

BOROUGH OF CARLISLE

PENNSYLVANIA

“Committed to Excellence In Community Service!”

**ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2024

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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

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INTRODUCTORY SECTION

BOROUGH OF CARLISLE

“Committed To Excellence in Community Service”

October 31, 2025

To the Mayor, Council, and Carlisle Borough Community:

The Annual Comprehensive Financial Report (Annual Report) for the Borough of Carlisle, fiscal year ended December 31, 2024, 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 Annual Report 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 Annual Report 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.

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 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 22,341 (as of 2023). 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. The college achieved carbon neutral status in 2020, an accomplishment that only 10 colleges and universities in the nation achieved at the time.
- Penn State Dickinson Law - Founded in 1834, is the oldest law school in Pennsylvania and the fifth oldest in the nation. In 2000, the law school became part of The Pennsylvania State University, one of the country's most prestigious research universities.
- 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. It is important to note here that Moody's Investor Services reinstated the Borough's Aa1 rating during the 2024 bond issuance process.

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.

Reflecting Back on 2024

During 2024, the Borough made a number of noteworthy initiatives that have either been undertaken and/or successfully completed. Below is just a snapshot of strategies that continue and several accomplishments that occurred during 2024.

Community Support and Economic Initiatives

The Borough advanced public safety, economic development, and community-focused programs. Key actions included:

- Supporting and advancing inclusivity and equality, consistent with the Human Rights Campaign (HRC).
- Voicing support for the Penn State Dickinson Law partnership on the Antiracist Development Institute and the continued advancement of Truth and Reconciliation (TRC) work.
- Implementing a Co-Responder Program.
- Supporting economic development and redevelopment, including endorsing grant pursuits for the Frog, Switch Manufacturing site.
- Continuing the implementation of the Carlisle Urban Redevelopment Plan.
- Distributing over 150 smoke and carbon monoxide detectors.
- Developing a program that assigns first responders to assist victims of fire.
- Continuing financial support for the self-sustaining K-9 Program.
- Advancing the Rental Housing Program.
- Constructing a community garden for the Housing Authority.
- Completing the Fairground Avenue Linear Park.
- Collaborating with Bosler Library on the Fort LeTort Park Story Forest and with Carlisle Youth Cycling on the Valley Meadows Park Pump Track.
- Serving 5,038 recreation participants and seeing attendance grow at the Community Pool.

Government Transparency

Efforts to improve public outreach and involvement continued:

- Enhancing community engagement and transparency efforts.
- Continuing both employee and community engagement initiatives.

Infrastructure

This category saw significant activity in maintenance, upgrades, and new projects:

- Transportation and Public Works:
 - Modifying the parking program to feature parking kiosks.
 - Beginning the final phase of the Carlisle Connectivity Project.
 - Supporting the Vision Zero initiative.
 - Upgrading pedestrian curb ramps during roadwork.
 - Undertaking the road maintenance program.
 - Performing base restoration and repairs on all outstanding Borough utility street cuts.
 - Completing signal maintenance, replacing aged road markings, and completing underground electric wiring on High Street.
 - Executing a Green Light Go Grant for detection equipment on High and Hanover streets.
- Water and Sewer Systems:
 - Submitting the initial Water Service Line Inventory by the deadline.
 - Continuing the Sewer System Rehabilitation Program and the Water Distribution System Rehabilitation Program.

- Continuing inspection and storm sewer system repairs.
- Performing leak detection and hydrant flushing for the entire water distribution system.
- Approving the protocol for PFAS removal pilot testing.
- Beginning the Water Treatment Plant filter media replacement project.
- Completing design and most permitting for the Ridge Street Water Tank replacement.
- Completing the Wastewater Treatment Plant filter replacement.
- Coordinating the expansion of Ridge Street Pump Station #2 and undertaking general construction work at the lift station.
- Beginning the design stage of plant infrastructure improvements.
- Rolling out the Laboratory Information Management System (LIMS) to modernize data collection.
- Parks and Facilities:
 - Renovating amenities at the Community Pool and installing new water chemistry controllers.
 - Refurbishing select rooms at the Community Center.
 - Completing security installations at various sites.

Personnel

The Borough focused on internal workforce development and structure:

- Advancing and promoting training and professional development programming.
- Elevating recruitment and onboarding processes.
- Continuing succession planning.
- Establishing and supporting internal staff sub-committees to advance specific initiatives.
- Developing manuals for fire personnel officers.
- Advancing public safety training for Borough personnel.
- Providing internship opportunities.

Stewardship: Financial, Physical, and Environmental

This area highlights high-level planning, financial health, and environmental management:

- Financial and Strategic:
 - Continuing to advance the Strategic Plan.
 - Continuing the engagement of a grant advocacy consultant and pursuing various grant funds.
 - Obtaining the GFOA Award for Excellence in Financial Reporting for fiscal year 2023.
 - Receiving the GFOA Budget Award for fiscal year 2024.
 - Receiving an Unmodified Audit Opinion for fiscal year 2023.
 - Providing a 2024 Balanced Budget.
 - Obtaining a reinstated Moody's Credit Rating of Aa1.
 - Hiring a consulting firm to evaluate the parking program.
 - Improving the CDBG loan and grant process.
- Land Use and Policy:
 - Guiding the Land Use Reform Subcommittee.
 - Completing a Historic Property Survey using CLG grant funding.
 - Rezoning a brownfield site to Urban Mixed Use.
 - Implementing parking reforms.

Mayor and Council, Residents and Taxpayers

October 31, 2025

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- Environmental and Sustainability:
 - Advancing the Borough's Climate Action Plan.
 - Continuing the conversion of the Police Department fleet.
 - Remaining in compliance with MS4 Program requirements.
 - Advancing environmental education, including a Rain Barrel Outreach Program.
 - Awarded a \$ 200,000 recycling grant for a second leaf vacuum.
 - Beginning the assessment and design of three Chesapeake Bay Pollutant Reduction Plan projects.
 - Initiating an energy audit of Borough facilities.
 - Servicing 8,200+ visitors at the Compost Facility.
 - Calibrating road salt application equipment to reduce salt usage.
 - Meeting all testing requirements of the Safe Drinking Water Act and starting quarterly monitoring for PFAS/PFOA.
 - Generating Nitrogen and Total Phosphorus Credits for potential sale.
 - Hauling and land applying 574 tons of dewatered biosolids and maintaining perfect compliance with DEP and EPA biosolids regulations.
 - Receiving designation as a Pennsylvania Bird Town.
 - Completing the 2024 Shade Tree Survey and planting 29 new shade trees.

Awards and Acknowledgments

GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to Carlisle for its 2023 Annual Report. In order to be awarded the certificate, a government must publish an Annual Report 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 2024 Annual Report 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 2024. The Borough is one of a few municipalities in Pennsylvania to receive both prestigious GFOA awards.

Timely preparation of this Annual Report 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.

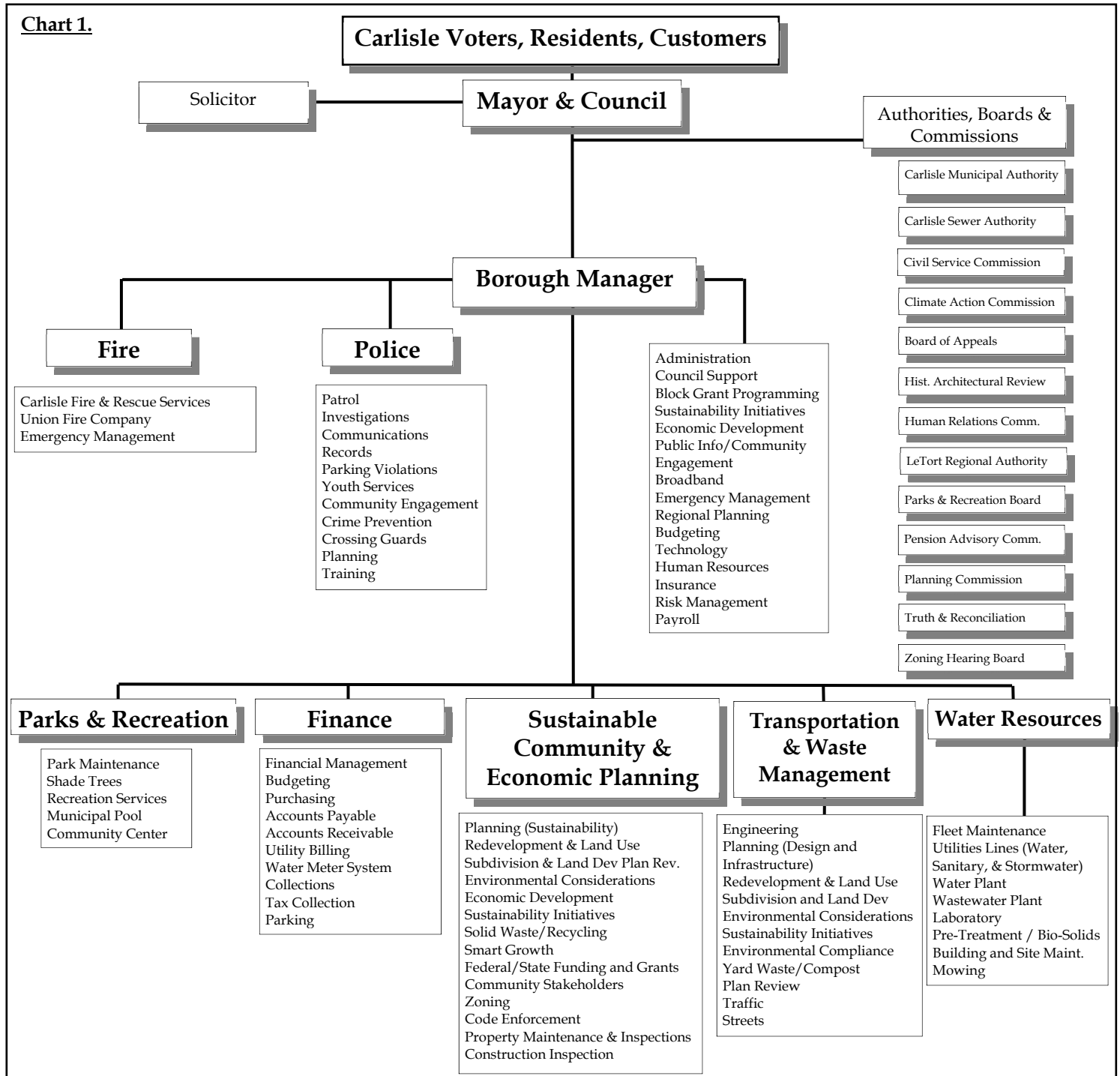
Achieving the goal enunciated in Carlisle's motto "Committed to Excellence in Community Service" is only possible through a total team effort. In that regard, we extend our sincerest appreciation to the Mayor and Council and all employees who strive on a daily basis to attain and advance service delivery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

Respectfully,

Jason H. Cohen
Director of Finance

Organization Chart

Chart 1.





List of Principal Officers

MAYOR & COUNCIL

Mayor.....	Sean M. Shultz
Councilor & Deputy Mayor.....	Brenda S. Landis
Councilor.....	Jackie R. Roos
Councilor.....	R. Mitch Shiles, Jr.
Councilor.....	M. Cate Mellen
Councilor.....	Safronia L. Perry
Councilor.....	Jeff P. Stuby

ADMINISTRATIVE OFFICIALS

Borough Manager	Susan D. Armstrong
Assistant Borough Manager	Richard JT Juday
Borough Secretary.....	Patricia A. Blair
Director of Finance.....	Jason H. Cohen
Director of Transportation and Waste Management.....	Jeff G. Bergsten
Director of Water Resources.....	Maurita E. Abeln
Director of Parks & Recreation.....	Andrea C. Crouse
Director of Sustainable Community & Economic Planning	Jared B. Woolston
Police Chief	Taro D. Landis
Fire Chief	Randy L. O'Donnell
Solicitor.....	Keith O. Brenneman

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

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, 2024, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

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, 2024, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Borough of Carlisle, Pennsylvania, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the discretely presented component unit, Carlisle Area Municipal Authority, were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Carlisle, Pennsylvania's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough of Carlisle, Pennsylvania's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 17, the schedules related to the pension and OPEB liabilities on pages 68 through 71, and the budgetary comparison schedule on pages 72 and 73 be presented to supplement the basic financial statements. Such information is the responsibility of management and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

Supplementary 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 other supplementary information in the financial section and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information in the financial section and the schedule of expenditures of federal awards are fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected misstatement of the other information exists, we are required to describe it in our report.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2025, on our consideration of the Borough of Carlisle, Pennsylvania's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Carlisle, Pennsylvania's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Carlisle, Pennsylvania's internal control over financial reporting and compliance.

Smith Elliott Kearns + Company, LLC

Carlisle, Pennsylvania
October 31, 2025

BOROUGH OF CARLISLE
Management's Discussion and Analysis (Unaudited)
December 31, 2024

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, 2024. 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 - VI 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 2024

- * Government-wide assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$105,784,955 compared to \$93,262,197 for the prior year. Total net position increased by \$12,522,758 (13.4%) which can be attributed in large part to an increase in grant revenue related to the State and Local Recovery Fund grant, which is part of the American Rescue Plan as well as the issuance of bonds where the funds were not fully spent at the end of the year.
- * Total government-wide current assets increased by \$10,606,454 (16.1%) compared to the prior year which can be attributed primarily to increased cash and cash equivalents balances related to bonds issued at the end of the year that were not yet spent on capital outlays by close of the year.
- * The net position of the non-uniformed employees pension plan as a percentage of total pension liability was 103.64%; the net position of the police officers pension plan as a percentage of total pension liability was 107.93%.
- * Governmental fund balances increased from the prior year and remained strong at \$29,674,605 (193.0% of expenditures) compared to \$22,966,132 (162.3% of expenditures) for the prior year.
- * The unassigned fund balance for the general fund increased to \$13,054,544 (132.3% of fund expenditures) compared to \$9,912,599 (92.0% of fund expenditures) from the prior year. This change is attributed to the recognition of State and Local Recovery Fund's as part of the American Rescue Plan.
- * Assigned and committed governmental fund balances set aside by Borough Council for future capital, employee benefits, and other post-employment retirement benefits expenses were \$1,313,077 (4.4% of total governmental fund balances) compared to \$2,427,231 (10.6% of total governmental fund balances) in the prior year.
- * Debt service on general obligation debt attributed to non-enterprise capital funding was \$996,663 with \$450,679 (4.6% of total general fund spending) being attributed to the general fund and \$545,984 (11.4% of total capital projects fund spending) being attributed to the Capital Projects Fund. This compares to \$1,133,780 in the prior year with \$678,271 (6.3% of total general fund spending) being attributed to the general fund and \$455,509 (18.0% of total capital projects fund spending) being attributed to the Capital Projects Fund.
- * The net position of the water, stormwater, sewer, parking, and solid waste funds increased by \$2,707,888 (5.2%) 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.

Government-wide financial statements. Designed to provide readers with a broad overview of the Borough's finances, the government-wide financial statements function 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, stormwater, sewer, parking, and solid waste and recycling operations.

The government-wide financial statements can be found on pages 18 and 19 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. The funds 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.

BOROUGH OF CARLISLE
Management's Discussion and Analysis (Unaudited)
December 31, 2024

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.

Carlisle Borough maintains five 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 20 - 23 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, stormwater, sewer, parking, and solid waste funds.

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, stormwater, sewer, parking, and solid waste 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 24 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 agency 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 28 and 29 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 30 - 67 of this report.

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

Supplementary Information. Additional required supplementary schedules follow the notes to the financial statements on pages 68 - 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 schedules can be found on pages 74 - 75 of this report.

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 \$ 105,784,955 at the close of the fiscal year.

A significant portion (42.3%) 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, 2024 and 2023.

