation</u>
US Large Value	12.00%
US Large Core	13.00%
US Large Growth	12.00%
US Mid/Small Equity	8.00%
International Equity	15.00%
Fixed Income	33.00%
Real Estate	7.00%
Cash	<u>0.00%</u>
TOTAL	<u>100.00%</u>

Expected Real Rate of Return: 4.7%. Excludes an inflation expectation of 2.5%.

Long-term Expected Rate of Return Including Inflation: 7.2%.

The long-term expected rate of return on the Plan's investments was determined using an asset allocation study conducted by the Plan's investment management consultant in December 2023 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best-estimates or arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2023, are listed in the table above.

Rate of Return

For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 13.52 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Custodial Credit Risk, Concentration of Credit Risk, Foreign Currency Risk

The Plan held no investments that were exposed to custodial credit risk, concentration of credit risk, or foreign currency risk as of December 31, 2023.

BOROUGH OF WEST READING
 SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2023

ITEM H - DEFINED BENEFIT PENSION PLANS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates that will adversely affect the fair value of an investment or a deposit. Investments in mutual funds, 2a7 like external investment pools are excluded from this requirement. The PSABMRT's formal investment policy states that the portfolio maintained in the Balanced Fund shall be broadly diversified by maturity with the maximum effective maturity of any single security not to exceed 40 years. For the Fixed Income Fund, the portfolio shall be limited to intermediate maturity instruments with effective maturities not to exceed 15 years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. PSABMRT is not rated by a Nationally Recognized Statistical Rating Organization (NRSRO) such as Morningstar, Inc. (Morningstar) or Moody's Investor Services (Moody's), however, PSABMRT's formal investment policy requires that any fixed income security maintained within its portfolio should be rated "BBB-" or higher at the time of purchase by a NRSRO. Asset backed securities, mortgage backed securities, and collateralized mortgage obligations (CMOs) should be rated "AAA" (or its equivalent) at the time of purchase by a NRSRO.

Net Pension Asset

The components of the net pension asset of the Plan as of December 31, 2023 were as follows:

Total pension liability (TPL)	\$ 1,583,908
Plan fiduciary net position	<u>2,536,699</u>
Net pension asset (NPA)	<u>\$ (952,791)</u>
Plan fiduciary net position of the total pension liability	160.2%

Update procedures were used to roll forward to the plan's fiscal plan year ending December 31, 2023. The total pension liability was determined as part of an actuarial valuation at January 1, 2023 and rolled forward to December 31, 2023.

Actuarial Assumptions

An actuarial valuation of the total pension liability is performed biennially. This report was based upon the Plan's actuarial assumptions, asset valuation method, and cost method as described below:

Actuarial valuation date	January 1, 2023
Actuarial cost method	Entry age
Amortization method	Level dollar
Remaining amortization period	N/A
Asset valuation method	Market value

BOROUGH OF WEST READING
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

ITEM H - DEFINED BENEFIT PENSION PLANS (Continued)

Assumptions:

Inflation		2.25%
Salary increases	Not applicable, none assumed	
Investment rate of return	6.75% (Net of pension plan investment expense including inflation)	
Cost of living adjustment		None

Mortality rates were based on the PUBS-2010 Mortality projected 5 years past the valuation date using scale MP-2020.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. 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 municipal contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all 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 payments to determine the total pension liability.

Net Pension Asset Sensitivity

The following is a sensitivity analysis of the net pension asset to changes in the discount rate. The table below presents the net pension asset calculated using the discount rate of 6.75% as well as what the net pension asset would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate.

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net pension asset	\$ (740,029)	\$ (952,791)	\$ (1,128,437)

ITEM I - DEFINED CONTRIBUTION PENSION PLAN

Effective January 1, 2015, the Borough established a municipal defined contribution pension plan. The Plan participates in the Pennsylvania Municipal Retirement System (PMRS), which is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating municipal pension plans. PMRS issues a separate Annual Comprehensive Financial Report (ACFR) which is available on the PMRS website. There is no mandatory contribution from each eligible employee covered under the Plan. The Borough contributes 5% of each participating employee's gross wages to the Plan. The Borough made contributions of \$61,995 for the year ended December 31, 2023.

BOROUGH OF WEST READING

SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

ITEM J - READING HOSPITAL AND MEDICAL CENTER AGREEMENT/MAJOR CUSTOMER

In January 2011, the Reading Hospital and Medical Center (the "Hospital") entered into an agreement with the Borough, whereby the Hospital will make voluntary contributions to the Borough to support them in providing essential services to the Hospital. During the term of the agreement, building permit fees chargeable to the Hospital shall be a fixed amount, as set forth by resolution. In October 2022, a new agreement was reached for the years 2023 through 2025.

For the year ended December 31, 2023, the Hospital contributed \$674,031 to the Borough.

The Hospital's water and sewer billing for 2023 represents approximately 42% of total water and sewer billings for the Borough.

ITEM K - PENN AVENUE TAX INCREMENT FINANCING DISTRICT

On January 1, 2007, the Borough, along with the County of Berks and the Wyomissing Area School District, entered into a Cooperation Agreement with the Redevelopment Authority of the County of Berks. The Redevelopment Authority of the County of Berks (the "Authority") has prepared a Tax Increment Financing (TIF) Plan referred to as the Penn Avenue TIF District. The agreement sets forth the terms by which Tax Increment Revenues shall be raised from the Penn Avenue TIF District and the means of financing, monitoring and directing the implementation of the TIF Plan

Under the terms of this agreement, the taxing bodies of the Borough, the County of Berks and the Wyomissing Area School District will remit their respective share of the positive real estate tax increments to the Authority. The Authority will deposit these funds into the Tax Increment Fund established for this project and use these funds for repayment of debt service incurred in connection with the project. The Penn Avenue TIF District will terminate on the earlier of February 1, 2027, or that date, after completion of all improvements specified in the plan.

The annual estimated incremental property tax is \$250,000 of which the Borough's share is estimated at \$40,000.

No payment was made during the year ending December 31, 2023.

ITEM L - RISK MANAGEMENT

The Borough entered into an agreement with Susquehanna Municipal Trust in order to pool workers' compensation and occupational disease insurance risks, reserves, claims and losses, and provide self-insurance and reinsurance with other members of the trust. If annual payments for any fiscal year are insufficient to fund the obligations of the trust, additional payments will be required by the Borough. The trust will provide excess and aggregate excess insurance wither through purchase of insurance or assets of the trust.

