

LAKE CITY BOROUGH

Annual Audit & Financial Statements

For the Year Ended December 31, 2024

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Certified Public Accountants  
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Erie, PA 16505

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## INDEPENDENT AUDITOR'S REPORT

To the Council Members of Lake City Borough  
Lake City Borough, Pennsylvania, Commonwealth of Pennsylvania

### **Opinions**

We have audited the Pennsylvania Annual Audit and Financial Report (DCED-CLGS-30) of Lake City Borough, Pennsylvania, which comprises the balance sheet as of December 31, 2024, and the related statements of revenues and expenditures, debt and capital expenditures for the year then ended.

In our opinion, the DCED-CLGS-30 referred to above presents fairly, in all material respects, the balance sheet of Lake City Borough, Pennsylvania, as of December 31, 2024, the revenues it received and expenditures it paid, debt, and capital expenditures for the year then ended, in accordance with the financial reporting provisions of the Pennsylvania Department of Community and Economic Development.

### **Basis for Opinion**

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 Auditor's Responsibilities for the DCED-CLGS-30 section of our report. We are required to be independent of Lake City Borough, Pennsylvania 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 opinion.

### **Emphasis of Matter – Basis of Accounting**

The DCED-CLGS-30 is prepared by Lake City Borough, Pennsylvania in accordance with the financial reporting provisions of the Pennsylvania Department of Community and Economic Development, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Pennsylvania Department of Community and Economic Development. As a result, the DCED-CLGS-30 may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

### **Responsibilities of Management for the DCED-CLGS-30**

Management is responsible for the preparation and fair presentation of the DCED-CLGS-30 in accordance with the financial reporting provisions of the Pennsylvania Department of Community and Economic Development. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the DCED-CLGS-30 that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility for the Audit of the DCED-CLGS-30**

Our objectives are to obtain reasonable assurance about whether the DCED-CLGS-30 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is high than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated DCED-CLGS-30.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and access the risks of material misstatement of the DCED-CLGS-30, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the DCED-CLGS-30.
- 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 Lake City Borough, Pennsylvania'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 DCED-CLGS-30.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lake City Borough, Pennsylvania'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.

### **Restriction on Use**

This report is intended solely for the information and use of management, the Council Members, others within Lake City Borough, Pennsylvania and the Pennsylvania Department of Community and Economic Development and is not intended to be and should not be used by anyone other than these specified parties.

*Buseck, Barger, Bleil & Co. Inc.*

Certified Public Accountants  
Erie, Pennsylvania

March 12, 2025

**2024 MUNICIPAL ANNUAL AUDIT  
AND  
FINANCIAL REPORT**

**250603 LAKE CITY BORO, ERIE COUNTY**



## LAKE CITY BORO, ERIE County

## BALANCE SHEET

December 31, 2024

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
<b>Liabilities and Other Credits</b>											
260-269	Long-Term-Liabilities					3,548,280					3,548,280
240-259	Current Portion of Long-Term Debt and Other Credits										
<b>Total Liabilities and Other Credits</b>		38,965				3,552,522					3,591,487
<b>Fund and Account Group Equity</b>											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets										
270-289	Fund Balance / Retained Earnings on 12/31	1,505,138	107,399			3,323,480		1,833,417			6,769,434
291-299	Other Equity										
<b>Total Fund and Account Group Equity</b>		1,505,138	107,399			3,323,480		1,833,417			6,769,434
<b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY</b>											10,360,921

LAKE CITY BORO, ERIE County  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2024

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

**REVENUES**

Taxes								
301.00	Real Estate Taxes	388,846	107,091					495,937
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	8,643						8,643
310.10	Real Estate Transfer Taxes	33,790						33,790
310.20	Earned Income Taxes / Wage Taxes	360,642						360,642
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	49,732						49,732
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
<b>Total Taxes</b>		841,853	107,091					948,744

Licenses and Permits							
320-322	All Other Licenses and Permits						
321.80	Cable Television Franchise Fees	30,071					30,071
<b>Total Licenses and Permits</b>		30,071					30,071

Fines and Forfeits							
330-332	Fines and Forfeits	6,334					6,334
<b>Total Fines and Forfeits</b>		6,334					6,334