	BOROUGH OF CARLISLE					
	December 31, 2024			December 31, 2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 33,988,873	\$ 46,629,651	\$ 80,618,524	\$ 28,447,423	\$ 40,272,035	\$ 65,885,565
Capital assets, net	29,759,438	45,066,385	74,825,823	27,210,393	45,214,166	75,258,452
Total assets	<u>\$ 63,748,311</u>	<u>\$ 91,696,036</u>	<u>\$ 155,444,347</u>	<u>\$ 55,657,816</u>	<u>\$ 85,486,201</u>	<u>\$ 141,144,017</u>
Deferred outflows of resources	\$ 1,443,906	\$ 365,759	\$ 1,809,665	\$ 2,648,809	\$ 743,541	\$ 3,392,350
Total deferred outflows of resources	<u>\$ 1,443,906</u>	<u>\$ 365,759</u>	<u>\$ 1,809,665</u>	<u>\$ 2,648,809</u>	<u>\$ 743,541</u>	<u>\$ 3,392,350</u>
Long-term liabilities	\$ 9,704,805	\$ 29,987,921	\$ 39,692,726	\$ 12,991,011	\$ 27,973,378	\$ 40,964,389
Other liabilities	3,122,301	4,863,209	7,985,510	2,331,325	3,967,649	6,298,974
Total liabilities	<u>\$ 12,827,106</u>	<u>\$ 34,851,130</u>	<u>\$ 47,678,236</u>	<u>\$ 15,322,336</u>	<u>\$ 31,941,027</u>	<u>\$ 47,263,363</u>
Deferred inflows of resources	\$ 1,590,447	\$ 2,200,374	\$ 3,790,821	\$ 2,024,495	\$ 1,986,312	\$ 4,010,807
Total deferred inflows of resources	<u>\$ 1,590,447</u>	<u>\$ 2,200,374</u>	<u>\$ 3,790,821</u>	<u>\$ 2,024,495</u>	<u>\$ 1,986,312</u>	<u>\$ 4,010,807</u>
Net position						
Net investment in capital assets	\$ 21,112,562	\$ 23,614,280	\$ 44,726,842	\$ 19,111,062	\$ 22,742,992	\$ 41,854,054
Restricted	16,174,379	293,172	16,467,551	9,221,339	-	9,221,339
Unrestricted	13,487,723	31,102,839	44,590,562	12,627,393	29,559,411	42,186,804
Total net position	<u>\$ 50,774,664</u>	<u>\$ 55,010,291</u>	<u>\$ 105,784,955</u>	<u>\$ 40,959,794</u>	<u>\$ 52,302,403</u>	<u>\$ 93,262,197</u>

The restricted portion of the Borough's total net position (15.6%) represents resources that are subject to external restrictions on how they may be used. The unrestricted portion of the Borough's total net position (42.2%) is used to meet the government's ongoing obligations to its residents, taxpayers, ratepayers, 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.

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

The Borough's net position increased by \$ 12,522,758 (13.4%) year-over-year which can be attributed in part, for the Governmental Activities, to an increase in grant revenue related to the State and Local Recovery Fund grant, which is part of the American Rescue Plan. It can also be attributed to the receipt of revenues in our Business-type Activities that were designated for capital projects that have not yet occurred due to project timing and delays resulting in surplus revenues.

Capital assets. The Borough's investment in capital assets for its governmental and business-type activities as of December 31, 2024 net of accumulated depreciation was \$ 74,828,590. This investment includes capital assets such as buildings, machinery and equipment, roads, water and sewer lines, highways, and bridges and reflects an increase of \$ 2,404,031 from the prior year, due in large part to infrastructure work completed.

The table below summarizes the capital assets of the Borough at December 31, 2024.

BOROUGH OF CARLISLE - CAPITAL ASSETS

(net of depreciation)

	Governmental Activities	Business-Type Activities	Total
Land	\$ 1,292,633	\$ 504,102	\$ 1,796,735
Construction in progress	3,309,670	4,139,148	7,448,818
Land improvements	20,427,224	4,447,894	24,875,118
Buildings	10,213,215	43,548,701	53,761,916
Machinery and Equipment	12,380,230	39,161,646	51,541,876
Infrastructure	46,186,753	33,111,817	79,298,570
Right-to-use asset - IT Subscriptions	130,102	243,202	373,304
Total	93,939,827	125,156,510	219,096,337
Less accumulated depreciation	(64,177,622)	(80,090,125)	(144,267,747)
Total capital assets	<u>\$ 29,762,205</u>	<u>\$ 45,066,385</u>	<u>\$ 74,828,590</u>

Additional information on the Borough's capital assets can be found in Note 5 of this report on page 51.

Long-term debt. At the end of the fiscal year, the Borough had total debt outstanding of \$ 41,685,899. This debt is backed by the full faith and credit of the Borough. Over three-quarters (77.9%) of the Borough's outstanding debt is considered self-supporting and will be repaid from water, sewer, stormwater, and parking enterprise fund revenue.

BOROUGH OF CARLISLE - LONG-TERM LIABILITIES

	Governmental Activities	Business-Type Activities	Total
General Obligation Bonds and Notes	\$ 9,213,339	\$ 32,472,560	\$ 41,685,899
Net OPEB Liability	1,043,561	-	1,043,561
Compensated Absences	586,152	204,593	790,745
IT Subscriptions	55,067	178,917	233,984
Total Long-Term Liabilities	<u>\$ 10,898,119</u>	<u>\$ 32,856,070</u>	<u>\$ 43,754,189</u>

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

The Borough instituted several infrastructure replacement programs for the water, sewer, and stormwater management systems. These replacement programs are capital intensive and have resulted in the overall increase in outstanding debt balances over recent years. The Borough issued new general obligation debt in 2024 totaling \$ 5,595,000 (\$ 900,000 in the Capital Projects fund and \$ 4,695,000 in the Water fund) while continuing to make payments on current outstanding debt. The Borough continues to recognize a net pension asset of \$ 2,110,522, an increase of \$ 905,473 (75.1%) as compared to the prior year balance of \$ 1,205,049 which is attributable to improved investment positions.

Additional information on the Borough's long-term debt can be found in Note 6 beginning on page 52 of this report.

Governmental Activities. The Borough's net position for governmental activities saw an increase from the prior year of \$ 9,814,870 (24.0%) from \$ 40,959,794 to \$ 50,774,664. The primary reasons for the increase shown here relates to the following:

- Capital Outlays of \$ 2,551,812 (shown net of depreciation) recorded as an asset.
- Capital Grants and Contributions of \$ 4,522,182 from several grants from federal, state, and local sources to support capital improvements.
- Operating Grant Revenues include \$ 2,761,321 primarily related to the recognition of revenue replacement funding from the State and Local Recovery Fund grant.

Business-type activities. The Borough's net position for business-type activities increased from the prior year by \$ 2,707,888 (5.2%) from \$ 52,302,403 to \$ 55,010,291. The primary factors that resulted in this increase is the timing of capital projects that were planned but not completed during the year. As a result, the revenues collected, that were originally intended for these projects, increased fund balance and will be used as the projects are completed in future years.

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

These changes are presented in the following table together with comparable information from the prior year.

BOROUGH OF CARLISLE - CHANGES IN NET POSITION						
	December 31, 2024			December 31, 2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues						
Program revenues:						
Charges for services	\$ 1,274,462	\$ 16,147,747	\$ 17,422,209	\$ 1,404,128	\$ 15,347,695	\$ 16,751,823
Operating grants	3,946,388	118,809	4,065,197	5,196,886	196	5,197,082
Capital grants and contributions	4,522,182	175,688	4,697,870	1,237,296	95,815	1,333,111
General revenues:						
Property taxes	5,739,938	-	5,739,938	5,273,655	-	5,273,655
Other taxes	4,734,733	-	4,734,733	4,024,690	-	4,024,690
Other	1,194,547	1,631,151	2,825,698	985,819	1,594,426	2,580,245
Total revenues	<u>21,412,250</u>	<u>18,073,395</u>	<u>39,485,645</u>	<u>18,122,474</u>	<u>17,038,132</u>	<u>35,160,606</u>
Expenses						
General Government	1,629,086	-	1,629,086	2,304,152	-	2,304,152
Public Safety	6,589,643	-	6,589,643	6,234,842	-	6,234,842
Public Services	1,573,762	-	1,573,762	1,642,420	-	1,642,420
Culture and Recreation	1,069,228	-	1,069,228	1,105,839	-	1,105,839
Community Development	263,915	-	263,915	346,059	-	346,059
Interest & amortization expense	195,571	-	195,571	231,253	-	231,253
Water	-	5,025,373	5,025,373	-	4,319,963	4,319,963
Sewer	-	6,204,643	6,204,643	-	5,813,663	5,813,663
Parking	-	664,148	664,148	-	547,931	547,931
Solid Waste	-	1,994,612	1,994,612	-	1,892,314	1,892,314
Stormwater	-	1,752,906	1,752,906	-	1,441,319	1,441,319
Total expenses	<u>11,321,205</u>	<u>15,641,682</u>	<u>26,962,887</u>	<u>11,864,565</u>	<u>14,015,190</u>	<u>25,879,755</u>
Excess of revenues over expense before transfers	10,091,045	2,431,713	12,522,758	6,257,909	3,022,942	9,280,851
Net transfers in (transfers out)	<u>(276,175)</u>	<u>276,175</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net position	9,814,870	2,707,888	12,522,758	6,257,909	3,022,942	9,280,851
Net position - Beginning	40,959,794	52,302,403	93,262,197	34,701,885	49,279,461	83,981,346
Net position - End of Year	<u>\$ 50,774,664</u>	<u>\$ 55,010,291</u>	<u>\$ 105,784,955</u>	<u>\$ 40,959,794</u>	<u>\$ 52,302,403</u>	<u>\$ 93,262,197</u>

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 \$ 29,674,605 an increase of \$ 6,708,473 (29.2%) compared with the prior year. This increase can be attributed to the recognition of nearly \$3 million in State and Local Recovery Fund's as part of the American Rescue Plan which is being used to offset revenue loss experienced as a result of the COVID-19 Pandemic and applied to operational expenses of the Borough. The total fund balance is allocated as follows: \$ 298,800 (1.0%) constitutes non-spendable fund balance; \$ 15,008,184 (50.6%) restricted fund balance (approximately \$1.1 million is state highway aid money, approximately \$13,906,123 million is related to capital projects); \$ 1,313,077 (4.4%) are committed and assigned fund balance set aside by Borough Council primarily for future Other Post-Employment Benefits (OPEB), and \$ 13,054,544 (44.0%) in unassigned fund balance available for spending at the government's discretion.

Total governmental fund balances of \$ 29,674,605 constitute a strong fund balance, 193.0% of governmental funds expenditures.

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

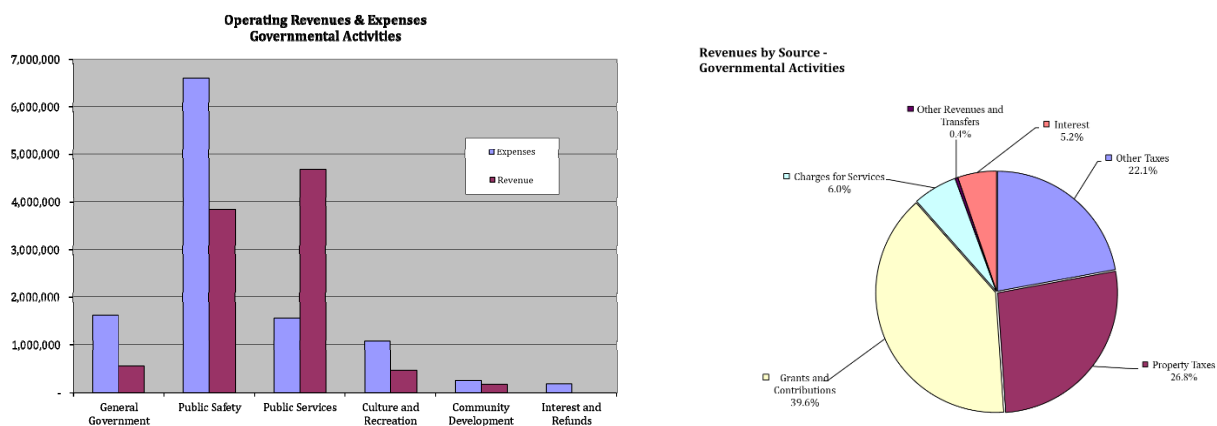
General fund. The general fund is the largest governmental fund and is the Borough's chief operating fund. Actual general fund spending in 2024 was \$ 9,868,610 compared to \$ 10,769,163 in the prior year, a decrease of \$ 900,553 (8.4%). This decrease can be attributed to a decrease in wages and benefits for positions that were previously filled but were open during 2024. The largest decrease associated with this reason is reflected in the police department.

Budgeted revenue was approximately \$ 12.5 million while actual revenue was approximately \$ 16.1 million, a difference of approximately \$ 3.6 million, excluding fund balance. The primary difference between Budget and Actual revenues is the recognition of State and Local Recovery Fund's as part of the American Rescue Plan totaling just under \$ 3 million which is being used to offset revenue loss experienced as a result of the COVID-19 Pandemic and applied to operational expenditures of the Borough.

Similarly, budgeted expenditures were approximately \$ 14.5 million while actual expenditures were approximately \$ 9.9 million, a difference of nearly \$ 4.6 million. The difference between budget and actual is attributable to shared budgeted administrative expenditures that were solely budgeted out of the general fund but are allocated across the shared funds for reporting purposes. Additionally, there were several positions anticipated in being filled in 2024 that were not filled by year end are instead anticipated to be filled in 2025. Budget managers were also focused on reducing the amount of operating supplies and overtime costs.

Principal and interest on the Borough's general obligation debt attributed to non-enterprise capital funding was \$ 996,663 with \$ 450,679 (4.6% of total general fund spending) being attributed to the general fund and \$ 545,984 (11.4% of total capital projects fund spending) being attributed to the Capital Projects Fund.

Unlike enterprise fund activities, tax revenues support general fund activities. In 2024, property taxes and other taxes amounted to \$ 10,461,183 (64.9% 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 2024.



Local taxes. Revenue from property taxes was \$ 5,728,896, which was under budget by \$ 14,731 (-0.3%). This amount was more than the prior year property tax collections of \$ 5,272,126 due to an increase in the Fire Tax rate. Real estate transfer tax revenue at \$ 1,144,668 was over the budget amount by \$ 602,668 due to an unanticipated increase in value of properties that were transferred. Earned income tax revenue was \$ 2,733,789 and was over the budget amount by \$ 278,089 (11.3%) and \$79,801 (3.0%) more than the amount collected in the prior year.

BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

The following table compares tax revenues in 2024 with those in 2023 and with the budgeted amounts for 2024.

Tax	Actual 2023	Budget 2024	Actual 2024	Actual Variance 2024-2023	Budget Variance 2024
Property	\$ 5,272,126	\$ 5,743,627	\$ 5,728,896	\$ 456,770	\$ (14,731)
Real Estate Transfer	489,293	542,000	1,144,668	655,375	602,668
Earned Income	2,653,988	2,455,700	2,733,789	79,801	278,089
LST	802,879	766,400	780,820	(22,059)	14,420
Admissions / Amusements	<u>72,771</u>	<u>69,700</u>	<u>73,010</u>	<u>239</u>	<u>3,310</u>
Total	<u>\$ 9,291,057</u>	<u>\$ 9,577,427</u>	<u>\$ 10,461,183</u>	<u>\$ 1,170,126</u>	<u>\$ 883,756</u>

Capital Projects Fund. The Borough's Capital Projects Fund is the primary fund for accounting for general capital related expenditures that are not eligible to be accounted for in any other fund. Fund balance of the Capital Projects Fund at the end of the year was \$ 13,906,123 as compared to the previous year of \$ 9,209,497. This is a net change of \$ 4,696,626 which can primarily be attributed to a transfer from the general fund intended to fund future capital projects as capital grant revenue received. As a result of this, the transfer that was made during 2024 has a remaining balance that was not spent on 2024 capital activity and is being carried forward to be used in 2025 on items approved in the Borough's 5-year Capital Improvement Plan and other projects determined during the strategic planning process.

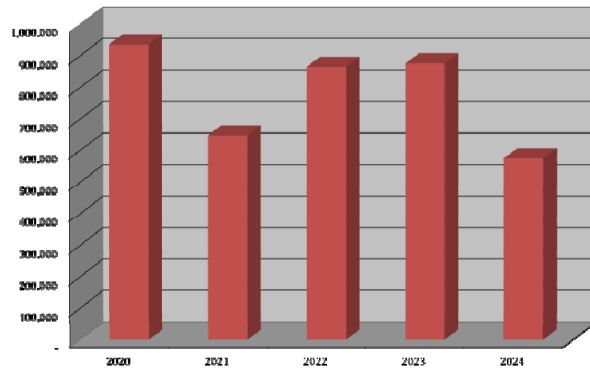
Proprietary funds. The Borough's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the water, stormwater, sewer, parking, and solid waste functions at the end of the year was \$ 55,010,291. For the year, the net position of proprietary funds increased by \$ 2,707,888 (5.2%). All major proprietary funds showed an increase in net position for 2024 that can be attributed to a multi-year rate structure designed to increase reserves for a future use on capital projects which are identified in our approved 5-year Capital Improvement Plan. The water fund showed an increase in net position of \$ 576,479 (3.7%) for 2024; the sewer fund showed an increase in net position of \$ 1,556,633 (5.1%); the stormwater fund showed an increase in net position of \$ 106,225 (3.3%), the parking fund showed an increase in net position of \$ 336,686 (11.6%), and an increase in net position of \$ 131,865 (108.2%) for the solid waste fund. This increase continues to build on the low net position increasing the available reserves in the fund.