BOROUGH OF WEST READING

SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

ITEM M - COMMITMENTS AND CONTINGENCIES

Litigation

The Borough is party to litigation involving various Borough matters. Based on the opinion of its legal counsel, Borough officials feel that the outcome of any lawsuits will not have a material effect on the Borough's financial position.

Unemployment Compensation

The Borough elected to fund unemployment compensation insurance with the Commonwealth of Pennsylvania Unemployment Compensation Fund on a reimbursable status, whereby the Borough reimburses the Commonwealth for actual benefits paid to qualified claimants.

Western Berks Water Authority

The Borough has entered into a service agreement with the Western Berks Water Authority (the "Water Authority") to purchase water in accordance with terms of the agreement. If the Borough water service charge collections are insufficient to make the required monthly payments to the water Authority, the Borough is to make up the deficiency out of other available current revenues of the Borough. If the Water Authority ultimately generates a deficit, it can, under the terms and conditions of Sections 5.02 and 5.03 of the service agreement, assess the Borough its proportionate share of the deficit.

Solid Waste and Recycling Contracts

In October 2023, the Borough entered into a contract for solid waste and recycling collection for a three-year term through 2026, with two one-year extension options, totaling \$1,093,500.

Concentration of Labor

The Borough entered into a collective bargaining agreement with the police officers, effective January 1, 2022 through December 31, 2026. The Borough also entered into a collective bargaining agreement with nonuniform employees, effective January 1, 2022 through December 31, 2026. Of the Borough's total workforce, 38% is covered by the agreement with the police officers of the Borough, 22% is covered by the agreement with Teamsters Local Union No. 429, and 40% is non-union employees.

BALANCE SHEET

December 31, 2023

		Capital Projects		
ASSETS AND OTHER DEBITS		Capital Reserve	Special Reserve	Total
100-120	Cash and Investments.....	3,842	324,343	328,185
140-144	Tax Receivable.....	-	-	-
121-129				
145-149	Accounts Receivable (excluding taxes).....	-	-	-
130	Due From Other Funds.....	-	-	-
131-139				
150-159	Other Current Assets.....	-	-	-
160-169	Fixed Assets.....	-	-	-
180-189	Other Debits.....	-	-	-
TOTAL ASSETS AND OTHER DEBITS.....		\$ 3,842	\$ 324,343	\$ 328,185

LIABILITIES AND OTHER CREDITS				
210-229	Payroll Taxes and Other Payroll Withholdings.....	-	-	-
200-209				
231-239	All Other Current Liabilities.....	-	-	-
230	Due To Other Funds.....	-	375	375
260-269	Long-Term Liabilities.....	-	-	-
240-259	Current Portion of Long-Term Debt & Other Credits.....	-	-	-
TOTAL LIABILITIES AND OTHER CREDITS.....		-	375	375

FUND AND ACCOUNT GROUP EQUITY				
281-284	Contributed Capital.....	-	-	-
290	Investment in General Fixed Assets.....	-	-	-
270-289	Fund Balance/Retained Earnings on 12/31.....	3,842	323,968	327,810
291-299	Other Equity.....	-	-	-
TOTAL FUND AND ACCOUNT GROUP EQUITY.....		3,842	323,968	327,810

Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity.

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

REVENUES	Capital Projects		
TAXES	Capital Reserve	Special Reserve	Total
301.00 Real Estate Taxes.....	-	-	-
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.....	-	-	-
310.20 Earned Income Taxes/Wage Taxes.....	-	-	-
310.30 Business Gross Receipts Taxes.....	-	-	-
310.40 Occupation Taxes (levied under Act 511).....	-	-	-
310.50 Local Services Tax**.....	-	-	-
310.60 Amusement/Admission Taxes.....	-	-	-
310.70 Mechanical Device Taxes.....	-	-	-
310.90 Other Local Tax Enabling Act/Act 511 Taxes.....	-	-	-
.....			
.....			
TOTAL TAXES	\$ -	\$ -	\$ -

LICENSES & PERMITS			
320-322	All Other Licenses and Permits.....	-	-
321.80	Cable Television Franchise Fees.....	-	-
TOTAL LICENSES & PERMITS		-	-

FINES & FORFEITS			
330-332	Fines and Forfeits.....	-	-
TOTAL FINES & FORFEITS		-	-

INTEREST, RENTS & ROYALTIES			
341.00	Interest Earnings.....	-	12,666
342.00	Rents and Royalties.....	-	-
TOTAL INTEREST, RENTS & ROYALTIES		-	12,666

***This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.*

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

INTERGOVERNMENTAL REVENUES	Capital Projects		
FEDERAL	Capital Reserve	Special Reserve	Total
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 & Entitlements.....	-	-	-
353.00 Federal Payments in Lieu of Taxes.....	-	-	-
TOTAL FEDERAL	-	-	-

STATE	-	-	-
354.03 Highways and Streets.....	-	-	-
354.09 Community Development.....	-	-	-
354.15 Recycling/Act 101.....	-	-	-
354.00 All Other State Capital and Operating Grants.....	-	-	-
355.01 Public Utility Realty Tax (PURTA).....	-	-	-
355.02 - 355.03 Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback.....	-	-	-
355.04 Alcoholic Beverage Licenses.....	-	-	-
355.05 General Municipal Pension System State Aid.....	-	-	-
355.07 Foreign Fire Insurance Tax Distribution.....	-	-	-
355.08 Local Share Assessment/Gaming Proceeds.....	-	-	-
355.09 Marcellus Shale Impact Fee Distribution**.....	-	-	-
355.00 All Other State Shared Revenues & Entitlements.....	-	-	-
356.00 State Payments in Lieu of Taxes.....	-	-	-
TOTAL STATE	-	-	-

LOCAL GOVERNMENT UNITS	-	-	-
357.03 Highways and Streets.....	-	-	-
357.00 All Other Local Governmental Units Capital and Operating Grants.....	-	-	-
358.00 Local Government Unit Shared Payments for Contracted Intergovernmental Services.....	-	-	-
359.00 Local Governmental Units, Authorities Payments and Payments in Lieu of Taxes.....	-	-	-
TOTAL LOCAL GOVERNMENT UNITS	-	-	-

