

BOROUGH OF CARLISLE

PENNSYLVANIA

"Committed to Excellence In Community Service!"

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019

PREPARED BY THE DEPARTMENT OF FINANCE



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Borough of Carlisle
Pennsylvania**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

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INTRODUCTORY SECTION



BOROUGH OF CARLISLE

"Committed To Excellence in Community Service"

July 27, 2020

To the Mayor & Council, Residents, and Taxpayers of Carlisle:

The Comprehensive Annual Financial Report (CAFR) for the Borough of Carlisle for the fiscal year ended December 31, 2019 is herewith submitted for your consideration. This report was prepared by the Borough's finance and administration departments and includes the Borough's annual audit report prepared by the accounting firm of Smith Elliott Kearns & Company, LLC, the Borough's independent auditor.

Responsibility for the accuracy, completeness, and fairness of the financial statements, including all disclosures, rests with Borough management. We believe the enclosed information as presented is accurate in all material respects; that its presentation fairly shows the financial position and the results of the Borough's operations as measured by the financial activity of its various funds; and that all necessary disclosures will provide the reader with a sound understanding of the Borough's financial activities.

The organization, form, and content of the CAFR and the accompanying financial statements and statistical tables were prepared in accordance with the standards established by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA). GASB 34 (Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments) requires management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a management discussion & analysis (MD&A) section. This letter is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditor.

Financial Reporting Entity

The CAFR includes all funds utilized by the Borough in its operations to provide a full range of municipal services. These services include administrative and financial services, police and fire protection, sanitation services, maintenance and construction of streets, planning/zoning/code enforcement, water supply and distribution, stormwater management and conveyance, wastewater collection and treatment, community development, recreational activities and cultural events, and the maintenance of parking facilities. The Borough adheres to Government Accounting Standards Board (GASB) Statement No.'s 14, as amended, in determining which activities to include in the Borough's financial statements based on their financial accountability and nature of relationship with the Borough. The Carlisle Borough Municipal Authority qualifies as a discretely presented component unit of the Borough.

Key Report Sections

The introductory section includes information about the Borough, its local economy, future outlook, major initiatives and budget control. The financial section includes the MD&A, basic financial statements, notes to the basic financial statements, and required supplementary information. The basic financial statements include the government-wide financial statements reporting all Borough financial operations and fund financial statements that present information for all separate Borough funds. The independent auditor's report on the basic financial statements is also included. The statistical section includes up to ten years of historical financial data and miscellaneous social and economic information that conforms to GASB 44 standards for reporting. This section may be of special interest to holders of and prospective investors in the Borough's bonds, notes, and other debt instruments.

Location and Government

Historic Carlisle is located in the beautiful and highly productive agricultural Cumberland Valley in south-central Pennsylvania. It was established in 1751, incorporated in 1782, and is the county seat of Cumberland County.

Carlisle is 5.5 square miles in area and has a population of 19,116. It sits at the crossroads of I-81 and I-76 (the Pennsylvania Turnpike) making it one of the busiest transportation hubs in the U.S. Additionally, it is 20 miles south of the Harrisburg International Airport and 80 miles northwest of the Baltimore-Washington International Airport.

In May 2015, voters decisively approved a home rule charter making Carlisle one of the few Pennsylvania municipalities governed under home rule. The Borough continues to operate under the council/manager form of government. The Borough Manager is the chief administrative officer charged with the management of all municipal departments and reports directly to a seven-member body elected at large and comprised of the Mayor and Borough Council.

Economy

The local economy is diversified and stable. Principal industrial products manufactured or distributed in Carlisle include premium building products, standard and custom cabinets, apparel, and food products. Non-manufacturing segments of Carlisle's economy include professional services, higher education, and government. Several prominent reasons for this stability include, but are not limited to, the location of the following institutions and businesses in or within close proximity to the Borough:

- Dickinson College - Chartered in 1783 and located in the Borough, it is one of the oldest, private, four-year liberal arts colleges in the nation. It is an award-winning national leader in sustainability and best practices and most recently, achieved carbon neutral status, an accomplishment that only 10 colleges and universities in the nation have achieved.
- Penn State Dickinson Law - Founded in 1834 and located in the Borough, it is one of the oldest law schools in the nation and is touted for its experiential learning environment.
- The U.S. Army War College - is a U.S. Army educational institution located in the Borough and adjacent township. This 500-acre campus is situated on the historic Carlisle Barracks and is considered a premier advanced training facility for the U.S. Army. It contains some of the most sophisticated computer technology simulation equipment in the armed forces.
- The U.S. Army Heritage and Education Center - Located just outside the Borough, it is the U.S. Army's preeminent museum and research complex.
- Carlisle Events - Located in and around the Borough, this venue is world renowned for its annual car shows throughout the spring, summer, and fall drawing thousands of people annually to Carlisle.
- Central Pennsylvania Youth Ballet - Located in the Borough, it is an internationally-renowned ballet school and performing company and known for its artistic leadership and curriculum focused on artistic development.

- Within a relatively short distance of Carlisle are a number of other institutions of higher learning including Shippensburg University, Messiah College, Central Penn College, Widener School of Law, Harrisburg Area Community College, Penn State University's Capitol Campus, and Penn State University's Milton S. Hershey Medical Center.

Outlook

Given the above and many other readily available examples too numerous to mention here, Carlisle has remained stable and continues to evaluate and implement policies to ensure continued sound financial management.

Long-Term Financial Planning

The Borough is committed to providing value to residents and taxpayers by maintaining quality service levels and offering new programs and/or services whenever opportunities present themselves and when the Borough's financial position permits. To further this commitment, the Borough periodically evaluates its revenue generating capacity and conducts long-term projections of its finances. In addition, Carlisle develops and maintains a five-year capital improvements program.

As part of sound financial planning, the Borough follows the GFOA recommendation of maintaining strong overall fund balances/net position. The Borough has targets in its more significant funds as follows: general fund (25%), water fund (25%), stormwater fund (25%), sewer fund (50%), solid waste fund (25%), and parking fund (50%).

Relevant Financial Policies

Borough management is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the Borough are protected from loss, theft, or misuse and to ensure adequate accounting information is compiled to prepare financial statements in accordance with generally accepted accounting principles. The Borough's internal control structure is designed to provide reasonable (but not absolute) assurance that these objectives are met. Reasonable assurance recognizes the cost of an internal control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by Borough management. Article V of the Home Rule Charter and Chapter 27 of the Code of the Borough of Carlisle provide for fiscal and budgetary control. That budget control requires a balanced operating budget where current operating revenues equal current operating expenditures. The Borough Manager may transfer funds within a department, but transfers between departments and funds as well as supplemental appropriations must be approved by Borough Council. Capital expenditures must be funded through designated revenues, debt proceeds, inter-governmental grants, private contributions, or cash reserves.

Accomplishments in 2019

The Borough maintains a comprehensive archive of events in a multi-volume document known as the Greenbook. Arranged by months within a given year, this document, which may be available for inspection under the Pennsylvania Right to Know Act, contains a wealth of information including comprehensive Borough Council agendas, meeting minutes, administrative policy briefing summaries on a range of issues coming before Borough Council, a listing of events/meetings, and committee and staff reports.

Some of the issues discussed and approved by Borough Council and more fully described in the 2019 edition of the Greenbook include the following:

- Adopted the Comprehensive Plan that identified and prioritized issues and opportunities for downtown, traffic and parking, public safety, housing and shelter, bicycle and pedestrian mobility, and resiliency.
- Adopted the Five-Year Consolidated Plan & Program Year 2019 Action Plan to fund housing, community development and economic development within the Borough of Carlisle.
- For the sixth year in a row, the Borough was recognized with the GFOA Distinguished Budget Award for the Borough's budget format.
- Successfully implemented the stormwater management utility fee in July of 2019 resulting in the creation of the Stormwater Fund.

Grants:

- Awarded a \$ 169,682 Recycling Development and Implementation Grant from the Pennsylvania Department of Environmental Protection to support the purchase of equipment being used at the Borough's yard waste compost site.
- Executed Pennsylvania Multi-Modal grant agreements totaling \$ 5,078,650 from the Pennsylvania Department of Transportation related to the Carlisle Connectivity Project.
- Executed the Transportation Investment Generating Economic Recovery grant agreement totaling \$ 5,000,000 from the United States Department of Transportation related to the Carlisle Connectivity Project.

Bids & Contracts:

- Awarded the Construction Contract for the Carlisle Connectivity TIGER Project to Rogele, Inc. in the amount of \$ 5,874,007.
- Awarded the Construction Inspection Services contract for the Carlisle Connectivity TIGER Project to TRC Engineers, Inc. in the amount of \$ 485,107.
- Awarded the Spring Garden Street Sewer Replacement Project to Doli Construction Corporation in the amount of \$ 445,577.
- Awarded the Ridge Street Pumping Station Peroxide Feed System Project to 4-M Construction in the amount of \$ 293,600.
- Awarded the Orange and High Street Traffic Signal Upgrade Project to Atlantic Transportation Systems, Inc. in the amount of \$ 161,000.
- Awarded the Penn Street Water Tank Repainting Project to Corrosion Control Corporation in the amount of \$ 143,100.
- Awarded the Stuart Community Center Gymnasium HVAC System Project to Tuckey Mechanical Services in the amount of \$ 139,000.

- Awarded the 2019 Pedestrian Curb Ramp Rehabilitation Project to Porter Construction, LLC in the amount of \$ 121,604.
- Approved contracts with Herbert, Rowland, and Grubic, Inc. to provide construction phase engineering services for the Spring Garden Street Sanitary Sewer System Replacement Project and program management assistance for the Carlisle Connectivity Transportation Improvement Projects.
- Approved contracts with Gannet Fleming, Inc. to provide design services for the 2019 Water Distribution System Rehabilitation Program.

Awards and Acknowledgments

GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to Carlisle for its 2018 CAFR. GFOA reports that only 65 of the more than 2,500 municipalities in Pennsylvania receive this award. In order to be awarded the certificate a government must publish a CAFR that is easily readable and efficiently organized. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement for Excellence in Financial Reporting is valid for one year only. We believe our 2019 CAFR continues to meet GFOA's requirements and we are submitting it to GFOA to determine its eligibility for the certificate.

GFOA also awarded Carlisle its Distinguished Budget Presentation Award for 2019. The Borough is one of the few municipalities in Pennsylvania to receive both prestigious GFOA awards.

Timely preparation of this CAFR was made possible by the dedicated service of Borough staff. Each member has our sincere appreciation for contributions made in the preparation of this report.

Achieving the goal enunciated in Carlisle's motto "Committed to Excellence in Community Service" is only possible through a total team effort. In that regard, we extend our sincerest appreciation to the Mayor and Council and all employees who strive on a daily basis to attain and advance service delivery most efficiently and effectively on behalf of the residents and taxpayers of Carlisle.

Sincerely,

A handwritten signature in black ink, enclosed in an oval. The signature appears to read "Richard JT Juday".

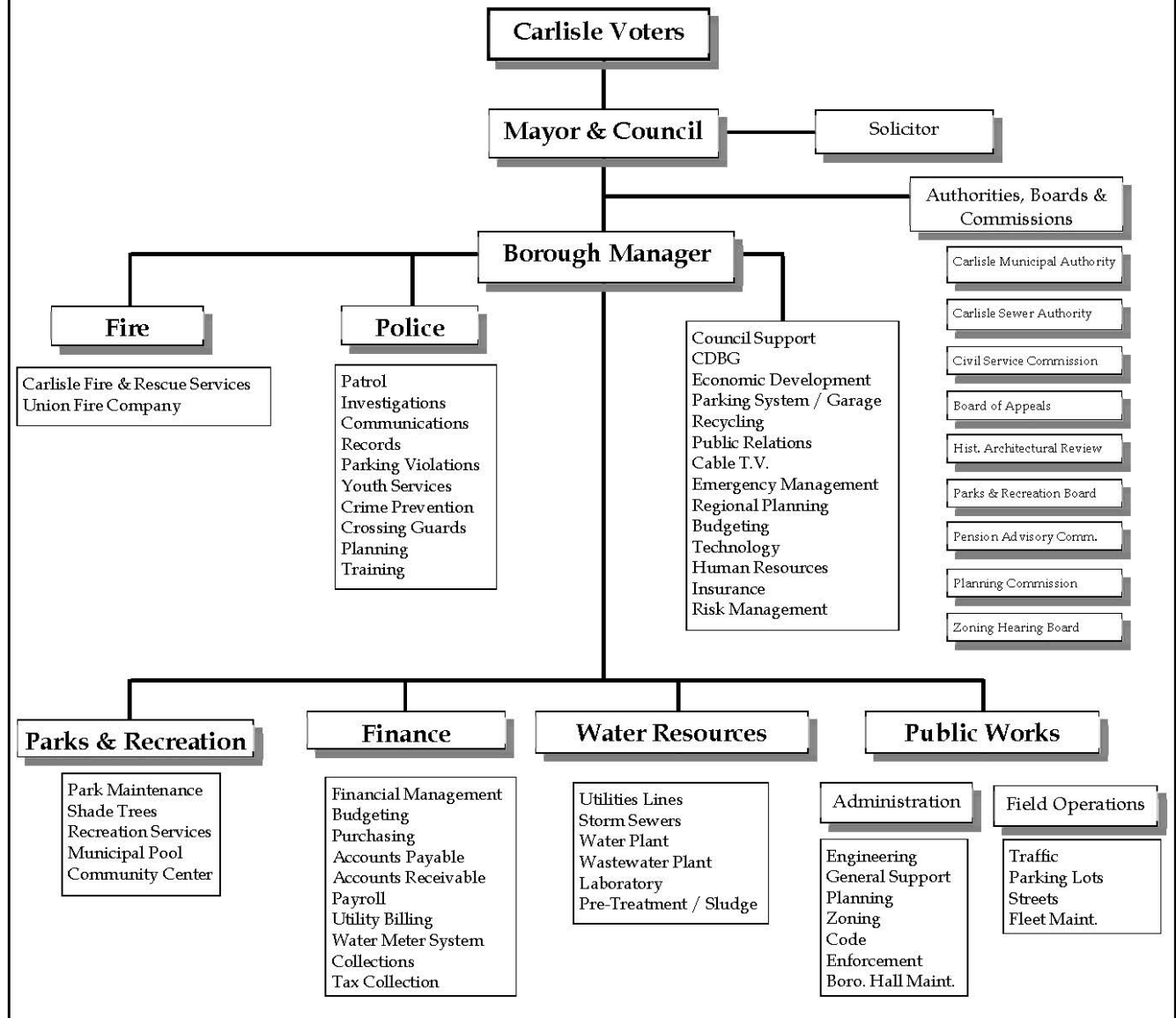
Richard JT Juday
Director of Finance



Organization Chart



Chart 1.



BOROUGH OF CARLISLE
List of Principal Officials
December 31, 2019

MAYOR & COUNCIL

Mayor..... Timothy A. Scott

Councilor & Deputy Mayor..... Sean M. Shultz

Councilor..... Sean J. Crampsie

Councilor..... Robin L. Guido

Councilor..... Dawn L. Flower-Webb

Councilor..... Deborah W. Fulham-Winston

Councilor..... Brenda S. Landis

ADMINISTRATIVE OFFICIALS

Borough Manager Susan D. Armstrong

Assistant Borough Manager (Vacant)

Borough Secretary Joyce E. Stone

Director of Finance..... Richard JT Juday

Director of Public Works..... (Vacant)

Director of Parks & Recreation..... Andrea C. Crouse

Director of Water Resources Mark A. Malarich

Police Chief Taro D. Landis

Fire Chief Jeffrey S. Snyder

Solicitor..... Keith O. Brenneman

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Borough Council
Borough of Carlisle
Carlisle, Pennsylvania

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Borough of Carlisle, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Borough of Carlisle, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the Borough implemented Government Accounting Standards Board ("GASB") Statements No. 84, *Fiduciary Activities* and No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, as of January 1, 2019. Our opinion has not been modified with respect to this matter.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14, the schedules related to the pension and OPEB liabilities on pages 68 through 71, and budgetary comparison schedule on pages 72 - 73 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Carlisle's basic financial statements. The introductory section, other supplementary information in the financial section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information in the financial section is the responsibility of management and is 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 in the financial section is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Smith & Elliott Beams & Company, LLC

Carlisle, Pennsylvania
July 27, 2020

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

This discussion and analysis section provides readers of these financial statements an overview and analysis of the financial performance of the Borough of Carlisle, Pennsylvania for the fiscal year ended December 31, 2019. Readers are encouraged to consider the information presented here in conjunction with the additional information furnished in the letter of transmittal, which can be found on pages I - V of this report.

Management Discussion and Analysis is an element of the reporting model adopted by the Government Accounting Standards Board (GASB) in its Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in this section.

Financial Highlights of 2019

- * Government-wide assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$ 66,468,874 compared to \$ 60,051,859 for the prior year. Total net position increased by \$ 6,417,015 (10.7%) which can be primarily attributed to several projects that were planned but not undertaken during the year resulting in expenditures being lower than anticipated.
- * Total government-wide cash, cash equivalents, and investments decreased by \$ 3,266,655 (8.4%) compared to the prior year.
- * The net position of the non-uniformed employees pension plan as a percentage of total pension liability was 102.19%; the net position of the police officers pension plan as a percentage of total pension liability was 103.97%.
- * Governmental fund balances increased from the prior year and remained strong at \$ 12,111,992 (100.1% of expenditures) compared to \$ 11,186,470 (88.6% of expenditures) for the prior year.
- * The unassigned fund balance for the general fund increased slightly to \$ 7,405,190 (76.6% of fund expenditures) compared to \$ 7,104,470 (77.7% of fund expenditures) from the prior year. This change is attributed to planned general fund expenditures that did not occur.
- * Assigned and committed governmental fund balances set aside by Borough Council for future capital, employee benefits, and other post-employment retirement benefits expenses were \$ 1,583,111 (16.9% of total governmental fund balances) compared to \$ 1,000,113 (11.78% of total governmental fund balances) in the prior year.
- * Debt service on general obligation debt attributed to non-enterprise capital funding was \$ 722,393 (6.4% of total general fund and capital projects fund spending) compared to \$ 763,963 (5.8% of total general fund and capital projects fund spending) in the prior year.
- * The net position of the water, stormwater, sewer, parking, and other enterprise funds increased by \$ 5,139,283 (13.7%) from the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Borough of Carlisle's basic financial statements. The statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Borough's finances in a manner similar to a private-sector business. The government-wide financial statements not only include the Borough itself (known as the primary government), but also its discretely presented component unit, Carlisle Borough Municipal Authority, which is legally separate from the Borough. Financial information for this component unit is reported separately from the financial statements presented for the primary government itself. Refer to Note 1 for information on how to obtain the separately issued financial statements for the component unit.

The statement of net position presents information on all Borough assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between assets, deferred outflows of resources, and liabilities reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Borough is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Carlisle Borough that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Borough include general government, public safety, public services, parks and recreation, and conservation and community development. The business-type activities of the Borough include water, sewer, parking, stormwater, and solid waste and recycling operations.

The government-wide financial statements can be found on pages 15 and 16 of this report.

Fund financial statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Carlisle Borough, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Borough can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

Carlisle Borough maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the capital projects fund. Data from the other three (3) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Borough adopts an annual budget for its governmental funds. Budgetary comparison statements have been provided as "required supplementary information" for these funds to demonstrate compliance with their budgets.

The basic governmental fund financial statements can be found on pages 17 - 20 of this report.

Proprietary funds. Carlisle Borough uses enterprise funds to report the same functions presented as business-type activities in the government-wide financial statements. The Borough's major enterprise funds include the water, sewer, parking and stormwater funds. The solid waste fund is a non-major fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, and parking funds, all of which are considered to be major funds of the Borough.

The basic proprietary fund financial statements can be found starting on page 21 of this report, and include statements of net position; revenue, expenses, and changes in net position; and cash flows.

Fiduciary funds. Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is divided into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the Borough under a trust agreement for individuals, private organizations, or other governments and are, therefore, not available to support the Borough's own programs. Custodial funds report fiduciary activities not required to be reported in other fiduciary fund types. The Borough has no investment trust funds.

The Borough maintains pension trust funds for the police and non-uniformed personnel, a private purpose trust fund for a cemetery, and a custodial fund for tax collection. Fiduciary fund statements can be found on pages 25 and 26 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 - 68 of this report.

Supplementary Information. Additional required supplementary schedules follow the notes to the financial statements on pages 69 - 73 of this report. The combining statements referred to earlier in connection with non-major governmental funds and fiduciary funds are presented following the required supplementary information. Combining and individual fund statements and budgetary comparison schedules not considered required supplementary information can be found on pages 74 - 87 of this report.

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

Government-wide Financial Analysis

As noted earlier, net position may serve as a useful indicator of a government's financial position. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$ 66,468,874 at the close of the fiscal year.

The largest portion (56.6%) of the Borough's total net position reflects its investment in capital (non-current) assets (e.g., land, buildings, machinery and equipment). The Borough uses these capital assets to provide services to its residents and taxpayers; consequently, this portion of net position is not available for future spending. Although the Borough's investment in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The following table presents a summary of the Borough's net position by type of activity as of December 31, 2019 and 2018.

	BOROUGH OF CARLISLE					
	December 31, 2019			December 31, 2018		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 14,452,189	\$ 28,414,970	\$ 42,867,159	\$ 12,705,264	\$ 31,607,539	\$ 44,312,803
Capital assets, net	22,106,365	43,760,251	65,866,616	21,449,304	37,444,825	58,894,129
Total assets	<u>\$ 36,558,554</u>	<u>\$ 72,175,221</u>	<u>\$ 108,733,775</u>	<u>\$ 34,154,568</u>	<u>\$ 69,052,364</u>	<u>\$ 103,206,932</u>
Deferred outflows of resources	\$ 420,831	\$ 82,777	\$ 503,608	\$ 2,301,538	\$ 578,932	\$ 2,880,470
Total deferred outflows of resources	<u>\$ 420,831</u>	<u>\$ 82,777</u>	<u>\$ 503,608</u>	<u>\$ 2,301,538</u>	<u>\$ 578,932</u>	<u>\$ 2,880,470</u>
Long-term liabilities	\$ 9,757,028	\$ 25,572,723	\$ 35,329,751	\$ 12,092,586	\$ 28,053,929	\$ 40,146,515
Other liabilities	1,707,247	3,498,293	5,205,540	1,661,416	3,836,016	5,497,432
Total liabilities	<u>\$ 11,464,275</u>	<u>\$ 29,071,016</u>	<u>\$ 40,535,291</u>	<u>\$ 13,754,002</u>	<u>\$ 31,889,945</u>	<u>\$ 45,643,947</u>
Deferred inflows of resources	\$ 1,809,937	\$ 423,281	\$ 2,233,218	\$ 274,663	\$ 116,933	\$ 391,596
Total deferred inflows of resources	<u>\$ 1,809,937</u>	<u>\$ 423,281</u>	<u>\$ 2,233,218</u>	<u>\$ 274,663</u>	<u>\$ 116,933</u>	<u>\$ 391,596</u>
Net position						
Net investment in capital assets	\$ 14,451,032	\$ 23,163,967	\$ 37,614,999	\$ 14,065,108	\$ 19,263,605	\$ 33,328,713
Restricted	2,807,160	-	2,807,160	2,749,193	-	2,749,193
Unrestricted	6,446,981	19,599,734	26,046,715	5,613,140	18,360,813	23,973,953
Total net position	<u>\$ 23,705,173</u>	<u>\$ 42,763,701</u>	<u>\$ 66,468,874</u>	<u>\$ 22,427,441</u>	<u>\$ 37,624,418</u>	<u>\$ 60,051,859</u>

The restricted portion of the Borough's total net position (4.2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance (39.2%) consists of unrestricted net position that may be used to meet the government's ongoing obligations to its residents, taxpayers, and creditors.

At the end of the fiscal year, the Borough is able to report positive balances in net position for both governmental and business-type activities. The same was true for the prior fiscal year.

The Borough's net position increased by \$ 6,417,015 (10.7%) year-over-year due to several business-type activities that were planned but not undertaken during the year resulting in lower than anticipated expenditures.

Capital assets. The Borough's investment in capital assets for its governmental and business-type activities as of December 31, 2019 net of accumulated depreciation was \$ 65,866,616. This investment includes capital assets such as buildings, machinery and equipment, roads, water and sewer lines, highways, and bridges and reflects an increase of \$ 6,972,487 from the prior year, due primarily to water and sewer system construction work in progress.

BOROUGH OF CARLISLE
Management's Discussion and Analysis (Unaudited)

The table below summarizes the capital assets of the Borough at December 31, 2019.

BOROUGH OF CARLISLE - CAPITAL ASSETS
(net of depreciation)

	Governmental Activities	Business-Type Activities	Total
Land	\$ 1,292,633	\$ 504,102	\$ 1,796,735
Land improvements	8,577,290	4,331,467	12,908,757
Buildings	9,991,121	43,508,780	53,499,901
Machinery and Equipment	10,266,621	35,825,751	46,092,372
Infrastructure	44,881,216	17,430,842	62,312,058
Construction in progress	4,695,213	8,595,609	13,290,822
Total	79,704,094	110,196,551	189,900,645
Less accumulated depreciation	(57,597,729)	(66,436,300)	(124,034,029)
Total capital assets	<u>\$ 22,106,365</u>	<u>\$ 43,760,251</u>	<u>\$ 65,866,616</u>

Additional information on the Borough's capital assets can be found in Note 5 of this report on page 48.

Long-term debt. At the end of the fiscal year, the Borough had total long-term liabilities of \$ 38,218,506. This debt is backed by the full faith and credit of the Borough. Nearly three-quarters (71.9%) of the Borough's outstanding debt is considered self-supporting and will be repaid from water, sewer, and parking enterprise fund revenue.

BOROUGH OF CARLISLE - LONG-TERM LIABILITIES

	Governmental Activities	Business-Type Activities	Total
General Obligation Bonds and Notes	\$ 8,492,552	\$ 27,229,777	\$ 35,722,329
Net OPEB Liability	1,407,120	-	1,407,120
Compensated Absences	774,143	314,914	1,089,057
Total Debt	<u>\$ 10,673,815</u>	<u>\$ 27,544,691</u>	<u>\$ 38,218,506</u>

In recent years the Borough has begun to address replacement of aging water and sewer lines. This focus along with other budgeted capital projects has caused the Borough to take on more debt in recent years. The Borough saw an overall decrease in the amount outstanding general obligation bonds and notes of \$ 1,543,399 (4.1%) compared to the prior year. New debt issued in 2019 related specifically to drawing down on an existing line of credit in the Capital Projects fund.

Additional information on the Borough's long-term debt can be found in Note 6 beginning on page 49 of this report.

Governmental Activities. The Borough's net position for governmental activities saw an increase from the prior year of \$ 1,277,732 (5.70%) from \$ 22,427,441 to \$ 23,705,173.

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

Business-type activities. The Borough's net position for business-type activities increased from the prior year by \$ 5,139,283 (13.7%) from \$ 37,624,418 to \$ 42,763,701. Business-type activities including the creation and implementation of the Stormwater fund and associated fees accounted for the entirety of the increase in the overall change in the Borough's net position when comparing current to prior year.

These changes are presented in the following table together with comparable information from the prior year (as originally stated).