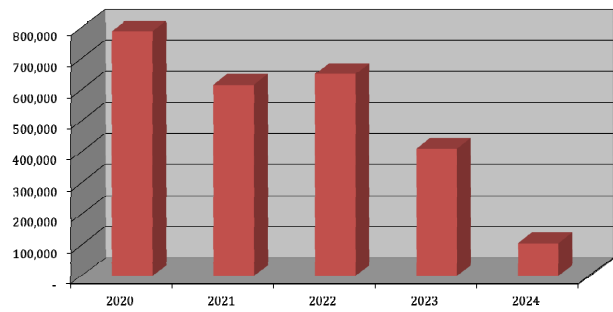
BOROUGH OF CARLISLE

Management's Discussion and Analysis (Unaudited)

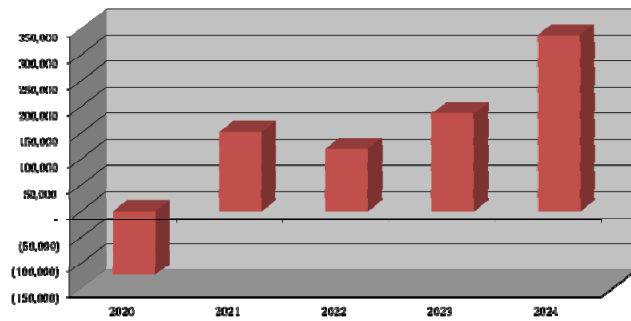
Change in Net Position - Water Fund



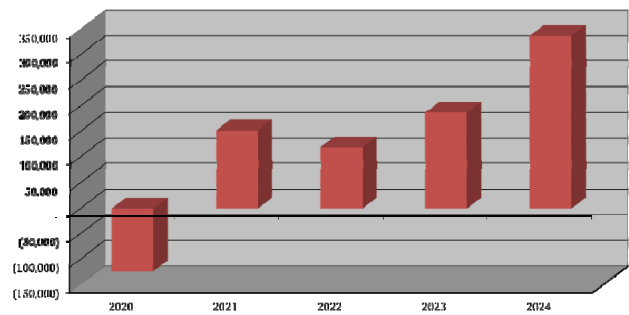
Change in Net Position - Stormwater



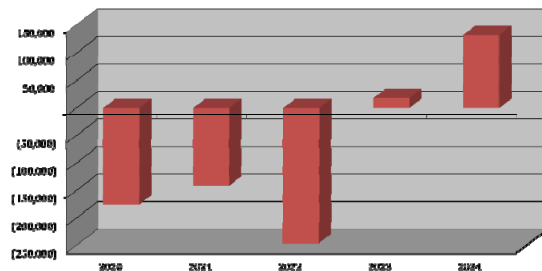
Change in Net Position - Parking Fund



Change in Net Position - Parking Fund



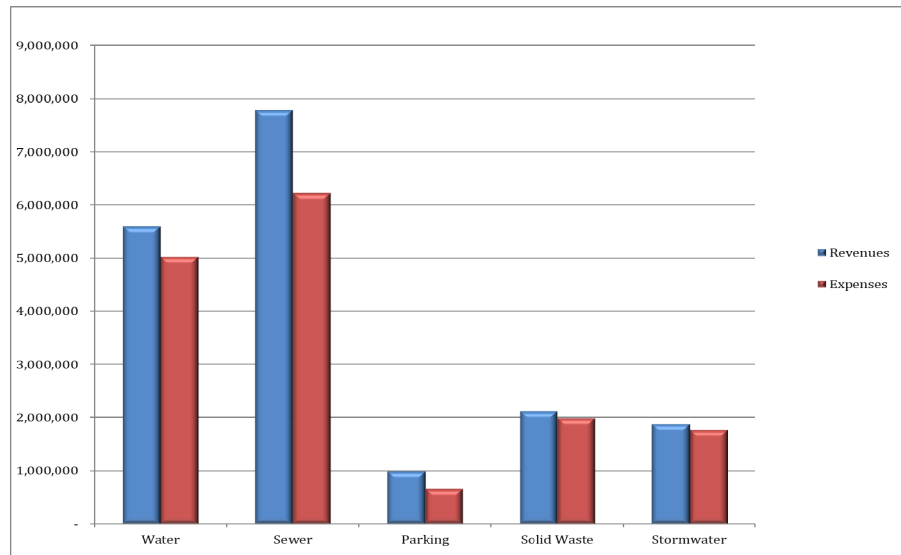
Change in Net Position - Solid Waste



BOROUGH OF CARLISLE

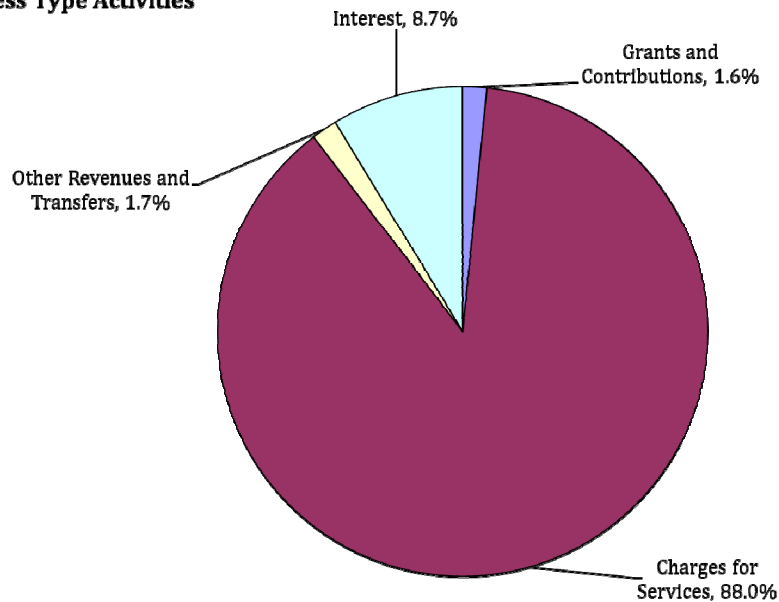
Management's Discussion and Analysis (Unaudited)

Total operating revenues for the proprietary funds was \$ 15,771,911 and exceeded total operating expenses of \$ 14,715,632 by \$ 1,056,279. The following graph shows the relative levels of total revenues and expenses in the five significant enterprise funds for 2024.



The following chart clearly demonstrates the definition of enterprise funds as being mainly reliant on Charges for Services as they constitute 88% of total operating and non-operating revenues.

**Revenues by Source -
Business Type Activities**



Fund Outlook and Rate Changes

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. Long-term revenue growth is expected to remain sluggish. The Borough will likely continue to see expenditures steadily increase and may require adjustments to primary revenue sources including tax revenue to meet the obligations of this fund. Over the next several years, the Borough will work diligently to ameliorate the effects of this trend.

Capital Projects Fund. The sources of financing for this fund are primarily general fund transfers, debt, and intergovernmental grants. Each year this fund will be adequately funded in order to meet that years expenditures which are primarily capital in nature. While the Borough will continue to follow its debt issuance process as needed, a positive outlook for this fund is completely reliant on maintaining a stable General Fund.

Water Fund. The Water Fund remains financially stable, with cash reserves currently above the 25% reserve goal established by Borough Council. However, the fund is under significant stress due to the investment needed to rehabilitate its aging infrastructure and address new regulatory changes. Specifically, emerging regulations for the treatment and removal of PFAS (Per- and Polyfluorinated Substances) are expected to increase costs substantially. To address this, the Borough engaged an outside consultant in 2024 to perform a rate analysis. This analysis will help establish future rates to support both the ongoing infrastructure rehabilitation and the changing treatment processes, with rates being evaluated annually based on the pacing of these improvements.

Stormwater Fund. Established in 2019, the Stormwater Fund finances stormwater management and related services for the Borough and its customers. The fund is currently meeting the 25% reserve goal established by Borough Council. While rates were not changed in 2024, the Borough anticipates significant infrastructure improvements in the coming years. These future capital needs will be evaluated alongside the fund's operating requirements and will have to be considered when establishing future rates.

Sewer Fund. The Sewer Fund's cash reserves are currently above the Borough Council's goal of 50% of annual operating expenses. However, the fund faces substantial future costs from significant planned infrastructure improvements and new regulatory requirements. In particular, emerging federal and state regulations for the treatment and removal of PFAS (Per- and Polyfluorinated Substances) are expected to increase costs significantly. While sewer rates were not increased in 2024, the Borough engaged an outside consultant to perform a rate analysis. This analysis will help establish future rates, which will be considered for implementation based on the pacing of these infrastructure projects.

Parking Fund. The Parking Fund continues to operate as a self-sustaining enterprise fund. In 2024, the Borough completed its transition from single-space smart meters to kiosk-style meters in short-term metered areas. This upgrade is anticipated to increase revenues by ensuring more consistent collections and removing non-functional meters. The Borough continues to evaluate further program improvements, with a formal parking study planned for 2025. Rates were not increased in 2024 and are not anticipated to increase in 2025. Cash reserves remain in excess of 50% of annual operating expenses, exceeding the reserve goal established by Borough Council.

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

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 Jason Cohen, 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, 2024

	Primary Government			Discretely Presented Component Unit
	Governmental Activities	Business-Type Activities	Total	Carlisle Borough Municipal Authority
ASSETS				
Current assets				
Cash and cash equivalents	\$ 42,233,824	\$ 26,292,733	\$ 68,526,557	\$ 13,335
Investments	1,042,093	1,198,967	2,241,060	-
Receivables				
Taxes receivable, net	1,200,552	-	1,200,552	-
Accounts receivable - billed	-	1,515,990	1,515,990	-
Accounts receivable - unbilled	-	1,615,443	1,615,443	-
Lease receivable	25,029	130,137	155,166	-
Other	395,394	362,124	757,518	80,619
Internal balances	(13,041,948)	13,041,948	-	-
Prepaid expenses	8,844	1,275	10,119	-
Inventories	89,956	379,658	469,614	-
Total current assets	31,953,744	44,538,275	76,492,019	93,954
Noncurrent assets				
Loan receivable	200,000	-	200,000	-
Lease receivable	17,779	1,798,204	1,815,983	-
Net pension asset	1,817,350	293,172	2,110,522	-
Capital assets not being depreciated				
Land	1,292,633	504,102	1,796,735	-
Construction in progress	3,309,670	4,139,148	7,448,818	-
Capital assets net of accumulated depreciation/amortization				
Buildings and system	2,546,329	25,189,338	27,735,667	-
Improvements other than buildings	16,413,557	2,026,056	18,439,613	-
Machinery and equipment	2,467,038	13,034,027	15,501,065	-
Infrastructure	3,671,662	-	3,671,662	-
Right-to-use asset - IT subscriptions	58,549	173,714	232,263	-
Total noncurrent assets	31,794,567	47,157,761	78,952,328	-
Total assets	63,748,311	91,696,036	155,444,347	\$ 93,954
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to net pension asset	1,298,161	362,378	1,660,539	-
Deferred outflows related to total OPEB liability	127,904	-	127,904	-
Deferred charge on bond refunding	17,841	3,381	21,222	-
Total deferred outflows of resources	1,443,906	365,759	1,809,665	-
Total assets and deferred outflows of resources	\$ 65,192,217	\$ 92,061,795	\$ 157,254,012	\$ 93,954
LIABILITIES				
Current liabilities				
Accounts payable	\$ 924,720	\$ 1,492,345	\$ 2,417,065	\$ 80,619
Deposits	645,448	28,475	673,923	-
Accrued wages and withholdings	268,054	156,956	425,010	-
Accrued interest expense	90,765	317,284	408,049	-
Bonds and notes payable - current portion	831,054	2,769,737	3,600,791	-
Compensated absences - current portion	193,430	67,516	260,946	-
IT subscriptions - current portion	40,926	30,896	71,822	-
Total OPEB liability - current portion	127,904	-	127,904	-
Total current liabilities	3,122,301	4,863,209	7,985,510	80,619
Noncurrent liabilities				
Long-term liabilities				
Bonds and notes payable	8,382,285	29,702,823	38,085,108	-
Compensated absences	392,722	137,077	529,799	-
IT subscriptions	14,141	148,021	162,162	-
Unearned revenue	-	-	-	-
Total OPEB liability	915,657	-	915,657	-
Total noncurrent liabilities	9,704,805	29,987,921	39,692,726	-
Total liabilities	12,827,106	34,851,130	47,678,236	80,619
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to net pension asset	1,556,296	373,762	1,930,058	-
Deferred inflows related to leases	34,151	1,826,612	1,860,763	-
Total deferred inflows of resources	1,590,447	2,200,374	3,790,821	-
NET POSITION				
Net investment in capital assets	21,112,562	23,614,280	44,726,842	-
Restricted				
Highway improvements	1,081,503	-	1,081,503	-
Police activities	29,174	-	29,174	-
Capital projects	13,246,352	-	13,246,352	-
Pension	1,817,350	293,172	2,110,522	-
Unrestricted	13,487,723	31,102,839	44,590,562	13,335
Total net position	50,774,664	55,010,291	105,784,955	13,335
Total liabilities, deferred inflows of resources and net position	\$ 65,192,217	\$ 92,061,795	\$ 157,254,012	\$ 93,954

BOROUGH OF CARLISLE
Statement of Activities
Year Ended December 31, 2024

					Net (Expense) Revenue and Changes in Net Position				Discretely Presented Component Unit Carlisle Borough Municipal Authority
					Primary Government				
Program Revenue									
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total		
PRIMARY GOVERNMENT									
Governmental activities									
General government	\$ 1,629,086	\$ 312,615	\$ 257,057	\$ -	\$ (1,059,414)	\$ -	\$ (1,059,414)	\$ -	
Public safety	6,589,643	467,520	3,360,630	7,798	(2,753,695)	-	(2,753,695)	-	
Public services	1,573,762	47,887	113,524	4,514,384	3,102,033	-	3,102,033	-	
Culture and recreation	1,069,228	446,440	27,548	-	(595,240)	-	(595,240)	-	
Community development	263,915	-	187,629	-	(76,286)	-	(76,286)	-	
Interest and amortization expense	195,571	-	-	-	(195,571)	-	(195,571)	-	
Total governmental activities	11,321,205	1,274,462	3,946,388	4,522,182	(1,578,173)	-	(1,578,173)	-	
Business-type activities									
Water	5,025,373	4,926,746	-	32,296	-	(66,331)	(66,331)	-	
Sewer	6,204,643	6,804,920	5,332	132,448	-	738,057	738,057	-	
Parking	664,148	627,565	29,137	-	-	(7,446)	(7,446)	-	
Solid Waste	1,994,612	2,028,002	84,340	-	-	117,730	117,730	-	
Stormwater	1,752,906	1,760,514	-	10,944	-	18,552	18,552	-	
Total business-type activities	15,641,682	16,147,747	118,809	175,688	-	800,562	800,562	-	
Total primary government	\$ 26,962,887	\$ 17,422,209	\$ 4,065,197	\$ 4,697,870	\$ (1,578,173)	\$ 800,562	\$ (777,611)	\$ -	
DISCRETELY PRESENTED COMPONENT UNIT									
Carlisle Borough Municipal Authority	\$ 180,832	\$ 180,832	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
General revenues and transfers									
Taxes									
Property taxes, levied for general purposes					\$ 5,739,938	\$ -	\$ 5,739,938	\$ -	
Real estate transfer tax					1,144,668	-	1,144,668	-	
Earned income tax					2,733,495	-	2,733,495	-	
Local services tax					777,410	-	777,410	-	
Other taxes					79,160	-	79,160	-	
Unrestricted investment earnings					1,118,115	1,593,823	2,711,938	212	
Miscellaneous revenues					70,938	36,242	107,180	-	
Gain on sale of capital assets					5,494	1,086	6,580	-	
Transfers					(276,175)	276,175	-	-	
Total general revenues and transfers					11,393,043	1,907,326	13,300,369	212	
Change in net position					9,814,870	2,707,888	12,522,758	212	
Net position - beginning					40,959,794	52,302,403	93,262,197	13,123	
Net position - ending					\$ 50,774,664	\$ 55,010,291	\$ 105,784,955	\$ 13,335	