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

REVENUES	Capital Projects		
CHARGES FOR SERVICE	Capital Reserve	Special Reserve	Total
361.00 General Government.....	-	-	-
362.00 Public Safety.....	-	-	-
363.20 Parking.....	-	-	-
363.00 All Other Charges for Highway & Streets Services.....	-	-	-
364.10 Wastewater/Sewage Charges.....	-	-	-
364.30 Solid Waste Collection & 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.....	-	-	-
368.00 Airports.....	-	-	-
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.....	-	-	-
UNCLASSIFIED OPERATING REVENUES			
383.00 Assessments.....	-	-	-
386.00 Escheats (sale of personal property).....	-	-	-
387.00 Contributions & Donations from Private Sectors.....	-	-	-
388.00 Fiduciary Fund Pension Contributions.....	-	-	-
389.00 All Other Unclassified Operating Revenues***.....	-	-	-
TOTAL UNCLASSIFIED OPERATING REVENUES.....	-	-	-
OTHER FINANCING SOURCES			
391.00 Proceeds of General Fixed Asset Disposition.....	-	-	-
392.00 Interfund Operating Transfers**.....	1,136,660	10,000	1,146,660
393.00 Proceeds of General Long-Term Debt.....	-	-	-
394.00 Proceeds of Short-Term Debt.....	-	-	-
395.00 Refunds of Prior Year Expenditures.....	-	-	-
TOTAL OTHER FINANCING SOURCES.....	1,136,660	10,000	1,146,660
TOTAL REVENUES.....	1,136,660	22,666	1,159,326

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

EXPENDITURES	Capital Projects		
GENERAL GOVERNMENT	Capital Reserve	Special Reserve	Total
400.00 Legislative (Governing) Body.....	685	-	685
401.00 Executive (Manager or Mayor).....	-	-	-
402.00 Auditing Services/Financial Administration.....	-	-	-
403.00 Tax Collection.....	-	-	-
404.00 Solicitor/Legal Services.....	-	-	-
405.00 Secretary/Clerk.....	-	-	-
406.00 Other General Government Administration.....	-	-	-
407.00 IT-Networking Services-Data Processing.....	-	-	-
408.00 Engineering Services.....	-	-	-
409.00 General Government Buildings and Plant.....	43,593	-	43,593
TOTAL GENERAL GOVERNMENT.....	44,278	-	44,278

PUBLIC SAFETY	Capital Reserve	Special Reserve	Total
410.00 Police.....	1,720	-	1,720
411.00 Fire.....	8,549	-	8,549
412.00 Ambulance/Rescue.....	-	-	-
413.00 UCC and Code Enforcement.....	-	-	-
414.00 Planning and Zoning.....	-	-	-
415.00 Emergency Management & Communications.....	-	-	-
416.00 Militia and Armories.....	-	-	-
417.00 Examination of Licensed Occupations.....	-	-	-
418.00 Public Scales (weights and measures).....	-	-	-
419.00 Other Public Safety.....	-	-	-
TOTAL PUBLIC SAFETY.....	10,269	-	10,269

HEALTH AND HUMAN SERVICES	Capital Reserve	Special Reserve	Total
420.00-425.00 Health and Human Services.....	-	-	-

PUBLIC WORKS - SANITATION	Capital Reserve	Special Reserve	Total
426.00 Recycling Collection and Disposal.....	-	-	-
427.00 Solid Waste Collection and Disposal (trash).....	-	-	-
428.00 Weed Control.....	-	-	-
429.00 Wastewater/Sewage Collection & Treatment.....	-	-	-
TOTAL PUBLIC WORKS - SANITATION.....	-	-	-

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

EXPENDITURES		Capital Projects		
		Capital Reserve	Special Reserve	Total
PUBLIC WORKS - HIGHWAYS & STREETS				
430.00	General Services - Administration.....	-	-	-
431.00	Cleaning of Streets and Gutters.....	-	-	-
432.00	Winter Maintenance - Snow Removal.....	-	-	-
433.00	Traffic Control Devices.....	-	-	-
434.00	Street Lighting.....	-	-	-
435.00	Sidewalks and Crosswalks.....	-	-	-
436.00	Storm Sewers and Drains.....	-	-	-
437.00	Repairs of Tools and Machinery.....	-	-	-
438.00	Maintenance & Repairs of Roads & Bridges.....	-	-	-
439.00	Highway Construction and Rebuilding Projects.....	352,332	-	352,332
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS.....		352,332	-	352,332

PUBLIC WORKS - OTHER SERVICES				
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 PUBLIC WORKS - OTHER SERVICES.....		-	-	-

CULTURE AND RECREATION				
451.00	Culture-Recreation Administration.....	-	-	-
452.00	Participant Recreation.....	-	-	-
453.00	Spectator Recreation.....	-	-	-
454.00	Parks.....	-	-	-
455.00	Shade Trees.....	-	-	-
456.00	Libraries.....	-	-	-
457.00	Civil and Military Celebrations.....	-	-	-
458.00	Senior Citizens' Centers.....	-	-	-
459.00	All Other Culture and Recreation.....	5,600	-	5,600
TOTAL CULTURE AND RECREATION.....		5,600	-	5,600

COMMUNITY DEVELOPMENT				
461.00	Conservation of Natural Resources.....	-	-	-
462.00	Community Development and Housing.....	-	-	-
463.00	Economic Development.....	-	-	-
464.00	Economic Opportunity.....	-	-	-
465.00 - 469.00	All Other Community Development.....	-	-	-
TOTAL COMMUNITY DEVELOPMENT.....		-	-	-

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

EXPENDITURES	Capital Projects		
DEBT SERVICE	Capital Reserve	Special Reserve	Total
471.00 Debt Principal (short-term and long-term).....	705,000	-	705,000
472.00 Debt Interest (short-term and long-term).....	162,330	-	162,330
475.00 Fiscal Agent Fees.....	-	-	-
TOTAL DEBT SERVICE.....	867,330	-	867,330

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS			
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	-	-	-
482.00 Judgments and Losses.....	-	-	-
483.00 Pension/Retirement Fund Contributions.....	-	-	-
484.00 Worker Compensation Insurance.....	-	-	-
487.00 Group Insurance and Other Benefits.....	-	-	-
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS.....	-	-	-

INSURANCE			
486.00 Insurance, Casualty, and Surety.....	-	-	-

UNCLASSIFIED OPERATING EXPENDITURES			
488.00 Fiduciary Fund Benefits and Refunds Paid.....	-	-	-
489.00 All Other Unclassified Expenditures***.....	-	-	-
TOTAL UNCLASSIFIED OPERATING EXPENDITURES.....	-	-	-

OTHER FINANCING USES			
491.00 Refund of Prior Year Revenues.....	-	-	-
492.00 Interfund Operating Transfers**.....	-	11,500	11,500
493.00 All Other Financing Uses.....	-	-	-
TOTAL OTHER FINANCING USES.....	-	11,500	11,500

TOTAL EXPENDITURES.....	1,279,809	11,500	1,291,309
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES.....	(143,149)	11,166	(131,983)
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** The total of line 492.00 must match the total of line 392.00