**LAKE CITY BORO, ERIE County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2024

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

**REVENUES**

State								
355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes							
<b>Total State</b>		80,873	93,672					174,545

Local Government Units								
357.03	Highways and Streets							
357.00	All Other Local Governmental Units Capital and Operating Grants	8,097			215,423			223,520
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services							
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							
<b>Total Local Government Units</b>		8,097			215,423			223,520

Charges for Service								
361.00	General Government	2,750						2,750
362.00	Public Safety	10,613						10,613
363.20	Parking							
363.00	All Other Charges for Highway & Street Services							
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)				714,823			714,823
364.30	Solid Waste Collection and Disposal Charge (trash)							
364.60	Host Municipality Benefit Fee for Solid Waste Facility							
364.00	All Other Charges for Sanitation Services							
365.00	Health							
366.00	Human Services							
367.00	Culture and Recreation							
368.00	Airports							

LAKE CITY BORO, ERIE County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

### REVENUES

Charges for Service								
369.00	Bars							
370.00	Cemeteries							
372.00	Electric System							
373.00	Gas System							
374.00	Housing System							
375.00	Markets							
377.00	Transit Systems							
378.00	Water System				215,195			215,195
379.00	All Other Charges for Service				23,472			23,472
<b>Total Charges for Service</b>		13,363			953,490			966,853

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors							
388.00	Fiduciary Fund Pension Contributions					87,175		87,175
389.00	All Other Unclassified Operating Revenues	1,395			350			1,745
<b>Total Unclassified Operating Revenues</b>		1,395			350	87,175		88,920

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition							
392.00	Interfund Operating Transfers	310,000						310,000
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

LAKE CITY BORO, ERIE County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

**REVENUES**

Other Financing Sources							
395.00	Refunds of Prior Year Expenditures	3,708			8,636		12,344
<b>Total Other Financing Sources</b>		313,708			8,636		322,344
<b>TOTAL REVENUES</b>		1,351,695	205,424		1,190,643	300,064	3,047,826

**EXPENDITURES**

General Government							
400.00	Legislative (Governing) Body	49,171					49,171
401.00	Executive (Manager or Mayor)						
402.00	Auditing Services / Financial Administration	5,200					5,200
403.00	Tax Collection	20,492					20,492
404.00	Solicitor / Legal Services	11,882					11,882
405.00	Secretary / Clerk						
406.00	Other General Government Administration						
407.00	IT-Networking Services-Data Processing						
408.00	Engineering Services	69,463					69,463
409.00	General Government Buildings and Plant	16,957					16,957
<b>Total General Government</b>		173,165					173,165

Public Safety							
410.00	Police	250,128					250,128
411.00	Fire	47,803					47,803
412.00	Ambulance / Rescue	35,220					35,220
413.00	UCC and Code Enforcement						

LAKE CITY BORO, ERIE County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

### EXPENDITURES

Public Safety								
414.00	Planning and Zoning	1,858						1,858
415.00	Emergency Management and Communications							
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety							
<b>Total Public Safety</b>		335,009						335,009

Health and Human Services								
420.00-425.00	Health and Human Services							
<b>Total Health and Human Services</b>								

Public Works - Sanitation								
426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)							
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection				650,616			650,616
<b>Total Public Works - Sanitation</b>					650,616			650,616

Public Works - Highways and Streets								
430.00	General Services - Administration	90,699						90,699
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance -- Snow Removal	4,600						4,600
433.00	Traffic Control Devices	1,381						1,381
434.00	Street Lighting	48,374						48,374

LAKE CITY BORO, ERIE County  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2024

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

**EXPENDITURES**

Public Works - Highways and Streets							
435.00	Sidewalks and Crosswalks	120					120
436.00	Storm Sewers and Drains	11,571					11,571
437.00	Repairs of Tools and Machinery						
438.00	Maintenance and Repairs of Roads and Bridges	1,763					1,763
439.00	Highway Construction and Rebuilding Projects						
<b>Total Public Works - Highways and Streets</b>		158,508					158,508

Other Public Works Enterprises							
440.00	Airports						
441.00	Cemeteries						
442.00	Electric System						
443.00	Gas System						
444.00	Markets						
445.00	Parking						
446.00	Storm Water and Flood Control						
447.00	Transit System						
448.00	Water System				142,911		142,911
449.00	Water Transport and Terminals				77,370		77,370
<b>Total Other Public Works Enterprises</b>					220,281		220,281