BOROUGH OF CARLISLE
Balance Sheet - Governmental Funds
December 31, 2024

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 27,505,585	\$ 13,646,649	\$ 1,081,590	\$ 42,233,824
Investments	1,042,093	-	-	1,042,093
Taxes receivable, net	1,200,552	-	-	1,200,552
Due from other funds	928,795	1,408,361	27	2,337,183
Other receivables	229,411	87,279	79,004	395,694
Lease receivable	25,029	-	-	25,029
Inventories	89,956	-	-	89,956
Prepaid items	8,844	-	-	8,844
Lease receivable - long-term	17,779	-	-	17,779
Loan receivable - long term	200,000	-	-	200,000
Total assets	<u>\$ 31,248,044</u>	<u>\$ 15,142,289</u>	<u>\$ 1,160,621</u>	<u>\$ 47,550,954</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 328,958	\$ 596,062	\$ -	\$ 925,020
Due to other funds	14,660,023	640,104	79,004	15,379,131
Accrued wages, benefits and withholdings	268,054	-	-	268,054
Deposits payable	645,448	-	-	645,448
Total liabilities	<u>15,902,483</u>	<u>1,236,166</u>	<u>79,004</u>	<u>17,217,653</u>
Deferred Inflows of Resources				
Leases	34,151	-	-	34,151
Unavailable revenue	624,545	-	-	624,545
Total deferred inflows of resources	<u>658,696</u>	<u>-</u>	<u>-</u>	<u>658,696</u>
Fund balances				
Nonspendable	298,800	-	-	298,800
Spendable fund balance				
Restricted	20,444	13,906,123	1,081,617	15,008,184
Committed	517,216	-	-	517,216
Assigned	795,861	-	-	795,861
Unassigned	13,054,544	-	-	13,054,544
Total fund balances	<u>14,686,865</u>	<u>13,906,123</u>	<u>1,081,617</u>	<u>29,674,605</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 31,248,044</u>	<u>\$ 15,142,289</u>	<u>\$ 1,160,621</u>	<u>\$ 47,550,954</u>

BOROUGH OF CARLISLE**Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2024**

Total fund balance - governmental funds \$ 29,674,605

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	93,939,827	
Accumulated depreciation	<u>(64,180,389)</u>	
		29,759,438

Taxes and 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. Also, the governmental activities taxes receivable are reported net of an allowance for uncollectable taxes.

624,545

The net pension asset/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/liability and related deferred inflows and outflows of resources consist of:

Net pension asset	1,817,350	
Deferred outflows related to net pension asset	1,298,161	
Deferred inflows related to net pension asset	<u>(1,556,296)</u>	
		1,559,215

The total OPEB liability is due and payable 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 liability and related deferred inflows and outflows of resources consist of:

Total OPEB liability	(1,043,561)	
Deferred outflows related to total OPEB liability	<u>127,904</u>	
		(915,657)

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	(9,213,339)	
Accrued interest expense	(90,765)	
Deferred charge on bond refunding	17,841	
Compensated absences	(586,152)	
IT subscriptions	<u>(55,067)</u>	
		<u>(9,927,482)</u>

Total net position - governmental activities \$ 50,774,664

BOROUGH OF CARLISLE
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended December 31, 2024

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 10,461,183	\$ -	\$ -	\$ 10,461,183
Licenses and permits	641,989	-	-	641,989
Fees and fines	72,314	-	-	72,314
Investment earnings	512,066	531,546	74,503	1,118,115
Rents	105,239	-	-	105,239
Intergovernmental	3,340,893	3,859,712	733,945	7,934,550
Charges for services	368,420	-	-	368,420
Contributions	355,677	108,474	-	464,151
Miscellaneous	251,256	-	-	251,256
Total revenues	16,109,037	4,499,732	808,448	21,417,217
EXPENDITURES				
General government				
Borough council	31,476	-	-	31,476
Borough manager	52,171	-	-	52,171
Finance department	74,723	-	-	74,723
Tax collection	157,140	-	-	157,140
Personnel administration	53,388	-	-	53,388
Data processing	95,223	-	-	95,223
Legal services	14,802	-	-	14,802
Insurance premiums	365,642	-	-	365,642
Employee benefits (unallocated)	214,166	-	-	214,166
Buildings and plants	10,500	155,568	-	166,068
Public safety				
Police department	4,207,798	672,205	29,060	4,909,063
Fire department	1,416,050	290,883	-	1,706,933
Codes department	783,862	2,325,460	-	3,109,322
Public works				
Stormwater	34,287	-	-	34,287
Highways	777,557	723,638	583,454	2,084,649
Engineering	45,626	-	-	45,626
Sanitation	49,048	-	-	49,048
Parks and recreation	875,850	83,112	-	958,962
Conservation and community development	158,622	-	102,391	261,013
Debt service				
Principal	387,491	342,914	-	730,405
Interest and fiscal charges	63,188	203,070	-	266,258
Total expenditures	9,868,610	4,796,850	714,905	15,380,365
Excess (deficiency) of revenues over (under) expenditures	6,240,427	(297,118)	93,543	6,036,852
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	5,494	-	-	5,494
Issuance of IT subscriptions	42,302	-	-	42,302
Proceeds from debt issuance	-	900,000	-	900,000
Transfers in	85,238	4,369,919	-	4,455,157
Transfers out	(4,369,919)	(276,175)	(85,238)	(4,731,332)
Total other financing sources and uses	(4,236,885)	4,993,744	(85,238)	671,621
Net change in fund balances	2,003,542	4,696,626	8,305	6,708,473
Fund balances - beginning	12,683,323	9,209,497	1,073,312	22,966,132
Fund balances - ending	\$ 14,686,865	\$ 13,906,123	\$ 1,081,617	\$ 29,674,605

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, 2024

Net change in fund balances - total governmental funds **\$ 6,708,473**

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/amortization expense. This is the amount by which depreciation expense differs from capital outlays in the period.

Depreciation and amortization expense	(1,602,235)	
Capital outlays	<u>4,154,047</u>	2,551,812

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:

7,338

The issuance of general obligation bonds provides current financial resources to governmental funds, but has no effect on net position.

(900,000)

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

782,797

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.

72,965

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

590,725

Net pension liability 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.

(31,047)

The proceeds related to new IT subscription arrangements provides current financial resources to governmental funds, but has no effect on net position. The amount includes IT subscription related items at the time of issuance.

(42,302)

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:

74,109

Change in net position - governmental activities **\$ 9,814,870**

BOROUGH OF CARLISLE
Statement of Net Position - Proprietary Funds
December 31, 2024

	Enterprise Funds					
	Water Fund	Sewer Fund	Parking Fund	Stormwater Fund	Solid Waste Fund	Total
ASSETS						
Current assets						
Cash and cash equivalents	\$ 6,433,499	\$ 16,114,883	\$ 1,107,009	\$ 1,967,571	\$ 669,771	\$ 26,292,733
Investments	352,967	717,139	128,861	-	-	1,198,967
Accounts receivable						
Billed	554,835	864,827	-	96,328	-	1,515,990
Unbilled	609,547	715,984	-	289,912	-	1,615,443
Leases	130,137	-	-	-	-	130,137
Other receivables	56,152	80,802	6,784	1,616	216,770	362,124
Due from other funds	6,876,946	4,959,351	531,988	1,034,330	207,952	13,610,567
Prepaid expenses	-	-	-	-	1,275	1,275
Inventories	226,991	128,021	17,246	6,317	1,083	379,658
Total current assets	<u>15,241,074</u>	<u>23,581,007</u>	<u>1,791,888</u>	<u>3,396,074</u>	<u>1,096,851</u>	<u>45,106,894</u>
Noncurrent assets						
Leases receivable	1,798,204	-	-	-	-	1,798,204
Net pension asset	102,849	161,769	7,962	20,592	-	293,172
Capital assets						
Land	11,963	166,938	325,201	-	-	504,102
Buildings and system, net	10,546,458	13,955,977	473,981	212,922	-	25,189,338
Improvements other than buildings, net	1,576,844	90,247	303,042	55,923	-	2,026,056
Machinery and equipment, net	2,896,198	9,563,128	142,642	432,059	-	13,034,027
Right-to-use asset - IT subscriptions, net	86,857	86,857	-	-	-	173,714
Construction in progress	781,559	2,353,462	466,246	537,881	-	4,139,148
Total noncurrent assets	<u>17,800,932</u>	<u>26,378,378</u>	<u>1,719,074</u>	<u>1,259,377</u>	<u>-</u>	<u>47,157,761</u>
Total assets	<u>33,042,006</u>	<u>49,959,385</u>	<u>3,510,962</u>	<u>4,655,451</u>	<u>1,096,851</u>	<u>92,264,655</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pension asset	127,127	199,956	9,842	25,453	-	362,378
Deferred charge on bond refunding	2,612	-	4,871	-	-	7,483
Total deferred outflows of resources	<u>129,739</u>	<u>199,956</u>	<u>14,713</u>	<u>25,453</u>	<u>-</u>	<u>369,861</u>
Total assets and deferred outflows of resources	<u>\$ 33,171,745</u>	<u>\$ 50,159,341</u>	<u>\$ 3,525,675</u>	<u>\$ 4,680,904</u>	<u>\$ 1,096,851</u>	<u>\$ 92,634,516</u>
LIABILITIES						
Current liabilities						
Accounts payable and deposits	\$ 225,536	\$ 751,304	\$ 23,214	\$ 22,468	\$ 498,298	\$ 1,520,820
Accrued wages payable	63,709	69,631	6,010	17,606	-	156,956
Accrued interest payable	115,475	186,137	1,412	14,260	-	317,284
Due to other funds	49,623	24,871	9,669	18,986	465,470	568,619
Compensated absences - current	23,973	32,618	4,547	6,378	-	67,516
IT subscriptions - current	15,448	15,448	-	-	-	30,896
Bonds, notes and loans payable - current	1,219,170	1,438,817	65,943	45,807	-	2,769,737
Total current liabilities	<u>1,712,934</u>	<u>2,518,826</u>	<u>110,795</u>	<u>125,505</u>	<u>963,768</u>	<u>5,431,828</u>
Noncurrent liabilities						
Compensated absences	48,672	66,224	9,232	12,949	-	137,077
IT subscriptions	74,010	74,011	-	-	-	148,021
Bonds, notes and loans payable	13,165,868	15,134,686	164,032	1,238,237	-	29,702,823
Total noncurrent liabilities	<u>13,288,550</u>	<u>15,274,921</u>	<u>173,264</u>	<u>1,251,186</u>	<u>-</u>	<u>29,987,921</u>
Total liabilities	<u>15,001,484</u>	<u>17,793,747</u>	<u>284,059</u>	<u>1,376,691</u>	<u>963,768</u>	<u>35,419,749</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pension asset	131,121	206,238	10,151	26,252	-	373,762
Deferred charge on bond refunding	-	4,102	-	-	-	4,102
Deferred inflows related to leases	1,826,612	-	-	-	-	1,826,612
Total deferred inflows of resources	<u>1,957,733</u>	<u>210,340</u>	<u>10,151</u>	<u>26,252</u>	<u>-</u>	<u>2,204,476</u>
NET POSITION						
Net investment in capital assets	7,929,014	13,252,073	1,532,661	900,532	-	23,614,280
Restricted	102,849	161,769	7,962	20,592	-	293,172
Unrestricted	8,180,665	18,741,412	1,690,842	2,356,837	133,083	31,102,839
Total net position	<u>16,212,528</u>	<u>32,155,254</u>	<u>3,231,465</u>	<u>3,277,961</u>	<u>133,083</u>	<u>55,010,291</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 33,171,745</u>	<u>\$ 50,159,341</u>	<u>\$ 3,525,675</u>	<u>\$ 4,680,904</u>	<u>\$ 1,096,851</u>	<u>\$ 92,634,516</u>

BOROUGH OF CARLISLE**Statement of Revenue, Expenses, and Changes in Fund Net Position- Proprietary Funds**
Year Ended December 31, 2024

	Enterprise Funds					Total
	Water Fund	Sewer Fund	Parking Fund	Stormwater Fund	Solid Waste Fund	
OPERATING REVENUES						
Charges for services	\$ 4,769,921	\$ 6,592,465	\$ 626,125	\$ 1,760,514	\$ 2,022,886	\$ 15,771,911
OPERATING EXPENSES						
Administrative	887,360	885,303	479,605	1,460,142	-	3,712,410
Insurance premiums	56,061	142,291	8,721	16,854	-	223,927
Employee benefits	260,870	329,891	19,197	135,991	-	745,949
Payroll taxes - employer's portion	91,259	106,926	8,837	30,631	-	237,653
Plants	1,524,791	1,568,616	-	-	-	3,093,407
Plant labs	192,243	401,157	-	-	-	593,400
Distribution/collection	481,525	400,701	-	-	1,994,612	2,876,838
Maintenance	276	164,373	-	23,421	-	188,070
Depreciation	1,057,819	1,763,968	145,838	76,353	-	3,043,978
Total operating expenses	4,552,204	5,763,226	662,198	1,743,392	1,994,612	14,715,632
Operating income (loss)	217,717	829,239	(36,073)	17,122	28,274	1,056,279
NONOPERATING REVENUES (EXPENSES)						
Tap fees	-	212,455	-	-	-	212,455
Interest and investment revenue	593,913	819,925	65,543	100,307	14,135	1,593,823
Lease and miscellaneous revenue	165,397	19,039	3,854	7,381	5,116	200,787
Operating grants and contributions	-	5,332	29,137	10,944	84,340	129,753
Interest expense	(473,169)	(421,480)	(1,950)	(29,529)	-	(926,128)
Total nonoperating revenues (expenses)	286,141	635,271	96,584	89,103	103,591	1,210,690
Income before transfers and capital contributions	503,858	1,464,510	60,511	106,225	131,865	2,266,969
Capital contributions and grants	32,296	132,448	-	-	-	164,744
Transfers in	40,325	-	276,175	-	-	316,500
Transfers out	-	(40,325)	-	-	-	(40,325)
Change in net position	576,479	1,556,633	336,686	106,225	131,865	2,707,888
Total net position - beginning	15,636,049	30,598,621	2,894,779	3,171,736	1,218	52,302,403
Total net position - ending	\$ 16,212,528	\$ 32,155,254	\$ 3,231,465	\$ 3,277,961	\$ 133,083	\$ 55,010,291

BOROUGH OF CARLISLE
Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2024

	Enterprise Funds					Total
	Water Fund	Sewer Fund	Parking Fund	Stormwater Fund	Solid Waste Fund	
Cash flows from operating activities						
Receipts from customers	\$ 4,387,101	\$ 6,296,649	\$ 463,217	\$ 1,722,989	\$ 1,515,467	\$ 14,385,423
Payments to suppliers	(1,894,393)	(1,995,459)	(331,360)	(47,097)	(1,961,452)	(6,229,761)
Payments to and on behalf of employees	(1,669,264)	(1,924,799)	(144,605)	(1,641,433)	-	(5,380,101)
Net cash provided (used) by operating activities	823,444	2,376,391	(12,748)	34,459	(445,985)	2,775,561
Cash flows from capital and related financing activities						
Purchase of capital assets	(546,003)	(881,530)	(466,246)	(412,746)	-	(2,306,525)
Proceeds from sale of capital assets	543	544	-	-	-	1,087
Proceeds from lessor transactions	125,820	-	-	-	-	125,820
Proceeds from bond proceeds	51,729	-	-	-	-	51,729
Transfer of bond proceeds from/(to) other funds	(188,458)	6,128	174,230	291,608	-	283,508
Proceeds from capital contributions and grants	32,296	137,780	-	10,944	-	181,020
Proceeds from tap fees	-	212,455	-	-	-	212,455
Principal paid on capital debt	(1,001,138)	(1,184,229)	(68,148)	(41,081)	-	(2,294,596)
Interest and fiscal charges paid on capital debt and IT subscriptions	(568,489)	(567,425)	(9,221)	(36,503)	-	(1,181,638)
Principal paid on IT subscriptions	(5,748)	(5,748)	-	-	-	(11,496)
Net cash provided (used) by capital and related financing activities	(2,099,448)	(2,282,025)	(369,385)	(187,778)	-	(4,938,636)
Cash flows from non-capital financing activities						
Transfer from other funds	40,325	-	-	-	450,000	490,325
Transfer to other funds	-	(40,325)	-	-	-	(40,325)
Operating grants received	-	-	29,137	-	84,340	113,477
Net cash provided (used) by non-capital financing activities	40,325	(40,325)	29,137	-	534,340	563,477
Cash flows from investing activities						
Purchase of investments	(44,113)	(89,625)	(16,105)	-	-	(149,843)
Interest and dividends received	593,913	819,925	65,543	100,307	14,135	1,593,823
Net cash provided (used) by investing activities	549,800	730,300	49,438	100,307	14,135	1,443,980
Net increase (decrease) in cash and cash equivalents	(685,879)	784,341	(303,558)	(53,012)	102,490	(155,618)
Cash and cash equivalents - beginning of the year	7,119,378	15,330,542	1,410,567	2,020,583	567,281	26,448,351
Cash and cash equivalents - end of the year	\$ 6,433,499	\$ 16,114,883	\$ 1,107,009	\$ 1,967,571	\$ 669,771	\$ 26,292,733