*** This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

BALANCE SHEET

December 31, 2023

Enterprise				
ASSETS AND OTHER DEBITS	Water Fund	Sewer Fund	Sanitation	Total
100-120 Cash and Investments.....	858,013	1,227,882	3,733	2,089,628
140-144 Tax Receivable.....	-	-	-	-
121-129				
145-149 Accounts Receivable (excluding taxes).....	-	-	-	-
130 Due From Other Funds.....	-	-	-	-
131-139				
150-159 Other Current Assets.....	-	-	-	-
160-169 Fixed Assets.....	-	-	-	-
180-189 Other Debits.....	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS.....	\$ 858,013	\$ 1,227,882	\$ 3,733	\$ 2,089,628

LIABILITIES AND OTHER CREDITS				
210-229 Payroll Taxes and Other Payroll Withholdings.....	-	-	-	-
200-209				
231-239 All Other Current Liabilities.....	-	-	-	-
230 Due To Other Funds.....	-	-	-	-
260-269 Long-Term Liabilities.....	-	-	-	-
240-259 Current Portion of Long-Term Debt & Other Credits.....	-	-	-	-
TOTAL LIABILITIES AND OTHER CREDITS.....	-	-	-	-

FUND AND ACCOUNT GROUP EQUITY				
281-284 Contributed Capital.....	-	-	-	-
290 Investment in General Fixed Assets.....	-	-	-	-
270-289 Fund Balance/Retained Earnings on 12/31.....	858,013	1,227,882	3,733	2,089,628
291-299 Other Equity.....	-	-	-	-
TOTAL FUND AND ACCOUNT GROUP EQUITY.....	858,013	1,227,882	3,733	2,089,628

Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity.

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

REVENUES	Enterprise			
TAXES	Water Fund	Sewer Fund	Sanitation	Total
301.00 Real Estate Taxes.....	-	-	-	-
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.....	-	-	-	-
310.20 Earned Income Taxes/Wage Taxes.....	-	-	-	-
310.30 Business Gross Receipts Taxes.....	-	-	-	-
310.40 Occupation Taxes (levied under Act 511).....	-	-	-	-
310.50 Local Services Tax**.....	-	-	-	-
310.60 Amusement/Admission Taxes.....	-	-	-	-
310.70 Mechanical Device Taxes.....	-	-	-	-
310.90 Other Local Tax Enabling Act/Act 511 Taxes.....	-	-	-	-
.....				
.....				
.....				
TOTAL TAXES	\$ -	\$ -	\$ -	\$ -

LICENSES & PERMITS	Water Fund	Sewer Fund	Sanitation	Total
320-322 All Other Licenses and Permits.....	-	-	-	-
321.80 Cable Television Franchise Fees.....	-	-	-	-
TOTAL LICENSES & PERMITS	-	-	-	-

FINES & FORFEITS	Water Fund	Sewer Fund	Sanitation	Total
330-332 Fines and Forfeits.....	-	-	-	-
TOTAL FINES & FORFEITS	-	-	-	-

INTEREST, RENTS & ROYALTIES	Water Fund	Sewer Fund	Sanitation	Total
341.00 Interest Earnings.....	-	-	-	-
342.00 Rents and Royalties.....	-	-	-	-
TOTAL INTEREST, RENTS & ROYALTIES	-	-	-	-

**This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

INTERGOVERNMENTAL REVENUES		Enterprise			
FEDERAL		Water Fund	Sewer Fund	Sanitation	Total
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 & 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.....	-	-	17,138	17,138
354.00	All Other State Capital and Operating Grants.....	-	-	-	-
355.01	Public Utility Realty Tax (PURTA).....	-	-	-	-
355.02 - 355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback.....	-	-	-	-
355.04	Alcoholic Beverage Licenses.....	-	-	-	-
355.05	General Municipal Pension System State Aid.....	-	-	-	-
355.07	Foreign Fire Insurance Tax Distribution.....	-	-	-	-
355.08	Local Share Assessment/Gaming Proceeds.....	-	-	-	-
355.09	Marcellus Shale Impact Fee Distribution**.....	-	-	-	-
355.00	All Other State Shared Revenues & Entitlements.....	-	-	-	-
356.00	State Payments in Lieu of Taxes.....	-	-	-	-
TOTAL STATE.....		-	-	17,138	17,138

LOCAL GOVERNMENT UNITS					
357.03	Highways and Streets.....	-	-	-	-
357.00	All Other Local Governmental Units Capital and Operating Grants.....	-	-	-	-
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services.....	-	-	-	-
359.00	Local Governmental Units, Authorities Payments and Payments in Lieu of Taxes.....	-	-	-	-
TOTAL LOCAL GOVERNMENT UNITS.....		-	-	-	-

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

REVENUES	Enterprise			
CHARGES FOR SERVICE	Water Fund	Sewer Fund	Sanitation	Total
361.00 General Government.....	-	-	-	-
362.00 Public Safety.....	-	-	-	-
363.20 Parking.....	-	-	-	-
363.00 All Other Charges for Highway & Streets Services.....	-	-	-	-
364.10 Wastewater/Sewage Charges.....	-	2,155,046	-	2,155,046
364.30 Solid Waste Collection & Disposal Charge (trash).....	-	6,175	710,035	716,210
364.60 Host Municipality Benefit Fee for Solid Waste Facility.....	-	-	-	-
364.00 All Other Charges for Sanitation Services.....	-	-	-	-
365.00 Health.....	-	-	-	-
366.00 Human Services.....	-	-	-	-
367.00 Culture and Recreation.....	-	-	-	-
368.00 Airports.....	-	-	-	-
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.....	1,965,965	-	-	1,965,965
379.00 All Other Charges for Service.....	-	-	45	45
TOTAL CHARGES FOR SERVICE.....	1,965,965	2,161,221	710,080	4,837,266
UNCLASSIFIED OPERATING REVENUES				
383.00 Assessments.....	-	-	-	-
386.00 Escheats (sale of personal property).....	-	-	-	-
387.00 Contributions & Donations from Private Sectors.....	-	-	-	-
388.00 Fiduciary Fund Pension Contributions.....	 	 	 	
389.00 All Other Unclassified Operating Revenues***.....	-	-	-	-
TOTAL UNCLASSIFIED OPERATING REVENUES.....	-	-	-	-
OTHER FINANCING SOURCES				
391.00 Proceeds of General Fixed Asset Disposition.....	-	-	-	-
392.00 Interfund Operating Transfers**.....	18,000	-	40,000	58,000
393.00 Proceeds of General Long-Term Debt.....	-	-	-	-
394.00 Proceeds of Short-Term Debt.....	-	-	-	-
395.00 Refunds of Prior Year Expenditures.....	-	-	-	-
TOTAL OTHER FINANCING SOURCES.....	18,000	-	40,000	58,000
TOTAL REVENUES.....	1,983,965	2,161,221	767,218	4,912,404