Culture and Recreation							
451.00	Culture-Recreation Administration	813					813
452.00	Participant Recreation	1,200					1,200
453.00	Spectator Recreation						
454.00	Parks						

LAKE CITY BORO, ERIE County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

### EXPENDITURES

Culture and Recreation								
455.00	Shade Trees	2,150						2,150
456.00	Libraries	1,000						1,000
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
<b>Total Culture and Recreation</b>		5,163						5,163

Community Development								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing							
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development							
<b>Total Community Development</b>								

Debt Service								
471.00	Debt Principal (short-term and long-term)							
472.00	Debt Interest (short-term and long-term)				43,319			43,319
475.00	Fiscal Agent Fees						24,316	24,316
<b>Total Debt Service</b>					43,319		24,316	67,635

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	43,327						43,327
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions	62,784					61,663	124,447

LAKE CITY BORO, ERIE County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

**EXPENDITURES**

Employer Paid Benefits and Withholding Items							
484.00	Worker Compensation Insurance	17,911					17,911
487.00	Other Group Insurance Benefits	83,961					83,961
<b>Total Employer Paid Benefits and Withholding Items</b>		207,983				61,663	269,646

Insurance							
486.00	Insurance, Casualty, and Surety	16,487					16,487
<b>Total Insurance</b>		16,487					16,487

Unclassified Operating Expenditures							
488.00	Fiduciary Fund Benefits and Refunds Paid						
489.00	All Other Unclassified Expenditures	2,511			330		2,841
<b>Total Unclassified Operating Expenditures</b>		2,511			330		2,841

Other Financing Uses							
491.00	Refund of Prior Year Revenues						
492.00	Interfund Operating Transfers	310,000					310,000
493.00	All Other Financing Uses	337					337
<b>Total Other Financing Uses</b>		310,337					310,337

<b>TOTAL EXPENDITURES</b>		1,209,163			914,546	85,979	2,209,688
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<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES</b>		142,532	205,424		276,097	214,085	838,138
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LAKE CITY BORO

December 31, 2024

DEBT STATEMENT

**OUTSTANDING BONDS AND NOTES**

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

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
<b>General Obligation Bonds and Notes</b>											
<b>Revenue Bonds and Notes</b>											
<b>Lease Rental Debt</b>											
Pennvest Loan	Note	2018	2039	4,644,396	3,769,497		221,217		3,548,280		3,548,280
<b>Other</b>											

(1) - excludes unamortized premium/discount

<b>Total bonds and notes outstanding</b>	3,548,280
<b>Capitalized lease obligations</b>	0
<b>Net debt</b>	3,548,280

**LAKE CITY BORO, ERIE County**  
**STATEMENT OF CAPITAL EXPENDITURES**

December 31, 2024

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer	7,811		7,811
Solid Waste			
Streets / Highways			
Water	6,966		6,966
Other: _____			
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>14,777</b>		<b>14,777</b>

**EMPLOYEE COMPENSATION**

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

524,570

**ELECTED CONTROLLER'S/AUDITOR'S CERTIFIED OPINION**

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

I/We, the undersigned, the duly elected (or appointed replacement), qualified, and Acting Controller/Auditors of the LAKE CITY BORO have audited, adjusted and settled the various funds and account groups of the LAKE CITY BORO for the year ended December 31, 2024. My/Our audit, adjustment and settlement was made in accordance with law rather than with generally accepted auditing standards

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

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

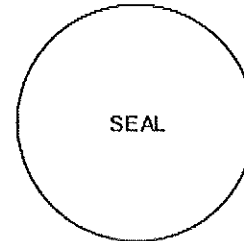
These financial statements do not include all of the disclosures required by generally accepted accounting principles.

In my/our opinion, the aforementioned financial statements present the financial position of the various funds and account groups of the municipality of LAKE CITY BORO for the year ended December 31, 2024, and the results of operations of such funds in accordance with the law.

**SIGNATURE AND VERIFICATION**

Signed:

Subscribed and sworn to before me this 1 day of January, 1.



Signed: \_\_\_\_\_

Witness (Controller)/Auditor (Auditors)

December 31, 2024

**NOTES / COMMENTS**