BOROUGH OF CARLISLE - CHANGES IN NET POSITION						
	December 31, 2019			December 31, 2018		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues						
Program revenues:						
Charges for services	\$ 1,159,513	\$ 13,479,145	\$ 14,638,658	\$ 1,308,653	\$ 12,695,882	\$ 14,004,535
Operating grants	1,240,250	209,028	1,449,278	1,201,548	85,959	1,287,507
Capital grants and contributions	1,455,601	2,419,064	3,874,665	822,798	229,596	1,052,394
General revenues:						
Property taxes	5,122,842	-	5,122,842	5,030,098	-	5,030,098
Other taxes	3,357,207	-	3,357,207	3,387,528	-	3,387,528
Other	492,194	513,370	1,005,564	272,662	434,734	707,396
Total revenues	12,827,607	16,620,607	29,448,214	12,023,287	13,446,171	25,469,458
Expenses						
General Government	1,865,486	-	1,865,486	1,579,336	-	1,579,336
Public Safety	5,928,270	-	5,928,270	6,073,956	-	6,073,956
Public Services	2,031,313	-	2,031,313	2,048,923	-	2,048,923
Culture and Recreation	1,131,263	-	1,131,263	1,147,602	-	1,147,602
Community Development	306,343	-	306,343	293,361	-	293,361
Interest & amortization expense	243,695	-	243,695	269,101	-	269,101
Water	-	3,850,851	3,850,851	-	4,227,259	4,227,259
Sewer	-	5,741,796	5,741,796	-	5,940,591	5,940,591
Parking	-	524,341	524,341	-	476,020	476,020
Solid Waste	-	826,622	826,622	-	772,774	772,774
Stormwater	-	581,219	581,219	-	-	-
Total expenses	11,506,370	11,524,829	23,031,199	11,412,279	11,416,644	22,828,923
Excess of revenues over expense before transfers	1,321,237	5,095,778	6,417,015	611,008	2,029,527	2,640,535
Transfers in (transfers out)	(43,505)	43,505	-	(19,411)	19,411	-
Changes in net position	1,277,732	5,139,283	6,417,015	591,597	2,048,938	2,640,535
Net position - Beginning, as restated	22,427,441	37,624,418	60,051,859	21,835,844	35,575,480	57,411,324
Net position - End of Year	\$ 23,705,173	\$ 42,763,701	\$ 66,468,874	\$ 22,427,441	\$ 37,624,418	\$ 60,051,859

Fund Financial Statements

Governmental funds. The focus of the Borough's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Borough's financing requirements. In particular, undesignated fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Fund balances. At the end of the fiscal year, the Borough's governmental funds reported combined ending fund balances of \$ 12,111,992, an increase of \$ 925,522 (8.2%) compared with the prior year. Of the total fund balance, \$ 316,531 (2.6%) constitutes non-spendable fund balance; \$ 2,807,160 (23.2%) restricted fund balance (slightly more than \$ 1.3 million is state highway aid money which may only be used for street maintenance); \$ 1,583,111 (13.1%) are committed and assigned fund balance set aside by Borough Council primarily for future Other Post-Employment Benefits (OPEB) and \$ 7,405,190 (61.1%) in unassigned fund balance available for spending at the government's discretion.

Total governmental fund balances of \$ 12,111,992 constitute a very healthy 100.1% of governmental funds expenditures.

BOROUGH OF CARLISLE

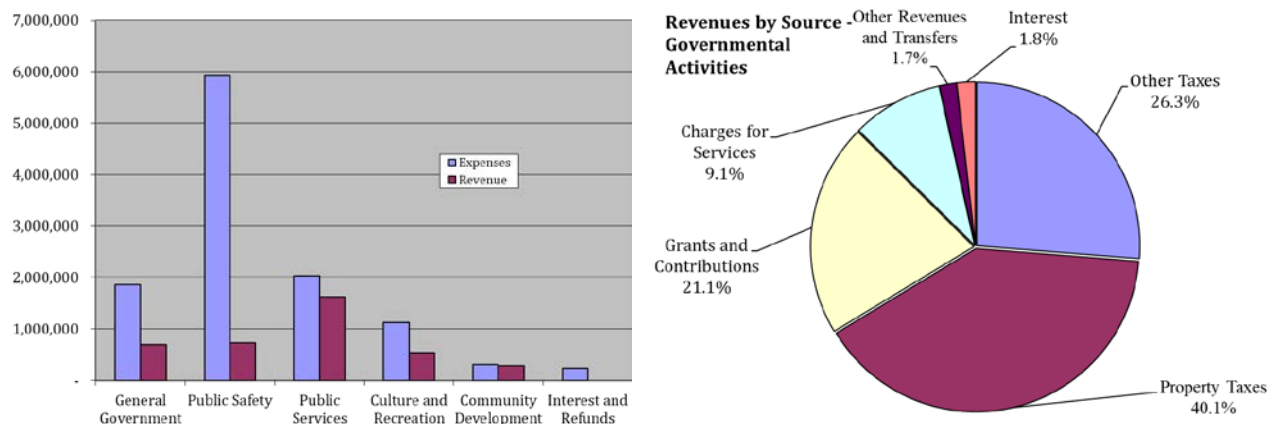
Management's Discussion and Analysis (Unaudited)

General fund. The general fund is the largest governmental fund and is the Borough's chief operating fund. Actual general fund spending in 2019 was slightly higher compared with the previous year at \$ 9,639,564 compared to \$ 9,141,531 in the prior year, an increase of \$ 498,033 (5.4%). The primary increases seen in the General fund can be attributed to employee benefits due to rising costs of medical insurance in 2019. In previous years the Borough had seen larger spending variations between years, however with the establishment of the capital projects fund the spending in the General fund now only relates to operating costs which will see smaller fluctuations compared to when the fund included capital spending.

Budgeted revenue was just over \$ 10.6 million while actual revenue was just over \$ 11.0 million, a difference of just over \$ 400 thousand. Similarly, budgeted expenditures were just over \$ 12.0 million while actual expenditures were just over \$ 9.6 million, a difference of \$ 2.4 million. A significant portion of this amount relates to reimbursements from other funds for shared administrative expenditures that were solely budgeted out of the general fund.

Principal and interest on the Borough's general obligation debt attributed to non-enterprise capital funding was \$ 722,393 with \$ 505,048 (5.2% of total general fund spending) being attributed to the general fund and \$ 217,345 (12.9% of total capital projects fund spending) being attributed to the Capital Projects Fund.

Unlike enterprise fund activities general fund activities are supported by general tax revenues. In 2019 those tax revenues amounted to \$ 8,497,054 (76.8% of all general fund revenue). The following graph and chart help present a pictorial illustration of the Borough's governmental activities and the related revenue structure for fiscal year 2019.



Local taxes. Revenue from property taxes was \$ 5,095,199 which was under budget by \$ 94,115 (1.8%). That amount was slightly more than the prior year property tax collections of \$ 5,031,877. Real estate transfer tax revenue at \$ 377,589 was over the budget amount by \$ 47,589. Earned income tax revenue was \$ 267,578 over budget (14.1%) and \$ 192,011 (9.7%) more than the amount collected in the prior year. While the local economy continues to strengthen as evidenced by a declining unemployment rate and the county-wide consolidated collection program continues to bring improvements, the Borough continues to take a conservative approach in budgeting for these taxes.

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

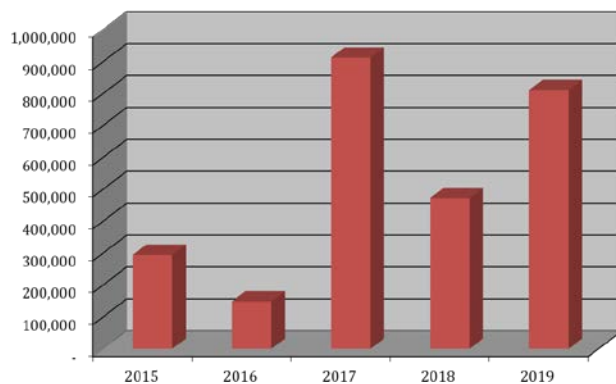
The following table compares tax revenues in 2019 with those in 2018 and with the budgeted amounts for 2019.

Tax	Actual 2018	Budget 2019	Actual 2019	Actual Variance 2019-2018	Budget Variance 2019
Property	\$ 5,031,877	\$ 5,189,314	\$ 5,095,199	\$ 63,322	\$ (94,115)
Real Estate Transfer	415,258	330,000	377,589	(37,669)	47,589
Earned Income	1,975,567	1,900,000	2,167,578	192,011	267,578
LST	721,128	710,000	793,393	72,265	83,393
Admissions / Amusements	74,502	73,700	63,295	(11,207)	(10,405)
Total	<u>\$ 8,218,332</u>	<u>\$ 8,203,014</u>	<u>\$ 8,497,054</u>	<u>\$ 278,722</u>	<u>\$ 294,040</u>

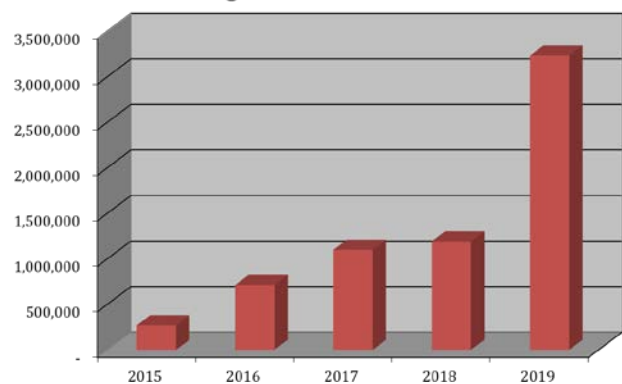
Proprietary funds. The Borough's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the water, sewer, parking, and stormwater functions at the end of the year was \$ 42,216,661. For the year the net position of proprietary funds increased by \$ 5,139,283 (13.7%). All major proprietary funds showed an increase in net position for 2019; the water fund showed an increase in net position of \$ 811,090 (7.1%) for 2019; the sewer fund showed an increase in net position of \$ 3,232,874 (13.8%); the stormwater fund was new in 2019 and showed an initial net position of \$709,257, and the parking fund showed an increase in net position of \$ 213,824 (9.1%). Not shown is an increase in net position of \$ 172,238 for the non-major funds.

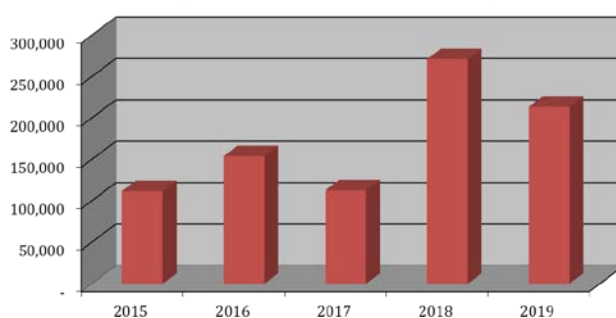
Change in Net Position - Water



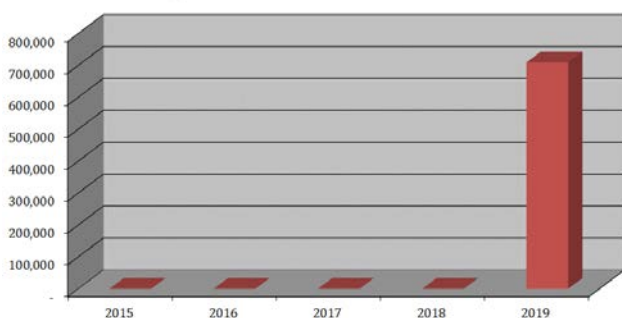
Change in Net Position - Sewer



Change in Net Position - Parking



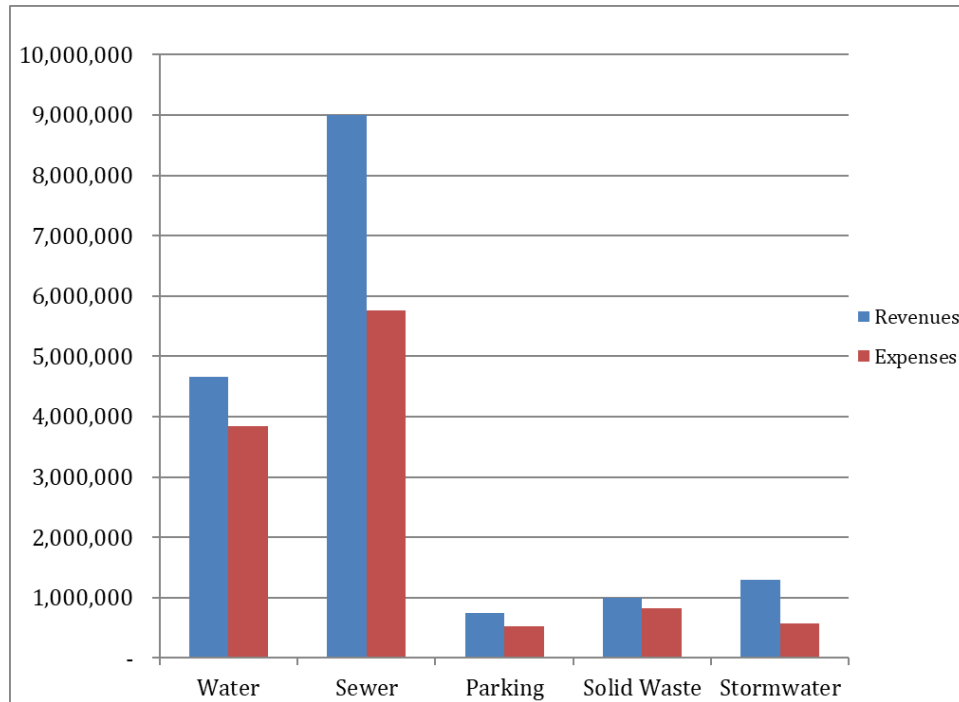
Change in Net Position - Stormwater



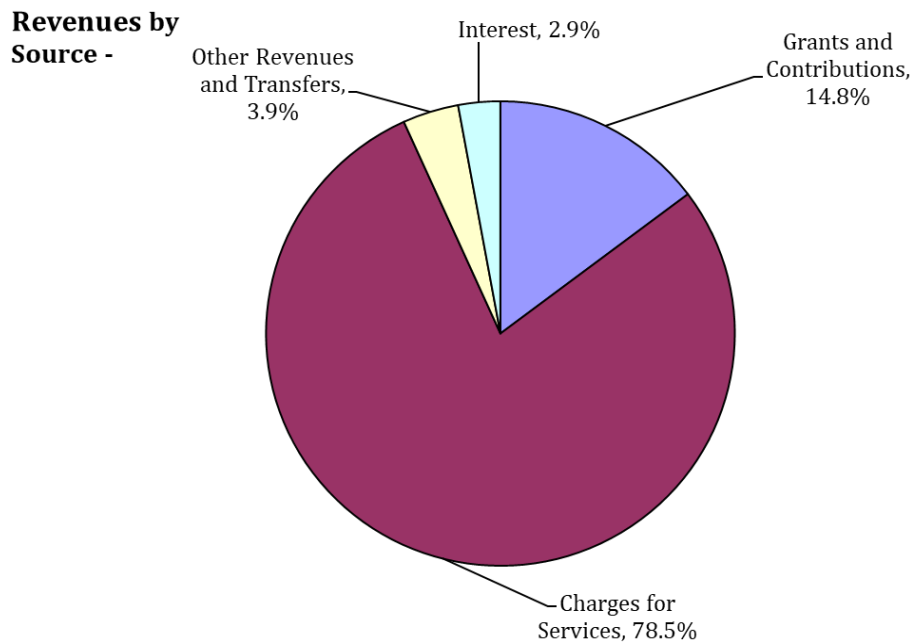
BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

Total operating revenues for the proprietary funds was \$ 13,093,725 and exceeded total operating expenses of \$ 10,790,866 by \$ 2,302,859. The following graph shows the relative levels of total revenues and expenses in the five significant enterprise funds for 2019.



The following chart clearly demonstrates the definition of enterprise funds as being mainly reliant on user fees or charges as they constitute 78.5% of total operating and non-operating revenues.



BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

Economic Factors and Next Year's Budgets and Rates

While budgeting for 2020 the local economy was relatively stable and local unemployment rates were lower than state and national rates. Unexpectedly, after the new year, the Borough was and continues to be impacted by the COVID-19 Pandemic. This resulted in increased unemployment rates rising from 3.7% in December 2019 to 13.4% in April 2020. The Borough has begun experiencing delays in programming and decreases in revenues. As indicated in these financials the Borough is fortunate to have healthy reserves to ensure that it has the capacity to operate during the pandemic. The Borough continues to monitor the impact of COVID-19 and is making the necessary adjustments to ensure it maintains financial stability.

The Borough will continue to face the challenges of meeting a balanced budget, particularly in the general fund, as fixed expenditures for core essential services continually increase and local tax revenue is limited either by state law or infrequent real property reassessments.

The Borough has also taken on the responsibility for funding numerous major capital projects including the Carlisle Urban Redevelopment Plan as well as significant improvements to our streets and highways and our aging water distribution and sewer collection infrastructure.

General Fund. Cash reserves have remained relatively stable over the past year. The Borough proceeds conservatively when preparing budgets and making long-term projections. Elected officials and management take into consideration local, state, and national economic and governmental conditions. Over the long-haul revenue growth is expected to remain sluggish. The Borough does not expect revenue sources to increase especially due to the impact of the COVID-19 Pandemic on the economy. The Borough will likely see expenditures steadily increase. Over the next several years, the Borough will work diligently to ameliorate the effects of this trend.

Water Fund. The water fund remains financially stable but under stress due to the primary concern for the aging infrastructure of the distribution system. Water rates were adjusted three percent in 2017, four percent in 2018, and budgeted to have an increase of 3.54% in the 2020 budget. Based on a completed rate study during 2018, it was determined that the Borough currently had sufficient resources that did not require a rate increase for 2019. Going forward the Borough can anticipate occasional rate increases to meet the demand of necessary capital improvements. In the meantime, cash reserves for the fund remain above 50% of annual operating expenses.

Stormwater Fund. The stormwater fund was established in 2019 and will be utilized to account for the financing of stormwater management and related services as they relate to the Borough, its residents, business establishments and various customers within the proximity of the Borough. The 2020 budget reflected no planned increase to the existing stormwater management service charge. The Borough will continue to evaluate the needs of the new fund as well as the required capital outlay needed for proper stormwater management to determine if any future rate increases are needed.

Sewer Fund. Cash reserves are currently above 50% of annual operating expense; however, without substantial annual rate increases, sewer fund revenue may not be able to keep up with anticipated operating and capital costs. Based on a 2014 study a ten-year capital improvement plan was developed. Current estimates suggest it may cost between \$30 - \$50 million dollars to complete necessary system improvements. The Borough increased sewer rates by four percent in 2017, three percent in 2018, three percent in 2019, and budgeted an increase of 3.35% in the 2020 budget to prepare this fund for future capital expenses. Based on the completed rate study in 2018, the Borough can anticipate occasional rate increases to meet the demand of necessary capital improvements.

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

The Parking Fund. The parking fund continues to operate as a self-sustaining enterprise fund. In 2014 parking violations were increased from \$ 5 to \$ 15. Monthly garage lease fees were increased and there have been inflationary increases to most of the Borough's leased parking. The Borough has continued implementing elements of the 2014 parking plan including stepped-up parking garage maintenance and parking lot upgrades. At the end of 2019 into the beginning of 2020 the Borough installed Smart Parking Meters in the downtown which offer customers the option to electronically pay. Cash reserves continue to be in excess of 50% of annual operating expenses.

Requests for Information

This report is designed to provide a general overview of the finances of the Borough of Carlisle, Pennsylvania for residents, taxpayers, and others with an interest in the Borough's financial operations. Questions concerning any of the information provided in this report or requests for additional information should be directed to Richard JT Juday, Director of Finance, Borough of Carlisle, 53 West South Street, Carlisle, Pennsylvania 17013.

BASIC FINANCIAL STATEMENTS

BOROUGH OF CARLISLE
Statement of Net Position
December 31, 2019

	Primary Government			Discretely Presented
	Governmental	Business-Type	Total	Component Unit
	Activities	Activities		Carlisle Borough Municipal Authority
ASSETS				
Current assets				
Cash and cash equivalents	\$ 17,952,636	\$ 15,659,333	\$ 33,611,969	\$ 68,139
Investments	980,327	1,127,903	2,108,230	-
Receivables				
Taxes receivable, net	1,044,778	-	1,044,778	-
Accounts receivable - billed	-	1,152,482	1,152,482	-
Accounts receivable - unbilled	-	1,743,427	1,743,427	-
Other	413,710	1,117,274	1,530,984	21,553
Internal balances	(7,074,372)	7,074,372	-	-
Prepaid expenses	37,723	9,630	47,353	-
Inventories	78,808	387,053	465,861	-
Total current assets	13,433,610	28,271,474	41,705,084	89,692
Noncurrent assets				
Loan receivable	200,000	-	200,000	-
Net pension asset	818,579	143,496	962,075	-
Capital assets not being depreciated				
Land	1,292,633	504,102	1,796,735	-
Construction in progress	4,695,213	8,595,609	13,290,822	-
Capital assets net of accumulated depreciation				
Buildings and system	3,527,427	15,093,284	18,620,711	-
Improvements other than buildings	5,694,110	2,278,701	7,972,811	-
Machinery and equipment	2,873,318	17,288,555	20,161,873	-
Infrastructure	4,023,664	-	4,023,664	-
Total noncurrent assets	23,124,944	43,903,747	67,028,691	-
Total assets	36,558,554	72,175,221	108,733,775	\$ 89,692
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to net pension asset	309,038	58,085	367,123	-
Deferred outflows related to total OPEB liability	74,073	-	74,073	-
Deferred charge on bond refunding	37,720	24,692	62,412	-
Total deferred outflows of resources	420,831	82,777	503,608	-
Total assets and deferred outflows of resources	\$ 36,979,385	\$ 72,257,998	\$ 109,237,383	\$ 89,692
LIABILITIES				
Current liabilities				
Accounts payable	\$ 213,289	\$ 959,320	\$ 1,172,609	\$ 77,213
Deposits	372,595	314,965	687,560	-
Accrued wages and withholdings	151,425	72,337	223,762	-
Accrued interest expense	53,151	179,703	232,854	-
Short-term liabilities: Due within one year				
Bonds and notes payable	657,132	1,866,343	2,523,475	-
Compensated absences	259,655	105,625	365,280	-
Total current liabilities	1,707,247	3,498,293	5,205,540	77,213
Noncurrent liabilities				
Long-term liabilities: Due in more than one year				
Bonds and notes payable	7,835,420	25,363,434	33,198,854	-
Compensated absences	514,488	209,289	723,777	-
Total OPEB liability	1,407,120	-	1,407,120	-
Total noncurrent liabilities	9,757,028	25,572,723	35,329,751	-
Total liabilities	11,464,275	29,071,016	40,535,291	77,213
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to net pension asset	1,784,411	423,281	2,207,692	-
Deferred inflows related to total OPEB liability	25,526	-	25,526	-
Total deferred inflows of resources	1,809,937	423,281	2,233,218	-
NET POSITION				
Net investment in capital assets	14,451,032	23,163,967	37,614,999	-
Restricted				
Highway improvements	1,389,892	-	1,389,892	-
Police activities	27,983	-	27,983	-
Capital projects	1,335,550	-	1,335,550	-
Grants and contributions	53,735	-	53,735	-
Unrestricted	6,446,981	19,599,734	26,046,715	12,479
Total net position	23,705,173	42,763,701	66,468,874	12,479
Total liabilities, deferred inflows of resources and net position	\$ 36,979,385	\$ 72,257,998	\$ 109,237,383	\$ 89,692

BOROUGH OF CARLISLE
Statement of Activities
Year Ended December 31, 2019

					Net (Expense) Revenue and Changes in Net Position			
								Discretely Presented
					Primary Government			Component Unit
Program Revenue								
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Carlisle Borough Municipal Authority
PRIMARY GOVERNMENT								
Governmental activities								
General government	\$ 1,865,486	\$ 340,690	\$ 330,735	\$ 24,500	\$ (1,169,561)	\$ -	\$ (1,169,561)	\$ -
Public safety	5,928,270	424,453	305,611	990	(5,197,216)	-	(5,197,216)	-
Public services	2,031,313	45,603	186,222	1,386,932	(412,556)	-	(412,556)	-
Culture and recreation	1,131,263	348,767	136,546	43,179	(602,771)	-	(602,771)	-
Community development	306,343	-	281,136	-	(25,207)	-	(25,207)	-
Interest and amortization expense	243,695	-	-	-	(243,695)	-	(243,695)	-
Total governmental activities	11,506,370	1,159,513	1,240,250	1,455,601	(7,651,006)	-	(7,651,006)	-
Business-type activities								
Water	3,850,851	4,450,198	-	-	-	599,347	599,347	-
Sewer	5,741,796	6,291,347	-	2,419,064	-	2,968,615	2,968,615	-
Parking	524,341	708,443	-	-	-	184,102	184,102	-
Solid Waste	826,622	880,195	112,186	-	-	165,759	165,759	-
Stormwater	581,219	1,148,962	96,842	-	-	664,585	664,585	-
Total business-type activities	11,524,829	13,479,145	209,028	2,419,064	-	4,582,408	4,582,408	-
Total primary government	\$ 23,031,199	\$ 14,638,658	\$ 1,449,278	\$ 3,874,665	\$ (7,651,006)	\$ 4,582,408	\$ (3,068,598)	\$ -
DISCRETELY PRESENTED COMPONENT UNIT								
Carlisle Borough Municipal Authority	\$ 189,545	\$ 189,545	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General revenues and transfers								
Taxes								
Property taxes, levied for general purposes					\$ 5,122,842	\$ -	\$ 5,122,842	\$ -
Real estate transfer tax					377,589	-	377,589	-
Earned income tax					2,119,181	-	2,119,181	-
Local services tax					783,933	-	783,933	-
Other taxes					76,504	-	76,504	-
Unrestricted investment earnings					233,038	483,019	716,057	84
Miscellaneous revenues					259,156	30,351	289,507	-
Transfers					(43,505)	43,505	-	-
Total general revenues and transfers					8,928,738	556,875	9,485,613	84
Change in net position					1,277,732	5,139,283	6,417,015	84
Net position - beginning, as restated					22,427,441	37,624,418	60,051,859	12,395
Net position - ending					\$ 23,705,173	\$ 42,763,701	\$ 66,468,874	\$ 12,479

BOROUGH OF CARLISLE
Balance Sheet - Governmental Funds
December 31, 2019

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 15,755,805	\$ 778,956	\$ 1,417,875	\$ 17,952,636
Investments	980,327	-	-	980,327
Taxes receivable, net	1,044,778	-	-	1,044,778
Due from other funds	755,765	911,916	-	1,667,681
Other receivables	123,415	265,986	24,309	413,710
Inventories	78,808	-	-	78,808
Prepaid items	37,723	-	-	37,723
Loan receivable - long term	200,000	-	-	200,000
Total assets	<u>\$ 18,976,621</u>	<u>\$ 1,956,858</u>	<u>\$ 1,442,184</u>	<u>\$ 22,375,663</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 161,590	\$ 51,699	\$ -	\$ 213,289
Due to other funds	8,365,083	352,661	24,309	8,742,053
Accrued wages, benefits and withholdings	151,425	-	-	151,425
Deposits payable	372,595	-	-	372,595
Total liabilities	<u>9,050,693</u>	<u>404,360</u>	<u>24,309</u>	<u>9,479,362</u>
Deferred Inflows of Resources				
Unavailable revenue	<u>567,361</u>	<u>216,948</u>	<u>-</u>	<u>784,309</u>
Fund balances				
Nonspendable	316,531	-	-	316,531
Spendable fund balance				
Restricted	53,735	1,335,550	1,417,875	2,807,160
Committed	597,878	-	-	597,878
Assigned	985,233	-	-	985,233
Unassigned	7,405,190	-	-	7,405,190
Total fund balances	<u>9,358,567</u>	<u>1,335,550</u>	<u>1,417,875</u>	<u>12,111,992</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 18,976,621</u>	<u>\$ 1,956,858</u>	<u>\$ 1,442,184</u>	<u>\$ 22,375,663</u>

BOROUGH OF CARLISLE**Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2019**

Total fund balance - governmental funds \$ 12,111,992

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund financial statements, but are reported in the governmental activities of the Statement of Net Position.

Property and equipment	79,704,094	
Accumulated depreciation	<u>(57,597,729)</u>	
		22,106,365

Taxes receivable will be collected in the future, but are not available soon enough to pay for the current period's expenditures, and therefore are not recorded in the fund financial statements. Also, the governmental activities taxes receivable are reported net of an allowance for uncollectable taxes.

567,361

Grants receivable will be collected in the future, but are not available soon enough to pay for the current period's expenditures, and therefore are not recorded in the fund financial statements.