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

EXPENDITURES	Enterprise			
GENERAL GOVERNMENT	Water Fund	Sewer Fund	Sanitation	Total
400.00 Legislative (Governing) Body.....	2,795	2,795	2,795	8,385
401.00 Executive (Manager or Mayor).....	-	-	-	-
402.00 Auditing Services/Financial Administration.....	-	-	-	-
403.00 Tax Collection.....	-	-	-	-
404.00 Solicitor/Legal Services.....	-	-	-	-
405.00 Secretary/Clerk.....	-	-	-	-
406.00 Other General Government Administration.....	-	-	-	-
407.00 IT-Networking Services-Data Processing.....	-	-	-	-
408.00 Engineering Services.....	-	-	-	-
409.00 General Government Buildings and Plant.....	-	-	-	-
TOTAL GENERAL GOVERNMENT.....	2,795	2,795	2,795	8,385

PUBLIC SAFETY				
410.00 Police.....	-	-	-	-
411.00 Fire.....	-	-	-	-
412.00 Ambulance/Rescue.....	-	-	-	-
413.00 UCC and Code Enforcement.....	-	-	-	-
414.00 Planning and Zoning.....	-	-	-	-
415.00 Emergency Management & Communications.....	-	-	-	-
416.00 Militia and Armories.....	-	-	-	-
417.00 Examination of Licensed Occupations.....	-	-	-	-
418.00 Public Scales (weights and measures).....	-	-	-	-
419.00 Other Public Safety.....	-	-	-	-
TOTAL PUBLIC SAFETY.....	-	-	-	-

HEALTH AND HUMAN SERVICES				
420.00-425.00 Health and Human Services.....	-	-	-	-

PUBLIC WORKS - SANITATION				
426.00 Recycling Collection and Disposal.....	-	-	-	-
427.00 Solid Waste Collection and Disposal (trash).....	-	-	645,122	645,122
428.00 Weed Control.....	-	-	-	-
429.00 Wastewater/Sewage Collection & Treatment.....	-	942,581	-	942,581
TOTAL PUBLIC WORKS - SANITATION.....	-	942,581	645,122	1,587,703

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

EXPENDITURES	Enterprise			
PUBLIC WORKS - HIGHWAYS & STREETS	Water Fund	Sewer Fund	Sanitation	Total
430.00 General Services - Administration.....	-	-	-	-
431.00 Cleaning of Streets and Gutters.....	-	-	-	-
432.00 Winter Maintenance - Snow Removal.....	-	-	-	-
433.00 Traffic Control Devices.....	-	-	-	-
434.00 Street Lighting.....	-	-	-	-
435.00 Sidewalks and Crosswalks.....	-	-	-	-
436.00 Storm Sewers and Drains.....	-	-	-	-
437.00 Repairs of Tools and Machinery.....	-	-	-	-
438.00 Maintenance & Repairs of Roads & Bridges.....	-	-	-	-
439.00 Highway Construction and Rebuilding Projects.....	-	-	-	-
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS.....	-	-	-	-

PUBLIC WORKS - OTHER SERVICES				
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.....	868,568	-	-	868,568
449.00 Water Transport and Terminals.....	-	-	-	-
TOTAL PUBLIC WORKS - OTHER SERVICES.....	868,568	-	-	868,568

CULTURE AND RECREATION				
451.00 Culture-Recreation Administration.....	-	-	-	-
452.00 Participant Recreation.....	-	-	-	-
453.00 Spectator Recreation.....	-	-	-	-
454.00 Parks.....	-	-	-	-
455.00 Shade Trees.....	-	-	-	-
456.00 Libraries.....	-	-	-	-
457.00 Civil and Military Celebrations.....	-	-	-	-
458.00 Senior Citizens' Centers.....	-	-	-	-
459.00 All Other Culture and Recreation.....	-	-	-	-
TOTAL CULTURE AND RECREATION.....	-	-	-	-

COMMUNITY DEVELOPMENT				
461.00 Conservation of Natural Resources.....	-	-	-	-
462.00 Community Development and Housing.....	-	-	-	-
463.00 Economic Development.....	-	-	-	-
464.00 Economic Opportunity.....	-	-	-	-
465.00 - 469.00 All Other Community Development.....	-	-	-	-
TOTAL COMMUNITY DEVELOPMENT.....	-	-	-	-

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

EXPENDITURES	Enterprise			
DEBT SERVICE	Water Fund	Sewer Fund	Sanitation	Total
471.00 Debt Principal (short-term and long-term).....	10,029	10,029	-	20,058
472.00 Debt Interest (short-term and long-term).....	490	490	-	980
475.00 Fiscal Agent Fees.....	-	-	-	-
TOTAL DEBT SERVICE.....	10,519	10,519	-	21,038

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	-	-	-	-
482.00 Judgments and Losses.....	-	-	-	-
483.00 Pension/Retirement Fund Contributions.....	-	-	-	-
484.00 Worker Compensation Insurance.....	-	-	-	-
487.00 Group Insurance and Other Benefits.....	-	-	-	-
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS.....	-	-	-	-

INSURANCE				
486.00 Insurance, Casualty, and Surety.....	-	-	-	-

UNCLASSIFIED OPERATING EXPENDITURES				
488.00 Fiduciary Fund Benefits and Refunds Paid.....	 	 	 	
489.00 All Other Unclassified Expenditures***.....	-	-	-	-
TOTAL UNCLASSIFIED OPERATING EXPENDITURES.....	-	-	-	-

OTHER FINANCING USES				
491.00 Refund of Prior Year Revenues.....	-	-	-	-
492.00 Interfund Operating Transfers**.....	1,008,420	920,484	238,000	2,166,904
493.00 All Other Financing Uses.....	-	-	-	-
TOTAL OTHER FINANCING USES.....	1,008,420	920,484	238,000	2,166,904

TOTAL EXPENDITURES.....	1,890,302	1,876,379	885,917	4,652,598
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES.....	93,663	284,842	(118,699)	259,806
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** The total of line 492.00 must match the total of line 392.00

*** This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

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APPENDIX C

Proposed Form of Opinion of Bond Counsel

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Stevens & Lee

111 N. Sixth Street
P.O. Box 679
Reading, PA 19603
(610) 478-2000
www.stevenslee.com

_____, 2024

RE: \$ _____ Borough of West Reading, Berks County, Pennsylvania
General Obligation Bonds, Series of 2024

TO: THE REGISTERED OWNERS OF THE ABOVE-CAPTIONED BONDS

We have served as Bond Counsel in connection with the issuance by the Borough of West Reading, Berks County, Pennsylvania (the “Borough”), of its \$ _____ aggregate principal amount General Obligation Bonds, Series of 2024, dated as of and bearing interest from _____, 2024 (the “Bonds”). The Bonds are being issued, without the assent of the electors, in registered form, without coupons, in denominations of \$5,000 or any whole multiple thereof, pursuant to the provisions of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as amended, 53 Pa.C.S. Chs. 80-82 (the “Act”) and an Ordinance enacted by the Council of the Borough (the “Council”) on April 16, 2024 (the “Ordinance”).