BOROUGH OF CARLISLE
Statement of Cash Flows - Proprietary Funds (Continued)
Year Ended December 31, 2024

	Enterprise Funds					Total
	Water Fund	Sewer Fund	Parking Fund	Stormwater Fund	Solid Waste Fund	
Reconciliation of income from operations to net cash provided (used) by operating activities						
Operating income/ (loss)	\$ 217,717	\$ 829,239	\$ (36,073)	\$ 17,122	\$ 28,274	\$ 1,056,279
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation and amortization expense	1,057,819	1,763,968	145,838	76,353	-	3,043,978
Miscellaneous nonoperating activities	8,029	18,496	3,854	7,381	5,116	42,876
(Increase) decrease in:						
Accounts receivable	(116,800)	(162,200)	-	(13,963)	-	(292,963)
Due from other funds	(251,489)	(407,450)	(162,983)	(39,981)	(58,111)	(920,014)
Other receivables	(27,207)	264,375	(3,779)	(1,616)	(8,851)	222,922
Inventories	(47,361)	13,183	-	549	136	(33,493)
Prepaid expenses	-	-	-	-	(1,275)	(1,275)
Net pension asset and related items	7,526	11,839	10,088	1,506	-	30,959
Increase (decrease) in:						
Accounts payable	(16,669)	99,747	17,469	(10,383)	34,286	124,450
Due to other funds	4,647	(946)	9,554	10,654	(445,560)	(421,651)
Accrued wages payable	12,296	13,523	1,853	1,814	-	29,486
Compensated absences	(25,064)	(67,383)	1,431	(14,977)	-	(105,993)
Net cash provided (used) by operating activities	<u>\$ 823,444</u>	<u>\$ 2,376,391</u>	<u>\$ (12,748)</u>	<u>\$ 34,459</u>	<u>\$ (445,985)</u>	<u>\$ 2,775,561</u>

BOROUGH OF CARLISLE
Statement of Fiduciary Net Position
December 31, 2024

	Pension Trust Funds	Private Purpose Trust Fund	Custodial Fund
ASSETS			
Cash and cash equivalents	\$ 906,968	\$ 3,739	\$ 368,104
Accrued interest receivable	3,075	250	-
Fixed income mutual funds	14,004,609	136,628	-
Mutual funds	21,942,335	63,304	-
Due from other governments	-	300	12,257
Total assets	<u>\$ 36,856,987</u>	<u>\$ 204,221</u>	<u>\$ 380,361</u>
LIABILITIES			
Due to other governments	\$ -	\$ -	380,361
Total liabilities	<u>-</u>	<u>-</u>	<u>380,361</u>
NET POSITION			
Net position restricted for pensions	36,856,987	-	-
Held in trust for benefits and other purposes	<u>-</u>	<u>204,221</u>	<u>-</u>
Total net position	<u>36,856,987</u>	<u>204,221</u>	<u>-</u>
Total liabilities and net position	<u>\$ 36,856,987</u>	<u>\$ 204,221</u>	<u>\$ 380,361</u>

BOROUGH OF CARLISLE
Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2024

	Pension Trust Funds	Private Purpose Trust Fund	Custodial Fund
ADDITIONS			
Contributions			
Employer	\$ 308,953	\$ -	\$ -
Plan members	214,726	-	-
Total contributions	<u>523,679</u>	<u>-</u>	<u>-</u>
Investment earnings			
Net appreciation (depreciation) in fair value of investments	2,656,481	1,932	-
Interest and dividends	1,051,393	8,226	14,453
Less: Investment related expenses	<u>(73,779)</u>	<u>-</u>	<u>-</u>
Total net investment earnings	<u>3,634,095</u>	<u>10,158</u>	<u>14,453</u>
Tax collections	<u>-</u>	<u>-</u>	<u>28,146,157</u>
Total net additions (depreciation)	<u>4,157,774</u>	<u>10,158</u>	<u>28,160,610</u>
DEDUCTIONS			
Benefits	2,062,757	4,471	-
Administrative	123,357	6,500	-
Tax remittances to other governments	<u>-</u>	<u>-</u>	<u>28,160,610</u>
Total deductions	<u>2,186,114</u>	<u>10,971</u>	<u>28,160,610</u>
Change in net position	1,971,660	(813)	-
Net position - beginning	<u>34,885,327</u>	<u>205,034</u>	<u>-</u>
Net position - ending	<u><u>\$ 36,856,987</u></u>	<u><u>\$ 204,221</u></u>	<u><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 Standards:

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 at 53 West South Street, Carlisle, Pennsylvania 17013.

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 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, business 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

Fiduciary Funds

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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

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, deferred outflows, liabilities, and deferred inflows 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

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 fair 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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
IT subscriptions	2 - 3

Leases

The Borough is a lessor of various telephone towers. The Borough recognizes lease receivable, rental income and deferred inflows of resources in the financial statements.

At the commencement of the lease the Borough initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payment received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Key estimates and judgements related to leases include how the Borough determines (1) the discount rate it uses to discount the expected lease receipt to present value, (2) lease term, and (3) lease receipts.

- The Borough uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of lease receivable is composed of fixed payments from the lessee.

The Borough monitors changes in circumstance that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflow of resource if certain changes occur that are expected to significantly affect the amount of lease receivable.

Subscription-Based Information Technology Arrangements

The Borough is a lessee for noncancellable arrangements for subscription-based information technology. The Borough recognizes a subscription liability and its intangible right-to-use IT subscription asset (subscription asset) in the government-wide financial and proprietary fund financial statements.

At the commencement of a subscription arrangement, the Borough initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription arrangement commencement date, plus certain implementation state costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to the subscription arrangements include how the Borough determines (1) the discount rate it uses to discount the expected subscription arrangement payments to present value, (2) subscription term, and (3) subscription payments.

- The Borough uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the Borough generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The subscription term includes the noncancellable period of the subscription arrangement. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and any renewal provisions that the Borough is reasonably certain to exercise.

The Borough monitors changes in circumstances that would require a remeasurement of its subscription arrangement and will remeasure the subscription asset and liability if certain changes occurred that are expected to significantly affect the amount of the subscription liability.

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 assets 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 assets 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/liability, OPEB liability, and lease activity. 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, 2024 consists of the following:

Government -Wide Activities

	Governmental Activities	Business-Type Activities
Capital assets	\$ 29,759,438	\$ 45,066,385
Bonds, notes payable and IT subscription liabilities, related to capital assets	(8,261,309)	(20,868,605)
Accounts and retainage payable related to capital assets	(403,408)	(586,881)
Deferred charge on bond refunding	<u>17,841</u>	<u>3,381</u>
Net investment in capital assets	<u>\$ 21,112,562</u>	<u>\$ 23,614,280</u>

Proprietary Funds

	Water Fund	Sewer Fund	Parking Fund	Stormwater Fund
Capital assets	\$ 15,899,879	\$ 26,216,609	1,711,112	\$ 1,238,785
Bonds, notes payable and IT subscription liabilities, related to capital assets	(7,956,950)	(12,402,189)	(183,322)	(326,144)
Accounts and retainage payable related to capital assets	(16,527)	(558,245)	-	(12,109)
Deferred charge on bond refunding	<u>2,612</u>	<u>(4,102)</u>	<u>4,871</u>	<u>-</u>
Net investment in capital assets	<u>\$ 7,929,014</u>	<u>\$ 13,252,073</u>	<u>\$ 1,532,661</u>	<u>\$ 900,532</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, 2024, restrictions of net position in the governmental activities are as follows: highway projects of \$ 1,081,503, police activities of \$ 29,174, capital projects of \$ 13,246,352 of non-debt related excess reserves restricted by Borough Code, and \$ 1,817,350 of restricted pension assets. In addition, the business-type activities/proprietary funds have restricted pension assets in the amount of \$ 293,172.

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 (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.

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. 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 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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pension Plans

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 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. 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

The Borough recognizes a liability for compensated absences based on the pay rates in effect as of the financial statement date, including applicable salary-related payments such as payroll taxes. The liability is remeasured at each reporting date.

The Borough adopted a last-in, first-out (LIFO) flow assumption for the use of leave balances. Under this approach, the most recently earned leave is assumed to be used first. This assumption aligns with the Borough's administrative practices and provides a more accurate reflection of the expected settlement value of compensated absences.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

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 upon termination will occur or the leave is more than likely to be used.

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 evidence 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.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

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, 2024, the Borough has a bank balance of \$ 21,725,662. Of this balance, \$ 276,369 is covered by FDIC insurance and the remaining balance of \$ 21,449,293 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.

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, 2024, the Borough’s investments were as follows:

	Fair Value	Credit Quality Rating
PLGIT-Class	\$ 30,144,977	AAAm
PLGIT-Prime	16,999,180	AAAm
Cetera Advisors - Negotiable CD’s	26,036	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 brokered 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.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

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-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.

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	\$ 906,968	\$ 906,968	\$ -	\$ -
Fixed Income Mutual Funds	14,004,609	13,365,175	-	639,434
Open End Mutual Funds	21,942,335	21,942,335	-	-
	<u>\$ 36,853,912</u>	<u>\$ 36,214,478</u>	<u>-</u>	<u>\$ 639,434</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 BBB+ 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.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

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 \$ 6,555,977. These may be subject to foreign securities and currencies risk.

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	\$ 136,628	\$ 76,025	\$ 6,142	\$ 54,461
Mutual Funds	63,304	63,304	-	-
	<u>\$ 199,932</u>	<u>\$ 139,329</u>	<u>\$ 6,142</u>	<u>\$ 54,461</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 AA- and AA+.

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 \$ 12,205. 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, 2024:

	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	\$ 906,968	\$ 906,968	\$ -	\$ -
Negotiable certificates of deposit	26,036	-	26,036	-
Mutual funds by type:				
Fixed Income Mutual Funds	14,141,237	14,141,237	-	-
Open End Mutual Funds	22,005,639	22,005,639	-	-
	36,146,876	36,146,876	-	-
Total investments by fair value category	\$ 37,079,880	\$ 37,053,844	\$ 26,036	\$ -

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, 2024 is \$ 1,526,719,700.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 3 TAXES RECEIVABLE AND UNAVAILABLE TAX REVENUES (CONTINUED)

Taxes receivable consists of the following as of December 31, 2024:

Real Estate	\$	226,015
Fire tax		32,210
LST tax		190,071
Earned Income		688,906
Realty Transfer		69,908
Allowance for uncollectible accounts		<u>(6,558)</u>
Taxes receivable		1,200,552
Taxes collected within sixty days, recorded as revenues in the governmental funds		<u>(576,007)</u>
Taxes estimated to be collected after sixty days, recorded as deferred inflows of resources - unavailable tax revenue in the governmental funds	\$	<u><u>624,545</u></u>

NOTE 4 INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

Due from/to other funds consist of the following as of December 31, 2024:

	Due from Other Funds	Due To Other Funds
Major Governmental Funds:		
General Fund	\$ 928,795	\$ 14,660,023
Capital Projects Fund	1,408,361	640,104
Non-major Governmental Funds:		
Highway Aid Fund	27	-
Community Development Block Grant	-	79,004
Major Enterprise Funds:		
Water Fund	6,876,946	49,623
Sewer Fund	4,959,351	24,871
Parking Fund	531,988	9,669
Stormwater Fund	1,034,330	18,986
Solid Waste Fund	<u>207,952</u>	<u>465,470</u>
	<u>\$ 15,947,750</u>	<u>\$ 15,947,750</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 and collections of service revenue needing transferred to respective funds.

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

Non-major Governmental Funds to General Fund: for projects eligible under the Community Development Block Grant and Highway Aid Fund.

Interfund transfers consist of the following for 2024:

	Transfers In	Transfers Out
Major Governmental Funds:		
General Fund	\$ 85,238	\$ 4,369,919
Capital Projects Fund	4,369,919	276,175
Non-major Governmental Funds:		
Community Development Block Grant Fund	-	85,238
Major Enterprise Funds:		
Water Fund	40,325	-
Sewer Fund	-	40,325
Parking Fund	276,175	-
	<u>\$ 4,771,657</u>	<u>\$ 4,771,657</u>

The following transfers were made during the year:

CDBG 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 budgeted transfer and other board approved transfers, including bond proceeds, to save for future capital activity.

Capital Projects Fund to Parking Fund: for budgeted transfer and other board approved transfers for future capital activity.

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, 2024:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Cost:				
Capital assets not being depreciated:				
Land	\$ 1,292,633	\$ -	\$ -	1,292,633
Construction in progress	938,557	3,196,742	(825,629)	3,309,670
Capital assets being depreciated/amortized:				-
Land improvements	19,547,037	880,187	-	20,427,224
Buildings	10,193,298	19,917	-	10,213,215
Machinery and equipment	11,636,435	743,795	-	12,380,230
Infrastructure	46,080,480	106,273	-	46,186,753
Right-to-use asset - IT subscriptions	97,340	32,762	-	130,102
Total cost	<u>89,785,780</u>	<u>4,979,676</u>	<u>(825,629)</u>	<u>93,939,827</u>
Less accumulated depreciation/amortization:				
Land improvements	(3,610,931)	(402,736)	-	(4,013,667)
Buildings	(7,427,977)	(238,909)	-	(7,666,886)
Machinery and equipment	(9,316,297)	(596,895)	-	(9,913,192)
Infrastructure	(42,182,537)	(332,554)	-	(42,515,091)
Right-to-use asset - IT subscriptions	<u>(37,645)</u>	<u>(33,908)</u>	<u>-</u>	<u>(71,553)</u>
Total accumulated depreciation/ amortization	<u>(62,575,387)</u>	<u>(1,605,002)</u>	<u>-</u>	<u>(64,180,389)</u>
Capital assets, net	<u>\$ 27,210,393</u>	<u>\$ 3,374,674</u>	<u>\$ (825,629)</u>	<u>\$ 29,759,438</u>
Business-Type Activities:				
Cost:				
Capital assets not being depreciated:				
Land	\$ 504,102	\$ -	\$ -	\$ 504,102
Construction in progress	1,688,335	2,478,046	(27,233)	4,139,148
Capital assets being depreciated/amortized:				
Land improvements	4,432,822	15,072	-	4,447,894
Buildings	43,548,701	-	-	43,548,701
Machinery and equipment	38,748,533	413,113	-	39,161,646
Pipe	33,111,817	-	-	33,111,817
Right-to-use asset - IT subscriptions	222,984	23,237	(3,019)	243,202
Total cost	<u>122,257,294</u>	<u>2,929,468</u>	<u>(30,252)</u>	<u>125,156,510</u>
Less accumulated depreciation/amortization:				
Land improvements	(2,346,796)	(75,042)	-	(2,421,838)
Buildings	(37,460,534)	(720,708)	-	(38,181,242)
Machinery and equipment	(24,469,523)	(1,658,096)	-	(26,127,619)
Pipe	(12,734,509)	(555,429)	-	(13,289,938)
Right-to-use asset - IT subscriptions	<u>(31,766)</u>	<u>(34,703)</u>	<u>(3,019)</u>	<u>(69,488)</u>
Total accumulated depreciation/ amortization	<u>(77,043,128)</u>	<u>(3,043,978)</u>	<u>(3,019)</u>	<u>(80,090,125)</u>
Capital assets, net	<u>\$ 45,214,166</u>	<u>\$ (114,510)</u>	<u>\$ (33,271)</u>	<u>\$ 45,066,385</u>