216,948

The net pension asset is not available in the current period and is not included in the balance sheet of governmental funds, but is included in the governmental activities of the Statement of Net Position. The noncurrent asset and related deferred inflows and outflows of resources consist of:

Net pension asset	818,579	
Deferred outflows related to net pension asset	309,038	
Deferred inflows related to net pension asset	<u>(1,784,411)</u>	
		(656,794)

The total OPEB liability is not available in the current period and is not included in the balance sheet of governmental funds, but is included in the governmental activities of the Statement of Net Position. The noncurrent asset and related deferred inflows and outflows of resources consist of:

Total OPEB liability	(1,407,120)	
Deferred outflows related to total OPEB liability	74,073	
Deferred inflows related to total OPEB liability	<u>(25,526)</u>	
		(1,358,573)

Noncurrent liabilities are not due and payable in the current period and are not included in the balance sheet of governmental funds, but are included in the governmental activities of the Statement of Net Position. Noncurrent liabilities and related deferred outflows of resources consist of:

Bonds and notes payable, net	(8,492,552)	
Accrued interest expense	(53,151)	
Deferred charge on bond refunding	37,720	
Compensated absences	<u>(774,143)</u>	
		<u>(9,282,126)</u>

Total net position - governmental activities \$ 23,705,173

BOROUGH OF CARLISLE
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended December 31, 2019

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 8,497,054	\$ -	\$ -	\$ 8,497,054
Licenses and permits	597,215	-	-	597,215
Fees and fines	116,636	-	-	116,636
Investment earnings	166,610	28,761	37,667	233,038
Rents	87,145	-	-	87,145
Intergovernmental	858,440	45,045	847,735	1,751,220
Charges for services	288,045	-	-	288,045
Contributions and miscellaneous	223,054	-	-	223,054
Proceeds from refunds/reimbursements	228,954	5,204	-	234,158
Total revenues	<u>11,063,153</u>	<u>79,010</u>	<u>885,402</u>	<u>12,027,565</u>
EXPENDITURES				
General government				
Borough council	14,655	-	-	14,655
Borough manager	80,471	-	-	80,471
Finance department	88,137	-	-	88,137
Tax collection	139,086	-	-	139,086
Personnel administration	21,383	-	-	21,383
Data processing	45,841	-	-	45,841
Legal services	19,585	-	-	19,585
Insurance premiums	265,535	-	-	265,535
Employee benefits (unallocated)	571,301	-	-	571,301
Buildings and plants	8,341	50,844	-	59,185
Public safety				
Police department	4,145,037	82,726	-	4,227,763
Fire department	949,583	-	-	949,583
Codes department	334,321	810,147	-	1,144,468
Public works				
Stormwater	8,724	-	-	8,724
Highways	1,304,528	295,145	554,463	2,154,136
Engineering	74,495	-	-	74,495
Parks and recreation	966,568	50,549	-	1,017,117
Conservation and community development	96,925	171,608	209,418	477,951
Debt service				
Principal	328,259	99,755	-	428,014
Interest and fiscal charges	176,789	117,590	-	294,379
Total expenditures	<u>9,639,564</u>	<u>1,678,364</u>	<u>763,881</u>	<u>12,081,809</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,423,589</u>	<u>(1,599,354)</u>	<u>121,521</u>	<u>(54,244)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	-	934,077	-	934,077
Proceeds from sale of capital assets	45,689	-	-	45,689
Transfers in	72,738	673,127	-	745,865
Transfers out	(674,147)	-	(71,718)	(745,865)
Total other financing sources and uses	<u>(555,720)</u>	<u>1,607,204</u>	<u>(71,718)</u>	<u>979,766</u>
Net change in fund balances	867,869	7,850	49,803	925,522
Fund balances - beginning	<u>8,490,698</u>	<u>1,327,700</u>	<u>1,368,072</u>	<u>11,186,470</u>
Fund balances - ending	<u>\$ 9,358,567</u>	<u>\$ 1,335,550</u>	<u>\$ 1,417,875</u>	<u>\$ 12,111,992</u>

BOROUGH OF CARLISLE
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Year Ended December 31, 2019

Net change in fund balances - total governmental funds **\$ 925,522**

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense differs from capital outlays in the period.

Depreciation expense	(1,320,575)	
Capital outlays	<u>1,977,636</u>	657,061

Because some taxes will not be collected within the first several months after the Borough's fiscal year end, they are not considered as "available" revenues in the governmental funds. The difference in tax revenues is:

(30,214)

Because some grants will not be collected within the first several months after the Borough's fiscal year end, they are not considered as "available" revenues in the governmental funds. The difference in grant revenues is:

170,659

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

428,015

The issuance of general obligation notes provides current financial resources to governmental funds, but has no effect on net position. The amount includes note related items at the time of issuance.

(934,077)

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due. The difference in interest accrued in the statement of activities compared to the amount due is shown here. The amount also includes the amortization of deferred charge on bond refunding.

50,683

Total Other Post Employment Benefits (OPEB) liability does not require the use of current financial resources and, therefore, is not reported as an expense in the governmental funds.

2,772

Net pension asset and related deferred inflows and outflows of resources do not require the use of current financial resources and therefore is not reported as an expenditure in the governmental funds.

32,721

In the statement of activities, compensated absences are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year the net amount incurred or (used) was:

(25,410)

Change in net position - governmental activities		<u>\$ 1,277,732</u>
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BOROUGH OF CARLISLE
Statement of Net Position - Proprietary Funds
December 31, 2019

	Enterprise Funds					
	Water Fund	Sewer Fund	Parking Fund	Stormwater Fund	Other Enterprise Fund	Total
ASSETS						
Current assets						
Cash and cash equivalents	\$ 5,480,811	\$ 7,965,039	\$ 1,276,516	\$ 534,149	\$ 402,818	\$ 15,659,333
Investments	332,053	674,634	121,216	-	-	1,127,903
Accounts receivable						
Billed	377,867	658,281	-	116,334	-	1,152,482
Unbilled	660,118	801,532	-	281,777	-	1,743,427
Other receivables	9,776	992,818	3,719	54,609	56,352	1,117,274
Due from other funds	3,722,373	3,509,993	333,197	-	154,614	7,720,177
Inventories	132,076	200,747	17,251	4,984	31,995	387,053
Prepaid expenses	4,672	4,958	-	-	-	9,630
Total current assets	10,719,746	14,808,002	1,751,899	991,853	645,779	28,917,279
Noncurrent assets						
Net pension asset	49,975	78,605	3,869	10,006	1,041	143,496
Capital assets						
Land	11,963	166,938	325,201	-	-	504,102
Buildings and system, net	7,011,823	7,050,773	925,250	98,065	7,373	15,093,284
Improvements other than buildings, net	1,841,494	107,820	329,387	-	-	2,278,701
Machinery and equipment, net	2,674,406	14,310,824	270,069	21,512	11,744	17,288,555
Construction in progress	145,554	8,419,399	-	11,350	19,306	8,595,609
Total noncurrent assets	11,735,215	30,134,359	1,853,776	140,933	39,464	43,903,747
Total assets	22,454,961	44,942,361	3,605,675	1,132,786	685,243	72,821,026
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pension asset	15,101	23,752	4,191	14,727	314	58,085
Deferred charge on bond refunding	8,594	6,349	9,749	-	-	24,692
Total deferred outflows of resources	23,695	30,101	13,940	14,727	314	82,777
Total assets and deferred outflows of resources	\$ 22,478,656	\$ 44,972,462	\$ 3,619,615	\$ 1,147,513	\$ 685,557	\$ 72,903,803
LIABILITIES						
Current liabilities						
Accounts payable and deposits	\$ 73,543	\$ 962,469	\$ 180,655	\$ 6,884	\$ 50,734	\$ 1,274,285
Accrued wages payable	26,767	37,652	3,050	4,818	50	72,337
Accrued interest payable	71,732	100,444	6,953	-	574	179,703
Due to other funds	173,749	93,249	12,429	366,173	205	645,805
Compensated absences - current	30,926	63,055	756	10,888	-	105,625
Bonds, notes and loans payable - current	740,094	1,004,765	116,597	-	4,887	1,866,343
Total current liabilities	1,116,811	2,261,634	320,440	388,763	56,450	4,144,098
Noncurrent liabilities						
Compensated absences	61,278	124,940	1,498	21,573	-	209,289
Bonds, notes and loans payable	8,846,830	15,712,730	726,701	-	77,173	25,363,434
Total noncurrent liabilities	8,908,108	15,837,670	728,199	21,573	77,173	25,572,723
Total liabilities	10,024,919	18,099,304	1,048,639	410,336	133,623	29,716,821
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pension asset	146,603	233,068	10,796	27,920	4,894	423,281
Total deferred inflows of resources	146,603	233,068	10,796	27,920	4,894	423,281
NET POSITION						
Net investment in capital assets	5,851,435	16,050,538	1,081,807	130,427	49,760	23,163,967
Unrestricted	6,455,699	10,589,552	1,478,373	578,830	497,280	19,599,734
Total net position	12,307,134	26,640,090	2,560,180	709,257	547,040	42,763,701
Total liabilities, deferred inflows of resources and net position	\$ 22,478,656	\$ 44,972,462	\$ 3,619,615	\$ 1,147,513	\$ 685,557	\$ 72,903,803

BOROUGH OF CARLISLE**Statement of Revenue, Expenses, and Changes in Fund Net Position- Proprietary Funds**
Year Ended December 31, 2019

	Enterprise Funds					Total
	Water Fund	Sewer Fund	Parking Fund	Stormwater Fund	Other Enterprise Fund	
OPERATING REVENUES						
Charges for services	\$ 4,282,239	\$ 6,082,226	\$ 707,723	\$ 1,148,962	\$ 872,575	\$ 13,093,725
OPERATING EXPENSES						
Administrative	901,145	803,751	344,463	491,820	23,449	2,564,628
Insurance premiums	76,490	161,437	7,621	-	-	245,548
Employee benefits	218,282	382,867	19,876	64,628	-	685,653
Payroll taxes - employer's portion	62,870	96,566	8,439	12,933	1,831	182,639
Plants	1,115,353	1,413,806	-	-	-	2,529,159
Plant labs	123,046	400,246	-	-	-	523,292
Distribution/collection	319,401	283,244	-	-	792,229	1,394,874
Maintenance	16,064	143,828	-	9,465	-	169,357
Depreciation	746,996	1,622,776	117,222	2,373	6,349	2,495,716
Total operating expenses	3,579,647	5,308,521	497,621	581,219	823,858	10,790,866
Operating income	702,592	773,705	210,102	567,743	48,717	2,302,859
NONOPERATING REVENUES (EXPENSES)						
Tap fees	-	209,121	-	-	-	209,121
Interest and investment revenue	178,010	269,325	28,038	1,167	6,479	483,019
Miscellaneous revenue	182,354	14,272	3,253	-	7,620	207,499
Intergovernmental	-	-	-	96,842	112,186	209,028
Interest expense and debt issuance costs	(271,204)	(433,275)	(27,569)	-	(2,764)	(734,812)
Total nonoperating revenues (expenses)	89,160	59,443	3,722	98,009	123,521	373,855
Income before transfers and capital contributions	791,752	833,148	213,824	665,752	172,238	2,676,714
Capital contributions and grants	-	2,419,064	-	43,505	-	2,462,569
Transfers in	19,338	-	-	-	-	19,338
Transfers out	-	(19,338)	-	-	-	(19,338)
Change in net position	811,090	3,232,874	213,824	709,257	172,238	5,139,283
Total net position - beginning, as restated	11,496,044	23,407,216	2,346,356	-	374,802	37,624,418
Total net position - ending	\$ 12,307,134	\$ 26,640,090	\$ 2,560,180	\$ 709,257	\$ 547,040	\$ 42,763,701

BOROUGH OF CARLISLE
Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2019

	Enterprise Funds					Total
	Water Fund	Sewer Fund	Parking Fund	Stormwater Fund	Other Enterprise Fund	
Cash flows from operating activities						
Receipts from customers	\$ 4,545,652	\$ 5,604,342	\$ 710,299	\$ 739,747	\$ 950,225	\$ 12,550,265
Receipts from customer deposits	-	6,451	-	-	-	6,451
Payments to suppliers	(1,692,424)	(1,931,033)	(224,883)	(1,691)	(806,149)	(4,656,180)
Payments to and on behalf of employees	(1,127,099)	(1,762,197)	(139,855)	(169,116)	(26,490)	(3,224,757)
Net cash provided (used) by operating activities	<u>1,726,129</u>	<u>1,917,563</u>	<u>345,561</u>	<u>568,940</u>	<u>117,586</u>	<u>4,675,779</u>
Cash flows from capital and related financing activities						
Purchase of capital assets	(1,052,133)	(7,823,008)	(11,821)	(132,964)	(19,306)	(9,039,232)
Proceeds from sale of capital assets	-	120	-	-	-	120
Proceeds from capital contributions and grants	-	2,400,857	-	97,006	-	2,497,863
Proceeds from tap fees	-	209,121	-	-	-	209,121
Principal paid on capital debt	(605,287)	(1,173,130)	(66,007)	-	(4,561)	(1,848,985)
Interest and fiscal charges paid on capital debt	(345,780)	(516,144)	(32,045)	-	(2,952)	(896,921)
Net cash provided (used) by capital and related financing activities	<u>(2,003,200)</u>	<u>(6,902,184)</u>	<u>(109,873)</u>	<u>(35,958)</u>	<u>(26,819)</u>	<u>(9,078,034)</u>
Cash flows from non-capital financing activities						
Grants/state aid received	-	-	-	-	50,969	50,969
Transfer from other funds	19,338	-	-	-	-	19,338
Transfer to other funds	-	(19,338)	-	-	-	(19,338)
Net cash provided (used) by non-capital financing activities	<u>19,338</u>	<u>(19,338)</u>	<u>-</u>	<u>-</u>	<u>50,969</u>	<u>50,969</u>
Cash flows from investing activities						
Purchase of investments	(193,939)	(394,035)	(70,803)	-	-	(658,777)
Interest and dividends received	97,221	762,793	22,976	1,167	4,498	888,655
Net cash provided (used) by investing activities	<u>(96,718)</u>	<u>368,758</u>	<u>(47,827)</u>	<u>1,167</u>	<u>4,498</u>	<u>229,878</u>
Net increase in cash and cash equivalents	<u>(354,451)</u>	<u>(4,635,201)</u>	<u>187,861</u>	<u>534,149</u>	<u>146,234</u>	<u>(4,121,408)</u>
Cash and cash equivalents - beginning of the year	<u>5,835,262</u>	<u>12,600,240</u>	<u>1,088,655</u>	<u>-</u>	<u>256,584</u>	<u>19,780,741</u>
Cash and cash equivalents - end of the year	<u>\$ 5,480,811</u>	<u>\$ 7,965,039</u>	<u>\$ 1,276,516</u>	<u>\$ 534,149</u>	<u>\$ 402,818</u>	<u>\$ 15,659,333</u>

BOROUGH OF CARLISLE
Statement of Cash Flows - Proprietary Funds (Continued)
Year Ended December 31, 2019

	Enterprise Funds					Other Enterprise Funds	Total
	Water Fund	Sewer Fund	Parking Fund	Stormwater Fund			
Reconciliation of income from operations to net cash provided (used) by operating activities							
Operating income	\$ 702,592	\$ 773,705	\$ 210,102	\$ 567,743	\$ 48,717	\$	2,302,859
Adjustments to reconcile operating income to net cash provided (used) by operating activities:							
Depreciation and amortization expense	746,996	1,622,776	117,222	2,373	6,349		2,495,716
Miscellaneous nonoperating activities	182,354	14,152	3,253	43,505	7,620		250,884
(Increase) decrease in:							
Accounts receivable	21,380	246,179	-	(398,111)	-		(130,552)
Due from other funds	(394)	(394)	-	-	-		(788)
Other receivables	9,283	(738,215)	(677)	(54,609)	70,030		(714,188)
Inventories	28,811	(8,634)	(221)	(4,984)	(11,034)		3,938
Prepaid expenses	(2,559)	(2,399)	-	-	-		(4,958)
Increase (decrease) in:							
Accounts payable	(40,877)	(7,361)	4,292	6,384	(3,373)		(40,935)
Customer deposits	-	6,451	-	-	-		6,451
Due to other funds	50,397	(1)	10,000	366,173	165		426,734
Accrued wages payable	4,747	4,863	464	4,818	(418)		14,474
Compensated absences	23,887	7,830	1,980	32,461	-		66,158
Net pension asset and related items	(488)	(1,389)	(854)	3,187	(470)		(14)
Net cash provided (used) by operating activities	<u>\$ 1,726,129</u>	<u>\$ 1,917,563</u>	<u>\$ 345,561</u>	<u>\$ 568,940</u>	<u>\$ 117,586</u>		<u>\$ 4,675,779</u>
Supplemental schedule of non-cash capital and related financing activities							
Capital contributions and change in grants receivable	\$ -	\$ (32,189)	\$ -	\$ -	\$ -		\$ (32,189)

BOROUGH OF CARLISLE
Statement of Fiduciary Net Position
December 31, 2019

	Pension Trust Funds	Private Purpose Trust Fund	Custodial Fund
ASSETS			
Cash and cash equivalents	\$ 650,337	\$ 2,207	\$ 391,552
Accrued interest receivable	846	250	-
Accounts receivable	-	-	288
Fixed income mutual funds	9,922,683	140,999	-
Mutual funds	20,075,110	82,849	-
Total assets	<u>\$ 30,648,976</u>	<u>\$ 226,305</u>	<u>\$ 391,840</u>
LIABILITIES			
Accounts payable	\$ -	\$ 49,038	\$ -
Due to other governments	-	-	391,840
Total liabilities	<u>-</u>	<u>49,038</u>	<u>391,840</u>
NET POSITION			
Net position restricted for pensions	30,648,976	-	-
Held in trust for benefits and other purposes	-	177,267	-
Total net position	<u>30,648,976</u>	<u>177,267</u>	<u>-</u>
Total liabilities and net position	<u>\$ 30,648,976</u>	<u>\$ 226,305</u>	<u>\$ 391,840</u>

BOROUGH OF CARLISLE
Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2019

	Pension Trust Funds	Private Purpose Trust Fund	Custodial Fund
ADDITIONS			
Contributions			
Employer	\$ 702,758	\$ -	\$ -
Plan members	181,002	-	-
Total contributions	<u>883,760</u>	<u>-</u>	<u>-</u>
Investment earnings			
Net appreciation (depreciation) in fair value of investments	4,552,367	20,451	-
Interest and dividends	701,820	6,980	8,014
Investment activity expense	(84,640)	-	-
Total net investment earnings	<u>5,169,547</u>	<u>27,431</u>	<u>8,014</u>
Tax collections	-	-	23,982,577
Total net additions (depreciation)	<u>6,053,307</u>	<u>27,431</u>	<u>23,990,591</u>
DEDUCTIONS			
Benefits	1,459,254	3,663	-
Administrative	53,655	4,319	-
Miscellaneous expense	-	24,696	-
Tax remittances to other governments	-	-	23,990,591
Total deductions	<u>1,512,909</u>	<u>32,678</u>	<u>23,990,591</u>
Change in net position	4,540,398	(5,247)	-
Net position - beginning, as restated	26,108,578	182,514	-
Net position - ending	<u>\$ 30,648,976</u>	<u>\$ 177,267</u>	<u>\$ -</u>

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The financial statements of the Borough of Carlisle, Pennsylvania, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The government's more significant accounting policies are described below.

Reporting Entity

Governmental Accounting Standards Board (GASB) Statements define the criteria used to determine the composition of the reporting entity. These standards require that the reporting entity include (1) the primary government; (2) organizations for which the primary government is financially accountable; (3) organizations that are fiscally dependent on the primary government and a financial benefit or burden exists, and (4) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Borough is not a component unit of any other entities.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens, on the primary government. A primary government may also be financially accountable for the governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation in some manner for the debt of the organization; or (c) is obligated in some manner for the debt of the organization.

Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government.

Based upon the application of these criteria, the following component unit is reported discretely as it does not satisfy the blending criteria of GASB No. 14, as amended by GASB No. 61 and 80:

The Carlisle Borough Municipal Authority (the "Authority") is governed by a board appointed by Borough Council. The Authority owns portions of the water system which services almost entirely the Borough of Carlisle. The Borough leases the system for a fixed rental fee of \$ 1 per year. The term of the lease renews on a yearly basis until terminated by

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

either party. Under the terms of the lease, the Borough conducts all operations of the water system including the financing of all capital improvements and setting of the water rates. The Authority currently has no employees. The Borough can impose its will on the Authority with its ability to approve budgets, approve and modify water rates and provides all employees for the operation of the system.

Under Pennsylvania Borough code, Boroughs are unable to provide water and sewer services directly to customers outside of Borough limits. The Borough provides water services to a number of customers outside of Borough limits through the Municipal Authority. The Borough provides the water service to the customers through the overall operation of the water system and bills the customers directly for this service. To provide for requirements of Borough Code, the Borough turns over the collection of the receipts from these customers outside Borough limits to the Municipal Authority and in turn bills the Municipal Authority the same amount for the purchase of the water.

As a result of the fact the Authority provides services to the citizens and not directly to the Borough, the Authority is included in these financial statements as a discretely presented component unit. Separately issued financial statements of the Authority can be obtained by contacting management of the Borough.

Fund Accounting

The accounts of the Borough are organized on the basis of funds, 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenue, and expenditures/expenses. The various funds of the primary government (including the blended component unit) are grouped into the categories of governmental, proprietary, and fiduciary.

Governmental Funds

Governmental Funds are those through which most governmental functions of the Borough are financed. The measurement focus is on the flow of expendable resources, rather than on net earnings determination.

The Borough reports the following as major governmental funds:

General Fund - The General Fund is the general operating fund of the Borough. This fund is used to account for all financial transactions except those required to be accounted for in another fund. This is a budgeted fund, and any unrestricted fund balances are considered as resources available for use.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

The Borough reports the following non-major governmental funds:

Special Revenue Funds - These funds are used to account for proceeds of specific revenue sources used to finance specific activities as required by law or administrative regulation. The Borough has the following Special Revenue Funds:

Community Development Block Grant is used to account for community development block grants received and the program funds are restricted to be used to fight urban blight and decay through structural rehabilitation of area homes and businesses and community improvement projects.

Highway Aid Fund is used to account for state liquid fuels tax revenue that is restricted to be used for building, improving, and maintaining local roads and bridges.

Asset Forfeiture Fund is used to account for restricted funds received related to asset forfeitures recovered by the police department that can only be spent on police activities.

Proprietary Funds

These funds are used to account for the financing of services to the general public where all or most of the costs involved are paid in the form of charges to the users of such services. The focus of proprietary funds is on the determination of net earnings and capital maintenance. The Borough has no internal service funds and only utilizes enterprise funds as described below. No allowance for bad debts is deemed necessary by management for receivables of the proprietary funds based on past experience, the ability to file liens, and a review of current receivables.

The Borough reports the following as major enterprise funds:

Water Fund - Provide water and related services, including laboratory analysis, to the Borough of Carlisle, its residents, business establishments and various customers within the proximity of the Borough.

Sewer Fund - Provide wastewater treatment services, including laboratory analysis, for the Borough of Carlisle, its residents, commercial establishments, and various customers located within the proximity of the Borough.

Parking Fund - Regulates and controls vehicle parking throughout the Borough of Carlisle.

Stormwater Fund - provides stormwater management services, including the collection and conveyance of stormwater, for the Borough of Carlisle, its residents, business establishments and various customers within the proximity of the Borough.

The Borough reports the following as a non-major enterprise funds:

Solid Waste Fund - provides recycling and trash removal for the Borough of Carlisle, its residents and commercial establishments throughout the Borough.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

Fiduciary Funds

During the year ended December 31, 2019, the Borough implemented GASB 84 and GASB 97 for fiduciary reporting and component unit criteria. These standards provide guidance for the identification of fiduciary activities for accounting and financial reporting purposes and how these activities should be reported. It was determined that the previously reported pension trust fund for the 401A management pension plan described further in Note 1 should no longer be reported as a fiduciary activity of the Borough.

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension and other postemployment trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the Borough under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Borough's own programs. Custodial funds are used to report fiduciary funds not required to be reported in other fiduciary fund types.

The Borough's Pension Trust Funds consist of:

Police Pension Trust Fund – Accounts for the accumulation of resources for pension benefit payments to qualified public safety (police) employees.

Non-Uniformed Pension Trust Fund – Accounts for the accumulation of resources for pension benefit payments to qualified non-uniformed employees.

The Borough maintains a Private Purpose Trust Fund, which consists of:

Cemetery Trust Fund – Accounts for the maintenance of the Borough cemetery.

The Borough maintains a Custodial Fund, which consists of:

Tax Collection Fund – Accounts for the collection of and disbursement of certain real estate taxes on behalf of other governmental entities.

Basis of Presentation

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the Borough as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the Borough that are governmental and those that are considered business-type activities. The primary government is reported separately from the legally separate discretely presented component unit for which the primary government is financially accountable.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financials but differs from the manner in which governmental fund financials are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and statements for governmental funds.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Borough, and for each function or program of the Borough's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods or services offered by the program and grants and contributions that are restricted to meeting the operation or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Borough, with certain limited exceptions. The comparison of direct expenses and program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Borough.

Fund Financial Statements – Fund financial statements report detailed information about the Borough. The focus of the governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The major fund concept does not apply to fiduciary funds and they are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, deferred outflows of resources, current liabilities, deferred inflows of resources, and a statement of revenues, expenditures, and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the statement of net position. The statement of revenue, expenses, and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the Borough finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (total assets and deferred outflows of resources less total liabilities and deferred inflows of resources) is used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net position. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the statement of net position.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers tax revenue to be available if collected within 60 days of the end of the fiscal period. Revenues from federal, state, and other grants designated for payment of specific Borough expenditures are recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as unearned revenues until earned. If time requirements are not met, a deferred inflow of resources would be recorded. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Cash, Cash Equivalents, and Investments

Cash and cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and include investments with original maturities of three months or less. Investments include certificate of deposit with an original maturity greater than three months. Investments are stated at market value. Accrued interest is included with receivables on the statement of net position/balance sheet.

The Borough invests in funds with the Pennsylvania Local Government Investment Trust (PLGIT). PLGIT operates and is authorized under the Intergovernmental Cooperation Act of 1972. Investments in these funds have a daily liquidity and are valued at amortized cost which approximates fair value.

These funds invest in federal securities backed by the full faith and credit of the United States Government, in agencies, instrumentalities and subdivisions of the Commonwealth of Pennsylvania and backed by the full faith and credit of the Commonwealth, and certificates of deposit which are insured by the Federal Insurance Corporation or which are collateralized as provided by law of Act 72 of 1971.

Statement of Cash Flows

For purposes of the statement of cash flows presented for proprietary funds, the Borough considers all highly-liquid debt instruments, including restricted assets, with maturities of three months or less when purchased, to be cash equivalents.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventories are valued using the FIFO (first in first out) cost method. Inventories recorded in the various funds consist of expendable supplies held for consumption or resale. In the General Fund, the cost is recorded as an expenditure at the time inventory items are purchased. The nonspendable fund balance for inventories is established to indicate that a portion of the fund balance is not available for future expenditures. Inventories in the proprietary funds are recorded as expenses when the inventory items are consumed.

Prepaid Items

Prepaid items in the governmental funds are accounted for under the consumption method.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds and generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary fund are reported both in the business-type column of the government-wide statement of net position and in the respective fund.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The Borough maintains a capitalization threshold of \$ 5,000.

Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest costs related to construction in the proprietary funds are expensed as incurred.

All infrastructure acquired after January 1, 1980 for the governmental activities is reported on the government-wide statements. Infrastructure includes roads, bridges, traffic signals, storm sewers and drains.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Land Improvements	50
Infrastructure	20 - 40
Buildings	30
Machinery and equipment	5 - 10
Pipe	25

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Borough has several items that qualify for reporting in this category including the deferred charge on bond refunding and various amounts related to the pension asset and OPEB liability. These amounts will be amortized in future periods. A deferred charge on bond refunding results from the difference in the carrying value of refunding debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Borough has several items that qualify for reporting in this category including various amounts related to the pension asset and OPEB liability. These amounts will be amortized in future periods. In addition, the Borough has unavailable revenue that is reported as deferred inflows of resources in the governmental funds balance sheet.

Net Position

In the government-wide financial statements and proprietary fund financial statements, net position is classified in the following categories:

Net Investment in Capital Assets: This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt, accounts payable and retainage payable that are attributable to the acquisition, construction or improvement of these assets reduce this category. Net investment in capital assets as of December 31, 2019 consists of the following:

Government -Wide Activities

	Governmental Activities	Business-Type Activities
Capital assets	\$ 22,106,365	\$ 43,760,251
Bonds and notes payable	(8,492,552)	(27,229,777)
Accounts and retainage payable related to capital assets	(51,699)	(736,613)
Deferred charge on bond refunding	37,720	24,692
Unspent debt proceeds	851,198	7,345,414
Net investment in capital assets	<u>\$ 14,451,032</u>	<u>\$ 23,163,967</u>

Proprietary Funds

	Water Fund	Sewer Fund	Parking Fund	Stormwater Fund	Solid Waste Fund
Capital assets	\$ 11,685,240	\$ 30,055,754	\$ 1,849,907	\$ 130,927	\$ 38,423
Bonds and notes payable	(9,586,924)	(16,717,495)	(843,298)	-	(82,060)
Accounts and retainage payable related to capital assets	-	(562,882)	(173,231)	(500)	-
Deferred charge on bond refunding	8,594	6,349	9,749	-	-
Unspent debt proceeds	3,744,525	3,268,812	238,680	-	93,397
Net investment in capital assets	<u>\$ 5,851,435</u>	<u>\$ 16,050,538</u>	<u>\$ 1,081,807</u>	<u>\$ 130,427</u>	<u>\$ 49,760</u>

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position (Continued)

Restricted: This category presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. As of December 31, 2019, restrictions of net position are as follows: highway projects of \$ 1,389,892, police activities of \$ 27,983, various grants and contributions of \$ 53,735 and capital projects of \$ 1,335,550.