The Bonds are being issued to provide funds for a project of the Borough (the “Project”) consisting of (1) the acquisition of certain real property in the Borough, the demolition of an existing structure and the renovation and improvement of the existing property; (2) the design, acquisition and installation of various capital improvements to the Borough’s buildings and systems; and (3) the payment of the costs and expenses of issuance of the Bonds.

The Borough has covenanted in the Ordinance that it will make no use of the proceeds of the Bonds and it has neither done nor suffered and will neither do nor suffer any other action which, if such use or action had been reasonably expected on the date of issue of the Bonds, would cause the Bonds to be “arbitrage bonds,” or “private activity bonds” as those terms are defined in the Internal Revenue Code of 1986, as amended (the “Code”), and the applicable regulations thereunder. The Borough has further covenanted that it will comply with the requirements of Section 148 and Section 141 of the Code and with the applicable regulations thereunder throughout the term of the Bonds. Further, the Borough has designated the Bonds as “qualified tax-exempt obligations” within the meaning and for the purposes of Section 265(b)(3) of the Code.

In the Ordinance, the Borough has covenanted that (1) it will include in its budget in each fiscal year the amount required to pay debt service on the Bonds for such year, (2) it will appropriate from its general revenues in each such fiscal year, the amount required to pay debt service on the Bonds for such year, and (3) it will duly and punctually pay or cause to be paid when due, from its sinking fund or any other of its revenues or funds, the principal of and interest on the Bonds at the dates and place and in the manner stated therein, according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the Borough has irrevocably pledged its full faith, credit and taxing power. In addition, the Borough has

Stevens & Lee

_____, 2024

Page 2

established with Manufacturers and Traders Trust Company, Buffalo, New York (the “Paying Agent”), as paying agent and sinking fund depository, a sinking fund, and has covenanted to deposit into such sinking fund amounts sufficient to pay the principal of and interest on the Bonds as the same shall become due and payable.

In our capacity as Bond Counsel, we have reviewed: (a) a certified copy of the Ordinance; (b) the sworn debt statement and borrowing base certificate of the Borough filed with the Department of Community and Economic Development of the Commonwealth of Pennsylvania (the “Department”) in accordance with the provisions of the Act; (c) the proceedings of the Borough and the various proofs of publication in connection with the advertisement of the Ordinance, all of which were filed with the Department as required by the provisions of the Act; (d) the approval of the Department; (e) a specimen copy of one of the Bonds; (f) the Nonarbitrage Certificate of the Borough executed and delivered pursuant to the provisions of the Code and the regulations applicable thereto; (g) the General Certificate signed by officials of the Borough; (h) a completed and executed Form 8038-G to be filed with the Internal Revenue Service; (i) the opinion of Kozloff Stoudt, Professional Corporation, Wyomissing, Pennsylvania, Solicitor to the Borough (the “Solicitor’s Opinion”); (j) the Certificate of Raymond James & Associates, Inc. (the “Purchaser”), dated the date hereof; (k) the Certificate of FSL Public Finance, LLC, financial advisor to the Borough (the “Financial Advisor”), dated the date hereof; and (l) the other documents, certificates and opinions executed and delivered at the closing held this day.

Based and in reliance upon our review of the foregoing, our attendance at the closing held this day and subject to the qualifications set forth herein, it is our opinion that, as of the date hereof, under existing law:

1. The Borough is empowered under provisions of the Constitution and laws of the Commonwealth of Pennsylvania to issue the Bonds.
2. The Ordinance was duly enacted by the Council and continues to be in full force and effect as of the date hereof.
3. The Bonds have been duly authorized and executed and constitute valid and binding obligations of the Borough, enforceable in accordance with their terms, except as the legality, validity, binding nature and enforceability thereof may be limited by (a) applicable bankruptcy, insolvency or other laws or equitable principles now or hereafter affecting the enforcement of creditors’ rights generally or (b) general principles of equity.
4. Interest on the Bonds is not includable in gross income for federal income tax purposes under Section 103(a) of the Code.

Stevens & Lee

_____, 2024
Page 3

5. Under the laws of the Commonwealth of Pennsylvania, the Bonds and interest on the Bonds shall be free from taxation for State and local purposes within the Commonwealth of Pennsylvania, but this exemption shall not extend to gift, estate, succession or inheritance taxes or other taxes not levied directly on the Bonds or the interest thereon. Under the laws of the Commonwealth of Pennsylvania, profits, gains or income derived from the sale, exchange or other disposition of the Bonds, are subject to State and local taxation within the Commonwealth of Pennsylvania.

6. The Bonds are qualified tax-exempt obligations within the meaning of Section 265(b)(3) of the Code, and, therefore, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the Code), a deduction is allowed for 80% of that portion of such financial institution's interest expense allocable to interest on the Bonds in accordance with Section 291(a)(3) of the Code.

7. Under the Code, interest on the Bonds does not constitute an item of tax preference under Section 57 of the Code and thus is not subject to alternative minimum tax on individuals and corporations; however, for tax years beginning after December 31, 2022, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations.

In connection with providing the foregoing opinions, we call to your attention to the following:

A. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other documents, agreements, instruments, reports and certificates furnished to us at or in connection with the issuance of the Bonds (including, without limitation, certificates and agreements by the Borough as to the expected use of proceeds of the Bonds, as to its continuing compliance with Sections 148 and 141 of the Code to assure that the Bonds do not become "arbitrage bonds" or "private activity bonds" and its expectations with respect to the issuance of additional, tax-exempt obligations within this calendar year) without undertaking to verify the same by independent investigation. We have also relied upon the accuracy of the representations and warranties and the performance of the covenants and agreements of the Borough set forth in the Ordinance and the various certificates and other agreements delivered at or in connection with the closing held this day.