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 5 CAPITAL ASSETS (CONTINUED)

Depreciation expense for the year ended December 31, 2024 was charged as follows:

	Governmental Activities	Business-Type Activities
General government	\$ 76,662	\$ -
Public safety	614,743	-
Public services	707,340	-
Culture and recreation	206,257	-
Water	-	1,057,819
Sewer	-	1,763,968
Parking	-	145,838
Stormwater	-	76,353
	<u>\$ 1,605,002</u>	<u>\$ 3,043,978</u>

NOTE 6 LONG-TERM LIABILITIES

The changes in long-term liabilities, excluding the pension liability (asset) and OPEB liability, during the year ended December 31, 2024 were as follows:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Long-term Portion
Governmental Activities:						
Bonds:						
(A) 2017A GO Bond	\$ 1,560,138	\$ -	\$ (133,935)	\$ 1,426,203	\$ 138,925	\$ 1,287,278
(B) 2017B GO Bond	1,441,278	-	(381,673)	1,059,605	375,192	684,413
(C) 2021 GO Bond	5,342,764	-	(214,797)	5,127,967	214,797	4,913,170
(D) 2024 GO Bond	-	900,000	-	900,000	30,000	870,000
Bond premium	771,842	-	(72,278)	699,564	72,140	627,424
Total - bonds	9,116,022	900,000	(802,683)	9,213,339	831,054	8,382,285
Compensated absences	660,261	(74,109) *	-	586,152	193,430	392,722
IT subscriptions	67,924	42,302	(55,159)	55,067	40,926	14,141
Total long-term liabilities	\$ 9,844,207	\$ 868,193	\$ (857,842)	\$ 9,854,558	\$ 1,065,410	\$ 8,789,148
Business-Type Activities:						
Bonds:						
(A) Water 2017A GO Bond	\$ 2,918,942	\$ -	\$ (116,306)	\$ 2,802,636	\$ 120,856	\$ 2,681,780
(B) Water 2017B GO Bond	2,607,091	-	(640,649)	1,966,442	649,505	1,316,937
(C) Water 2021 GO Bond	4,247,589	-	(244,183)	4,003,406	255,511	3,747,895
(D) Water 2024 GO Bond	-	4,695,000	-	4,695,000	100,000	4,595,000
(A) Sewer 2017A GO Bond	3,108,969	-	(123,873)	2,985,096	128,731	2,856,365
(B) Sewer 2017B GO Bond	2,959,031	-	(526,079)	2,432,952	619,302	1,813,650
(C) Sewer 2021 GO Bond	10,068,286	-	(534,277)	9,534,009	559,947	8,974,062
(A) Parking 2017A GO Bond	149,701	-	(14,805)	134,896	15,354	119,542
(B) Parking 2017B GO Bond	82,600	-	(46,600)	36,000	36,000	-
(C) Parking 2021 GO Bond	21,361	-	(6,743)	14,618	7,101	7,517
(A) Stormwater 2017A GO Bond	27,251	-	(1,081)	26,170	1,135	25,035
(C) Stormwater 2021 GO Bond	1,205,000	-	(40,000)	1,165,000	40,000	1,125,000
Bond premium	2,771,062	137,435	(232,162)	2,676,335	236,295	2,440,040
Total - bonds	30,166,883	4,832,435	(2,526,758)	32,472,560	2,769,737	29,702,823
Compensated absences	301,081	(96,488) *	-	204,593	67,516	137,077
IT subscriptions	190,413	17,200	(28,696)	178,917	30,896	148,021
Total long-term liabilities	\$ 30,658,377	\$ 4,753,147	\$ (2,555,454)	\$ 32,856,070	\$ 2,868,149	\$ 29,987,921

* The changes in the compensated absences liability is presented as a net change.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

- (A) **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.
- (B) **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.
- (C) **General Obligation Bond Series of 2021** – In July 2021, the Borough authorized General Obligation Note, Series of 2021 in the principal amount of \$ 22,435,000 to finance capital projects and currently refund the Borough's General Obligation Note Series of 2015, General Obligation Note Series of 2016 and General Obligation Note Series of 2018. Annual installments varying from \$ 620,000 to \$ 1,310,000 are due beginning July 15, 2022 through July 15, 2046 with interest rates between 3.00% and 5.00%. In the event of default, bond holders have a right to specific performance.
- (D) **General Obligation Bond Series of 2024** – In November 2024, the Borough authorized General Obligation Bond, Series 2024 in the principal amount of \$ 5,595,000 to pay for projects of the governmental funds and the water fund. Annual installments varying from \$ 110,000 to \$ 130,000 are due beginning October 15, 2025 through October 15, 2054, with interest rates between 2.82% and 4.13%. In the event of default, bond holders have a right to specific performance.

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 2024 interest expense was incurred as follows:

General fund	\$ 63,188
Capital projects fund	203,070
Water fund	255,642
Sewer fund	417,499
Parking fund	1,950
Stormwater fund	29,529

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

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

The following is a schedule, by years and in the aggregate, of future minimum debt principal and interest payments required at December 31, 2024.

Governmental Activities					
Year	Bonds		IT subscriptions		
	Principal	Interest	Principal	Interest	
2025	\$ 761,559	\$ 262,738	\$ 40,926	\$ 2,204	
2026	710,969	231,710	14,141	589	
2027	564,833	203,851	-	-	
2028	489,755	182,200	-	-	
2029	430,812	163,370	-	-	
2030 - 2034	1,828,010	600,851	-	-	
2035 - 2039	1,510,218	378,153	-	-	
2040 - 2044	1,482,619	203,185	-	-	
2045 - 2049	735,000	42,913	-	-	
2050 - 2054	-	-	-	-	
	<u>\$ 8,513,775</u>	<u>\$ 2,268,971</u>	<u>\$ 55,067</u>	<u>\$ 2,793</u>	

Business-Type Activities					Total
Year	Bonds		IT subscriptions		
	Principal	Interest	Principal	Interest	
2025	\$ 2,533,442	\$ 997,014	\$ 30,896	\$ 6,863	\$ 4,635,642
2026	2,704,029	900,038	33,214	5,678	4,600,368
2027	2,030,166	788,349	35,655	4,404	3,627,258
2028	1,735,245	705,157	38,224	3,036	3,153,617
2029	1,429,188	633,086	40,928	1,570	2,698,954
2030 - 2034	6,891,989	2,402,449	-	-	11,723,299
2035 - 2039	5,184,782	1,487,272	-	-	8,560,425
2040 - 2044	4,162,383	852,222	-	-	6,700,409
2045 - 2049	1,925,001	393,902	-	-	3,096,816
2050 - 2054	1,200,000	148,000	-	-	1,348,000
	<u>\$ 29,796,225</u>	<u>\$ 9,307,489</u>	<u>\$ 178,917</u>	<u>\$ 21,551</u>	<u>\$ 50,144,788</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.

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Summary of Significant Accounting Policies (Continued)

Plan Membership

At December 31, 2024, the participation in each plan is as follows:

	Non-Uniform	Police
Participants:		
Retirees and beneficiaries	56	38
Vested former members	30	5
Active employees	<u>65</u>	<u>29</u>
Total	<u>151</u>	<u>72</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, \$ 150 per month upon completion of twenty-eight years of service, or \$ 200 per month upon completion of twenty-nine years of service. The Non-Uniformed Plan and Police Officers' Plan also include a disability benefit. The Police Officers' Plan also includes survivor benefits. Both plans allow for early and late retirement benefits. For early retirement, the Non-Uniformed plan states a member is eligible after attaining age 55 and completion of 10 years of service while the Police Officers' Plan includes eligibility after completion of 20 years of service. The benefit for both plans is equal to the actuarial equivalent of the benefit accrued to the date of early retirement. For late retirement, both plans note the pension benefit does not start until the employee actually retires. The benefit for the Non-Uniformed Plan employees is the greater of the benefit accrued to the late retirement date or the actuarial equivalent of the retirement benefit accrued as of the end of the preceding plan year as actuarially increased, while the Police Officers' Plan notes the benefit is the benefit accrued to the late retirement date.

Financial Reports

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

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Summary of Significant Accounting Policies (Continued)

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 3.59% of annual payroll for the Non-Uniformed Employees plan and 5.69% of annual payroll for Police Officers plan. The employer contributions for 2024 were \$ 151,970 for the Non-Uniformed plan and \$ 156,983 for the Police Officers plan.

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, 2024, the annual money weighted rate of return on pension investments, net of pension plan investment expense was 11.0% for the Non-Uniformed Employees plan and 10.9% 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, 2024 the Borough reported an asset of \$ 2,110,522 in the Statement of Net Position. The net pension liability was measured as of December 31, 2024, and the total pension liability was determined by rolling forward liabilities from actuarial valuations as of January 1, 2023. No significant events or changes in assumptions occurred between the valuation date and the fiscal year end.

For the year ended December 31, 2024, the Borough recognized pension expense of \$ 361,459, which consists of pension expense of \$ 192,158 for the Non-Uniformed plan and \$ 169,301 for the Police Officers plan.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Investments (Continued)

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

The following details the changes in total pension liability, the plan fiduciary net position, and the net pension (asset) liability, as of December 31, 2024:

Non-Uniformed Plan

	Increase (Decrease)			Plan Fiduciary Net Position as a % of Total Pension Liability (Asset)
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)	
Balances as of December 31, 2023	\$ 14,495,874	\$ 14,640,436	\$ (144,562)	101.00%
Changes for the year:				
Service cost	217,160	-	217,160	
Interest	1,076,505	-	1,076,505	
Changes in experience	-	-	-	
Contributions - employer	-	151,970	(151,970)	
Contributions - employee	-	64,970	(64,970)	
Net investment income	-	1,496,228	(1,496,228)	
Benefit payments, including refunds of member contributions	(719,275)	(719,275)	-	
Administrative expenses	-	(14,950)	14,950	
Net Changes	574,390	978,943	(404,553)	
Balances as of December 31, 2024	<u>\$ 15,070,264</u>	<u>\$ 15,619,379</u>	<u>\$ (549,115)</u>	103.64%

Police Officers Plan

	Increase (Decrease)			Plan Fiduciary Net Position as a % of Total Pension Liability (Asset)
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)	
Balances as of December 31, 2023	\$ 19,194,574	\$ 20,255,062	\$ (1,060,488)	105.52%
Changes for the year:				
Service cost	402,558	-	402,558	
Interest	1,419,587	-	1,419,587	
Changes in experience	-	-	-	
Contributions - employer	-	156,983	(156,983)	
Contributions - employee	-	137,050	(137,050)	
Net investment income	-	2,046,281	(2,046,281)	
Benefit payments, including refunds of member contributions	(1,338,607)	(1,338,607)	-	
Administrative expenses	-	(17,250)	17,250	
Net Changes	483,538	984,457	(500,919)	
Balances as of December 31, 2024	<u>\$ 19,678,112</u>	<u>\$ 21,239,519</u>	<u>\$ (1,561,407)</u>	107.93%

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Investments (Continued)

At December 31, 2024, 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	\$ 319	\$ 700,061	\$ -	\$ 1,229,997	\$ 319	\$ 1,930,058
Changes of assumptions	104,788	-	132,967	-	237,755	-
Net difference between projected and actual earnings on pension plan investments	573,630	-	848,835	-	1,422,465	-
	<u>\$ 678,737</u>	<u>\$ 700,061</u>	<u>\$ 981,802</u>	<u>\$ 1,229,997</u>	<u>\$ 1,660,539</u>	<u>\$ 1,930,058</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
2024	\$ 245,283	\$ 258,353	\$ 503,636
2025	298,246	554,725	852,971
2026	(481,334)	(548,848)	(1,030,182)
2027	(83,519)	(312,910)	(396,429)
2028	-	(199,515)	(199,515)
Thereafter	-	-	-
	<u>\$ (21,324)</u>	<u>\$ (248,195)</u>	<u>\$ (269,519)</u>

Actuarial Methods and Assumptions

The total pension liability in the January 1, 2023 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 for the most recent actuarial valuation.

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, 2023 valuation were based on actual experience study for the period January 1, 2021 through December 31, 2022.

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

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, 2024 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 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.

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 (Asset)	\$ 1,030,524	\$ (549,115)	\$ (1,891,122)
Police Officers' Net Pension Liability (Asset)	680,745	(1,561,407)	(3,435,319)

Payables to the Pension Plan

As of December 31, 2024, the Borough had no payables to the pension plan.

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Financial Statements

The following provides detailed financial statements as of and for the year ended December 31, 2024 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	\$ 457,657	\$ 449,311	\$ 906,968
Accrued interest receivable	1,523	1,552	3,075
Fixed income mutual funds	8,088,538	5,916,071	14,004,609
Mutual funds - open end	12,691,804	9,250,531	21,942,335
Total assets	<u>\$ 21,239,522</u>	<u>\$ 15,617,465</u>	<u>\$ 36,856,987</u>
NET POSITION			
Net position restricted for pensions	<u>21,239,522</u>	<u>15,617,465</u>	<u>36,856,987</u>
Total net position	<u>\$ 21,239,522</u>	<u>\$ 15,617,465</u>	<u>\$ 36,856,987</u>

Combining Statement of Changes in Fiduciary Net Position

	Police Pension Trust Fund	Non-Uniformed Pension Trust Fund	Total Pension Trust Funds
ADDITIONS			
Contributions			
Employer	\$ 156,983	\$ 151,970	\$ 308,953
Plan members	147,265	67,461	214,726
Total contributions	<u>304,248</u>	<u>219,431</u>	<u>523,679</u>
Investment earnings			
Net change in fair value of investments	1,534,400	1,122,081	2,656,481
Interest and dividends	607,513	443,880	1,051,393
Less: Investment related expenses	(41,431)	(32,348)	(73,779)
Total net investment earnings	<u>2,100,482</u>	<u>1,533,613</u>	<u>3,634,095</u>
Total net additions	<u>2,404,730</u>	<u>1,753,044</u>	<u>4,157,774</u>
DEDUCTIONS			
Benefits	1,343,482	719,275	2,062,757
Administrative	71,450	51,907	123,357
Total deductions	<u>1,414,932</u>	<u>771,182</u>	<u>2,186,114</u>
Change in net position	989,798	981,862	1,971,660
Net position - beginning	<u>20,249,724</u>	<u>14,635,603</u>	<u>34,885,327</u>
Net position - ending	<u>\$ 21,239,522</u>	<u>\$ 15,617,465</u>	<u>\$ 36,856,987</u>

BOROUGH OF CARLISLE

Notes to Financial Statements

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 select 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 2024 were \$ 48,121.

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 the plan consisted of the following at January 1, 2024, the date of the latest actuarial valuation:

Active participants	2
Vested former participants	10
Retired participants	<u>8</u>
Total	<u>20</u>

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 9 POSTEMPLOYMENT HEALTHCARE PLAN (CONTINUED)

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, 2024 and was based on an actuarial valuation as of January 1, 2024. The plan has no assets that are accumulated in a trust that meets the criteria established in GASB Statement No. 75. At December 31, 2024, the Borough reported a total OPEB liability of \$ 1,043,561.

For the year ended December 31, 2024, the Borough recognized OPEB expense (benefit) of \$ (462,821).

Changes in the Total OPEB Liability

	Total OPEB Liability
Beginning Balance	\$ 1,646,275
Changes for the year:	
Service cost	17,011
Interest	68,422
Difference between expected and actual	(567,493)
Changes in assumptions	19,239
Benefit payments	(139,893)
Net changes	(602,714)
Ending Balance	<u>\$ 1,043,561</u>

At December 31, 2024, 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
Benefit payments/contributions subsequent to the measurement date	<u>\$ 127,904</u>	<u>\$ -</u>

The amount of \$ 127,904 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, 2025.

NOTE 9 POSTEMPLOYMENT HEALTHCARE PLAN (CONTINUED)

Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of January 1, 2022, 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:	4.00%
Salary Increases:	An assumption for salary increase is used only 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 PubS-2010 mortality table, including rates for disabled retirees and contingent survivors. Incorporated into the table are rates projected generationally using Scale MP-2021 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:	7.0% in 2024 with 0.5% decrease per year until 5.5% in 2027. Rates gradually decrease from 5.4% in 2028 to 4.0% 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, \$ 12,575 for males and \$ 18,161 for females; 50-54, \$ 16,655 for males and \$ 20,526 for females; 55-59, \$ 20,285 for males and \$ 21,477 for females; 60-64, \$ 26,471 for males and \$ 24,673 for females; 65+, \$ 2,223 for males and females, respectively.