Unrestricted: This category of net position is the amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Net Position Flow Assumption

Sometimes the Borough will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Borough's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance – Governmental Funds

Governmental funds classify fund balance based on the relative strength of the spending constraints placed on the purpose for which resources can be used. The classifications are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact. This classification includes items such as prepaid amounts, inventories, and the long-term portion of loans and notes receivable. This also includes the corpus (or principal) of permanent funds.

Restricted: This classification includes amounts where the constraints placed on the use of resources are either (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, change or mandate payment and includes a legally enforceable requirement on the use of these funds.

Committed: This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Borough's highest level of decision-making authority. This formal action is in the form of a resolution which is made by the Borough Council. Once an amount is committed, it cannot be used for any other purpose unless changed by the same type of formal action used to initially constrain the funds.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance – Governmental Funds (Continued)

Assigned: This classification includes spendable amounts that are reported in governmental funds other than the General Fund that are neither restricted nor committed and amounts in the General Fund that are intended to be used for a specific purpose. The intent of an assigned fund balance should be expressed by the Borough Council to assign amounts to be used for specific purposes. The assignment of fund balance cannot result in a negative unassigned fund balance.

Unassigned: This classification represents the portion of a spendable fund balance that has not been categorized as restricted, committed, or assigned. The general fund is the only fund which would include a positive unassigned fund balance as all other fund types must categorize amounts within the other classifications. A negative unassigned fund balance may occur in any fund when there is an over expenditure of restricted or committed fund balance. In this case, any assigned fund balance (and unassigned fund balance in the general fund) would be eliminated prior to reporting a negative unassigned fund balance.

Order of Spending Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available, the Borough's policy is to spend resources in the following order:

1. Restricted
2. Unrestricted

Unless Borough Council specifically approves use of committed resources, or the Committee or body/official designated by Borough Council specifically approves the use of assigned or committed resources, the Borough's policy is to spend unrestricted resources in the following order:

1. Unassigned
2. Assigned
3. Committed

Interfund Activity

Advances between funds are accounted for in the appropriate interfund receivable and payable accounts. Advances between funds which are not expected to be repaid are accounted for as transfers. Interfund balances and transactions are eliminated in the government-wide financial statements. It is the Borough's general rule to eliminate internal activity in the government-wide statement of activities, such as receipts and payments between the Borough's water fund and Municipal Authority.

Exchange transactions, if any, between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and are shown separately in proprietary funds.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

Borough Council adopts annual budgets on a basis consistent with generally accepted accounting principles (GAAP) for all funds except the Community Development Block Grant Fund. All annual appropriations lapse at the end of each year and must be reappropriated.

By the end of the first week in September, budget requests must be submitted to the Finance Department by all agencies and divisions of the Borough so that appropriations can be tabulated and a prospective budget prepared. The budget is prepared by fund and department. The budget is approved at the department level. The department level presented in the Budgetary Comparison Schedule included as required supplementary information represents the legal level of budgetary control. It includes information of the last three fiscal years, current year budget, current year estimates, and requested appropriations for the coming year. Meetings are held by the Borough Manager and Finance Director with each department head and supervisor to determine budgetary needs.

By early November, the proposed budget is presented to Borough Council for its review. Council holds budget-workshop meetings to review all budget requests and to have any questions answered. These meetings involve all council members in the budget process, and members can add to or subtract from any budget line item. The workshops are publicly advertised and open to all Borough citizens. After the informational workshops are complete, Council instructs the Borough Manager to put the budget on display in the Manager's office for review by the Borough's interested citizens. Council then holds public hearings on the budget where changes can occur once again. All expenditure changes must be made within the realm of revenue as estimated by the Manager and Finance Director, or the revenue estimates must be changed to reflect increased or additional fees and revenue. Council must approve a fiscally-sound, balanced budget by December 31 of each fiscal year.

Expenditures may not legally exceed budgeted appropriations at the activity (department) level. Departmental budgets are kept in balance through budget transfers initiated by department heads and approved by the Finance Director and Borough Manager. Department heads must show where the savings will occur, or they must "give up" a budget item to force cost savings. Borough Council may increase a departmental budget through a contingency transfer or a supplemental appropriation at any time during the fiscal year. If a departmental budget is exceeded during the year, a transfer from contingency or supplemental appropriation must be granted by Council for the department to continue operations. Borough Council has the exclusive authority to approve a contingency transfer. Council may also enact supplementary appropriations to the budget.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, if any, at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business type activity columns in the statement of net position. This same treatment also applies to proprietary fund financial statements. Bond premium and discount, as well as prepaid bond insurance, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Prepaid bond insurance costs are reported as an asset and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses (if resulting from a disparity in interest rates) or as debt service expenditures (if resulting from underwriter's fees). Issuance costs (including prepaid bond insurance), whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Classification of Revenues

For proprietary funds, the Borough has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues – Operating revenues include activities that have the characteristics of exchange transactions, such as utility billings and penalties and late charges.

Nonoperating revenues – Nonoperating revenues include activities that have the characteristics of non-exchange transactions (in which the Borough receives value without directly giving equal value in return), such as contributions and grants and other revenues that are defined as nonoperating revenues by GASB, such as investment earnings and insurance recoveries. In addition, tap fees are considered non-operating because they are based on future capacity needs of the utility system.

Pension Plans

The Borough has established two contributory defined benefit pension plans for the benefit of substantially all full-time employees. The financial statements related to its pension plans are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

The Borough has adopted the International City Managers Association (ICMA) Deferred Compensation Plan which has been created in accordance with Internal Revenue Code Section 457(g). The Plan, available to all Borough employees, permits them to defer a portion of their salary until future years. A yearly contribution by the Borough of 2% of the participants' annual

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pension Plans (Continued)

salary is available for department heads. The Borough has also adopted an ICMA Deferred Compensation Plan under Internal Revenue Code 401(a). This plan is for electing department heads and includes a yearly contribution by the Borough of 6% of the participants' annual salary to the defined contribution plan. Existing department heads as of 2009 elected which pension plan they would participate in (defined contribution or defined benefit); however, department heads hired after 2009 do not have an election, and are automatically enrolled in the 401(a) plan. The deferred compensation for both plans is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the participants and beneficiaries under the Plan. Participants' rights under the plans consist of an amount equal to the fair market value of the deferred account for each participant. The participants have the ability to make investment choices within the plans' options and therefore, maintain control of the assets. In accordance with provisions of the GASB, the assets and liabilities of the 457(g) plan and 401(a) plan are not reported on the financial statements of the Borough.

Other Postemployment Benefits Other Than Pensions

GASB establishes standards for the measurement, recognition, and display of other postemployment benefit expenditures and related liabilities, note disclosures, and if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers. The Borough's other postemployment benefits are accounted for in accordance with these standards.

The Borough has a healthcare plan for retired police employees, which is a single employer defined benefit healthcare plan administered by the Borough. The plan provides medical and prescription drug coverage for the retiree and spouse for 18 months. Officers who retire with a minimum age of 50 and have at least 25 years of service may elect to be covered by the Borough's health care program. Seventy-five (75%) percent of the cost will be paid by the Borough and twenty-five (25%) percent by the retired officer. An early retirement benefit is provided to a member with 20 or more years of service who terminates employment prior to completion of superannuation retirement age and service requirements and who files a written application for the early retirement benefit with Borough Council. These officers are entitled to participate in the health care plan program where the Borough pays 25% and the officer pays 75% of the premium cost until the retiree reaches age 65 or becomes eligible for Medicare.

Compensated Absences

Liability for compensated absences is accounted for in accordance with the provisions of the GASB, which require entities to accrue for employees' rights to receive compensation for vacation leave, or payments in lieu of accrued vacation or sick leave, as such benefits are earned and payment becomes probable.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

Under terms of the Borough's personnel policies, employees are granted vacation and sick leave in varying amounts. All employees (including uniformed police) are permitted to accumulate two times the annual appropriation of vacation and a maximum of 45 sick days. Upon retirement from the Borough, non-uniformed employees and police are reimbursed for accumulated sick and vacation leave in accordance with personnel policies. Accumulated, unpaid vacation and sick pay are accrued when incurred in enterprise funds and the government-wide statements. In governmental funds, an expenditure is recorded when the associated payment becomes due or matures.

NOTE 2 DEPOSITS AND INVESTMENTS

The Borough and its discretely presented component unit are authorized to invest in the following:

- U.S. Treasury Bills.
- Short term obligations of the U.S. Government or its agencies.
- Deposits in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund to the extent that such accounts are so insured, and, for any amounts above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository.
- Obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the respective governmental entity.
- Shares of an investment company registered under the Investment Company Act of 1940.
- Obligations, participations or other instruments of any federal agency, instrumentality or United States government-sponsored enterprise if the debt obligations are rated at least "A" or its equivalent.
- Commercial paper issues by corporations or other business entities organized in accordance with federal or state law, with a maturity not to exceed 270 days.
- Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers' acceptances, if the banker's acceptances do not exceed 180 days maturity.
- Negotiable certificates of deposit or other evidences of deposit, with a remaining maturity of three years or less.

The Pension and Cemetery Trust Funds are also authorized to invest in common and preferred stocks and corporate bonds.

Deposits – Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Borough's deposits may not be returned to it. The Borough does not have a policy for custodial credit risk. As of December 31, 2019, the Borough has a bank balance of \$ 12,232,712. Of this balance, \$ 252,207 is covered by FDIC insurance and the remaining balance of \$ 11,980,505 was exposed to custodial credit risk. This balance was uninsured but is collateralized by securities held by the pledging financial institution, not in the Borough's name.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits – Custodial Credit Risk (Continued)

Pennsylvania Act 72 of 1971, as amended, is an act standardizing the procedures for pledges of assets to secure deposits of public funds with banking institutions pursuant to other laws; establishing a standard rule for the types, amounts and valuations of assets eligible to be used as collateral for deposits of public funds; permitting assets to be pledged against deposits on a pooled basis and authorizing the appointment of custodians to act as the pledger of the assets. Based on the standards outlined in Act 72, the various banks utilized by the Borough have pledged collateral on a pooled basis on behalf of the Borough and all other governmental depositors in the respective financial institutions.

Investments

As of December 31, 2019, the Borough's investments were as follows:

	Fair Value	Credit Quality Rating
PLGIT-ARM	\$ 8,172,101	AAAm
PLGIT-Class	8,697,634	AAAm
PLGIT-Prime	5,066,409	AAAm
Cetera Advisors - Negotiable CD's	2,116,583	Not Rated

The investments in PLGIT are considered cash equivalents for financial reporting purposes. The negotiable certificates of deposit are considered cash equivalents and investments for financial reporting purposes based on maturities. The negotiable certificates of deposit held at Cetera Advisors were all covered by FDIC insurance.

Credit Risk – Investments

The Borough has no investment policy that would limit its investment choices to certain credit ratings.

Included in cash and cash equivalents in the financial statements are pooled investments in the Pennsylvania Local Government Investment Trust (PLGIT)-ARM, PLGIT-Class, and PLGIT-Prime. PLGIT is an external investment pool. These funds operate similarly to mutual funds that consist of short-term money market instruments and seek to maintain a constant net asset value of \$ 1 per share. PLGIT deposits were invested by PLGIT directly into portfolios of securities which are held by a third-party custodian. The Borough's investments that have a credit quality rating are included in the table above.

Interest Rate Risk – Investments

The Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investments in PLGIT-ARM, PLGIT-Class, and PLGIT-Prime are not subject to interest rate risk as the funds are accessible on a daily basis and the interest rates change daily based on market conditions.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Policies Followed at PLGIT

PLGIT is not registered with the Securities and Exchange Commission (SEC); however, PLGIT follows investment procedures similar to those followed by SEC registered money market funds. There is no regulatory oversight for the pools which are governed by the Board of Trustees. The Borough's investments in PLGIT are valued at amortized cost, which approximates fair value and is determined by the pools' share price.

The Borough has no limitations or restrictions on withdrawals on accounts held at PLGIT.

Municipal Pension Plans

Investments held by the trustees of the pension plans are as follows:

	Total Fair Value	Investment Maturities (in Years)		
		Less Than 1	1-5	6-10
Federated treasury obligations	\$ 650,337	\$ 650,337	\$ -	\$ -
Fixed Income Mutual Funds	9,922,683	2,880,512	-	7,042,171
Open End Mutual Funds	20,075,110	20,075,110	-	-
	<u>\$ 30,648,130</u>	<u>\$ 23,605,959</u>	<u>-</u>	<u>\$ 7,042,171</u>

Credit Risk – Pension Plans

The Borough's pension investment policy limits investment in fixed income and non-fixed income securities to those rated "B" or better by one of the two major rating services. The fixed income mutual funds include several different funds and have average S & P quality ratings between BB and A.

Interest Rate Risk – Pension Plans

The Borough does not have a formal written policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Borough's investments are subject to interest rate risk as previously disclosed in the table above.

Foreign Securities and Currencies Risk – Pension Plans

Foreign securities prices may decline or fluctuate because of economic or political actions of foreign governments or the possibility that foreign currency will fluctuate in value against the U.S. dollar. Included in the open-end mutual funds are International equities and mutual funds with a fair value of \$ 7,106,377. These may be subject to foreign securities and currencies risk.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Private Purpose Trust Fund

Investments held by the trustees of the Cemetery Trust are as follows:

	Total Fair Value	Investment Maturities (in Years)		
		Less Than 1	1-5	6-10
Fixed Income Mutual Funds	\$ 140,999	\$ -	\$ 2,153	\$ 138,846
Mutual Funds	82,849	82,849	-	-
	<u>\$ 223,848</u>	<u>\$ 82,849</u>	<u>\$ 2,153</u>	<u>\$ 138,846</u>

Credit Risk – Private Purpose Trust

The Borough does not have an investment policy related to its private purpose trust fund. The fixed income mutual funds include several different funds and have average S & P quality ratings between B and A.

Interest Rate Risk – Private Purpose Trust

The Borough does not have a formal written policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Borough's investments are subject to interest rate risk as previously disclosed in the table above.

Foreign Securities and Currencies Risk – Private Purpose Trust

Foreign securities prices may decline or fluctuate because of economic or political actions of foreign governments or the possibility that foreign currency will fluctuate in value against the U.S. dollar. Included in the open-end mutual funds are International equities and mutual funds with a fair value of \$ 16,299. These may be subject to foreign securities and currencies risk.

Investments – Fair Value Measurements

Generally accepted accounting principles define fair value, describe a framework for measuring fair value, and require disclosure about fair value measurements. Recurring fair value measurements are those that GASB Statements require or permit at the end of each reporting period. The established framework includes a three-level hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Fair Value Measurements (Continued)

If the inputs used to measure the assets or liabilities fall within different levels of the hierarchy, the classification is based on the lowest level input that is significant to the fair value measurement of the asset or liability. Classification of assets and liabilities within the hierarchy considers the markets in which the assets and liabilities are traded, and reliability and transparency of the assumptions used to determine fair value. The hierarchy requires the use of observable market data when available. The levels of the hierarchy and those investments included in each are as follows:

Level 1 – Represented by quoted prices available in an active market. Level 1 securities include highly liquid government bonds, treasury securities, mortgage products and exchange traded equities and mutual funds.

Level 2 – Represented by assets and liabilities similar to Level 1 where quoted prices are not available, but are observable, either directly or indirectly through corroboration with observable market data, such as quoted prices for similar securities and quoted prices in inactive markets and estimated using pricing models or discounted cash flows. Level 2 securities would include U.S. government agency securities, mortgage-backed agency securities, obligations of states and political subdivisions, and certain corporate, asset backed securities, swap agreements, and life insurance contracts.

Level 3 – Represented by financial instruments where there is limited activity or unobservable market prices and pricing models significant to determining the fair value measurement include the reporting entity's own assumptions about the market risk. Level 3 securities would include hedge funds, private equity securities, and those with internally developed values.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following is a description of the valuation methodologies used for instruments measured at fair value on the statement of net position, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Federated Treasury Obligations

The fair value of treasury obligations is estimated using quoted active markets for identical assets. Such investments are generally classified as Level 1 of the valuation hierarchy.

Negotiable Certificates of Deposit

The fair value of negotiable certificates of deposit are estimated using a discounted cash flow calculation that applies to interest rates currently being offered for deposits of similar remaining maturities to a schedule of aggregated expected maturities of such deposits. Such investments are generally classified within Level 2 of the valuation hierarchy.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments – Fair Value Measurements (Continued)

Mutual Funds

Mutual funds listed on a national market or exchange are valued at the last sales price, or if there is no sale and the market is still considered active, at the mean of the last bid and ask prices on such exchange. The Borough's interests in mutual funds are categorized by type as equity, fixed income, or alternative investments. Such securities are typically classified within Level 1 of the valuation hierarchy.

The following table sets forth, by level within the fair value hierarchy, the financial assets that were accounted for at fair value on a recurring basis as of December 31, 2019:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Federated treasury obligations	\$ 650,337	\$ 650,337	\$ -	\$ -
Negotiable certificates of deposit	2,116,583	-	2,116,583	-
Mutual funds by type:				
Fixed Income Mutual Funds	10,063,682	10,063,682	-	-
Open End	20,157,959	20,157,959	-	-
	30,221,641	30,221,641	-	-
Total investments by fair value category	\$ 32,988,561	\$ 30,871,978	\$ 2,116,583	\$ -

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 3 TAXES RECEIVABLE AND UNAVAILABLE TAX REVENUES

Property taxes are levied on March 1 for the tax year. Taxes are payable at a 2% discount if paid before May 1 and at a 10% penalty if paid after the due date of June 30. Outstanding real estate taxes are turned over to a delinquent tax collector on January 15 of each year. After proper notification is made to a property owner, a lien is filed on or about May 1 and must remain in effect for a period of two years before a tax sale may occur. Taxes are recorded as revenue by the Borough when received from the tax collector, and accruals are recorded at year-end for taxes expected to be received within 60 days of December 31 in accordance with the modified accrual basis of accounting. The total assessed valuation as of December 31, 2019 is \$ 1,474,513,200.

Taxes receivable consists of the following as of December 31, 2019:

Real Estate	\$	190,704
Fire tax		27,970
LST tax		187,673
Earned Income		616,200
Realty Transfer		28,789
Allowance for uncollectible accounts		<u>(6,558)</u>
Taxes receivable		1,044,778
Taxes collected within sixty days, recorded as revenues in the governmental funds		<u>(477,417)</u>
Taxes estimated to be collected after sixty days, recorded as deferred inflows of resources - unavailable tax revenue in the governmental funds	\$	<u>567,361</u>

NOTE 4 INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

Due from/to other funds consist of the following as of December 31, 2019:

	Due from Other Funds	Due To Other Funds
Major Governmental Funds:		
General Fund	\$ 755,765	\$ 8,365,083
Capital Projects Fund	911,916	352,661
Non-major Governmental Funds:		
Community Development Block Grant	-	24,309
Major Enterprise Funds:		
Water Fund	3,722,373	173,749
Sewer Fund	3,509,993	93,249
Parking Fund	333,197	12,429
Stormwater Fund	-	366,173
Non-major Enterprise Funds:		
Solid Waste Fund	154,614	205
	<u>\$ 9,387,858</u>	<u>\$ 9,387,858</u>

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 4 INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS (CONTINUED)

The due to/due from amounts resulted from the following:

Enterprise Funds to Enterprise Funds: for invoices paid by a fund on behalf of another fund that is to be reimbursed.

General Fund to Enterprise Funds: for amount due for various reconciling items, including payroll.

General Fund to Capital Projects Fund and Enterprise Funds: for payment of cash proceeds from debt issuances and reimbursement related to grant proceeds.

Capital Projects Fund to General Fund: for debt payments made from the General Fund on the Capital Projects Fund's behalf.

Non-major Governmental Funds to General Fund: for projects eligible under the Community Development Block Grant and budgeted allocation for asset forfeiture.

Stormwater Fund to General Fund: to repay start-up cash for the establishment of the stormwater fund.

Interfund transfers consist of the following for 2019:

	Transfers In	Transfers Out
Major Governmental Funds:		
General Fund	\$ 72,738	\$ 674,147
Capital Projects Fund	673,127	-
Non-major Governmental Funds:		
Community Development Block Grant Fund	-	71,718
Major Enterprise Funds:		
Water Fund	19,338	-
Sewer Fund	-	19,338
	<u>\$ 765,203</u>	<u>\$ 765,203</u>

The following transfers were made during the year:

CDBG Fund to General Fund: for transfer of funds received into the general fund relating to projects eligible under the Community Development Block Grant program.

Sewer Fund to Water Fund: for one-half of costs of meter maintenance.

General Fund to Capital Projects Fund: for portion of budgeted transfer.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 5 CAPITAL ASSETS

Capital asset activity for the Borough consists of the following as of and for the year ended December 31, 2019:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Cost:				
Capital assets not being depreciated				
Land	\$ 1,292,633	\$ -	\$ -	\$ 1,292,633
Construction in progress (1)	3,979,878	715,335	-	4,695,213
Capital assets				
Land improvements	8,435,494	141,796	-	8,577,290
Buildings	9,831,324	159,797	-	9,991,121
Machinery and equipment	10,627,915	357,323	(718,617)	10,266,621
Infrastructure	<u>44,277,831</u>	<u>603,385</u>	<u>-</u>	<u>44,881,216</u>
Total cost	<u>78,445,075</u>	<u>1,977,636</u>	<u>(718,617)</u>	<u>79,704,094</u>
Less accumulated depreciation:				
Land improvements	(2,706,822)	(176,358)	-	(2,883,180)
Buildings	(6,226,695)	(236,999)	-	(6,463,694)
Machinery and equipment	(7,588,648)	(523,272)	718,617	(7,393,303)
Infrastructure	<u>(40,473,606)</u>	<u>(383,946)</u>	<u>-</u>	<u>(40,857,552)</u>
Total accumulated depreciation	<u>(56,995,771)</u>	<u>(1,320,575)</u>	<u>718,617</u>	<u>(57,597,729)</u>
Capital assets, net	\$ 21,449,304	\$ 657,061	\$ -	\$ 22,106,365
Business -Type Activities:				
Cost:				
Capital assets not being depreciated				
Land	\$ 504,102	\$ -	\$ -	\$ 504,102
Construction in progress (1)	2,262,894	6,332,715	-	8,595,609
Capital assets				
Land improvements	4,331,467	-	-	4,331,467
Buildings	43,508,780	-	-	43,508,780
Machinery and equipment	35,237,953	587,798	-	35,825,751
Pipe	<u>15,540,049</u>	<u>1,890,793</u>	<u>-</u>	<u>17,430,842</u>
Total cost	<u>101,385,245</u>	<u>8,811,306</u>	<u>-</u>	<u>110,196,551</u>
Less accumulated depreciation:				
Land improvements	(1,980,018)	(72,748)	-	(2,052,766)
Buildings	(33,707,689)	(758,963)	-	(34,466,652)
Machinery and equipment	(16,998,465)	(1,538,731)	-	(18,537,196)
Pipe	<u>(11,254,248)</u>	<u>(125,438)</u>	<u>-</u>	<u>(11,379,686)</u>
Total accumulated depreciation	<u>(63,940,420)</u>	<u>(2,495,880)</u>	<u>-</u>	<u>(66,436,300)</u>
Capital assets, net	\$ 37,444,825	\$ 6,315,426	\$ -	\$ 43,760,251

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 5 CAPITAL ASSETS (CONTINUED)

Depreciation expense for the year ended December 31, 2019 was charged as follows:

	Governmental Activities	Business-Type Activities
General government	\$ 74,509	\$ -
Public safety	420,385	-
Public services	640,205	-
Parks and recreation	185,476	-
Water	-	746,996
Sewer	-	1,622,776
Parking	-	117,222
Stormwater	-	2,373
Other enterprise funds	-	6,513
	<u>\$ 1,320,575</u>	<u>\$ 2,495,880</u>

(1) Ending construction in process represents the costs incurred through December 31, 2019 for various capital projects.

NOTE 6 LONG-TERM LIABILITIES

The changes in long-term liabilities, excluding the OPEB liability, during the year ended December 31, 2019 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Long-term Portion
Governmental Activities:						
Bonds:						
(C) 2017A GO Bond	\$ 2,048,094	\$ -	\$ (99,756)	\$ 1,948,338	\$ 104,531	\$ 1,843,807
(D) 2017B GO Bond	3,756,746	-	(217,613)	3,539,133	439,430	3,099,703
Bond premium	<u>614,422</u>	<u>-</u>	<u>(52,210)</u>	<u>562,212</u>	<u>52,210</u>	<u>510,002</u>
Subtotal - bonds	6,419,262	-	(369,579)	6,049,683	596,171	5,453,512
Direct borrowings:						
(B) 2016 GO Note	471,300	-	(110,646)	360,654	60,961	299,693
(E) 2018 GO Note	<u>1,148,138</u>	<u>934,077</u>	<u>-</u>	<u>2,082,215</u>	<u>-</u>	<u>2,082,215</u>
Subtotal - direct borrowings	<u>1,619,438</u>	<u>934,077</u>	<u>(110,646)</u>	<u>2,442,869</u>	<u>60,961</u>	<u>2,381,908</u>
Total bonds and direct borrowings	<u>8,038,700</u>	<u>934,077</u>	<u>(480,225)</u>	<u>8,492,552</u>	<u>657,132</u>	<u>7,835,420</u>
Compensated absences	<u>748,733</u>	<u>340,799</u>	<u>(315,389)</u>	<u>774,143</u>	<u>259,655</u>	<u>514,488</u>
Total long-term liabilities	<u>\$ 8,787,433</u>	<u>\$ 1,274,876</u>	<u>\$ (795,614)</u>	<u>\$ 9,266,695</u>	<u>\$ 916,787</u>	<u>\$ 8,349,908</u>

The General Fund is used to liquidate the liabilities for debt and compensated absences in the Governmental Activities.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Long-term Portion
Business-Type Activities:						
Bonds:						
(C) Water 2017A GO Bond	\$ 3,452,568	\$ -	\$ (92,068)	\$ 3,360,500	\$ 96,672	\$ 3,263,828
(D) Water 2017B GO Bond	4,841,123	-	(248,275)	4,592,848	427,175	4,165,673
(C) Sewer 2017A GO Bond	3,643,323	-	(97,155)	3,546,168	102,013	3,444,155
(D) Sewer 2017B GO Bond	4,786,402	-	(209,609)	4,576,793	354,410	4,222,383
(C) Parking 2017A GO Bond	212,761	-	(11,515)	201,246	12,064	189,182
(D) Parking 2017B GO Bond	555,729	-	(39,503)	516,226	88,985	427,241
(C) Solid Waste 2017A GO Bond	83,254	-	(4,506)	78,748	4,720	74,028
Bond premium	1,775,167	-	(148,265)	1,626,902	148,265	1,478,637
Subtotal - bonds	19,350,327	-	(850,896)	18,499,431	1,234,304	17,265,127
Direct borrowings:						
(B) Water 2016 GO Note	1,128,546	-	(264,944)	863,602	145,973	717,629
(A) Sewer 2015 GO Note	4,998,000	-	(1,000)	4,997,000	1,000	4,996,000
(B) Sewer 2016 GO Note	3,686,075	-	(865,366)	2,820,709	476,778	2,343,931
(B) Parking 2016 GO Note	63,845	-	(14,990)	48,855	8,258	40,597
(B) Solid Waste 2016 Note	235	-	(55)	180	30	150
Subtotal - direct borrowings	9,876,701	-	(1,146,355)	8,730,346	632,039	8,098,307
Total bonds and direct borrowings	29,227,028	-	(1,997,251)	27,229,777	1,866,343	25,363,434
Compensated absences	250,467	315,037	(250,590)	314,914	105,625	209,289
Total long-term liabilities	\$ 29,477,495	\$ 315,037	\$ (2,247,841)	\$ 27,544,691	\$ 1,971,968	\$ 25,572,723

- (A) **General Obligation Note Series of 2015** – In May 2015, the Borough authorized a General Obligation Note in the principal amount of \$ 5,000,000 to finance future capital projects. Annual installments varying from \$ 1,000 to \$ 647,000 are due beginning May 15, 2017 through May 15, 2035, with a fixed interest rate of 2.46% from the date of issuance through May 15, 2035, then 68% of the Wall Street Journal Prime rate with a cap of 4%.
- (B) **General Obligation Note Series of 2016** – In August 2016, the Borough authorized a General Obligation Note in the principal amount of \$ 7,112,000 to currently refund the General Obligation Note Series of 2011. Annual installments varying from \$ 475,000 to \$ 1,256,000 are due beginning August 15, 2017 through August 15, 2026, with a fixed interest rate of 1.76%.
- (C) **General Obligation Bond Series of 2017A** – In December 2017, the Borough authorized General Obligation Bonds, Series 2017A in the principal amount of \$ 9,775,000 to finance future capital projects. Annual installments varying from \$ 305,000 to \$ 485,000 are due beginning October 15, 2018 through October 15, 2042, with interest rates between 2.00% and 5.00%. In the event of default, bond holders have a right to specific performance.
- (D) **General Obligation Bond Series of 2017B** – In December 2017, the Borough authorized General Obligation Bonds, Series 2017B in the principal amount of \$ 14,885,000 to currently refund General Obligation Notes, Series of 2012, 2013, and 2014. Annual installments varying from \$ 260,000 to \$ 1,735,000 are due beginning October 15, 2018 through October 15, 2029, with interest rates between 2.00% and 5.00%. In the event of default, bond holders have a right to specific performance.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

- (E) **General Obligation Note Series of 2018** – In December 2018, the Borough authorized General Obligation Note, Series 2018 in the principal amount of \$ 5,000,000 to finance capital projects. Outstanding principal is due and payable on December 1, 2021. Interest payments at a rate of 3.24% are payable quarterly.