B. In providing the opinions set forth in paragraphs 2 and 3 above, we have relied, without independent investigation, on the Solicitor's Opinion.

Stevens & Lee

_____, 2024

Page 4

C. In providing the opinion set forth in paragraph 4, above, we have assumed continuing compliance by the Borough with the requirements of the Code and applicable regulations thereunder which must be met subsequent to the issuance of the Bonds in order that the interest thereon be and remain excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds.

D. In providing the opinion set forth in paragraph 6 above, we have assumed continuing compliance by the Borough with the requirements of the Code and the applicable regulations thereunder that must be met subsequent to the issuance of the Bonds in order that the Bonds continue to constitute qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Code. Failure to comply with such requirements could cause the Bonds to cease to constitute qualified tax-exempt obligations with the result that no deduction would be allowed for that portion of a financial institution's interest expense allocable to interest on the Bonds retroactive to the date of issuance of the Bonds.

E. In providing the opinion set forth in paragraph 7 above, we have assumed continuing compliance by the Borough with the requirements of the Code and applicable regulations thereunder which must be met subsequent to the issuance of the Bonds in order that the interest thereon not constitute an item of tax preference under Section 57 of the Code. Failure to comply with such requirements could cause the interest on the Bonds to constitute an item of tax preference under Section 57 of the Code retroactive to the date of issuance of the Bonds.

F. Except as specifically set forth above, we express no opinion regarding other federal income tax consequences arising with respect to the Bonds, including, without limitation, the treatment for federal income tax purposes of gain or loss, if any, upon the sale, redemption, or other disposition of the Bonds prior to maturity of the Bonds subject to original issue discount and the effect, if any, of certain other provisions of the Code which could result in collateral federal income tax consequences to certain investors as a result of adjustments in the computation of tax liability dependent on tax-exempt interest.

G. We have not been engaged to verify, nor have we independently verified, the accuracy, completeness or truthfulness of any statements, certifications, information or financial statements set forth in the Preliminary Official Statement, dated _____, 2024 (the "Preliminary Official Statement") or the Official Statement, dated _____, 2024 (the "Official Statement"), or otherwise used in connection with the offer and sale of the Bonds or set forth in or delivered by the Borough officials. We express no opinion with respect to whether the Borough, in connection with the sale of the Bonds or the preparation of the Preliminary Official

Stevens & Lee

_____, 2024
Page 5

Statement or the Official Statement, has made any untrue statement of a material fact necessary in order to make any statements made therein not misleading.

H. We have not verified, and express no opinion as to the accuracy of, any “CUSIP” identification number which may be printed on any Bond. We have also assumed the genuineness of the signatures appearing upon all the certificates, documents and instruments executed and delivered at closing.

I. The opinions expressed herein are based on an analysis of existing laws, regulations, rulings, and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Our engagement as Bond Counsel has concluded with the issuance of the Bonds and we disclaim any obligation to update this letter.

STEVENS & LEE, P.C.

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APPENDIX D

Specimen of Municipal Bond Insurance Policy

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APPENDIX E

Form of Continuing Disclosure Agreement

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BOROUGH OF WEST READING
BERKS COUNTY, PENNSYLVANIA
GENERAL OBLIGATION BONDS, SERIES OF 2024

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Borough of West Reading, Berks County, Pennsylvania (the “Borough”), in connection with the issuance of its \$ _____ aggregate principal amount General Obligation Bonds, Series of 2024 (the “Bonds”). The Bonds are being issued pursuant to an Ordinance of the Borough, dated April 16, 2024 (the “Ordinance”). The Borough covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Borough for the benefit of the Bondholders and in order to assist the Participating Underwriter in complying with the Rule (hereinafter defined).

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Borough pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Bondholders” or “Holders” shall mean the registered owners of the Bonds and, if registered in the name of Cede & Co., through The Depository Trust Company, New York, New York (“DTC”), any Beneficial Owners (as such term is used by DTC to define holders other than nominees) of the Bonds, unless the Rule, or an authoritative interpretation thereof by the Securities and Exchange Commission (the “Commission”) or its staff, does not require this Disclosure Certificate to be for the benefit of such Beneficial Owners.

“Commission” shall mean the Securities and Exchange Commission.

“Dissemination Agent” shall mean any person or entity designated from time to time in writing by the Borough and which has filed with the Borough a written acceptance of such designation and of the duties of the Dissemination Agent under this Disclosure Certificate.

“EMMA” shall mean the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the MSRB for purposes of the Rule as further described in Section 13 hereof.

“Filing” shall mean, as applicable, any Annual Report or Listed Event filing or any other notice or report made public under this Disclosure Certificate made with each NRMSIR or the MSRB and the SID, if any, together with a completed copy of a cover sheet in such form acceptable to each NRMSIR, the MSRB or SID, if applicable, describing the event by checking the box in said form when filing pursuant to the pertinent sections of this Disclosure Certificate.

“Financial Obligation” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board, or any successor thereto for purposes of the Rule.

“NRMSIR” shall mean any Nationally Recognized Municipal Securities Information Repository recognized for purposes of the Rule and the MSRB, as reflected on the website of the Securities and Exchange Commission at www.sec.gov. **As of the date of this Disclosure Certificate, the sole NRMSIR shall be the MSRB, through the operation of EMMA, as provided in Section 13 hereof.**

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Repository” shall mean each NRMSIR and the SID, if any.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SID” shall mean any public or private state information depository or entity designated by the Commonwealth of Pennsylvania as a state information depository for the purpose of the Rule, if any. As of the date of this Disclosure Certificate, no SID has been designated.

SECTION 3. Provision of Annual Reports.

(a) The Borough shall not later than August 31 after the end of each fiscal year of the Borough, commencing with the fiscal year ending December 31, 2023, provide directly or through the Dissemination Agent to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. In connection therewith, not later than fifteen (15) Business Days prior to said date, the Borough shall provide the Annual Report to the Dissemination Agent (if one has been designated by the Borough under this Disclosure Certificate). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Borough may be submitted separately from the remainder of the Annual Report when such audited financial statements are available. If the audited financial statements are not submitted as part of the Annual Filing to each Repository pursuant to this Section 3(a), the Borough shall provide to each Repository such audited financial statements when they are available to the Borough.

(b) If the Borough is unable to provide an Annual Report by the date required in subsection (a), the Borough, in a timely manner, shall send or cause the Dissemination Agent to send, in a timely manner, a notice to each NRMSIR and the SID, if any, in substantially the form attached as Exhibit A.