Discount Rate

The discount rate used to measure the total OPEB liability was 4.00%. The Plan is not funded, therefore, the S&P 20-year municipal bond rate of 4.00% as of January 1, 2024 is the applicable discount rate.

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	1% Increase
	3.00%	Discount Rate	5.00%
	4.00%		
Total OPEB liability	<u>\$ 1,100,393</u>	<u>\$ 1,043,561</u>	<u>\$ 991,789</u>

BOROUGH OF CARLISLE
Notes to Financial Statements

NOTE 9 POSTEMPLOYMENT HEALTHCARE PLAN (CONTINUED)

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 (6.0% decreasing to 4.5%)	Healthcare Cost Trend Rate (7.0% decreasing to 5.5%)	1% Increase (8.0% decreasing to 6.5%)
Total OPEB liability	<u>\$ 996,906</u>	<u>\$ 1,043,561</u>	<u>\$ 1,093,675</u>

Payables to the OPEB Plan

As of December 31, 2024, 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 (with the exception of auto liability and general liability which do not have a deductible). 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 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 2024 were \$ 1,985,062. During 2024, the Borough received a refund from PMHIC for prior premiums paid for \$ 400,059.

BOROUGH OF CARLISLE

Notes to Financial Statements

NOTE 11 GOVERNMENTAL FUNDS – FUND BALANCE AND ENTERPRISE FUNDS – NET POSITION

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	\$ 89,956	\$ -	\$ -	\$ -	\$ 89,956
Prepaid items	8,844	-	-	-	8,844
Long term receivables	200,000	-	-	-	200,000
	<u>298,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>298,800</u>
Restricted for:					
LLEBG grant	3,453	-	-	-	3,453
300th Celebration	987	-	-	-	987
Letort Park project	15,166	-	-	-	15,166
Future fireworks	838	-	-	-	-
Future capital projects	-	13,906,123	-	-	13,906,123
Highway department	-	-	1,081,503	-	1,081,503
Asset forfeiture/future police	-	-	-	114	114
	<u>20,444</u>	<u>13,906,123</u>	<u>1,081,503</u>	<u>114</u>	<u>15,007,346</u>
Committed for:					
Recreation	17,216	-	-	-	17,216
Other post-employment benefit plan	500,000	-	-	-	500,000
	<u>517,216</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>517,216</u>
Assigned for:					
Comprehensive plan	43,550	-	-	-	43,550
Subsequent year budget deficit	584,121	-	-	-	584,121
Future employee benefit expenditures	168,190	-	-	-	168,190
	<u>795,861</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>795,861</u>
Unassigned fund balance	<u>13,054,544</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,054,544</u>
Total fund balances	<u>\$ 14,686,865</u>	<u>\$ 13,906,123</u>	<u>\$ 1,081,503</u>	<u>\$ 114</u>	<u>\$ 29,673,767</u>

The following table provides detail of the net position classifications of the enterprise funds, as well as cash balances internally set aside for future capital projects and employee benefit expenses. These balances are included in the unrestricted net position balances as shown on the enterprise funds statement of net position:

	Water Fund	Sewer Fund	Parking Fund	Stormwater Fund	Solid Waste Fund	Total
NET POSITION						
Net investment in capital assets	\$ 7,929,014	\$ 13,252,073	\$ 1,532,661	\$ 900,532	\$ -	\$ 23,614,280
Restricted	102,849	161,769	7,962	20,592	-	293,172
Unrestricted	8,180,665	18,741,412	1,690,842	2,356,837	133,083	31,102,839
Total net position	<u>\$ 16,212,528</u>	<u>\$ 32,155,254</u>	<u>\$ 3,231,465</u>	<u>\$ 3,277,961</u>	<u>\$ 133,083</u>	<u>\$ 55,010,291</u>
Cash balances internally set aside for the following:						
Future employee benefit expenses	\$ 105,000	\$ 150,000	\$ 5,000	\$ -	\$ -	\$ 260,000
Future economic activities	-	-	50,000	-	-	50,000
Total	<u>\$ 105,000</u>	<u>\$ 150,000</u>	<u>\$ 55,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 310,000</u>

BOROUGH OF CARLISLE

Notes to Financial Statements

NOTE 12 LEASE RECEIVABLE/DEFERRED INFLOWS

The Borough has entered into several lease agreements as lessor for the use of space for cell towers. The terms of the leases range from two years to twenty-eight years. Interest rates range from 1.50% to 1.75%. The ending lease receivable of \$ 1,928,341 and associated deferred inflow of \$ 1,826,612 as of December 31, 2024, are shown on the statement of net position. For the year ended December 31, 2024, the Borough recognized lease revenue of \$ 156,825 and interest income of \$ 34,431. These amounts are shown as miscellaneous revenue and interest and investment income in the financial statements.

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, 2024, which excludes any completed projects that have not yet been placed in service and still considered construction in progress:

	Commitment	Costs Incurred as of December 31, 2024	Costs to Complete
Sewer system rehabilitation program	\$ 2,497,170	\$ 1,421,319	\$ 1,075,851
Stormwater system improvement	230,400	97,253	133,147
Urban redevelopment plan	10,109,948	3,056,124	7,053,824
Transmission line replacement	109,000	68,391	40,609
Ridge street tank recoat	230,780	138,022	92,758
PFAS Project	249,383	92,621	156,762
Water system improvement	118,000	30,705	87,295

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.

BOROUGH OF CARLISLE

Notes to Financial Statements

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 \$ 35,029,800 (an increase of \$ 33,832,600), which the Borough will receive the benefit of the taxes upon the termination of agreement as noted above.

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.

The TIF district continues to be improved with the completion of a hotel, mid-rise apartments, and townhouses. Work continues in various stages of completion on additional townhouses, retail space, office buildings, 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.

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. The Borough made a payment on the guarantee in 2022, the final year of the limited guarantee, totaling approximately \$ 425,350. The 2022 payment marks the end of the Borough's obligation on this limited guarantee.

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, 2024 is approximately \$ 12,000,000. The Borough issued the 2018 GO Note to temporarily finance the expenses that have not yet been reimbursed. The Borough refinanced the 2018 GO Note in 2021 due to the delay in issuing additional TIF Project related debt. The project will continue to be evaluated to determine if and when the Cumberland County Industrial Development Authority will have the ability to issue additional TIF project related debt to reimburse the Borough for its expenses. Project expenses are also being funded with a combination of federal and commonwealth grants as well as through the use of Borough funds.

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									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability																				
Service cost	\$ 217,160	\$ 207,809	\$ 204,969	\$ 196,143	\$ 236,478	\$ 226,295	\$ 202,066	\$ 193,365	\$ 221,719	\$ 212,171	\$ 402,558	\$ 383,389	\$ 486,419	\$ 463,256	\$ 450,394	\$ 428,947	\$ 407,860	\$ 388,438	\$ 417,934	\$ 396,146
Interest	1,076,505	1,030,907	1,058,313	1,001,993	913,512	864,390	829,890	782,728	747,909	700,526	1,419,587	1,378,094	1,429,279	1,368,596	1,309,457	1,257,693	1,264,179	1,214,652	1,153,982	1,104,822
Differences in expected and actual experience	-	(1,122,710)	-	1,592	-	(185,048)	-	(281,563)	-	36,620	-	(1,396,613)	-	(282,517)	-	(779,367)	-	457,135	-	8,417
Changes in benefit terms	-	-	-	-	-	-	-	-	-	58,558	-	-	-	-	-	-	-	-	-	-
Changes in assumptions	-	-	-	523,941	-	-	-	122,786	-	-	-	-	-	-	310,256	-	-	(257,263)	-	-
Benefit payments, including refunds of member contributions	(719,275)	(560,911)	(456,735)	(455,343)	(455,500)	(436,360)	(385,893)	(326,055)	(310,433)	(270,515)	(1,338,607)	(1,116,224)	(1,080,814)	(1,011,005)	(1,012,879)	(1,022,894)	(977,594)	(946,702)	(920,018)	(814,561)
Net change in total pension liability	574,390	(444,905)	806,547	1,268,326	694,490	469,277	646,063	491,261	659,195	737,360	483,538	(751,354)	834,884	848,586	746,972	(115,621)	694,445	856,260	651,898	694,824
Total pension liability - beginning	14,495,874	14,940,779	14,134,232	12,865,906	12,171,416	11,702,139	11,056,076	10,564,815	9,905,620	9,168,260	19,194,574	19,945,928	19,111,044	18,262,458	17,515,486	17,631,107	16,936,662	16,080,402	15,428,504	14,733,680
Total pension liability - ending	15,070,264	14,495,874	14,940,779	14,134,232	12,865,906	12,171,416	11,702,139	11,056,076	10,564,815	9,905,620	19,678,112	19,194,574	19,945,928	19,111,044	18,262,458	17,515,486	17,631,107	16,936,662	16,080,402	15,428,504
Plan fiduciary net position																				
Contributions - employer	151,970	283,989	257,778	247,050	282,811	254,721	259,111	215,584	236,956	252,045	156,983	358,713	383,726	405,380	403,690	448,037	392,019	364,883	366,745	375,632
Contributions - employee	64,970	62,159	58,803	63,823	57,395	53,994	57,156	57,910	60,567	63,430	137,050	191,662	182,507	158,781	165,718	127,006	159,228	131,528	123,465	156,131
Net investment income	1,496,228	1,835,308	(2,711,462)	1,726,754	2,018,734	2,074,659	(625,633)	1,471,724	561,253	50,483	2,046,281	2,549,571	(3,838,012)	2,457,923	2,909,332	3,061,210	(926,458)	2,248,707	877,246	88,359
Benefit payments, including refunds of member contributions	(719,275)	(560,911)	(456,735)	(455,343)	(455,500)	(436,360)	(385,893)	(326,055)	(310,433)	(270,515)	(1,338,607)	(1,116,224)	(1,080,814)	(1,011,005)	(1,012,879)	(1,022,894)	(977,594)	(946,702)	(920,018)	(814,561)
Administrative expenses	(14,950)	(13,350)	(8,800)	(17,226)	(13,075)	(10,750)	(13,625)	(2,650)	(12,265)	(8,250)	(17,250)	(24,950)	(12,900)	(18,974)	(6,925)	(9,225)	(12,300)	-	(15,925)	(10,425)
Net change in plan fiduciary net position	978,943	1,607,195	(2,860,416)	1,565,058	1,890,365	1,936,264	(708,884)	1,416,513	536,078	87,193	984,457	1,958,772	(4,365,493)	1,992,105	2,458,936	2,604,134	(1,365,105)	1,798,416	431,513	(204,864)
Plan fiduciary net position - beginning	14,640,436	13,033,241	15,893,657	14,328,599	12,438,234	10,501,970	11,210,854	9,794,341	9,258,263	9,171,070	20,255,062	18,296,290	22,661,783	20,669,678	18,210,742	15,606,608	16,971,713	15,173,297	14,741,784	14,946,648
Plan fiduciary net position - ending	\$ 15,619,379	\$ 14,640,436	\$ 13,033,241	\$ 15,893,657	\$ 14,328,599	\$ 12,438,234	\$ 10,501,970	\$ 11,210,854	\$ 9,794,341	\$ 9,258,263	\$ 21,239,519	\$ 20,255,062	\$ 18,296,290	\$ 22,661,783	\$ 20,669,678	\$ 18,210,742	\$ 15,606,608	\$ 16,971,713	\$ 15,173,297	\$ 14,741,784
Borough's net pension liability (asset)	\$ (549,115)	\$ (144,562)	\$ 1,907,538	\$ (1,759,425)	\$ (1,462,693)	\$ (266,818)	\$ 1,200,169	\$ (154,778)	\$ 770,474	\$ 647,357	\$ (1,561,407)	\$ (1,060,488)	\$ 1,649,638	\$ (3,550,739)	\$ (2,407,220)	\$ (695,256)	\$ 2,024,499	\$ (35,051)	\$ 907,105	\$ 686,720
Plan fiduciary net position as a percentage of the total pension liability	103.64%	101.00%	87.23%	112.45%	111.37%	102.19%	89.74%	101.40%	92.71%	93.46%	107.93%	105.52%	91.73%	118.58%	113.18%	103.97%	88.52%	100.21%	94.36%	95.55%
Covered payroll	\$ 4,229,987	\$ 4,184,864	\$ 3,755,970	\$ 3,768,884	\$ 3,602,427	\$ 3,849,872	\$ 3,991,042	\$ 3,811,473	\$ 3,761,742	\$ 3,523,157	\$ 2,757,271	\$ 2,504,733	\$ 2,674,185	\$ 2,735,979	\$ 2,867,259	\$ 2,781,827	\$ 2,665,022	\$ 2,690,098	\$ 2,314,077	\$ 2,456,952
Net pension liability (asset) as a percentage of covered payroll	(12.98%)	(3.45%)	50.79%	(46.68%)	(40.60%)	(6.93%)	30.07%	(4.06%)	20.48%	18.37%	(56.63%)	(42.34%)	61.69%	(129.78%)	(83.96%)	(24.99%)	75.97%	(1.30%)	39.20%	27.95%

BOROUGH OF CARLISLE

Pension Plans

Unaudited Schedule of Borough Contributions

Non-Uniform										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 135,981	\$ 273,571	\$ 229,864	\$ 233,757	\$ 268,742	\$ 226,455	\$ 210,859	\$ 190,889	\$ 213,605	\$ 252,045
Contributions in relation to the actuarially determined contribution	<u>151,970</u>	<u>283,989</u>	<u>257,778</u>	<u>247,050</u>	<u>282,811</u>	<u>254,721</u>	<u>259,111</u>	<u>215,584</u>	<u>236,956</u>	<u>252,045</u>
Contribution deficiency (excess)	<u>\$ (15,989)</u>	<u>\$ (10,418)</u>	<u>\$ (27,914)</u>	<u>\$ (13,293)</u>	<u>\$ (14,069)</u>	<u>\$ (28,266)</u>	<u>\$ (48,252)</u>	<u>\$ (24,695)</u>	<u>\$ (23,351)</u>	<u>\$ -</u>
Covered payroll	\$ 4,229,987	\$ 4,184,864	\$ 3,755,970	\$ 3,768,884	\$ 3,602,427	\$ 3,849,872	\$ 3,991,042	\$ 3,811,473	\$ 3,761,742	\$ 3,523,157
Contributions as a percentage of covered payroll	3.59%	6.79%	6.86%	6.55%	7.85%	6.62%	6.49%	5.66%	6.30%	7.15%
Police										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 140,467	\$ 345,554	\$ 342,173	\$ 383,568	\$ 373,775	\$ 398,320	\$ 307,231	\$ 323,086	\$ 330,063	\$ 375,632
Contributions in relation to the actuarially determined contribution	<u>156,983</u>	<u>358,713</u>	<u>383,726</u>	<u>405,380</u>	<u>403,690</u>	<u>448,037</u>	<u>392,019</u>	<u>364,883</u>	<u>366,745</u>	<u>375,632</u>
Contribution deficiency (excess)	<u>\$ (16,516)</u>	<u>\$ (13,159)</u>	<u>\$ (41,553)</u>	<u>\$ (21,812)</u>	<u>\$ (29,915)</u>	<u>\$ (49,717)</u>	<u>\$ (84,788)</u>	<u>\$ (41,797)</u>	<u>\$ (36,682)</u>	<u>\$ -</u>
Covered payroll	\$ 2,757,271	\$ 2,504,733	\$ 2,674,185	\$ 2,735,979	\$ 2,867,259	\$ 2,781,827	\$ 2,665,022	\$ 2,690,098	\$ 2,314,077	\$ 2,456,952
Contributions as a percentage of covered payroll	5.69%	14.32%	14.35%	14.82%	14.08%	16.11%	14.71%	13.56%	15.85%	15.29%

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 - 5 years
	Police - N/A
Asset valuation method	Smoothed value with a corridor of 80% to 120% of fair value
Inflation	3.0%
Salary increases	Non-Uniform - 4.5%
	Police - 5.0%
	7.5%
Investment rate of return	Normal retirement age
Retirement age	Non-Uniform - PubG-2010 mortality table, including rates for disabled retirees and contingent survivors.
Mortality	Incorporated into the table are rates projected generationally using Scale MP-2020 to reflect mortality
	Police - PubS-2010 mortality table, including rates for disabled retirees and contingent survivors.
	Incorporated

BOROUGH OF CARLISLE

Pension Plans

Unaudited Schedule of Investment Returns

	Non-Uniform										Police									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return, net of investment expense	11.00%	14.20%	-17.20%	12.10%	16.74%	19.89%	-5.23%	15.65%	5.99%	0.46%	10.90%	14.40%	-17.10%	12.00%	16.75%	19.91%	-5.16%	15.67%	5.99%	0.53%

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

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	\$ 17,011	\$ 24,412	\$ 29,203	\$ 22,036	\$ 21,545	\$ 22,303	\$ 19,401
Interest	68,422	41,947	33,194	50,172	50,543	45,782	51,742
Differences between expected and actual experience	(567,493)	-	197,744	-	107,495	-	-
Changes in assumptions	19,239	(207,925)	(12,481)	181,176	46,884	(51,052)	57,484
Benefit payments	<u>(139,893)</u>	<u>(113,548)</u>	<u>(80,679)</u>	<u>(78,490)</u>	<u>(74,073)</u>	<u>(79,448)</u>	<u>(74,951)</u>
Net change in total OPEB liability	(602,714)	(255,114)	166,981	174,894	152,394	(62,415)	53,676
Total OPEB liability - beginning	<u>1,646,275</u>	<u>1,901,389</u>	<u>1,734,408</u>	<u>1,559,514</u>	<u>1,407,120</u>	<u>1,469,535</u>	<u>1,415,859</u>
Total OPEB liability - ending	<u>\$ 1,043,561</u>	<u>\$ 1,646,275</u>	<u>\$ 1,901,389</u>	<u>\$ 1,734,408</u>	<u>\$ 1,559,514</u>	<u>\$ 1,407,120</u>	<u>\$ 1,469,535</u>
Covered-employee payroll	\$ 251,058	N/A	\$ 612,787	N/A	\$ 838,427	N/A	\$ 906,549
Total OPEB liability as a percentage of covered-employee payroll	415.67%	N/A	310.29%	N/A	186.00%	N/A	162.10%

NOTE

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

No assets are accumulated in a trust that meets the criteria of GASB standards to pay related benefits for the OPEB plan.