The Borough's bonds and notes contain provisions that in the event of default, all principal of bonds and notes outstanding may be declared or may become due and payable upon provisions provided in the debt agreements.

During 2019 interest expense was incurred as follows:

General fund	\$ 176,789
Capital projects fund	117,590
Water fund	271,204
Sewer fund	433,275
Parking fund	27,569
Solid waste fund	2,764

The general obligation bonds and general obligation notes are secured by the full faith, credit, and taxing power of the Borough.

The following is a schedule, by years and in the aggregate, of future minimum debt principal and interest payments required at December 31, 2019.

Governmental Activities					
Year	Bonds		Direct Borrowings		
	Principal	Interest	Principal	Interest	
2020	\$ 543,960	\$ 228,410	\$ 60,961	\$ 73,812	
2021	637,025	205,607	2,124,060	67,332	
2022	664,378	173,755	43,166	4,538	
2023	699,271	140,536	43,518	3,778	
2024	509,814	105,573	55,764	3,013	
2025 - 2029	1,763,203	237,804	115,400	3,056	
2030 - 2034	501,982	55,834	-	-	
2035 - 2039	100,218	19,348	-	-	
2040 - 2042	67,620	4,098	-	-	
	<u>\$ 5,487,471</u>	<u>\$ 1,170,965</u>	<u>\$ 2,442,869</u>	<u>\$ 155,529</u>	

Business-Type Activities					Total
Year	Bonds		Direct Borrowings		
	Principal	Interest	Principal	Interest	
2020	\$ 1,086,040	\$ 663,214	\$ 632,039	\$ 188,620	\$ 3,477,056
2021	1,222,975	617,619	434,156	177,491	5,486,265
2022	1,290,622	556,470	447,835	169,842	3,350,606
2023	1,360,728	491,939	451,482	161,953	3,353,205
2024	1,475,187	423,901	578,236	154,000	3,305,488
2025 - 2029	5,891,799	1,183,834	2,664,598	904,773	12,764,467
2030 - 2034	1,598,017	581,289	2,875,000	426,060	6,038,182
2035 - 2039	1,759,781	339,752	647,000	12,940	2,879,039
2040 - 2042	1,187,380	71,952	-	-	1,331,050
	<u>\$ 16,872,529</u>	<u>\$ 4,929,970</u>	<u>\$ 8,730,346</u>	<u>\$ 2,195,679</u>	<u>\$ 41,985,358</u>

NOTE 7 DEFINED BENEFIT PENSION PLANS

Summary of Significant Accounting Policies

Plan Description

The Borough sponsors two single-employer defined benefit retirement plans which cover Non-Uniformed Employees and Police Officers. Plan provisions are established by municipal ordinance with the authority for municipal contributions required by Act 205 of the Commonwealth.

Plan Membership

At December 31, 2019, the participation in each plan is as follows:

	Non-Uniform	Police
Participants:		
Retirees and beneficiaries	40	33
Vested former members	23	3
Active employees	<u>73</u>	<u>31</u>
Total	<u>136</u>	<u>67</u>

Benefits Provided

All full-time employees are eligible to participate in the plans. Benefits vest after five years of service for Non-Uniformed employees and after twelve years of service for Police Officers. Non-Uniformed Employees are eligible for retirement after attaining age sixty-two. Eligibility for normal retirement under the Police Officers' plan is attained at age fifty and completion of twenty-five years of service. Benefits under the Non-Uniformed plan are based on 1.4% of average monthly pay times the number of complete years and months of service. Average monthly pay is based upon the highest five full calendar years of base pay out of the last ten full calendar years. Benefits under the Police Officers' pension are based on 50% of average monthly pay, based upon gross wages for the last thirty-six months of pay plus a service increment of \$ 50 per month upon completion of twenty-six years of service or \$ 100 per month upon completion of twenty-seven years of service. The Non-Uniformed Plan and Police Officers' Plan also include a disability benefit. The Police Officers' Plan also includes survivor benefits.

Financial Reports

There are no separate, audited GAAP-basis pension plan reports for the defined benefit plans, as all necessary information is disclosed herein.

Contributions

The Non-Uniformed Employees' plan requires employee contributions of 1.5% and certain department heads are required to contribute 7.7%. The Police Officers' plan requires employee contributions of 5.0% of pay. The Borough is required to contribute the remaining amounts necessary to fund the plans, using the actuarial basis specified by the plan. The employer average contribution rate was 6.62% of annual payroll for the Non-Uniformed Employees' and 16.11% of annual payroll for Police Officers'. The employer contributions for 2019 were \$ 254,721 for the Non-Uniformed plan and \$ 448,037 for the Police Officers'.

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Summary of Significant Accounting Policies (Continued)

Act 205 of the Commonwealth requires that annual contributions be based on the calculation of the Minimum Municipal Obligation (MMO). The MMO calculation is based on the biennial actuarial valuation also required by Act 205. Employees are not required to contribute under Act 205; such contributions are subject to collective bargaining. The Commonwealth allocates foreign fire and casualty premiums to assist in pension funding. Any financial requirement above the Commonwealth allocation made must be funded by the Borough.

Administrative costs, including investment services, custodial trustee and actuarial services are charged to the appropriate plan and funded from investment earnings.

Investments

Method Used to Value Investments

Investments are reported at fair value. Short term investments are reported at cost, which approximates fair value. Fair value is determined by quoted market price.

Rate of Return

For the year ended December 31, 2019, the annual money weighted rate of return on pension investments, net of pension plan investment expense was 19.89% for the Non-Uniformed Employees plan and 19.91% for the Police Officers' plan. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019 the Borough reported an asset of \$ 962,075 in the Statement of Net Position. The net pension asset was measured as of December 31, 2019, and the total pension liability was determined by rolling forward liabilities from actuarial valuations as of January 1, 2019. No significant events or changes in assumptions occurred between the valuation date and the fiscal year end. For the year ended December 31, 2019, the Borough recognized pension expense of \$ 261,657 for the Non-Uniformed plan and \$ 410,072 for the Police Officers' plan.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Investments (Continued)

The following details the changes in total pension liability, the plan fiduciary net position, and the net pension liability, as of December 31, 2019:

Non-Uniformed Plan

	Increase (Decrease)			
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)	Plan Fiduciary Net Position as a % of Total Pension Liability (Asset)
	(a)	(b)	(a) - (b)	
Balances as of December 31, 2018	\$ 11,702,139	\$ 10,501,970	\$ 1,200,169	89.74%
Changes for the year:				
Service cost	226,295	-	226,295	
Interest	864,390	-	864,390	
Changes in experience	(185,048)		(185,048)	
Contributions - employer	-	254,721	(254,721)	
Contributions - employee	-	53,994	(53,994)	
Net investment income	-	2,074,659	(2,074,659)	
Benefit payments, including refunds of member contributions	(436,360)	(436,360)	-	
Administrative expenses	-	(10,750)	10,750	
Net Changes	469,277	1,936,264	(1,466,987)	
Balances as of December 31, 2019	<u>\$ 12,171,416</u>	<u>\$ 12,438,234</u>	<u>\$ (266,818)</u>	102.19%

Police Officers' Plan

	Increase (Decrease)			
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)	Plan Fiduciary Net Position as a % of Total Pension Liability (Asset)
	(a)	(b)	(a)-(b)	
Balances as of December 31, 2018	\$ 17,631,107	\$ 15,606,608	\$ 2,024,499	88.52%
Changes for the year:				
Service cost	428,947	-	428,947	
Interest	1,257,693	-	1,257,693	
Changes in experience	(779,367)		(779,367)	
Contributions - employer	-	448,037	(448,037)	
Contributions - employee	-	127,006	(127,006)	
Net investment income	-	3,061,210	(3,061,210)	
Benefit payments, including refunds of member contributions	(1,022,894)	(1,022,894)	-	
Administrative expenses	-	(9,225)	9,225	
Net Changes	(115,621)	2,604,134	(2,719,755)	
Balances as of December 31, 2019	<u>\$ 17,515,486</u>	<u>\$ 18,210,742</u>	<u>\$ (695,256)</u>	103.97%

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Investments (Continued)

At December 31, 2019, the Borough reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Non-Uniformed		Police		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,463	\$ 319,506	\$ 263,625	\$ 668,029	\$ 274,088	\$ 987,535
Changes of assumptions	70,163	-	-	147,007	70,163	147,007
Change in proportions - governmental activities/business-type activities	22,872	22,872	-	-	22,872	22,872
Net difference between projected and actual earnings on pension plan investments	-	425,022	-	625,256	-	1,050,278
	<u>\$ 103,498</u>	<u>\$ 767,400</u>	<u>\$ 263,625</u>	<u>\$ 1,440,292</u>	<u>\$ 367,123</u>	<u>\$ 2,207,692</u>

The amounts reported as deferred outflows of resources will be recognized in pension expense as follows:

Year Ended December 31:	Non-Uniformed	Police	Total
2020	\$ (131,071)	\$ (209,761)	\$ (340,832)
2021	(157,505)	(252,095)	(409,600)
2022	(14,893)	(27,779)	(42,672)
2023	(307,558)	(464,356)	(771,914)
2024	(26,435)	(111,338)	(137,773)
Thereafter	(26,440)	(111,338)	(137,778)
	<u>\$ (663,902)</u>	<u>\$ (1,176,667)</u>	<u>\$ (1,840,569)</u>

Actuarial Methods and Assumptions

The total pension liability in the January 1, 2019 actuarial valuation was determined using the following economic assumptions, applied to all periods included in the measurement:

	Non-Uniform	Police
Inflation	3.00%	3.00%
Salary increases (average, including inflation)	4.50%	5.00%
Investment rate of return (including inflation)	7.50%	7.50%
Postretirement cost of living increases	None	None

Changes in Actuarial Assumptions

There were no changes in actuarial assumptions since the last actuarial valuation.

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Actuarial Methods and Assumptions (Continued)

Valuation Date

Actuarially determined contribution rates are calculated as of January 1, two to four years prior to the end of the fiscal year in which the contributions are reported.

The actuarial assumptions used in the January 1, 2019 valuation were based on actual experience study for the period January 1, 2017 through December 31, 2018.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. The pension plans' policy in regard to the allocation of invested assets is established and may be amended by the investment committee. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of December 31, 2019 are summarized in the following table for both pension plans:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	39.00%	5.50% - 7.50%
International equity	17.00%	4.50% - 6.50%
Fixed income	6.00%	1.00% - 3.00%
Real estate	38.00%	4.50% - 6.50%

Discount Rate

The discount rate used to measure the total pension liability was 7.50% for both pension plans. The pension plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active and inactive employees. 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. The employer has always met the funding requirements of Pennsylvania law Act 205 of 1984. Act 205 requires full funding of the entry age normal cost plus plan expenses, as well as amortization of the unfunded liability.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Actuarial Methods and Assumptions (Continued)

Sensitivity of the Net Pension (Asset) Liability to Changes to the Discount Rate

The following presents the net pension (asset) liability of the plans, calculated using the discount rate of 7.50%, as well as what the Borough's net pension (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) and 1 percentage point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Non-Uniform Net Pension Liability	\$ 1,097,846	\$ (266,818)	\$ (1,429,681)
Police Officers' Net Pension Liability	1,315,156	(695,256)	(2,386,789)

Payables to the Pension Plan

As of December 31, 2019, the Borough had no payables to the pension plan.

Financial Statements

The following provides detailed financial statements as of and for the year ended December 31, 2019 for the individual pension plans maintained by the Borough:

Combining Statement of Fiduciary Net Position

	Police Pension Trust Fund	Non-Uniformed Pension Trust Fund	Total Pension Trust Funds
ASSETS			
Cash and cash equivalents	\$ 386,101	\$ 264,236	\$ 650,337
Accrued interest receivable	501	345	846
Fixed income mutual funds	5,885,900	4,036,783	9,922,683
Mutual funds - open end	11,938,240	8,136,870	20,075,110
Total assets	<u>\$ 18,210,742</u>	<u>\$ 12,438,234</u>	<u>\$ 30,648,976</u>
NET POSITION			
Net position restricted for pensions	<u>18,210,742</u>	<u>12,438,234</u>	<u>30,648,976</u>
Total net position	<u>\$ 18,210,742</u>	<u>\$ 12,438,234</u>	<u>\$ 30,648,976</u>

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Financial Statements (Continued)

Combining Statement of Changes in Fiduciary Net Position

	Police Pension Trust Fund	Non-Uniformed Pension Trust Fund	Total Pension Trust Funds
ADDITIONS			
Contributions			
Employer	\$ 448,037	\$ 254,721	\$ 702,758
Plan members	127,007	53,995	181,002
Total contributions	575,044	308,716	883,760
Investment earnings			
Net change in fair value of investments	2,713,800	1,838,567	4,552,367
Interest and dividends	417,837	283,983	701,820
Investment activity expense	(50,463)	(34,177)	(84,640)
Total net investment earnings	3,081,174	2,088,373	5,169,547
Total net additions	3,656,218	2,397,089	6,053,307
DEDUCTIONS			
Benefits	1,022,894	436,360	1,459,254
Administrative	29,190	24,465	53,655
Total deductions	1,052,084	460,825	1,512,909
Change in net position	2,604,134	1,936,264	4,540,398
Net position - beginning	15,606,608	10,501,970	26,108,578
Net position - ending	\$ 18,210,742	\$ 12,438,234	\$ 30,648,976

NOTE 8 DEFINED CONTRIBUTION PENSION PLANS

The Borough has a 401(a) Qualified Plan for management personnel and a 457(g) Qualified Plan with the International City/County Management Association Retirement Corporation (ICMA-RC) for all employees. These defined contribution plans require the Borough to contribute 6% and 2%, respectively, of wages for each participating employee into the plan. Total employer contributions for 2019 were \$ 29,634.

NOTE 9 POSTEMPLOYMENT HEALTHCARE PLAN

Plan Description

The Borough has a healthcare plan for retired police employees, which is a single employer defined benefit healthcare plan administered by the Borough. The plan provides medical and prescription drug coverage for the retiree and spouse for 18 months. Officers who retire with a minimum age of 50 and have at least 25 years of service (including military buy back time) may elect to be covered by the Borough's health care program. Seventy-five (75%) percent of the cost will be paid by the Borough and twenty-five (25%) percent by the retired officer. An early retirement benefit is provided to a member with 20 or more years of service who terminates employment prior to completion of superannuation retirement age and service requirements and who files a written application for the early retirement benefit with Borough Council. These officers are entitled to participate in the health care plan program where the Borough pays 25% and the officer pays 75% of the premium cost until the retiree reaches age 65 or becomes eligible for Medicare. Health care coverage is defined herein as medical coverage only and does not include vision, dental or any other non-medical insurance coverage. Only those officers hired prior to January 1, 2004, will be eligible for this benefit. The Borough shall provide prospectively to any Police Officer who retired during the period January 2, 2004 through June 30, 2007, and who reaches the age of 65, Blue Cross/Blue Shield or equivalent coverage. Seventy-five (75%) percent of the monthly premium cost will be paid by the Borough and twenty-five (25%) percent by the retired Police Officer. This provision shall not apply to any retirement on or after July 1, 2007.

Funding Policy

The contribution requirements of plan members and the Borough are established and may be amended by the Borough. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the Borough.

No assets are accumulated in a trust that meets the criteria of GASB standards.

Plan Membership

Membership of each plan consisted of the following at January 1, 2018, the date of the latest actuarial valuation:

Active participants	9
Vested former participants	8
Retired participants	<u>10</u>
Total	<u>27</u>

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The total OPEB liability was measured as of January 1, 2019 and was based on an actuarial valuation as of January 1, 2018. The plan has no assets that are accumulated in a trust that meets the criteria established in GASB Statement No. 75. At December 31, 2019, the Borough reported a total OPEB liability of \$ 1,407,120.

For the year ended December 31, 2019, the Borough recognized OPEB expense of \$ 71,301.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 9 POSTEMPLOYMENT HEALTHCARE PLAN (CONTINUED)

Changes in the Total OPEB Liability

	Total OPEB Liability
Beginning Balance	\$ 1,469,535
Changes for the year:	
Service cost	22,303
Interest	45,782
Changes in assumptions	(51,052)
Benefit payments	(79,448)
Net changes	(62,415)
Ending Balance	<u><u>\$ 1,407,120</u></u>

At December 31, 2019, the Borough reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ -	\$ 25,526
Benefit payments/contributions subsequent to the measurement date	<u>74,073</u>	<u>-</u>
	<u><u>\$ 74,073</u></u>	<u><u>\$ 25,526</u></u>

The amount of \$ 74,073 is reported as deferred outflows of resources related to OPEB resulting from Borough contributions/benefit payments subsequent to the measurement date and will be recognized as a reduction in the total OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year ended December 31:		
2020	\$	(25,526)
Total	\$	<u><u>(25,526)</u></u>

NOTE 9 POSTEMPLOYMENT HEALTHCARE PLAN (CONTINUED)

Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of January 1, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Actuarial Cost Method:	Entry age normal
Investment Rate of Return:	3.64%
Salary Increases:	An assumption for salary increase is used for spreading contributions over future pay under the entry age normal cost method. For this purpose, salary increases are assumed to be 5.00%
Mortality:	The actuarial valuation utilizes the IRS 2017 Static Combined Table for Small Plans. Incorporated into the table are rates for annuitants are projected 7 years and rates for non-annuitants are projected 15 years using Scale AA to reflect mortality improvement.
Percentage of Eligible Employees Electing Coverage in Plan:	50.00% of eligible employees are assumed to elect coverage.
Health Care Cost Trend Rate:	6.00% in 2018, and 5.5% in 2019 through 2021. Rates gradually decrease from 5.4% in 2022 to 3.8% in 2075 and later based on the Society of Actuaries Long-Run Medical Cost Trend Model.
Per Capita Claims Cost:	The per capita claims cost for medical and prescription drug is based on the expected portion of the group's overall cost attributed to individuals in the specified age and gender brackets. The resulting costs are as follows: Age 45-49, \$ 6,827 for males and \$ 9,859 for females; 50-54, \$ 9,041 for males and \$ 11,143 for females; 55-59, \$ 11,012 for males and \$ 11,659 for females; 60-64, \$ 14,370 for males and \$ 13,394 for females; 65+, \$ 4,023 for males and \$ 4,023 for females.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.64%. The Plan is not funded, therefore, the S&P 20-year municipal bond rate of 3.64% as of January 1, 2019 is the applicable discount rate.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 9 POSTEMPLOYMENT HEALTHCARE PLAN (CONTINUED)

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

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

1% Decrease	Current Discount Rate	1% Increase
2.64%	3.64%	4.64%
<u>\$ 1,516,847</u>	<u>\$ 1,407,120</u>	<u>\$ 1,309,390</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

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

1% Decrease	Healthcare Cost Trend	1% Increase
(5.0% decreasing to 2.8%)	Rate (6.0% decreasing to 3.8%)	(7.0% decreasing to 4.8%)
<u>\$ 1,289,089</u>	<u>\$ 1,407,120</u>	<u>\$ 1,539,064</u>

Payables to the OPEB Plan

As of December 31, 2019, the Borough had no amounts payable to the Plan.

NOTE 10 RISK MANAGEMENT

The Borough's risk management activities are recorded in the General Fund, which administers auto liability, auto physical damage, general liability, law enforcement liability, public official, and real and personal property insurance programs of the Borough. The Borough pays the first \$ 1,000 of claims annually for each type of insurance. Significant losses (greater than \$ 1,000) are covered by commercial insurance. For insured programs, there have been no significant reductions in insurance coverage. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Borough. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

The Borough is part of the Pennsylvania Municipal Health Insurance Cooperative (PMHIC). This trust consists of a group of municipalities that have pooled their interests in order to establish a self-funded insurance plan in order to better control insurance rates. The Borough pays a premium to PHMIC that consists of a portion for actual claim expenses, administrative costs, reinsurance costs and a reserve account. At year end, the actual claims of the Borough are reviewed and the reserve account is used to fund any excess claims for the Borough over premiums paid during the year. If any funds remain in the reserve account, 30% of the total

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 10 RISK MANAGEMENT (CONTINUED)

reserve balance could possibly be used to fund claim overages for the trust. A reinsurance policy is used to pay any additional excess claims. Therefore, the expense reported by the Borough is limited to the premiums paid during the year. Any potential refund of the reserve account is calculated and received by the Borough several months after year end. Total payments by the Borough to PHMIC during 2019 were \$ 2,005,156. During 2019, the Borough received \$ 108,262 from PMHIC as a refund for prior premiums paid.

NOTE 11 GOVERNMENTAL FUNDS – FUND BALANCE

The following table provides detail of the fund balance classifications which are aggregated on the governmental funds balance sheet:

	General Fund	Capital Projects Fund	Highway Aid Fund	Asset Forfeiture Fund	Total Governmental Funds
FUND BALANCES					
Nonspendable:					
Inventories	\$ 78,808	\$ -	\$ -	\$ -	\$ 78,808
Prepaid items	37,723	-	-	-	37,723
Long term receivables	200,000	-	-	-	200,000
	<u>316,531</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>316,531</u>
Restricted for:					
LLEBG grant	3,071	-	-	-	3,071
300th Celebration	878	-	-	-	878
Fireworks	3,570	-	-	-	3,570
Future capital projects	-	1,335,550	-	-	1,335,550
Letort Park project	46,216	-	-	-	46,216
Highway department	-	-	1,389,892	-	1,389,892
Asset Forfeiture/future police	-	-	-	27,983	27,983
	<u>53,735</u>	<u>1,335,550</u>	<u>1,389,892</u>	<u>27,983</u>	<u>2,807,160</u>
Committed for:					
Recreation	97,878	-	-	-	97,878
Other post-employment benefit plan	500,000	-	-	-	500,000
	<u>597,878</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>597,878</u>
Assigned for:					
Comprehensive plan	43,550	-	-	-	43,550
Subsequent year budget deficit	581,020	-	-	-	581,020
Future employee benefit expenditures	360,663	-	-	-	360,663
	<u>985,233</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>985,233</u>
Unassigned fund balance	<u>7,405,190</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,405,190</u>
Total fund balances	<u>\$ 9,358,567</u>	<u>\$ 1,335,550</u>	<u>\$ 1,389,892</u>	<u>\$ 27,983</u>	<u>\$ 12,111,992</u>

BOROUGH OF CARLISLE

Notes to Financial Statements

NOTE 12 LEASE INCOME

The Borough has various operating leases, including the rental of the Community Center and numerous cell tower leases. The terms of the leases vary from two years to twenty years. Future minimum lease rentals under these leases by fiscal year for the next five years are as follows:

2020	\$	167,762
2021		140,731
2022		146,043
2023		150,844
2024		89,701
	\$	<u>695,081</u>

Rental income for the year ended December 31, 2019 was \$ 167,959.

NOTE 13 LOANS RECEIVABLE

The Borough has entered into a loan receivable with a local limited partnership in the amount of \$ 200,000. The payment on this receivable is deferred for 30 years after placement in service of the project, but no later than December 31, 2036. This is a non-interest-bearing loan. Management expects this loan to be paid within the specified payment period, thus no allowance has been established.

NOTE 14 COMMITMENTS

The Borough has the following significant commitments for open projects at December 31, 2019, which excludes any completed projects that have not yet been placed in service and still considered construction in progress:

	Commitment	Costs Incurred as of 12/31/19
Sewer system rehabilitation program	\$ 8,409,151	\$ 7,832,867
Urban redevelopment plan	7,540,109	1,645,967
Water system rehabilitation	1,114,757	1,100,398
Penn Street tank recoat	143,100	-
Pumping station project	304,600	-
Traffic signal update	161,080	-

BOROUGH OF CARLISLE

Notes to Financial Statements

NOTE 15 CONTINGENCIES

The Borough is subject to real estate tax assessment appeals on an ongoing basis. If tax appeals are successful, the result is a loss of tax revenue to the Borough. It is anticipated that any material loss of tax revenue on individual tax appeals will be offset with additional revenues from other properties or other sources of revenue and would not create a financial hardship to the Borough.

The Borough is involved with various lawsuits in the normal course of operations. In most cases, management cannot predict the outcome of the lawsuits or estimate the amount of any loss that may result. Management believes that losses resulting from these matters, if any, would be substantially covered under the Borough's professional liability insurance policy and would not have a material effect on the financial position of the Borough.

NOTE 16 TAX INCREMENT FINANCING AGREEMENT – CARLISLE AUTO INDUSTRIES, INC.

On October 25, 2017, the Borough entered a Tax Increment Financing (TIF) Agreement with the County of Cumberland, Carlisle Area School District, and collectively with the Cumberland County Industrial Development Authority and Carlisle Auto Industries, Inc. for twenty years expiring July 15, 2037.

Under the authority of the Pennsylvania Tax Increment Financing Act, the local taxing body (the Borough) is to rebate a portion of the tax collection to the Cumberland County Industrial Development Authority to undertake infrastructure improvements to provide substantial additional commercial and residential opportunities in the downtown Carlisle area. Proceeds from the TIF may be used for a variety of public improvements including transportation infrastructure, sewer and water infrastructure, and electric and other infrastructure related improvements as necessary. The TIF is being used as a strategy to enhance the density and quality of development at the Carlisle Auto Industries, Inc. site.

Full aggregate assessed value of all taxable real property located within the TIF district as of the effective date of creation is \$ 1,197,200. Since inception, the taxable assessed value of the TIF District has increased to \$ 12,023,000 (an increase of \$ 10,825,800).

The Borough has allocated one hundred percent (100%) of the incremental increase in revenue above the base assessment on the real estate taxes assessed on the TIF district properties for each year within the agreement.

While the improvements to the TIF district have not yet been completed, the district is planned to include retail space, a hotel, townhomes, mid-rise apartments, an office building, restaurants, and parking.

Annually, the developers will pay assessed property taxes on all taxable properties within the TIF District with pledged amounts contributed by the Borough and other TIF parties deposited into the TIF Escrow Fund held by the Cumberland County Industrial Development Authority, to be used in payment or trust for Obligations associated with project expenses.

BOROUGH OF CARLISLE

Notes to Financial Statements

NOTE 16 TAX INCREMENT FINANCING AGREEMENT – CARLISLE AUTO INDUSTRIES, INC. (CONTINUED)

The debt related to the TIF project was issued by Cumberland County Industrial Development Authority in the amount of \$ 7,930,000 in the form of a limited guaranteed revenue note, Series of 2017. The note matures annually through July 15, 2037 with semi-annual interest payments. The Borough has agreed to guarantee the first five years of debt service for this note under laws of the Commonwealth of Pennsylvania. In the unlikely event of default by the issuer, the maximum amount of the Borough's guarantee would be \$ 1,739,858.

Initial project costs of \$ 1,882,539 have been reimbursed through the debt noted above. Total expense incurred related to this project at December 31, 2019 is \$ 4,320,067. The Borough issued the 2018 GO Note to temporarily finance the expenses that have not yet been reimbursed. It is expected that the Cumberland County Industrial Development Authority will issue additional TIF project related debt that will partially reimburse the Borough for the expenses incurred related to this project. It is expected that the Cumberland County Industrial Development Authority will issue this debt in 2021. Project expenses are also being funded with a combination of federal and commonwealth grants as well as through the use of Borough funds.