(c) The Borough or the Dissemination Agent, if applicable, shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each NRMSIR and the SID, if any; and

(ii) if a Dissemination Agent has been designated hereunder, file a report with the Borough certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing each Repository to which it was provided.

(iii) The Borough shall promptly file a notice of any change in its fiscal year and the new annual filing date with each NRMSIR and the SID, if any.

(d) If the Dissemination Agent does not receive the Annual Report from the Borough by the fifteenth Business Day specified in Section 3(a) above, the Dissemination Agent shall provide a written reminder notice to the Borough with respect to the Borough's obligations under Section 3(a) above no later than five (5) Business Days after such fifteenth Business Day.

SECTION 4. Content of Annual Reports. The Borough's Annual Report shall contain or incorporate by reference the following:

(i) the financial statements for the most recent fiscal year, prepared in accordance with generally accepted accounting principles for local government units and audited in accordance with generally accepted auditing standards;

(ii) a copy or summary of the budget for the current fiscal year;

(iii) the total assessed value and aggregate market value of all taxable real estate for the current fiscal year;

(iv) the taxes and millage rates imposed for the current fiscal year;

(v) the real property tax collection results for the most recent fiscal year; and

(vi) a list of the ten (10) largest real estate taxpayers and, for each, the total assessed value of real estate for the current fiscal year.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Borough or related public entities, which have been submitted to each Repository or the Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Borough

shall clearly identify each such other document so incorporated by reference. The Borough reserves the right to modify from time to time specific types of information provided hereunder or the format of the presentation of such information, to the extent necessary or appropriate; provided, however, that any such modification will be done in a manner consistent with the Rule.

SECTION 5. Reporting of Significant Events.

(a) The occurrence of any of the following events, with respect to a particular series of the Bonds, constitutes a “Listed Event” only with respect to such series of the Bonds. This Section 5 shall govern the giving of notices of the occurrence of any of the following events:

- (i) Principal and interest payment delinquencies;
- (ii) Nonpayment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of securities holders, if material;
- (viii) Bond calls, if material, and tender offers for the Bonds;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the securities, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar events of the Borough;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the Borough or the sale of all or substantially all of the assets of the Borough, other than in the ordinary course of business, the entry into a definitive agreement to

undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or paying agent or the change of name of a trustee or paying agent, if material;

(xv) Incurrence of a Financial Obligation of the Borough, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Borough, any of which affect security holders, if material; and

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Borough, any of which reflect financial difficulties.

(b) Whenever the Borough obtains knowledge of the occurrence of a Listed Event, the Borough shall as soon as possible (with respect to those Listed Events where a determination of materiality by the Borough is applicable) determine if such event would constitute material information for Holders of Bonds under applicable federal securities laws.

(c) If (i) a Determination of materiality by the Borough is not relevant to the obligation to give notice of a Listed Event or (ii) the Borough determines (with respect to those Listed Events where a determination of materiality by the Borough is applicable) that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Borough shall promptly file in a timely manner, not in excess of ten (10) business days after the occurrence of the Listed Event, or cause the Dissemination Agent to so file (if a Dissemination Agent has been designated hereunder) a notice of such occurrence with each NRMSIR and the SID, if any, with a copy to the Paying Agent.

(d) For purposes of the Listed Events in Section 5(a)(xii), the Borough and the Dissemination Agent acknowledge the following interpretive note which the Commission has set forth in the Rule: *“Note: for the purposes of the event identified in subparagraph (b)(5)(i)(C)(12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person;”*

SECTION 6. Termination of Reporting Obligation. The Borough’s obligations under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

In the event that any person or entity subsequent to the execution hereof becomes an “obligated person,” as such term is defined in the Rule, with respect to the Bonds, the Borough covenants to use its best effort to cause such obligated person to enter into a written undertaking to comply with the provisions of the Rule or to cause this Disclosure Certificate to be amended and to cause such obligated person to join in the execution of such amendment.

SECTION 7. Dissemination Agent. The Borough may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Borough shall cause the Dissemination Agent appointed hereunder and any successors to execute and deliver an acknowledgment of acceptance of the designation and duties of Dissemination Agent under this Disclosure Statement.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Borough may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule, as well as any change in circumstances.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Borough from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Borough chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Borough shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Borough to comply with any provision of this Disclosure Certificate, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Borough to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Bonds or the Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the Borough to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent, if other than the Borough. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Borough agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination

Agent's negligence or willful misconduct. The obligations of the Borough under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Undertaking with Respect to Certain Procedures and Policies. The Borough agrees to begin the process of establishing internal policies and procedures for the purpose of continuing disclosure compliance. Without intending to preclude the adoption of other necessary or useful policies and procedures, a single Borough official will be designated with ultimate responsibility for continuing disclosure compliance and will oversee the process of informing and training appropriate deputies and other Borough employees with respect to the Borough's continuing disclosure undertakings.

SECTION 13. EMMA. Filings shall be made to the continuing disclosure service portal provided through EMMA as provided at <http://www.emma.msrb.org>, or any similar system that is acceptable to the Commission.

SECTION 14. Alternative Filing. Notwithstanding the other provisions of this Disclosure Certificate, any filing under this Disclosure Certificate, and any additional supplements hereto, may be made with such depositories and using such electronic filing systems as may be approved by the United States Securities and Exchange Commission (in lieu of the procedures currently in this Disclosure Certificate).

SECTION 15. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Borough, the Paying Agent, the Dissemination Agent (if any), the Participating Underwriter and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

BOROUGH OF WEST READING
Berks County, Pennsylvania

(SEAL)

By: _____
President

Attest: _____
Secretary

Date: _____, 2024

EXHIBIT A¹

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Borough of West Reading
Berks County, Pennsylvania

Name of Bond Issue: Borough of West Reading
Berks County, Pennsylvania
\$_____ aggregate principal amount General Obligation Bonds,
Series of 2024 (the "Bonds")

Date of Issuance: _____, 2024

NOTICE IS HEREBY GIVEN that the Borough of West Reading, Berks County, Pennsylvania (the "Borough"), has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate, dated _____, 2024, executed by the Borough. The Borough anticipates that the Annual Report will be filed by _____.

Dated: _____

BOROUGH OF WEST READING, BERKS
COUNTY, PENNSYLVANIA, [OR
DISSEMINATION AGENT ON BEHALF OF
THE BOROUGH OF WEST READING, BERKS
COUNTY, PENNSYLVANIA]

cc: Paying Agent

¹ The substantive content of this notice shall be provided in any applicable notice filing. Appropriate modifications may be made to accommodate the electronic submission format requirements of the EMMA system or other successor electronic filing system.