NOTE 17 RESTATEMENT

During the year ended December 31, 2019, the Borough adopted GASB Statement No. 84, Fiduciary Activities and GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, which required the Borough to change the classification of a previously reported fiduciary fund. As a result, the beginning net position amount reflects the changes as of January 1, 2019 resulting from the change in the classification. In addition, the Borough also determined that their previously reported blended component unit, the Carlisle Borough Municipal Authority, should be considered a discretely presented component unit, rather than a blended component unit previously reported as an other enterprise fund. During the year, the Borough also corrected delinquent real estate and local service tax amounts that had been reported incorrectly in a previous year.

	Governmental Activities	Pension Trust Fund	Business-Type Activities	Carlisle Borough Municipal Authority (other enterprise fund)	Carlisle Borough Municipal Authority (discretely presented component unit)
Net position as of December 31, 2018, as originally stated	\$ 22,272,861	\$ 26,698,389	\$ 37,636,813	\$ 12,395	\$ -
Real estate and local service tax correction	154,580	-	-	-	-
Reclassify component unit presentation	-	-	(12,395)	(12,395)	12,395
Implement GASB 84 and 97 for fiduciary activities	-	(589,811)	-	-	-
Net position as of December 31, 2018, as restated	<u>\$ 22,427,441</u>	<u>\$ 26,108,578</u>	<u>\$ 37,624,418</u>	<u>\$ -</u>	<u>\$ 12,395</u>

NOTE 18 SUBSEQUENT EVENT

The COVID-19 outbreak in the United States and around the world has caused business disruption through mandated and voluntary closings of many business throughout our community. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration and extent of the economic impact. Therefore, it is reasonable to expect that some of the Borough's revenue sources derived from various tax revenues and the ability of the customers to pay for services provided could be impacted.

In addition, as a result of the COVID-19 pandemic, investment markets have seen a significant decline in market value which has impacted the Borough's pension investment portfolio.

At this point, the duration and extent of the COVID-19 impact on the value of Borough's assets and future revenue sources cannot be reasonably estimated.

REQUIRED SUPPLEMENTARY INFORMATION

BOROUGH OF CARLISLE

Pension Plans

Unaudited Schedule of Changes in the Borough's Net Pension Liability (Asset) and Related Ratios

	Non-Uniform						Police					
	2019	2018	2017	2016	2015	2014	2019	2018	2017	2016	2015	2014
Total pension liability												
Service cost	\$ 226,295	\$ 202,066	\$ 193,365	\$ 221,719	\$ 212,171	\$ 245,209	\$ 428,947	\$ 407,860	\$ 388,438	\$ 417,934	\$ 396,146	\$ 320,436
Interest	864,390	829,890	782,728	747,909	700,526	648,774	1,257,693	1,264,179	1,214,652	1,153,982	1,104,822	1,055,036
Differences in expected and actual experience	(185,048)	-	(281,563)	-	36,620	-	(779,367)	-	457,135	-	8,417	-
Changes in benefit terms	-	-	-	-	58,558	-	-	-	-	-	-	-
Changes in assumptions	-	-	122,786	-	-	-	-	-	(257,263)	-	-	-
Benefit payments, including refunds of member contributions	(436,360)	(385,893)	(326,055)	(310,433)	(270,515)	(261,668)	(1,022,894)	(977,594)	(946,702)	(920,018)	(814,561)	(777,007)
Net change in total pension liability	469,277	646,063	491,261	659,195	737,360	632,315	(115,621)	694,445	856,260	651,898	694,824	598,465
Total pension liability - beginning	11,702,139	11,056,076	10,564,815	9,905,620	9,168,260	8,535,945	17,631,107	16,936,662	16,080,402	15,428,504	14,733,680	14,135,215
Total pension liability - ending	12,171,416	11,702,139	11,056,076	10,564,815	9,905,620	9,168,260	17,515,486	17,631,107	16,936,662	16,080,402	15,428,504	14,733,680
Plan fiduciary net position												
Contributions - employer	254,721	259,111	215,584	236,956	252,045	257,595	448,037	392,019	364,883	366,745	375,632	364,683
Contributions - employee	53,994	57,156	57,910	60,567	63,430	64,246	127,006	159,228	131,528	123,465	156,131	143,458
Net investment income	2,074,659	(625,633)	1,471,724	561,253	50,483	428,727	3,061,210	(926,458)	2,248,707	877,246	88,359	703,663
Benefit payments, including refunds of member contributions	(436,360)	(385,893)	(326,055)	(310,433)	(270,515)	(261,668)	(1,022,894)	(977,594)	(946,702)	(920,018)	(814,561)	(777,007)
Administrative expenses	(10,750)	(13,625)	(2,650)	(12,265)	(8,250)	(6,750)	(9,225)	(12,300)	-	(15,925)	(10,425)	(6,825)
Other	-	-	-	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	1,936,264	(708,884)	1,416,513	536,078	87,193	482,150	2,604,134	(1,365,105)	1,798,416	431,513	(204,864)	427,972
Plan fiduciary net position - beginning	10,501,970	11,210,854	9,794,341	9,258,263	9,171,070	8,688,920	15,606,608	16,971,713	15,173,297	14,741,784	14,946,648	14,518,676
Plan fiduciary net position - ending	\$ 12,438,234	\$ 10,501,970	\$ 11,210,854	\$ 9,794,341	\$ 9,258,263	\$ 9,171,070	\$ 18,210,742	\$ 15,606,608	\$ 16,971,713	\$ 15,173,297	\$ 14,741,784	\$ 14,946,648
Borough's net pension liability (asset)	\$ (266,818)	\$ 1,200,169	\$ (154,778)	\$ 770,474	\$ 647,357	\$ (2,810)	\$ (695,256)	\$ 2,024,499	\$ (35,051)	\$ 907,105	\$ 686,720	\$ (212,968)
Plan fiduciary net position as a percentage of the total pension liability	102.19%	89.74%	101.40%	92.71%	93.46%	100.03%	103.97%	88.52%	100.21%	94.36%	95.55%	101.45%
Covered payroll	\$ 3,849,872	\$ 3,991,042	\$ 3,811,473	\$ 3,761,742	\$ 3,523,157	\$ 3,946,610	\$ 2,781,827	\$ 2,665,022	\$ 2,690,098	\$ 2,314,077	\$ 2,456,952	\$ 2,388,137
Net pension liability (asset) as a percentage of covered payroll	(6.93%)	30.07%	(4.06%)	20.48%	18.37%	(0.07%)	(24.99%)	75.97%	(1.30%)	39.20%	27.95%	(8.92%)

NOTE

This schedule will be expanded to show multi-year trends as additional information becomes available in the future.

BOROUGH OF CARLISLE
Pension Plans
Unaudited Schedule of Borough Contributions

Non-Uniform

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 226,455	\$ 210,859	\$ 190,889	\$ 213,605	\$ 252,045	\$ 257,490	\$ 263,093	\$ 328,646	\$ 291,611	\$ 276,963
Contributions in relation to the actuarially determined contribution	<u>254,721</u>	<u>259,111</u>	<u>215,584</u>	<u>236,956</u>	<u>252,045</u>	<u>257,595</u>	<u>263,093</u>	<u>328,646</u>	<u>314,327</u>	<u>286,313</u>
Contribution deficiency (excess)	<u>\$ (28,266)</u>	<u>\$ (48,252)</u>	<u>\$ (24,695)</u>	<u>\$ (23,351)</u>	<u>\$ -</u>	<u>\$ (105)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,716)</u>	<u>\$ (9,350)</u>
Covered payroll	\$ 3,849,872	\$ 3,991,042	\$ 3,811,473	\$ 3,761,742	\$ 3,523,157	\$ 3,946,610	\$ 3,820,912	\$ 3,867,737	\$ 3,862,585	\$ 3,786,596
Contributions as a percentage of covered payroll	6.62%	6.49%	5.66%	6.30%	7.15%	6.53%	6.89%	8.50%	8.14%	7.56%

Police

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 398,320	\$ 307,231	\$ 323,086	\$ 330,063	\$ 375,632	\$ 363,969	\$ 402,029	\$ 399,045	\$ 509,211	\$ 413,733
Contributions in relation to the actuarially determined contribution	<u>448,037</u>	<u>392,019</u>	<u>364,883</u>	<u>366,745</u>	<u>375,632</u>	<u>364,683</u>	<u>402,029</u>	<u>399,045</u>	<u>509,212</u>	<u>413,733</u>
Contribution deficiency (excess)	<u>\$ (49,717)</u>	<u>\$ (84,788)</u>	<u>\$ (41,797)</u>	<u>\$ (36,682)</u>	<u>\$ -</u>	<u>\$ (714)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ -</u>
Covered payroll	\$ 2,781,827	\$ 2,665,022	\$ 2,690,098	\$ 2,314,077	\$ 2,456,952	\$ 2,388,137	\$ 2,268,154	\$ 2,169,400	\$ 2,422,422	\$ 2,323,125
Contributions as a percentage of covered payroll	16.11%	14.71%	13.56%	15.85%	15.29%	15.27%	17.72%	18.39%	21.02%	17.81%

NOTES TO SCHEDULE

Valuation date:

Actuarially determined contribution rates are calculated as of January 1, two to four years prior to the end of the fiscal year on which the contributions are reported.

Methods and assumptions used to determine contribution rates, including changes in actuarial assumptions:

Actuarial cost method	Entry age normal
Amortization method	Level dollar closed
Amortization period	Non-Uniform - 6 years
	Police - 17 years
Asset valuation method	Smoothed value with a corridor of 80% to 120% of market value
Inflation	3.0%
Salary increases	Non-Uniform - 4.5%
	Police - 5.0%
Investment rate of return	7.5%
Retirement age	Normal retirement age
Mortality	IRS 2017 Static Combined Table for Small Plans. Incorporated into the table are rates for annuitants projected 7 years and rates for non-annuitants projected 15 years using Scale AA to reflect mortality improvements.

BOROUGH OF CARLISLE
Pension Plans
Unaudited Schedule of Investment Returns

	Non-Uniform						Police					
	2019	2018	2017	2016	2015	2014	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	19.89%	-5.23%	15.65%	5.99%	0.46%	5.45%	19.91%	-5.16%	15.67%	5.99%	0.53%	5.42%

NOTE
 This schedule will be expanded to show multi-year trends as additional information becomes available in the future.

BOROUGH OF CARLISLE
OPEB (Other Post-Employment Benefit Plan)
Schedule of Changes in the Borough's Total OPEB Liability and Related Ratios

	2019	2018
Total OPEB liability		
Service cost	\$ 22,303	\$ 19,401
Interest	45,782	51,742
Changes in assumptions	(51,052)	57,484
Benefit payments	<u>(79,448)</u>	<u>(74,951)</u>
Net change in total OPEB liability	(62,415)	53,676
 Total OPEB liability - beginning	 <u>1,469,535</u>	 <u>1,415,859</u>
Total OPEB liability - ending	<u>\$ 1,407,120</u>	<u>\$ 1,469,535</u>
Covered payroll	\$ 948,429	\$ 906,549
Total OPEB liability as a percentage of covered payroll	148.36%	162.10%

NOTE

This schedule will be expanded to show multi-year trends as additional information becomes available in the future.

BOROUGH OF CARLISLE
Budgetary Comparison Schedule - General Fund
Unaudited Required Supplementary Information
Year Ended December 31, 2019

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 8,203,014	\$ 8,203,014	\$ 8,497,054	\$ 294,040
Licenses and permits	641,850	641,850	597,215	(44,635)
Fees and fines	170,200	170,200	116,636	(53,564)
Investment earnings	32,740	32,740	166,610	133,870
Rents	62,050	62,050	87,145	25,095
Intergovernmental	819,690	819,690	858,440	38,750
Charges for services	251,610	251,610	288,045	36,435
Contributions and miscellaneous	266,400	266,400	223,054	(43,346)
Proceeds from refunds/reimbursements	192,300	192,300	228,954	36,654
Total revenues	10,639,854	10,639,854	11,063,153	423,299
EXPENDITURES				
General government				
Borough council	176,424	176,424	14,655	161,769
Borough manager	456,920	456,920	80,471	376,449
Finance department	416,295	451,295	88,137	363,158
Tax collection	119,598	119,598	139,086	(19,488)
Personnel administration	183,117	183,117	21,383	161,734
Data processing	305,780	305,780	45,841	259,939
Legal services	156,500	156,500	19,585	136,915
Insurance premiums	271,808	271,808	265,535	6,273
Employee benefits (unallocated)	658,490	658,490	571,301	87,189
Buildings and plants	115,385	115,385	8,341	107,044
Public safety				
Police department	4,358,705	4,363,705	4,145,037	218,668
Fire department	1,007,540	1,007,540	949,583	57,957
Codes department	374,294	374,294	334,321	39,973
Public works				
Stormwater	-	-	8,724	(8,724)
Highways	1,315,829	1,315,829	1,304,528	11,301
Engineering	436,699	436,699	74,495	362,204
Parks and recreation	1,000,437	1,000,437	966,568	33,869
Conservation and community development	107,675	107,675	96,925	10,750
Debt service				
Principal	328,259	328,259	328,259	-
Interest and fiscal charges	176,790	176,790	176,789	1
Total expenditures	11,966,545	12,006,545	9,639,564	2,366,981
Excess (deficiency) of revenues over (under) expenditures	(1,326,691)	(1,366,691)	1,423,589	2,790,280
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	15,000	15,000	45,689	30,689
Transfers in	1,984,818	1,984,818	72,738	(1,912,080)
Transfers out	(673,127)	(673,127)	(674,147)	(1,020)
Total other financing sources and uses	1,326,691	1,326,691	(555,720)	(1,882,411)
Net change in fund balances	\$ -	\$ (40,000)	\$ 867,869	\$ 907,869

BOROUGH OF CARLISLE
Notes to Budgetary Comparison Schedule
Year Ended December 31, 2019

NOTE 1 BUDGETARY INFORMATION

Borough Council adopts annual budgets according to generally accepted accounting principles (GAAP) for the general fund. All annual appropriations lapse at the end of each year and must be reappropriated.

OTHER SUPPLEMENTARY INFORMATION

BOROUGH OF CARLISLE
Governmental Funds
December 31, 2019

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Community Development Block Grant (CDBG) Fund -- This fund is used to account for the Borough's share of Housing and Urban Development (HUD) grants disbursed by the federal government to aid communities with economic and residential development. The funds are legally restricted to be used for the benefit of low to moderate income areas within the Borough. Most of this area falls within the Borough's historic district.

Highway Aid Fund -- This fund is used to account for the Borough's share of Liquid Fuels funds disbursed by the Commonwealth of Pennsylvania. The funds are legally restricted to the construction and maintenance of Borough streets and bridges.

Asset Forfeiture Fund -- This fund is used to account for revenue received from the U.S. Department of Justice for proceeds obtained in drug arrests. The use of these funds must supplement existing law enforcement functions.

Capital Projects Fund -- This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

BOROUGH OF CARLISLE
Combining Balance Sheet
Other Governmental Funds
December 31, 2019

	Special Revenue Funds			Total Other Governmental Funds
	Highway Aid Fund	Community Development Block Grant	Asset Forfeiture	
ASSETS				
Cash and cash equivalents	\$ 1,389,892	\$ -	\$ 27,983	\$ 1,417,875
Other receivables	-	24,309	-	24,309
Total assets	<u>\$ 1,389,892</u>	<u>\$ 24,309</u>	<u>\$ 27,983</u>	<u>\$ 1,442,184</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Due to other funds	<u>\$ -</u>	<u>\$ 24,309</u>	<u>\$ -</u>	<u>\$ 24,309</u>
Total liabilities	<u>-</u>	<u>24,309</u>	<u>-</u>	<u>24,309</u>
Fund balances				
Restricted fund balance	<u>1,389,892</u>	<u>-</u>	<u>27,983</u>	<u>1,417,875</u>
Total fund balances	<u>1,389,892</u>	<u>-</u>	<u>27,983</u>	<u>1,417,875</u>
Total liabilities and fund balances	<u>\$ 1,389,892</u>	<u>\$ 24,309</u>	<u>\$ 27,983</u>	<u>\$ 1,442,184</u>

BOROUGH OF CARLISLE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds
Year Ended December 31, 2019

	Highway Aid Fund	Community Development Block Grant	Asset Forfeiture	Total Other Governmental Funds
REVENUES				
Investment earnings	\$ 37,312	\$ -	\$ 355	\$ 37,667
Intergovernmental	566,599	281,136	-	847,735
Total revenues	603,911	281,136	355	885,402
EXPENDITURES				
Public works				
Highways	554,463	-	-	554,463
Conservation and community development	-	209,418	-	209,418
Total expenditures	554,463	209,418	-	763,881
Excess (deficiency) of revenues over (under) expenditures	49,448	71,718	355	121,521
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(71,718)	-	(71,718)
Total other financing sources and uses	-	(71,718)	-	(71,718)
Net change in fund balances	49,448	-	355	49,803
Fund balances - beginning	1,340,444	-	27,628	1,368,072
Fund balances - ending	<u>\$ 1,389,892</u>	<u>\$ -</u>	<u>\$ 27,983</u>	<u>\$ 1,417,875</u>

BOROUGH OF CARLISLE
Budgetary Comparison Schedule
Other Special Revenue Fund - Highway Aid
Year Ended December 31, 2019

	Original/Final Budget	Actual Budgetary/GAAP Basis	Variance
Revenue			
Investment income	\$ 11,000	\$ 37,312	\$ 26,312
Intergovernmental	553,000	566,599	13,599
Total revenue	<u>564,000</u>	<u>603,911</u>	<u>39,911</u>
Expenditures			
Highways	<u>1,286,000</u>	<u>554,463</u>	<u>731,537</u>
Total expenditures	<u>1,286,000</u>	<u>554,463</u>	<u>731,537</u>
Excess of revenue over (under) expenditures	<u>(722,000)</u>	<u>49,448</u>	<u>771,448</u>
Net change in fund balance	<u>\$ (722,000)</u>	<u>\$ 49,448</u>	<u>\$ 771,448</u>

BOROUGH OF CARLISLE
Budgetary Comparison Schedule
Other Special Revenue Fund - Asset Forfeiture
Year Ended December 31, 2019

	Budget		Actual	Variance with
	Original	Final	Budgetary/GAAP	Final Budget
			Basis	
Revenue				
Investment income	\$ -	\$ -	\$ 355	\$ 355
Total revenue	-	-	355	355
Expenditures				
Police department	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over (under) expenditures	-	-	355	355
Net change in fund balance	\$ -	\$ -	\$ 355	\$ 355

BOROUGH OF CARLISLE
Budgetary Comparison Schedule - Capital Projects Fund
Year Ended December 31, 2019

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Investment earnings	\$ 3,500	\$ 3,500	\$ 28,761	\$ 25,261
Intergovernmental	4,051,502	4,051,502	45,045	(4,006,457)
Proceeds from refunds/reimbursements	4,774,267	4,774,267	5,204	(4,769,063)
Total revenues	<u>8,829,269</u>	<u>8,829,269</u>	<u>79,010</u>	<u>(8,750,259)</u>
EXPENDITURES				
General government				
Buildings and plants	211,000	241,000	50,844	190,156
Public safety				
Police department	93,000	93,000	82,726	10,274
Codes department	8,582,567	8,582,567	810,147	7,772,420
Public works				
Highways	828,534	828,534	295,145	533,389
Parks and recreation	551,651	551,651	50,549	501,102
Conservation and community development	325,100	325,100	171,608	153,492
Debt service				
Principal	157,266	157,266	99,755	57,511
Interest and fiscal charges	122,355	122,355	117,590	4,765
Total expenditures	<u>10,871,473</u>	<u>10,901,473</u>	<u>1,678,364</u>	<u>9,223,109</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,042,204)</u>	<u>(2,072,204)</u>	<u>(1,599,354)</u>	<u>472,850</u>
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	-	-	934,077	934,077
Transfers in	698,127	698,127	673,127	(25,000)
Transfers out	(50,000)	(50,000)	-	50,000
Total other financing sources and uses	<u>648,127</u>	<u>648,127</u>	<u>1,607,204</u>	<u>959,077</u>
Net change in fund balances	<u>\$ (1,394,077)</u>	<u>\$ (1,424,077)</u>	<u>\$ 7,850</u>	<u>\$ 1,431,927</u>

BOROUGH OF CARLISLE
Pension Trust Funds
December 31, 2019

Pension Trust Funds are used to account for assets held by the Borough in a trustee capacity for future pension benefits.

Police Pension Fund -- This fund is used to account for the accumulation of resources for pension benefit payments to qualified public safety (police) employees.

Non-Uniformed Pension Fund -- This fund is used to account for the accumulation of resources for pension benefit payments to qualified employees of the Borough other than police or fire department employees.

BOROUGH OF CARLISLE
Combining Statement of Fiduciary Net Position - Pension Trust Funds
December 31, 2019

	Police Pension Trust Fund	Non-Uniformed Pension Trust Fund	Total Pension Trust Funds
ASSETS			
Cash and cash equivalents	\$ 386,101	\$ 264,236	\$ 650,337
Accrued interest receivable	501	345	846
Fixed income mutual funds	5,885,900	4,036,783	9,922,683
Mutual funds - open end	11,938,240	8,136,870	20,075,110
Total assets	<u>\$ 18,210,742</u>	<u>\$ 12,438,234</u>	<u>\$ 30,648,976</u>
NET POSITION			
Net position restricted for pensions	<u>18,210,742</u>	<u>12,438,234</u>	<u>30,648,976</u>
Total net position	<u>\$ 18,210,742</u>	<u>\$ 12,438,234</u>	<u>\$ 30,648,976</u>

BOROUGH OF CARLISLE
Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds
Year Ended December 31, 2019

	Police Pension Trust Fund	Non-Uniformed Pension Trust Fund	Total Pension Trust Funds
ADDITIONS			
Contributions			
Employer	\$ 448,037	\$ 254,721	\$ 702,758
Plan members	127,007	53,995	181,002
Total contributions	<u>575,044</u>	<u>308,716</u>	<u>883,760</u>
Investment earnings			
Net appreciation (depreciation)			
in fair value of investments	2,713,800	1,838,567	4,552,367
Interest and dividends	417,837	283,983	701,820
Investment activity expense	<u>(50,463)</u>	<u>(34,177)</u>	<u>(84,640)</u>
Total net investment earnings	<u>3,081,174</u>	<u>2,088,373</u>	<u>5,169,547</u>
Total net additions (depreciation)	<u>3,656,218</u>	<u>2,397,089</u>	<u>6,053,307</u>
DEDUCTIONS			
Benefits	1,022,894	436,360	1,459,254
Administrative	29,190	24,465	53,655
Total deductions	<u>1,052,084</u>	<u>460,825</u>	<u>1,512,909</u>
Change in net position	2,604,134	1,936,264	4,540,398
Net position - beginning, as restated	<u>15,606,608</u>	<u>10,501,970</u>	<u>26,108,578</u>
Net position - ending	<u>\$ 18,210,742</u>	<u>\$ 12,438,234</u>	<u>\$ 30,648,976</u>

BOROUGH OF CARLISLE

Future Debt Service Requirements

December 31, 2019

The following schedules provide the total debt service payments which the Borough is obligated to make.

Fiscal Year	Governmental Activities						Total Governmental Activities			
	2016 GO Note		2017A GO Bonds		2017B GO Bonds		2018 GO Note		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	60,961	6,348	104,531	66,444	439,429	161,966	-	67,464	604,921	302,222
2021	41,845	5,275	109,307	61,218	527,718	144,389	2,082,215	62,057	2,761,085	272,939
2022	43,166	4,538	114,082	55,752	550,296	118,003			707,544	178,293
2023	43,518	3,778	118,858	50,048	580,413	90,488			742,789	144,314
2024	55,764	3,013	128,141	44,105	381,673	61,468			565,578	108,586
2025	57,085	2,031	132,917	37,698	375,192	42,384			565,194	82,113
2026	58,315	1,025	137,962	31,052	311,259	27,376			507,536	59,453
2027			142,468	28,293	200,928	14,926			343,396	43,219
2028			142,738	25,266	125,580	6,889			268,318	32,155
2029			147,514	22,054	46,645	1,866			194,159	23,920
2030			152,020	18,551					152,020	18,551
2031			156,796	14,750					156,796	14,750
2032			157,065	10,830					157,065	10,830
2033			17,781	6,118					17,781	6,118
2034			18,320	5,585					18,320	5,585
2035			18,858	5,035					18,858	5,035
2036			19,397	4,469					19,397	4,469
2037			19,936	3,888					19,936	3,888
2038			20,744	3,289					20,744	3,289
2039			21,283	2,667					21,283	2,667
2040			21,822	2,029					21,822	2,029
2041			22,630	1,374					22,630	1,374
2042			23,168	695					23,168	695
	\$ 360,654	\$ 26,008	\$ 1,948,338	\$ 501,210	\$ 3,539,133	\$ 669,755	\$ 2,082,215	\$ 129,521	\$ 7,930,340	\$ 1,326,494

Fiscal Year	Water Fund						Total Water Fund	
	2016 GO Note		2017A GO Bonds		2017B GO Bonds		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	145,973	15,199	96,672	108,160	427,175	205,706	669,820	329,065
2021	100,198	12,630	101,275	103,327	494,783	188,619	696,256	304,576
2022	103,362	10,867	105,879	98,263	517,420	163,880	726,661	273,010
2023	104,206	9,048	110,482	92,969	546,378	138,009	761,066	240,026
2024	133,527	7,214	117,387	87,445	640,649	110,690	891,563	205,349
2025	136,691	4,864	121,991	81,576	649,506	78,658	908,188	165,098
2026	139,645	2,457	128,896	75,476	598,922	52,678	867,463	130,611
2027			131,198	72,898	386,624	28,721	517,822	101,619
2028			133,499	70,110	241,640	13,256	375,139	83,366
2029			138,103	67,106	89,751	3,590	227,854	70,696
2030			140,404	63,826			140,404	63,826
2031			145,008	60,316			145,008	60,316
2032			147,310	56,691			147,310	56,691
2033			151,913	52,272			151,913	52,272
2034			156,516	47,714			156,516	47,714
2035			161,120	43,019			161,120	43,019
2036			165,723	38,185			165,723	38,185
2037			170,327	33,214			170,327	33,214
2038			177,232	28,104			177,232	28,104
2039			181,835	22,787			181,835	22,787
2040			186,439	17,332			186,439	17,332
2041			193,344	11,739			193,344	11,739
2042			197,947	5,938			197,947	5,938
	\$ 863,602	\$ 62,279	\$ 3,360,500	\$ 1,338,467	\$ 4,592,848	\$ 983,807	\$ 8,816,950	\$ 2,384,553

BOROUGH OF CARLISLE
Future Debt Service Requirements (Continued)
December 31, 2019

Fiscal Year	Sewer Fund								Total Sewer Fund	
	2015 GO Note		2016 GO Note		2017A GO Bond		2017B GO Bond		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	1,000	122,914	476,778	49,644	102,013	114,136	354,410	200,966	934,201	487,660
2021	1,000	122,890	327,268	41,253	106,871	109,036	391,896	186,790	827,035	459,969
2022	1,000	122,865	337,603	35,493	111,729	103,692	423,296	167,195	873,628	429,245
2023	1,000	122,840	340,359	29,551	116,586	98,106	448,159	146,030	906,104	396,527
2024	1,000	122,816	436,128	23,561	123,873	92,276	526,079	123,622	1,087,080	362,275
2025	1,000	161,222	446,463	15,885	128,731	86,083	619,302	97,318	1,195,496	360,508
2026	1,000	199,620	456,110	8,029	136,017	79,646	824,819	72,546	1,417,946	359,841
2027	470,000	190,200			138,446	76,926	532,448	39,553	1,140,894	306,679
2028	489,000	171,020			140,875	73,984	332,780	18,255	962,655	263,259
2029	509,000	151,060			145,733	70,814	123,604	4,944	778,337	226,818
2030	530,000	130,280			148,162	67,353			678,162	197,633
2031	552,000	108,640			153,020	63,649			705,020	172,289
2032	574,000	86,120			155,448	59,823			729,448	145,943
2033	597,000	62,700			160,306	55,160			757,306	117,860
2034	622,000	38,320			165,164	50,351			787,164	88,671
2035	647,000	12,940			170,022	45,396			817,022	58,336
2036					174,879	40,295			174,879	40,295
2037					179,737	35,049			179,737	35,049
2038					187,024	29,657			187,024	29,657
2039					191,882	24,046			191,882	24,046
2040					196,739	18,289			196,739	18,289
2041					204,026	12,387			204,026	12,387
2042					208,885	6,267			208,885	6,267
	\$ 4,997,000	\$ 1,926,447	\$ 2,820,709	\$ 203,416	\$ 3,546,168	\$ 1,412,421	\$ 4,576,793	\$ 1,057,219	\$ 15,940,670	\$ 4,599,503

Fiscal Year	Parking						Total Parking Fund	
	2016 GO Note		2017A GO Bond		2017B GO Bond		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	8,258	860	12,064	6,961	88,985	24,561	109,307	32,382
2021	5,669	715	12,612	6,357	110,603	21,002	128,884	28,074
2022	5,848	615	13,160	5,727	113,988	15,472	132,996	21,814
2023	5,895	512	13,709	5,069	120,050	9,773	139,654	15,354
2024	7,554	408	14,806	4,383	46,600	3,770	68,960	8,561
2025	7,733	275	15,354	3,643	36,000	1,440	59,087	5,358
2026	7,898	139	15,902	2,875			23,800	3,014
2027			16,451	2,557			16,451	2,557
2028			16,451	2,208			16,451	2,208
2029			16,999	1,838			16,999	1,838
2030			17,547	1,434			17,547	1,434
2031			18,096	995			18,096	995
2032			18,095	543			18,095	543
	\$ 48,855	\$ 3,524	\$ 201,246	\$ 44,590	\$ 516,226	\$ 76,018	\$ 766,327	\$ 124,132

Fiscal Year	Solid Waste				Total Solid Waste Fund	
	2016 GO Note		2017A GO Bond		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	30	3	4,721	2,724	4,751	2,727
2021	21	3	4,935	2,488	4,956	2,491
2022	22	2	5,150	2,241	5,172	2,243
2023	22	2	5,364	1,983	5,386	1,985
2024	27	1	5,793	1,715	5,820	1,716
2025	29	1	6,008	1,426	6,037	1,427
2026	29	1	6,223	1,125	6,252	1,126
2027			6,437	1,001	6,437	1,001
2028			6,437	864	6,437	864
2029			6,652	719	6,652	719
2030			6,866	561	6,866	561
2031			7,081	389	7,081	389
2032			7,081	212	7,081	212
	\$ 180	\$ 13	\$ 78,748	\$ 17,448	\$ 78,928	\$ 17,461

BOROUGH OF CARLISLE
Schedule of Indebtedness
December 31, 2019

Type of Debt	Date of Issue	Original Amount	Interest Rate	Date of Final Maturity	Amount of Annual Maturity	Outstanding at December 31	
						2018	2019
GO Bonds (Series of 2016) (General Fund)	8/15/2016	\$ 626,521					
			1.76%	8/15/2020	60,961		
			1.76%	8/15/2021	41,845		
			1.76%	8/15/2022	43,166		
			1.76%	8/15/2023	43,518		
			1.76%	8/15/2024	55,764		
			1.76%	8/15/2025	57,085		
			1.76%	8/15/2026	58,315		
						471,300	360,654
GO Bonds (Series of 2017A) (Capital Projects Fund)	12/8/2017	\$ 2,153,433					
			5.00%	8/15/2020	104,531		
			5.00%	8/15/2021	109,307		
			5.00%	8/15/2022	114,082		
			5.00%	8/15/2023	118,858		
			5.00%	8/15/2024	128,141		
			5.00%	8/15/2025	132,917		
			2.00%	8/15/2026	137,962		
			2.13%	8/15/2027	142,468		
			2.25%	8/15/2028	142,738		
			2.38%	8/15/2029	147,514		
			2.50%	8/15/2030	152,020		
			2.50%	8/15/2031	156,796		
			3.00%	8/15/2032	157,065		
			3.00%	8/15/2033	17,781		
			3.00%	8/15/2034	18,320		
			3.00%	8/15/2035	18,858		
			3.00%	8/15/2036	19,397		
			3.00%	8/15/2037	19,936		
			3.00%	8/15/2038	20,744		
			3.00%	8/15/2039	21,283		
			3.00%	8/15/2040	21,822		
			3.00%	8/15/2041	22,630		
			3.00%	8/15/2042	23,168		
						2,048,094	1,948,338
GO Bonds (Series of 2017B) (General Fund)	12/8/2017	\$ 4,054,674					
			4.00%	10/15/2020	439,429		
			5.00%	10/15/2021	527,718		
			5.00%	10/15/2022	550,296		
			5.00%	10/15/2023	580,413		
			5.00%	10/15/2024	381,673		
			4.00%	10/15/2025	375,192		
			4.00%	10/15/2026	311,259		
			4.00%	10/15/2027	200,928		
			4.00%	10/15/2028	125,580		
			4.00%	10/15/2029	46,645		
						3,756,746	3,539,133
GO Note (Series of 2018) (Capital Projects Fund)	12/14/2018	\$ 2,082,215					
				12/1/2020	-		
				12/1/2021	2,082,215		
						1,148,138	2,082,215
Total Payable From Tax Revenue						\$ 7,424,278	\$ 7,930,340

BOROUGH OF CARLISLE
Schedule of Indebtedness (Continued)
December 31, 2019

Type of Debt	Date of Issue	Original Amount	Interest Rate	Date of Final Maturity	Amount of Annual Maturity	Outstanding at December 31	
						2018	2019
GO Note (Series of 2016) (Water Fund)	8/15/2016	\$ 1,500,227					
			1.76%	8/15/2020	145,973		
			1.76%	8/15/2021	100,198		
			1.76%	8/15/2022	103,362		
			1.76%	8/15/2023	104,206		
			1.76%	8/15/2024	133,527		
			1.76%	8/15/2025	136,691		
			1.76%	8/15/2026	139,645		
						1,128,546	863,602
GO Bonds (Series of 2017A) (Water Fund)	12/8/2017	\$ 3,556,145					
			5.00%	10/15/2020	96,672		
			5.00%	10/15/2021	101,275		
			5.00%	10/15/2022	105,879		
			5.00%	10/15/2023	110,482		
			5.00%	10/15/2024	117,387		
			5.00%	10/15/2025	121,991		
			2.00%	10/15/2026	128,896		
			2.13%	10/15/2027	131,198		
			2.25%	10/15/2028	133,499		
			2.38%	10/15/2029	138,103		
			2.50%	10/15/2030	140,404		
			2.50%	10/15/2031	145,008		
			3.00%	10/15/2032	147,310		
			3.00%	10/15/2033	151,913		
			3.00%	10/15/2034	156,516		
			3.00%	10/15/2035	161,120		
			3.00%	10/15/2036	165,723		
			3.00%	10/15/2037	170,327		
			3.00%	10/15/2038	177,232		
			3.00%	10/15/2039	181,835		
			3.00%	10/15/2040	186,439		
			3.00%	10/15/2041	193,344		
			3.00%	10/15/2042	197,947		
						3,452,568	3,360,500
GO Bonds (Series of 2017B) (Water Fund)	12/8/2017	\$ 5,154,676					
			4.00%	10/15/2020	427,175		
			5.00%	10/15/2021	494,783		
			5.00%	10/15/2022	517,420		
			5.00%	10/15/2023	546,378		
			5.00%	10/15/2024	640,649		
			4.00%	10/15/2025	649,506		
			4.00%	10/15/2026	598,922		
			4.00%	10/15/2027	386,624		
			4.00%	10/15/2028	241,640		
			4.00%	10/15/2029	89,751		
						4,841,123	4,592,848

BOROUGH OF CARLISLE
Schedule of Indebtedness (Continued)
December 31, 2019

Type of Debt	Date of Issue	Original Amount	Interest Rate	Date of Final Maturity	Amount of Annual Maturity	Outstanding at December 31	
						2018	2019
GO Note (Series of 2015) (Sewer Fund)	4/9/2015	\$ 5,000,000					
			2.46%	5/15/2020	1,000		
			2.46%	5/15/2021	1,000		
			2.46%	5/15/2022	1,000		
			2.46%	5/15/2023	1,000		
			2.46%	5/15/2024	1,000		
			2.46%	5/15/2025	1,000		
			4.00%	5/15/2026	1,000		
			4.00%	5/15/2027	470,000		
			4.00%	5/15/2028	489,000		
			4.00%	5/15/2029	509,000		
			4.00%	5/15/2030	530,000		
			4.00%	5/15/2031	552,000		
			4.00%	5/15/2032	574,000		
			4.00%	5/15/2033	597,000		
			4.00%	5/15/2034	622,000		
			4.00%	5/15/2035	647,000		
						4,998,000	4,997,000
GO Note (Series of 2016) (Sewer Fund)	8/15/2016	\$4,900,068					
			1.76%	8/15/2020	476,778		
			1.76%	8/15/2021	327,268		
			1.76%	8/15/2022	337,603		
			1.76%	8/15/2023	340,359		
			1.76%	8/15/2024	436,128		
			1.76%	8/15/2025	446,463		
			1.76%	8/15/2026	456,110		
						3,686,075	2,820,709
GO Bonds (Series of 2017A) (Sewer Fund)	12/8/2017	\$ 3,752,622					
			5.00%	10/15/2020	102,013		
			5.00%	10/15/2021	106,871		
			5.00%	10/15/2022	111,729		
			5.00%	10/15/2023	116,586		
			5.00%	10/15/2024	123,873		
			5.00%	10/15/2025	128,731		
			2.00%	10/15/2026	136,017		
			2.13%	10/15/2027	138,446		
			2.25%	10/15/2028	140,875		
			2.38%	10/15/2029	145,733		
			2.50%	10/15/2030	148,162		
			2.50%	10/15/2031	153,020		
			3.00%	10/15/2032	155,448		
			3.00%	10/15/2033	160,306		
			3.00%	10/15/2034	165,164		
			3.00%	10/15/2035	170,022		
			3.00%	10/15/2036	174,879		
			3.00%	10/15/2037	179,737		
			3.00%	10/15/2038	187,024		
			3.00%	10/15/2039	191,882		
			3.00%	10/15/2040	196,739		
			3.00%	10/15/2041	204,026		
			3.00%	10/15/2042	208,885		
						3,643,323	3,546,168

BOROUGH OF CARLISLE
Schedule of Indebtedness (Continued)
December 31, 2019

Type of Debt	Date of Issue	Original Amount	Interest Rate	Date of Final Maturity	Amount of Annual Maturity	Outstanding at December 31	
						2018	2019
GO Bonds (Series of 2017B) (Sewer Fund)	12/8/2017	\$ 5,063,877					
			4.00%	10/15/2020	354,410		
			5.00%	10/15/2021	391,896		
			5.00%	10/15/2022	423,296		
			5.00%	10/15/2023	448,159		
			5.00%	10/15/2024	526,079		
			4.00%	10/15/2025	619,302		
			4.00%	10/15/2026	824,819		
			4.00%	10/15/2027	532,448		
			4.00%	10/15/2028	332,780		
			4.00%	10/15/2029	123,604		
						4,786,402	4,576,793
GO Note (Series of 2016) (Parking Fund)	8/15/2016	\$ 84,875					
			1.76%	8/15/2020	8,258		
			1.76%	8/15/2021	5,669		
			1.76%	8/15/2022	5,848		
			1.76%	8/15/2023	5,895		
			1.76%	8/15/2024	7,554		
			1.76%	8/15/2025	7,733		
			1.76%	8/15/2026	7,898		
						63,845	48,855
GO Bonds (Series of 2017A) (Parking Fund)	12/8/2017	\$ 224,825					
			5.00%	10/15/2020	12,064		
			5.00%	10/15/2021	12,612		
			5.00%	10/15/2022	13,160		
			5.00%	10/15/2023	13,709		
			5.00%	10/15/2024	14,806		
			5.00%	10/15/2025	15,354		
			2.00%	10/15/2026	15,902		
			2.13%	10/15/2027	16,451		
			2.25%	10/15/2028	16,451		
			2.38%	10/15/2029	16,999		
			2.50%	10/15/2030	17,547		
			2.50%	10/15/2031	18,096		
			3.00%	10/15/2032	18,095		
						212,761	201,246
GO Bonds (Series of 2017B) (Parking Fund)	12/8/2017	\$ 611,773					
			4.00%	10/15/2020	88,985		
			5.00%	10/15/2021	110,603		
			5.00%	10/15/2022	113,988		
			5.00%	10/15/2023	120,050		
			5.00%	10/15/2024	46,600		
			4.00%	10/15/2025	36,000		
						555,729	516,226

BOROUGH OF CARLISLE
Schedule of Indebtedness (Continued)
December 31, 2019

Type of Debt	Date of Issue	Original Amount	Interest Rate	Date of Final Maturity	Amount of Annual Maturity	Outstanding at December 31	
						2018	2019
GO Note (Series of 2016) (Solid Waste Fund)	8/15/2016	\$ 311					
			1.76%	8/15/2020	30		
			1.76%	8/15/2021	21		
			1.76%	8/15/2022	22		
			1.76%	8/15/2023	22		
			1.76%	8/15/2024	27		
			1.76%	8/15/2025	29		
			1.76%	8/15/2026	29		
						235	180
GO Bonds (Series of 2017A) (Solid Waste Fund)	12/8/2017	\$ 87,975					
			5.00%	10/15/2020	\$ 4,721		
			5.00%	10/15/2021	4,935		
			5.00%	10/15/2022	5,150		
			5.00%	10/15/2023	5,364		
			5.00%	10/15/2024	5,793		
			5.00%	10/15/2025	6,008		
			2.00%	10/15/2026	6,223		
			2.13%	10/15/2027	6,437		
			2.25%	10/15/2028	6,437		
			2.38%	10/15/2029	6,652		
			2.50%	10/15/2030	6,866		
			2.50%	10/15/2031	7,081		
			3.00%	10/15/2032	7,081		
						83,254	78,748
Total Payable From Other Revenues						27,451,861	25,602,875
Total Debt Service Requirements						<u>\$ 34,876,139</u>	<u>\$ 33,533,215</u>

STATISTICAL SECTION

This part of the Borough of Carlisle's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

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These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

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These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

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Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

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These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

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BOROUGH OF CARLISLE
Financial Trends Information
Net Position by Component
Last Ten Fiscal Years

Schedule 1

	Fiscal Year									
	2019	2018 ^(c)	2017	2016	2015 ^(b)	2014	2013	2012 ^(a)	2011	2010
Governmental activities										
Net investment in capital assets	\$ 14,451,032	\$ 14,065,108	\$ 15,154,103	\$ 13,410,957	\$ 12,697,315	\$ 11,989,362	\$ 11,996,855	\$ 12,397,511	\$ 13,129,127	\$ 11,218,027
Restricted	2,807,160	2,749,193	3,775,262	2,888,319	1,905,409	1,661,790	1,280,889	1,042,114	1,066,606	1,197,410
Unrestricted	<u>6,446,981</u>	<u>5,458,560</u>	<u>3,370,210</u>	<u>3,392,972</u>	<u>4,830,596</u>	<u>4,684,908</u>	<u>4,618,890</u>	<u>3,515,525</u>	<u>2,939,165</u>	<u>3,420,335</u>
Total governmental activities net position	<u>\$ 23,705,173</u>	<u>\$ 22,272,861</u>	<u>\$ 22,299,575</u>	<u>\$ 19,692,248</u>	<u>\$ 19,433,320</u>	<u>\$ 18,336,060</u>	<u>\$ 17,896,634</u>	<u>\$ 16,955,150</u>	<u>\$ 17,134,898</u>	<u>\$ 15,835,772</u>
Business-type activities										
Net investment in capital assets	\$ 23,163,967	\$ 19,263,605	\$ 20,167,094	\$ 19,776,395	\$ 21,331,813	\$ 22,961,322	\$ 23,674,750	\$ 25,700,468	\$ 23,989,064	\$ 17,659,345
Unrestricted	<u>19,599,734</u>	<u>18,373,208</u>	<u>15,420,711</u>	<u>13,546,330</u>	<u>10,998,309</u>	<u>8,682,416</u>	<u>7,162,959</u>	<u>5,029,342</u>	<u>5,734,329</u>	<u>6,322,691</u>
Total business-type activities net position	<u>\$ 42,763,701</u>	<u>\$ 37,636,813</u>	<u>\$ 35,587,805</u>	<u>\$ 33,322,725</u>	<u>\$ 32,330,122</u>	<u>\$ 31,643,738</u>	<u>\$ 30,837,709</u>	<u>\$ 30,729,810</u>	<u>\$ 29,723,393</u>	<u>\$ 23,982,036</u>
Primary government										
Net investment in capital assets	\$ 37,614,999	\$ 33,328,713	\$ 35,321,197	\$ 33,187,352	\$ 34,029,128	\$ 34,950,684	\$ 35,671,605	\$ 38,097,979	\$ 37,118,191	\$ 28,877,372
Restricted	2,807,160	2,749,193	3,775,262	2,888,319	1,905,409	1,661,790	1,280,889	1,042,114	1,066,606	1,197,410
Unrestricted	<u>26,046,715</u>	<u>23,831,768</u>	<u>18,790,921</u>	<u>16,939,302</u>	<u>15,828,905</u>	<u>13,367,324</u>	<u>11,781,849</u>	<u>8,544,867</u>	<u>8,673,494</u>	<u>9,743,026</u>
Total primary government net position	<u>\$ 66,468,874</u>	<u>\$ 59,909,674</u>	<u>\$ 57,887,380</u>	<u>\$ 53,014,973</u>	<u>\$ 51,763,442</u>	<u>\$ 49,979,798</u>	<u>\$ 48,734,343</u>	<u>\$ 47,684,960</u>	<u>\$ 46,858,291</u>	<u>\$ 39,817,808</u>

^a During 2012 the Borough implemented items previously reported as assets and liabilities provisions of GASB 65 which changed how bond issue costs were recorded. Prior year amounts have not been restated and are shown based on the reporting requirements prior to the implementation of GASB 65.

^b During 2015 the Borough implemented the net pension obligation provisions of GASB 68 for governmental activities and business-type activities. Prior year amounts have not been restated and are shown based on the reporting requirements prior to the implementation of GASB 68.

^c During 2018 the Borough implemented the provisions of GASB 75 which only applies to the Borough's governmental activities. Prior year amounts have not been restated and are shown based on the reporting requirements prior to the implementation of GASB 75. Also, during 2018 the Borough implemented the provisions of GASB 89. Prior year amounts have not been restated and are shown based on the reporting requirements prior to the implementation of GASB 89.

Source: Department of Finance (DOF) compilation of data.

BOROUGH OF CARLISLE
Financial Trends Information
Changes in Net Position
Last Ten Fiscal Years

Schedule 2

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Program Revenues										
Governmental Activities:										
Charges for Services:										
General government	\$ 340,690	\$ 366,298	\$ 334,429	\$ 530,175	\$ 306,102	\$ 293,713	\$ 430,867	\$ 388,062	\$ 368,645	\$ 337,457
Public safety	424,453	538,217	801,510	664,413	694,933	725,235	781,414	881,831	609,358	774,807
Public services	45,603	87,239	120,919	63,094	44,446	38,798	40,218	120,437	161,378	217,415
Parks and recreation	348,767	316,899	288,916	308,928	347,134	298,667	271,819	255,113	298,555	289,603
Operating grants and contributions	1,240,250	1,201,548	1,287,039	1,283,339	1,259,460	1,304,787	1,599,715	1,305,212	1,792,300	1,301,425
Capital grants and contributions	<u>1,455,601</u>	<u>822,798</u>	<u>2,942,801</u>	<u>1,162,135</u>	<u>929,627</u>	<u>1,103,549</u>	<u>932,994</u>	<u>538,371</u>	<u>2,544,201</u>	<u>1,511,469</u>
Total governmental activities program revenues	<u>3,855,364</u>	<u>3,332,999</u>	<u>5,775,614</u>	<u>4,012,084</u>	<u>3,581,702</u>	<u>3,764,749</u>	<u>4,057,027</u>	<u>3,489,026</u>	<u>5,774,437</u>	<u>4,432,176</u>
Business-type Activities:										
Charges for Services:										
Water	4,450,198	4,514,792	4,405,919	4,184,024	4,093,002	3,970,748	3,490,867	3,630,700	3,440,334	3,518,170
Sewer	6,291,347	6,647,052	6,703,342	6,087,099	5,527,954	5,398,185	4,979,628	4,971,586	4,753,521	4,190,411
Parking	708,443	696,387	680,576	671,278	629,194	592,635	504,637	538,470	508,690	445,467
Solid Waste	880,195	837,651	810,308	670,597	657,019	599,122	597,397	590,330	584,550	751,393
Stormwater	1,148,962	-	-	-	-	-	-	-	-	-
Operating grants and contributions	209,028	85,959	46,971	35,146	39,938	62,465	101,137	97,250	316,210	95,144
Capital grants and contributions	<u>2,419,064</u>	<u>229,596</u>	<u>118,723</u>	<u>62,111</u>	<u>241,649</u>	<u>46,207</u>	<u>81,037</u>	<u>874,230</u>	<u>5,121,367</u>	<u>4,906,033</u>
Total business-type activities program revenues	<u>16,107,237</u>	<u>13,011,437</u>	<u>12,765,839</u>	<u>11,710,255</u>	<u>11,188,756</u>	<u>10,669,362</u>	<u>9,754,703</u>	<u>10,702,566</u>	<u>14,724,672</u>	<u>13,906,618</u>
Total primary government program revenues	<u>\$ 19,962,601</u>	<u>\$ 16,344,436</u>	<u>\$ 18,541,453</u>	<u>\$ 15,722,339</u>	<u>\$ 14,770,458</u>	<u>\$ 14,434,111</u>	<u>\$ 13,811,730</u>	<u>\$ 14,191,592</u>	<u>\$ 20,499,109</u>	<u>\$ 18,338,794</u>
Expenses										
Governmental Activities:										
General government	\$ 1,865,486	\$ 1,579,336	\$ 1,791,013	\$ 1,303,148	\$ 1,232,564	\$ 1,416,153	\$ 1,385,330	\$ 1,382,247	\$ 1,402,176	\$ 1,629,212
Public safety	5,928,270	6,073,956	5,929,571	6,000,082	5,603,645	5,459,908	5,623,928	5,610,486	5,447,786	5,182,318
Public services	2,031,313	2,048,923	1,985,119	2,648,369	2,240,600	2,208,735	2,085,120	2,144,972	2,530,880	1,746,679
Parks and recreation	1,131,263	1,147,602	1,145,391	1,182,586	1,082,679	1,028,150	1,064,555	1,074,170	1,068,128	1,060,381
Conservation and community development	306,343	293,361	354,101	243,669	397,077	419,715	589,086	449,639	760,713	339,816
Interest on long-term debt	<u>243,695</u>	<u>269,101</u>	<u>216,089</u>	<u>151,944</u>	<u>157,743</u>	<u>166,114</u>	<u>200,896</u>	<u>165,837</u>	<u>150,178</u>	<u>242,704</u>
Total governmental activities expenses	<u>\$ 11,506,370</u>	<u>\$ 11,412,279</u>	<u>\$ 11,421,284</u>	<u>\$ 11,529,798</u>	<u>\$ 10,714,308</u>	<u>\$ 10,698,775</u>	<u>\$ 10,948,915</u>	<u>\$ 10,827,351</u>	<u>\$ 11,359,861</u>	<u>\$ 10,201,110</u>

BOROUGH OF CARLISLE
Financial Trends Information
Changes in Net Position (Continued)
Last Ten Fiscal Years

Schedule 2

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Business-type Activities:										
Water	\$ 3,850,851	\$ 4,227,259	\$ 4,257,603	\$ 4,091,163	\$ 3,866,185	\$ 3,736,745	\$ 3,674,170	\$ 3,473,552	\$ 3,192,788	\$ 3,224,182
Sewer	5,741,796	5,940,591	5,871,507	5,459,634	5,477,005	5,282,663	5,279,620	5,256,740	4,904,537	4,698,686
Parking	524,341	476,020	575,388	522,117	517,686	465,084	422,840	404,801	401,965	403,481
Solid Waste	826,622	772,774	717,530	727,257	688,792	683,205	716,329	726,044	675,590	776,044
Stormwater	581,219	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	<u>11,524,829</u>	<u>11,416,644</u>	<u>11,422,028</u>	<u>10,800,171</u>	<u>10,549,668</u>	<u>10,167,697</u>	<u>10,092,959</u>	<u>9,861,137</u>	<u>9,174,880</u>	<u>9,102,393</u>
Total primary government expense	<u>\$ 23,031,199</u>	<u>\$ 22,828,923</u>	<u>\$ 22,843,312</u>	<u>\$ 22,329,969</u>	<u>\$ 21,263,976</u>	<u>\$ 20,866,472</u>	<u>\$ 21,041,874</u>	<u>\$ 20,688,488</u>	<u>\$ 20,534,741</u>	<u>\$ 19,303,503</u>
Net (Expense)/Revenue										
Governmental activities	\$ (7,651,006)	\$ (8,079,280)	\$ (5,645,670)	\$ (7,517,714)	\$ (7,132,606)	\$ (6,934,026)	\$ (6,891,888)	\$ (7,338,325)	\$ (5,585,424)	\$ (5,768,934)
Business-type activities	<u>4,582,408</u>	<u>1,594,793</u>	<u>1,343,811</u>	<u>910,084</u>	<u>639,088</u>	<u>501,665</u>	<u>(338,256)</u>	<u>841,429</u>	<u>5,549,792</u>	<u>4,804,225</u>
Total primary government net expense	<u>\$ (3,068,598)</u>	<u>\$ (6,484,487)</u>	<u>\$ (4,301,859)</u>	<u>\$ (6,607,630)</u>	<u>\$ (6,493,518)</u>	<u>\$ (6,432,361)</u>	<u>\$ (7,230,144)</u>	<u>\$ (6,496,896)</u>	<u>\$ (35,632)</u>	<u>\$ (964,709)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Real estate	\$ 5,122,842	\$ 5,030,098	\$ 4,900,014	\$ 4,636,777	\$ 4,616,320	\$ 4,611,089	\$ 4,671,594	\$ 4,349,011	\$ 4,347,819	\$ 4,089,598
Earned income	2,119,181	2,007,721	2,089,313	1,933,846	1,865,042	1,925,605	2,029,280	1,846,391	1,599,551	1,402,395
Real estate transfer	377,589	415,258	332,300	259,974	600,243	239,041	386,226	392,562	217,383	286,365
Other	860,437	809,969	840,858	794,947	757,100	779,368	694,660	672,203	731,764	687,628
Investment earnings	233,038	172,592	59,625	41,814	10,918	10,842	16,850	10,554	24,189	21,171
Miscellaneous	259,156	100,070	32,019	109,284	111,166	26,904	19,906	1,068	3,107	44,387
Transfers	<u>(43,505)</u>	<u>(19,411)</u>	<u>(1,132)</u>	<u>-</u>	<u>-</u>	<u>(219,397)</u>	<u>14,856</u>	<u>(81,627)</u>	<u>(39,263)</u>	<u>(475,310)</u>
Total governmental activities	<u>8,928,738</u>	<u>8,516,297</u>	<u>8,252,997</u>	<u>7,776,642</u>	<u>7,960,789</u>	<u>7,373,452</u>	<u>7,833,372</u>	<u>7,190,162</u>	<u>6,884,550</u>	<u>6,056,234</u>
Business-type Activities:										
Investment earnings	483,019	404,784	82,307	41,331	8,123	5,866	4,773	10,255	11,519	33,730
Gain on sale of capital asset	-	-	7,053	17,864	10,950	17,265	33,215	10,592	-	915
Miscellaneous	30,351	30,020	830,777	23,324	26,359	61,836	423,023	163,988	140,783	125,861
Transfers	<u>43,505</u>	<u>19,411</u>	<u>1,132</u>	<u>-</u>	<u>-</u>	<u>219,397</u>	<u>(14,856)</u>	<u>81,627</u>	<u>39,263</u>	<u>475,310</u>
Total business-type activities	<u>556,875</u>	<u>454,215</u>	<u>921,269</u>	<u>82,519</u>	<u>45,432</u>	<u>304,364</u>	<u>446,155</u>	<u>266,462</u>	<u>191,565</u>	<u>635,816</u>
Total primary government	<u>\$ 9,485,613</u>	<u>\$ 8,970,512</u>	<u>\$ 9,174,266</u>	<u>\$ 7,859,161</u>	<u>\$ 8,006,221</u>	<u>\$ 7,677,816</u>	<u>\$ 8,279,527</u>	<u>\$ 7,456,624</u>	<u>\$ 7,076,115</u>	<u>\$ 6,692,050</u>
Change in Net Position										
Governmental activities	\$ 1,277,732	\$ 437,017	\$ 2,607,327	\$ 258,928	\$ 828,183	\$ 439,426	\$ 941,484	\$ (148,163)	\$ 1,299,126	\$ 287,300
Business-type activities	<u>5,139,283</u>	<u>2,049,008</u>	<u>2,265,080</u>	<u>992,603</u>	<u>684,520</u>	<u>806,029</u>	<u>107,899</u>	<u>1,107,891</u>	<u>5,741,357</u>	<u>5,440,041</u>
Total primary government	<u>\$ 6,417,015</u>	<u>\$ 2,486,025</u>	<u>\$ 4,872,407</u>	<u>\$ 1,251,531</u>	<u>\$ 1,512,703</u>	<u>\$ 1,245,455</u>	<u>\$ 1,049,383</u>	<u>\$ 959,728</u>	<u>\$ 7,040,483</u>	<u>\$ 5,727,341</u>

Source: DOF compilation of data.

BOROUGH OF CARLISLE
Financial Trends Information
Fund Balances, Governmental Funds
Last Ten Fiscal Years

Schedule 3

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Fund										
Nonspendable	\$ 316,531	\$ 332,694	\$ 467,390	\$ 315,062	\$ 303,198	\$ 348,915	\$ 294,066	\$ 312,999	\$ 378,510	\$ -
Spendable										
Restricted	53,735	53,421	78,364	1,682,519	641,228	547,936	162,891	74,483	14,225	-
Committed	597,878	595,900	594,364	3,865,506	2,551,650	2,565,376	55,607	100,455	120,606	-
Assigned	985,233	404,213	404,213	429,213	433,813	597,500	17,000			
Unassigned	7,405,190	7,104,470	5,554,601	888,381	2,230,983	2,508,370	4,835,056	3,778,898	3,001,316	-
Reserved	-	-	-	-	-	-	-	-	-	1,239,872
Unreserved:										
Designated	-	-	-	-	-	-	-	-	-	199,510
Undesignated	-	-	-	-	-	-	-	-	-	1,618,755
Total General Fund	<u>9,358,567</u>	<u>8,490,698</u>	<u>7,098,932</u>	<u>7,180,681</u>	<u>6,160,872</u>	<u>6,568,097</u>	<u>5,364,620</u>	<u>4,266,835</u>	<u>3,514,657</u>	<u>3,058,137</u>
Capital Projects Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Spendable										
Restricted	1,335,550	1,327,700	2,446,582	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved:										
Designated	-	-	-	-	-	-	-	-	-	-
Undesignated	-	-	-	-	-	-	-	-	-	-
Total Capital Projects Fund	<u>1,335,550</u>	<u>1,327,700</u>	<u>2,446,582</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
All Other Governmental Funds										
Restricted	1,417,875	1,368,072	1,250,316	1,205,800	1,264,181	1,113,854	1,117,998	1,028,399	1,052,381	-
Reserved	-	-	-	-	-	-	-	-	-	1,197,410
Unreserved	-	-	-	-	-	-	-	-	-	134,611
Total All Other Governmental Funds	<u>1,417,875</u>	<u>1,368,072</u>	<u>1,250,316</u>	<u>1,205,800</u>	<u>1,264,181</u>	<u>1,113,854</u>	<u>1,117,998</u>	<u>1,028,399</u>	<u>1,052,381</u>	<u>1,332,021</u>
Total Governmental Funds	<u>\$ 12,111,992</u>	<u>\$ 11,186,470</u>	<u>\$ 10,795,830</u>	<u>\$ 8,386,481</u>	<u>\$ 7,425,053</u>	<u>\$ 7,681,951</u>	<u>\$ 6,482,618</u>	<u>\$ 5,295,234</u>	<u>\$ 4,567,038</u>	<u>\$ 4,390,158</u>

Note: Fund balance reporting as prescribed by GASB 54 was implemented during 2011. Prior year amounts have not been restated and are shown based on the fund balance classifications as prescribed by GASB Standards prior to the implementation of GASB 54.

Source: DOF compilation of data.

BOROUGH OF CARLISLE
Financial Trends Information
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

Schedule 4

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Real Estate	\$ 5,095,199	\$ 5,031,877	\$ 5,006,110	\$ 4,671,284	\$ 4,657,470	\$ 4,596,658	\$ 4,638,189	\$ 4,338,373	\$ 4,337,361	\$ 4,087,796
Earned income	2,167,578	1,975,567	2,022,555	1,908,801	1,829,589	1,968,913	1,859,764	1,836,866	1,611,230	1,413,118
Real estate transfer	377,589	415,258	332,300	259,974	600,243	239,041	386,226	392,562	217,383	286,365
Other taxes	856,688	795,630	827,336	780,753	742,444	763,919	680,015	656,488	716,413	672,778
Licenses and permits	597,215	665,090	852,460	622,317	491,213	500,148	589,654	722,507	449,696	572,817
Fines and forfeits	116,636	105,381	146,529	158,871	186,816	194,348	223,413	230,116	238,128	336,087
Investment income	233,038	172,592	59,625	41,814	10,918	10,842	16,850	10,554	24,189	21,698
Rents	87,145	72,280	65,176	61,100	70,335	72,080	61,390	58,439	66,701	91,338
Intergovernmental	1,751,220	1,670,641	3,848,910	2,491,977	1,769,988	1,774,800	2,406,810	1,830,971	4,161,356	2,691,984
Charges for services	288,045	289,281	256,656	287,878	308,312	253,192	223,654	220,924	278,492	232,303
Other	457,212	606,485	515,220	473,313	807,869	343,460	600,554	474,588	620,055	473,508
Total revenues	<u>12,027,565</u>	<u>11,800,082</u>	<u>13,932,877</u>	<u>11,758,082</u>	<u>11,475,197</u>	<u>10,717,401</u>	<u>11,686,519</u>	<u>10,772,388</u>	<u>12,721,004</u>	<u>10,879,792</u>
Expenditures										
General government	1,305,179	1,187,412	1,136,972	1,269,990	1,175,464	1,304,287	1,309,805	1,332,775	1,475,065	1,715,750
Public safety	6,321,814	7,190,933	7,573,884	5,962,703	6,331,307	5,265,141	5,259,574	5,126,670	4,992,324	4,659,526
Public services	2,237,355	2,220,644	2,310,652	2,149,503	1,801,269	1,731,455	1,643,060	1,731,981	3,944,214	2,450,912
Parks and recreation	1,017,117	957,184	1,671,909	1,945,141	922,966	988,899	1,295,093	970,077	947,962	1,037,249
Conservation and community development	477,951	306,936	462,562	255,277	422,213	433,963	590,664	449,630	760,971	339,970
Refund of prior year revenue	-	-	-	-	-	-	-	-	21,807	-
Debt service:										
Bond issue costs	-	-	-	-	-	-	-	-	6,691	26,810
Principal	428,014	481,318	492,782	492,821	446,595	439,231	305,020	380,200	243,106	319,463
Interest and fiscal charges	294,379	282,645	212,653	137,288	146,346	143,846	227,146	164,050	133,703	232,856
Total expenditures	<u>12,081,809</u>	<u>12,627,072</u>	<u>13,861,414</u>	<u>12,212,723</u>	<u>11,246,160</u>	<u>10,306,822</u>	<u>10,630,362</u>	<u>10,155,383</u>	<u>12,525,843</u>	<u>10,782,536</u>
Excess (deficiency) of revenues over/(under) expenditures	<u>(54,244)</u>	<u>(826,990)</u>	<u>71,463</u>	<u>(454,641)</u>	<u>229,037</u>	<u>410,579</u>	<u>1,056,157</u>	<u>617,005</u>	<u>195,161</u>	<u>97,256</u>
Other Financing Sources (Uses)										
Transfers in	745,865	282,638	3,098,586	190,569	105,481	190,989	121,723	148,673	100,759	923,865
Transfers out	(745,865)	(302,049)	(3,099,718)	(190,569)	(105,481)	(410,386)	(106,867)	(230,300)	(140,022)	(1,399,175)
Proceeds from sale of capital assets	45,689	88,903	15,349	78,283	109,209	18,900	17,786	4,181	7,970	14,174
Refund of prior year expenditures	-	-	-	-	-	-	-	-	-	-
Bond reallocation	-	-	-	-	(605,764)	-	-	-	-	-
Bond discount/issue costs	-	-	-	-	-	-	-	-	23,340	-
Proceeds from issuance of bonds	934,077	1,148,138	6,208,108	1,959,285	10,620	989,251	4,397,198	254,148	868,649	4,930,367
Bond premium	-	-	669,967	-	-	-	-	-	-	-
Payment to refund bond	-	-	(4,554,406)	(621,499)	-	-	(4,279,680)	-	(866,262)	(4,903,557)
Total other financing sources (uses)	<u>979,766</u>	<u>1,217,630</u>	<u>2,337,886</u>	<u>1,416,069</u>	<u>(485,935)</u>	<u>788,754</u>	<u>150,160</u>	<u>176,702</u>	<u>(5,566)</u>	<u>(434,326)</u>
Net change in fund balances	<u>\$ 925,522</u>	<u>\$ 390,640</u>	<u>\$ 2,409,349</u>	<u>\$ 961,428</u>	<u>(\$ 256,898)</u>	<u>\$ 1,199,333</u>	<u>\$ 1,206,317</u>	<u>\$ 793,707</u>	<u>\$ 189,595</u>	<u>(\$ 337,070)</u>
Debt service as a percentage of non-capital expenditures	7.1%	7.5%	8.3%	6.1%	6.0%	6.4%	5.4%	5.6%	3.7%	6.1%
Debt service as a percentage of total expenditures	6.0%	6.1%	5.1%	5.2%	5.3%	5.7%	5.0%	5.4%	3.0%	5.1%

Source: DOF compilation of data.

BOROUGH OF CARLISLE
Revenue Capacity Information
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Schedule 5

<i>Fiscal Year</i>	Total Assessed Value of Real Property	Real Property Exemptions	Percentage of Exemptions	Assessed Value of Taxable Real Property	Percentage Change from Previous year	Total Direct Tax Rate	Total Direct Fire Tax Rate (included in Total Direct Tax Rate)	Estimated Actual Taxable Value
2019	\$ 2,011,591,600	\$ 527,352,200	26.2%	\$ 1,484,239,400	0.66%	3.50	0.44	\$ 1,484,239,400
2018	2,003,339,400	528,826,200	26.4%	1,474,513,200	1.91%	3.50	0.44	1,474,513,200
2017	1,953,893,400	507,038,700	26.0%	1,446,854,700	0.28%	3.50	0.44	1,446,854,700
2016	1,947,489,000	504,732,700	25.9%	1,442,756,300	1.01%	3.28	0.22	1,442,756,300
2015	1,937,063,700	508,795,200	26.3%	1,428,268,500	-0.17%	3.28	0.22	1,428,268,500
2014	1,928,046,730	497,336,500	25.8%	1,430,710,230	-0.63%	3.28	0.22	1,430,710,230
2013	1,931,196,600	491,391,400	25.4%	1,439,805,200	0.37%	3.28	0.22	1,439,805,200
2012	1,916,182,800	481,665,500	25.1%	1,434,517,300	-0.35%	3.06	0.00	1,434,517,300
2011	1,919,045,100	479,440,200	25.0%	1,439,604,900	23.14%	3.06	0.00	1,439,604,900
2010	1,601,748,320	432,652,530	27.0%	1,169,095,790	-0.05%	3.57	0.00	1,169,095,790

Source: DOF analysis of county assessment data.

BOROUGH OF CARLISLE
Revenue Capacity Information
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years (rate per \$ 1,000 of assessed value)

Schedule 6

Borough of Carlisle				Overlapping Rates ^(a)					
<i>Fiscal Year</i>	Operating Millage	Fire Tax Millage	Total Direct	Cumberland County Operating Millage	Cumberland County Library Millage	Total County Millage	Carlisle Area School District Operating Millage	Total Overlapping Rate	Borough Percentage of Total
2019	3.058	0.437	3.495	2.195	0.166	2.361	14.906	20.762	16.83%
2018	3.058	0.437	3.495	2.195	0.166	2.361	14.472	20.328	17.19%
2017	3.058	0.437	3.495	2.195	0.166	2.361	14.037	19.893	17.57%
2016	3.058	0.217	3.275	2.195	0.143	2.338	13.641	19.254	17.01%
2015	3.058	0.217	3.275	2.195	0.143	2.338	13.244	18.857	17.37%
2014	3.058	0.217	3.275	2.195	0.143	2.338	12.933	18.546	17.66%
2013	3.058	0.217	3.275	2.131	0.143	2.274	12.606	18.155	18.04%
2012	3.058	0.000	3.058	1.902	0.143	2.045	12.371	17.474	17.50%
2011	3.058	0.000	3.058	1.902	0.143	2.045	12.260	17.363	17.61%
2010	3.570	0.000	3.570	2.399	0.180	2.579	14.830	20.979	17.02%

Source: DOF analysis of borough, county, and school district data.

^a Overlapping rates are those of local and county governments that apply to property owners within the Borough of Carlisle.

BOROUGH OF CARLISLE
Revenue Capacity Information
Principal Property Taxpayers
Current Year and Ten Years Ago

Schedule 7

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Borough Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Borough Taxable Assessed Value
LIT Industrial LP	\$ 42,500,000	1	2.9%	\$ 38,100,000	1	3.3%
Carlisle Corporation	39,182,000	2	2.6%	28,769,550	3	2.5%
Carlisle Commons LLC	37,838,000	3	2.5%	36,196,760	2	3.1%
Allen Distribution	30,704,500	4	2.1%	27,023,330	4	2.3%
KTRPA Cent LLC	19,300,000	5	1.3%			
Giant Food Stores LLC	18,300,000	6	1.2%			
Ross Stores Pennsylvania LP	15,975,000	7	1.1%	15,640,000	6	1.3%
Patriarch Seven Gables LP	11,800,000	8	0.8%			
Headlands Realty Corp.	11,603,000	9	0.8%			
Clover-Carlisle LLC	10,500,000	10	0.7%			
Key Distribution Center				18,075,000	5	1.5%
RA Carlisle, LLC				13,348,710	7	1.1%
Kimco Carlisle LP				10,388,300	8	0.9%
Cedar-Carlisle LLC				9,966,600	9	0.9%
IAC Carlisle LLC				8,980,720	10	0.8%
Total	\$ 237,702,500		16.0%	\$ 206,488,970		17.7%
Total Taxable Assessed Value	\$ 1,484,239,400			\$ 1,169,095,790		

Source: DOF analysis of county assessment data.

BOROUGH OF CARLISLE
Revenue Capacity Information
Property Tax Levies and Collections
Last Ten Fiscal Years

Schedule 8

<i>Fiscal Year</i>	Taxes Levied for the Fiscal Year		Fire Tax Levied for the Fiscal Year		Total Direct Tax Levied for the Fiscal Year		Collected Within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
							Amount	Percentage of Levy		Amount	Percentage of Levy
2019	\$	4,529,395	\$	647,269	\$	5,176,664	\$ 5,046,122	97.5%	n/a	5,046,122	97.5%
2018		4,452,411		636,268		5,088,679	4,968,809	97.6%	65,021	5,033,830	98.9%
2017		4,415,984		631,053		5,047,037	4,948,035	98.0%	100,314	5,048,349	100.0%
2016		4,411,948		313,078		4,725,026	4,644,586	98.3%	66,741	4,711,327	99.7%
2015		4,360,781		309,449		4,670,230	4,554,455	97.5%	145,681	4,700,136	100.6%
2014		4,375,112		310,466		4,685,578	4,564,907	97.4%	117,857	4,682,764	99.9%
2013		4,397,855		312,080		4,709,935	4,585,653	97.4%	122,782	4,708,435	100.0%
2012		4,389,236		-		4,389,236	4,272,661	97.3%	116,169	4,388,830	100.0%
2011		4,402,312		-		4,402,312	4,231,007	96.1%	124,124	4,355,131	98.9%
2010		4,176,174		-		4,176,174	4,021,135	96.3%	46,688	4,067,823	97.4%

Source: DOF analysis of borough data.

BOROUGH OF CARLISLE
Debt Capacity Information
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Schedule 9

<i>Fiscal Year</i>	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income		Per Capita
	General Obligation Bonds	General Obligation Notes	General Obligation Bonds	General Obligation Notes				
2019	\$ 6,049,683	\$ 2,442,869	\$ 18,499,431	\$ 8,730,346	\$ 35,722,329	5.68%		1,869
2018	6,419,262	1,619,438	19,350,327	9,876,700	37,265,727	6.19%		1,950
2017	6,874,739	549,351	20,375,325	10,685,650	38,485,065	7.39%		2,024
2016	-	5,596,538	-	19,407,966	25,004,504	4.81%		1,320
2015	714,893	4,056,956	7,359,460	8,644,615	20,775,924	4.13%		1,098
2014	787,277	5,028,220	8,104,914	8,063,510	21,983,921	4.36%		1,162
2013	856,138	4,411,248	8,813,890	7,331,170	21,412,446	4.43%		1,139
2012	876,987	4,579,810	9,025,880	7,360,192	21,842,869	4.52%		1,162
2011	699,924	4,704,479	9,537,496	3,156,431	18,098,330	3.83%		969
2010	685,301	4,930,367	5,285,727	8,248,466	19,149,861	4.05%		1,025

Source: DOF analysis of data.

BOROUGH OF CARLISLE
Debt Capacity Information
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Schedule 10

<i>Fiscal Year</i>	General Obligation		General Obligation		Percentage of Actual Taxable Value ^(a)		Per Capita
	Bonds		Notes	Total	of Property		
2019	\$ 24,549,114	\$	11,173,215	\$ 35,722,329	2.41%		1,869
2018	25,769,589		11,496,138	37,265,727	2.53%		1,950
2017	27,250,064		11,235,001	38,485,065	2.66%		2,024
2016	-		25,004,504	25,004,504	1.73%		1,320
2015	8,074,353		12,701,571	20,775,924	1.45%		1,098
2014	8,892,191		13,091,730	21,983,921	1.54%		1,162
2013	9,670,028		11,742,418	21,412,446	1.49%		1,139
2012	9,902,867		11,940,002	21,842,869	1.52%		1,162
2011	10,237,420		7,860,910	18,098,330	1.26%		969
2010	5,971,028		13,178,833	19,149,861	1.64%		1,025

^(a) See Schedule 5 for the Borough's property value data.

Source: DOF analysis of data.

BOROUGH OF CARLISLE
Debt Capacity Information
Direct and Overlapping Governmental Activities Debt
December 31, 2019

Schedule 11

Jurisdiction	Total Debt Outstanding	Percentage Applicable to the Borough^(a)	Amount Applicable to the Borough
Direct			
Borough of Carlisle - Governmental activities debt	\$ 8,492,552	100.0%	\$ 8,492,552
Overlapping			
Carlisle Area School District	49,220,000	61.4%	30,221,080
Cumberland County	27,420,000	8.1%	2,221,020
Total Overlapping Debt	76,640,000		32,442,100
Total	\$ 85,132,552		\$ 40,934,652

^(a) Percentages calculated by dividing borough's assessed value by school district and county assessed values.

Source: DOF analysis of borough, county, and school district data.

BOROUGH OF CARLISLE
Debt Capacity Information
Legal Debt Margin Information
Last Ten Fiscal Years

Schedule 12

Legal Debt Margin Calculation for Fiscal Year 2019

Borrowing Base Revenues:

2017	\$ 23,651,953
2018	24,495,254
2019	<u>27,786,657</u>
	<u>\$ 75,933,864</u>

Average Borrowing Base Revenue	\$ 25,311,288
Debt Limit Percentage	<u>250.0%</u>
Debt Limit	\$ 63,278,220
Less: Total Amount of Debt Applicable to Debt Limit	<u>30,725,329</u>
Legal Debt Margin	<u>\$ 32,552,891</u>

	2019	2018	2017	2016	2015	Fiscal Year 2014	2013	2012	2011	2010
Debt Limit	\$ 63,278,220	\$ 58,615,065	\$ 55,992,161	\$ 53,520,993	\$ 51,934,423	\$ 50,831,658	\$ 49,723,355	\$ 47,992,671	\$ 45,814,353	\$ 44,181,235
Total Amount of Debt Applicable to Debt Limit	<u>30,725,329</u>	<u>29,878,139</u>	<u>30,896,001</u>	<u>24,948,728</u>	<u>20,530,809</u>	<u>21,983,921</u>	<u>21,412,446</u>	<u>21,842,869</u>	<u>18,219,041</u>	<u>19,578,833</u>
Legal Debt Margin	<u>\$ 32,552,891</u>	<u>\$ 28,736,926</u>	<u>\$ 25,096,160</u>	<u>\$ 28,572,265</u>	<u>\$ 31,403,614</u>	<u>\$ 28,847,737</u>	<u>\$ 28,310,909</u>	<u>\$ 26,149,802</u>	<u>\$ 27,595,312</u>	<u>\$ 24,602,402</u>
Total Amount of Debt Applicable to Debt Limit as a percentage of debt limit	48.56%	50.97%	55.18%	46.61%	39.53%	43.25%	43.06%	45.51%	39.77%	44.31%

Source: DOF analysis of data.

BOROUGH OF CARLISLE
Demographic and Economic Information
Demographic and Economic Statistics
Last Ten Fiscal Years

Schedule 13

<i>Fiscal Year</i>	<i>Population^(a)</i>	<i>Personal Income</i>	<i>Per Capita Income</i>	<i>School Enrollment^(b)</i>	<i>Number of Dropouts^(b)</i>	<i>Dropouts as a Percentage of Enrollment</i>	<i>Unemployment Rate^(c)</i>
2019	19,116	\$ 628,706,124	\$ 32,889	5,247	33	0.63%	3.70%
2018	19,113	601,600,788	31,476	5,179	32	0.62%	3.20%
2017	19,014	520,907,544	27,396	5,106	33	0.65%	4.20%
2016	18,945	519,775,020	27,436	5,101	34	0.67%	4.20%
2015	18,916	503,657,416	26,626	5,175	29	0.56%	4.20%
2014	18,916	503,657,416	25,690	5,080	33	0.65%	4.10%
2013	18,800	482,972,000	25,690	5,099	25	0.49%	6.50%
2012	18,800	482,972,000	25,324	4,852	42	0.87%	7.20%
2011	18,682	473,102,968	25,288	4,802	26	0.54%	7.20%
2010	18,682	472,430,416	25,288	4,782	32	0.67%	7.70%

^(a) Census Bureau-American Community Survey.

^(b) Carlisle Area School District.

^(c) PA Department of Labor and Industry.

Source: DOF analysis of data.

BOROUGH OF CARLISLE
Demographic and Economic Information
Principal Employers
Current Year and Ten Years Ago

Schedule 14

Employer	2019			2010		
	Employees	Rank	Percentage of Total Borough Employment	Employees	Rank	Percentage of Total Borough Employment
Dickinson College	2,209	1	6.7%	3,282	1	11.9%
United Parcel Service Inc	1,688	2	5.1%			
HGSS Inc	1,646	3	5.0%			
Giant Food Stores LLC	1,173	4	3.6%	2,260	2	8.2%
Staffing Solution Southeast	1,031	5	3.1%			
Elwood Staffing Services Inc.	942	6	2.9%			
Ross Dress For Less Inc.	924	7	2.8%	819	6	3.0%
Carlisle Construction Material	864	8	2.6%	576	10	2.1%
Kelly Servies USA LLC	759	9	2.3%			
Cumberland Courty House	735	10	2.2%	868	5	3.2%
Carlisle Area School District				1,242	3	4.5%
Manpower International				1,172	4	4.3%
NHS Human Services				763	7	2.8%
Levin Enter				738	8	2.7%
Randstand Employment				658	9	2.4%
	<u>11,971</u>		<u>36.4%</u>	<u>12,378</u>		<u>44.9%</u>
Total Borough Employment	<u>32,907</u>			<u>27,543</u>		

Source: DOF analysis of Cumberland Couny Tax Bureau data.

BOROUGH OF CARLISLE
Operating Information
Full-Time Equivalent Borough Employees by Function/Program
Last Ten Fiscal Years

Schedule 15

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<i>Function/program</i>										
General Government										
Borough Manager's Office	3.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00
Department of Finance	5.00	6.50	6.50	6.50	5.00	5.00	5.50	5.00	4.50	4.50
Tax Collection	1.00	1.00	0.00	0.00	0.00	0.00	0.75	0.00	0.50	0.50
Human Resources/Risk Management	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Buildings and Plants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00
Public Safety										
Police Department	36.00	34.50	35.00	35.00	35.00	37.00	37.00	33.50	37.00	37.00
Fire Department	0.50	0.50	0.50	0.50	1.00	1.00	1.00	0.50	0.50	0.50
Public Works										
Administration & Engineering Division	4.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00	4.00	4.00
Operations Division	9.00	23.00	23.00	23.00	8.00	9.50	9.50	9.50	10.00	9.00
Planning & Codes Division	4.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00	3.00
Parks and Recreation	14.00	8.50	8.50	8.50	8.50	8.50	9.00	8.00	8.00	8.00
Water	14.00	8.00	8.00	9.00	15.00	16.50	16.50	18.00	16.00	18.50
Sewer	20.50	18.00	18.00	15.00	25.00	25.00	23.50	23.50	26.00	26.00
Stormwater	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Parking	4.00	3.50	3.50	3.50	3.50	3.00	3.00	1.00	1.50	2.50
Total Employment	120.00	117.50	117.00	115.00	114.00	118.50	118.75	112.00	117.00	118.50

Source: DOF analysis of data.

BOROUGH OF CARLISLE
Operating Information
Operating Indicators by Function/Program
Last Ten Fiscal Years

Schedule 16

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<i>Function/program</i>										
General Government										
Real estate tax certifications	734	533	782	702	713	n/a	920	462	1,101	1,357
Public Safety										
Arrests	1,249	1,158	1,100	1,351	1,665	1,014	1,542	1,545	1,785	1,434
Parking violations	2,606	5,300	6,863	5,636	13,053	15,627	7,108	7,451	4,772	7,921
Traffic violations	1,457	2,580	1,610	1,962	2,312	2,221	2,355	2,681	2,578	3,121
Calls for service	22,493	22,230	24,103	21,487	25,319	19,791	18,113	17,967	17,467	19,143
Police vehicles	19	19	19	19						
Fire responses	510	528	456	534	597	547	567	522	530	498
Building-related permits issued	999	1,082	1,254	910	1,031	831	1,014	838	1,335	783
Public Services										
Miles of streets resurfaced	2.40	2.49	2.40	1.56	1.00	3.00	3.00	4.00	7.00	8.00
Parks and Recreation										
Community pool attendance	19,752	16,941	17,316	20,017	19,770	17,085	19,099	22,634	22,965	24,996
Number of seasonal programs	168	147	160	224	170	163	135	156	113	184
Water										
New connections	8	7	17	9	4	6	4	6	12	29
Water main breaks	32	23	13	21	20	28	20	7	20	13
Consumption (mgd)	2.25	2.48	2.34	2.69	2.92	2.48	2.05	2.28	2.42	2.13
Sewer										
Sewage treatment (mgd)	4.10	4.32	2.58	2.96	3.22	3.37	2.91	3.48	4.45	3.37
Treatment capacity (in gallons)	7	7	7	7	7	7	7	7	7	7
Parking										
Average daily parking meter revenue	694	725	700	673	660	579	527	551	526	559

Source: DOF compilation of data.

BOROUGH OF CARLISLE
Capital Asset Statistics by Function/Program
Last Ten Years

Schedule 17

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<i>Function/program</i>										
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police vehicles	19	19	19	19	19	19	19	19	18	16
Fire stations	2	2	2	2	2	2	2	2	2	2
Fire vehicles	7	7	7	7	7	7	7	6	6	6
Public Services										
Borough streets (in miles)	56.7	56.7	56.7	56.7	56.7	56.7	56.3	56.3	56.3	56.3
Number of traffic lighted intersections	42	43	43	43	43	43	43	43	43	43
Parks and Recreation										
Number of parks	17	17	17	17	17	18	18	18	18	18
Acreage of park land	163	163	163	163	163	181	181	181	181	181
Number of community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (in miles)	77.2	77.2	77.2	77.2	77.2	76.5	76.5	76.5	76.5	76.5
Fire hydrants	564	564	564	564	564	557	555	555	555	550
Storage capacity (in million gallons)	5.9	5.9	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
Sewer										
Sanitary sewers (in miles)	69.5	69.5	69.5	69.5	69.5	68.9	68.9	68.9	68.9	68.9
Storm sewers (in miles)	28.5	28.5	28.5	28.5	28.5	28.0	28.0	28.0	28.0	28.0
Treatment capacity (in gallons)	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Parking										
Number of parking lots	7	6	6	6	6	6	6	6	6	6
Number of street parking metered spaces	669	664	664	664	664	664	654	655	655	660
Number of off-street parking metered spc	114	132	132	132	132	132	132	122	122	122
Number of parking garages	1	1	1	1	1	1	1	1	1	1

Source: DOF compilation of data