BOROUGH OF CARLISLE
Budgetary Comparison Schedule - General Fund
Unaudited Required Supplementary Information
Year Ended December 31, 2024

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 9,577,427	\$ 9,577,427	\$ 10,461,183	\$ 883,756
Licenses and permits	707,246	707,246	641,989	(65,257)
Fees and fines	85,700	85,700	72,314	(13,386)
Investment earnings	258,800	258,800	512,066	253,266
Rents	80,300	80,300	105,239	24,939
Intergovernmental	790,900	790,900	3,340,893	2,549,993
Charges for services	337,200	337,200	368,420	31,220
Contributions	402,679	402,679	355,677	(47,002)
Miscellaneous	215,800	215,800	251,256	35,456
Total revenues	12,456,052	12,456,052	16,109,037	3,652,985
EXPENDITURES				
General government				
Borough council	511,904	511,904	31,476	480,428
Borough manager	596,283	596,283	52,171	544,112
Finance department	653,052	653,052	74,723	578,329
Tax collection	151,393	151,393	157,140	(5,747)
Personnel administration	410,710	410,710	53,388	357,322
Data processing	395,720	395,720	95,223	300,497
Legal services	125,000	125,000	14,802	110,198
Insurance premiums	301,546	301,546	365,642	(64,096)
Employee benefits (unallocated)	794,915	794,915	214,166	580,749
Buildings and plants	101,144	101,144	10,500	90,644
Public safety				
Police department	4,955,131	4,955,131	4,207,798	747,333
Fire department	1,244,319	1,244,319	1,416,050	(171,731)
Codes department	1,026,603	1,026,603	783,862	242,741
Public works				
Stormwater	35,135	35,135	34,287	848
Highways	1,080,311	1,080,311	777,557	302,754
Engineering	450,368	450,368	45,626	404,742
Sanitation	74,956	74,956	49,048	25,908
Parks and recreation	1,057,776	1,057,776	875,850	181,926
Conservation and community development	132,889	132,889	158,622	(25,733)
Debt service				
Principal	387,489	387,489	387,491	(2)
Interest and fiscal charges	63,187	63,187	63,188	(1)
Total expenditures	14,549,831	14,549,831	9,868,610	4,681,221
Excess (deficiency) of revenues over (under) expenditures	(2,093,779)	(2,093,779)	6,240,427	8,334,206
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	17,200	17,200	5,494	(11,706)
Issuance of IT subscriptions	-	-	42,302	42,302
Transfers in	2,817,920	2,817,920	85,238	(2,732,682)
Transfers out	(1,320,985)	(1,320,985)	(4,369,919)	(3,048,934)
Total other financing sources and uses	1,514,135	1,514,135	(4,236,885)	(5,751,020)
Net change in fund balances	\$ (579,644)	\$ (579,644)	\$ 2,003,542	\$ 2,583,186

BOROUGH OF CARLISLE
Notes to Budgetary Comparison Schedule
Year Ended December 31, 2024

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, 2024

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

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.

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.

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, 2024

	Special Revenue Funds			Total Other Governmental Funds
	Highway Aid Fund	Community Development Block Grant	Asset Forfeiture	
ASSETS				
Cash and cash equivalents	\$ 1,081,476	\$ -	\$ 114	\$ 1,081,590
Due from other funds	27	-	-	27
Other receivables	-	79,004	-	79,004
Total assets	<u>\$ 1,081,503</u>	<u>\$ 79,004</u>	<u>\$ 114</u>	<u>\$ 1,160,621</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Due to other funds	<u>\$ -</u>	<u>\$ 79,004</u>	<u>\$ -</u>	<u>\$ 79,004</u>
Total liabilities	<u>-</u>	<u>79,004</u>	<u>-</u>	<u>79,004</u>
Fund balances				
Restricted fund balance	<u>1,081,503</u>	<u>-</u>	<u>114</u>	<u>1,081,617</u>
Total fund balances	<u>1,081,503</u>	<u>-</u>	<u>114</u>	<u>1,081,617</u>
Total liabilities and fund balances	<u>\$ 1,081,503</u>	<u>\$ 79,004</u>	<u>\$ 114</u>	<u>\$ 1,160,621</u>

BOROUGH OF CARLISLE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds
Year Ended December 31, 2024

	Highway Aid Fund	Community Development Block Grant	Asset Forfeiture	Total Other Governmental Funds
REVENUES				
Investment earnings	\$ 74,102	\$ -	\$ 401	\$ 74,503
Intergovernmental	<u>546,316</u>	<u>187,629</u>	<u>-</u>	<u>733,945</u>
Total revenues	<u>620,418</u>	<u>187,629</u>	<u>401</u>	<u>808,448</u>
EXPENDITURES				
Public safety				
Police department	-	-	29,060	29,060
Public works				
Highways	583,454	-	-	583,454
Conservation and community development	<u>-</u>	<u>102,391</u>	<u>-</u>	<u>102,391</u>
Total expenditures	<u>583,454</u>	<u>102,391</u>	<u>29,060</u>	<u>714,905</u>
Excess (deficiency) of revenues over (under) expenditures	<u>36,964</u>	<u>85,238</u>	<u>(28,659)</u>	<u>93,543</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>(85,238)</u>	<u>-</u>	<u>(85,238)</u>
Total other financing sources and uses	<u>-</u>	<u>(85,238)</u>	<u>-</u>	<u>(85,238)</u>
Net change in fund balances	36,964	-	(28,659)	8,305
Fund balances - beginning	<u>1,044,539</u>	<u>-</u>	<u>28,773</u>	<u>1,073,312</u>
Fund balances - ending	<u>\$ 1,081,503</u>	<u>\$ -</u>	<u>\$ 114</u>	<u>\$ 1,081,617</u>

BOROUGH OF CARLISLE
Budgetary Comparison Schedule
Other Special Revenue Fund - Highway Aid
Year Ended December 31, 2024

	Original/ Final Budget	Actual Budgetary/ GAAP Basis	Variance
Revenue			
Investment income	\$ 6,800	\$ 74,102	\$ 67,302
Intergovernmental	<u>550,000</u>	<u>546,316</u>	<u>(3,684)</u>
Total revenue	<u>556,800</u>	<u>620,418</u>	<u>63,618</u>
Expenditures			
Highways	<u>750,000</u>	<u>583,454</u>	<u>166,546</u>
Total expenditures	<u>750,000</u>	<u>583,454</u>	<u>166,546</u>
Excess of revenue over (under) expenditures	<u>(193,200)</u>	<u>36,964</u>	<u>230,164</u>
Net change in fund balance	<u>\$ (193,200)</u>	<u>\$ 36,964</u>	<u>\$ 230,164</u>

BOROUGH OF CARLISLE
Budgetary Comparison Schedule
Other Special Revenue Fund - Asset Forfeiture
Year Ended December 31, 2024

	Budget		Actual	Variance with
	Original	Final	Budgetary/GAAP Basis	Final Budget
Revenue				
Investment income	\$ 300	\$ 300	\$ 401	\$ 101
Total revenue	<u>300</u>	<u>300</u>	<u>401</u>	<u>101</u>
Expenditures				
Police department	<u>29,060</u>	<u>29,060</u>	<u>29,060</u>	<u>-</u>
Total expenditures	<u>29,060</u>	<u>29,060</u>	<u>29,060</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>(28,760)</u>	<u>(28,760)</u>	<u>(28,659)</u>	<u>101</u>
Net change in fund balance	<u>\$ (28,760)</u>	<u>\$ (28,760)</u>	<u>\$ (28,659)</u>	<u>\$ 101</u>

BOROUGH OF CARLISLE
Budgetary Comparison Schedule - Capital Projects Fund
Year Ended December 31, 2024

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Investment earnings	\$ 38,000	\$ 38,000	\$ 531,546	\$ 493,546
Intergovernmental	3,850,952	3,850,952	3,859,712	8,760
Miscellaneous	500	500	108,474	107,974
Total revenues	<u>3,889,452</u>	<u>3,889,452</u>	<u>4,499,732</u>	<u>610,280</u>
EXPENDITURES				
General government				
Borough manager	-	-	-	-
Buildings and plants	475,048	475,048	155,568	319,480
Public safety				
Police department	1,470,274	1,470,274	672,205	798,069
Fire department	419,818	419,818	290,883	128,935
Codes department	3,333,521	3,333,521	2,325,460	1,008,061
Public works				
Highways	1,238,121	1,238,121	723,638	514,483
Parks and recreation	386,910	386,910	83,112	303,798
Conservation and community development	-	-	-	-
Debt service				
Principal	342,914	342,914	342,914	-
Interest and fiscal charges	203,071	203,071	203,070	1
Total expenditures	<u>7,869,677</u>	<u>7,869,677</u>	<u>4,796,850</u>	<u>3,072,827</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,980,225)</u>	<u>(3,980,225)</u>	<u>(297,118)</u>	<u>3,683,107</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from debt issuance	1,088,020	1,088,020	900,000	(188,020)
Transfers in	1,059,593	1,059,593	4,369,919	3,310,326
Transfers out	(276,175)	(276,175)	(276,175)	-
Total other financing sources and uses	<u>1,871,438</u>	<u>1,871,438</u>	<u>4,993,744</u>	<u>3,122,306</u>
Net change in fund balances	<u>\$ (2,108,787)</u>	<u>\$ (2,108,787)</u>	<u>\$ 4,696,626</u>	<u>\$ 6,805,413</u>

BOROUGH OF CARLISLE
Pension Trust Funds
December 31, 2024

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, 2024

	Police Pension Trust Fund	Non-Uniformed Pension Trust Fund	Total Pension Trust Funds
ASSETS			
Cash and cash equivalents	\$ 457,657	\$ 449,311	\$ 906,968
Accrued interest receivable	1,523	1,552	3,075
Fixed income mutual funds	8,088,538	5,916,071	14,004,609
Mutual funds - open end	<u>12,691,804</u>	<u>9,250,531</u>	<u>21,942,335</u>
Total assets	<u>\$ 21,239,522</u>	<u>\$ 15,617,465</u>	<u>\$ 36,856,987</u>
NET POSITION			
Net position restricted for pensions	<u>21,239,522</u>	<u>15,617,465</u>	<u>36,856,987</u>
Total net position	<u>\$ 21,239,522</u>	<u>\$ 15,617,465</u>	<u>\$ 36,856,987</u>

BOROUGH OF CARLISLE**Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds**
Year Ended December 31, 2024

	Police Pension Trust Fund	Non-Uniformed Pension Trust Fund	Total Pension Trust Funds
ADDITIONS			
Contributions			
Employer	\$ 156,983	\$ 151,970	\$ 308,953
Plan members	<u>147,265</u>	<u>67,461</u>	<u>214,726</u>
Total contributions	<u>304,248</u>	<u>219,431</u>	<u>523,679</u>
Investment earnings			
Net appreciation (depreciation)			
in fair value of investments	1,534,400	1,122,081	2,656,481
Interest and dividends	607,513	443,880	1,051,393
Less: Investment related expenses	<u>(41,431)</u>	<u>(32,348)</u>	<u>(73,779)</u>
Total net investment earnings	<u>2,100,482</u>	<u>1,533,613</u>	<u>3,634,095</u>
Total net additions (depreciation)	<u>2,404,730</u>	<u>1,753,044</u>	<u>4,157,774</u>
DEDUCTIONS			
Benefits	1,343,482	719,275	2,062,757
Administrative	<u>71,450</u>	<u>51,907</u>	<u>123,357</u>
Total deductions	<u>1,414,932</u>	<u>771,182</u>	<u>2,186,114</u>
Change in net position	989,798	981,862	1,971,660
Net position - beginning	<u>20,249,724</u>	<u>14,635,603</u>	<u>34,885,327</u>
Net position - ending	<u>\$ 21,239,522</u>	<u>\$ 15,617,465</u>	<u>\$ 36,856,987</u>

BOROUGH OF CARLISLE

Future Debt Service Requirements

December 31, 2024

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

Fiscal Year	Governmental Activities								Total Governmental Activities	
	2017A GO Bonds		2017B GO Bonds		2021 GO Bond		2024 GO Bond		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 138,925	\$ 39,124	\$ 375,192	\$ 42,384	\$ 217,442	\$ 148,230	\$ 30,000	\$ 33,000	\$ 761,559	\$ 262,738
2026	144,185	32,177	311,259	27,376	230,525	137,357	25,000	34,800	710,969	231,710
2027	148,905	29,294	200,928	14,926	185,000	125,831	30,000	33,800	564,833	203,851
2028	149,175	26,130	125,580	6,889	185,000	116,581	30,000	32,600	489,755	182,200
2029	154,166	22,773	46,646	1,866	200,000	107,331	30,000	31,400	430,812	163,370
2030	158,886	19,112	-	-	210,000	97,331	30,000	30,200	398,886	146,643
2031	163,877	15,139	-	-	220,000	88,931	35,000	29,000	418,877	133,070
2032	164,146	11,042	-	-	225,000	80,131	35,000	27,600	424,146	118,773
2033	17,781	6,118	-	-	230,000	73,381	40,000	26,200	287,781	105,699
2034	18,320	5,585	-	-	240,000	66,481	40,000	24,600	298,320	96,666
2035	18,858	5,035	-	-	245,000	61,681	40,000	23,000	303,858	89,716
2036	19,397	4,469	-	-	250,000	56,781	40,000	21,400	309,397	82,650
2037	19,936	3,888	-	-	230,000	51,781	40,000	19,800	289,936	75,469
2038	20,744	3,289	-	-	230,000	47,181	45,000	18,200	295,744	68,670
2039	21,283	2,667	-	-	240,000	42,581	50,000	16,400	311,283	61,648
2040	21,822	2,029	-	-	240,000	37,781	30,000	14,400	291,822	54,210
2041	22,630	1,374	-	-	250,000	32,981	30,000	13,200	302,630	47,555
2042	23,167	695	-	-	250,000	27,981	30,000	12,000	303,167	40,676
2043	-	-	-	-	255,000	22,981	35,000	10,800	290,000	33,781
2044	-	-	-	-	260,000	17,563	35,000	9,400	295,000	26,963
2045	-	-	-	-	265,000	12,038	35,000	8,000	300,000	20,038
2046	-	-	-	-	270,000	6,075	40,000	6,600	310,000	12,675
2047	-	-	-	-	-	-	40,000	5,000	40,000	5,000
2048	-	-	-	-	-	-	40,000	3,400	40,000	3,400
2049	-	-	-	-	-	-	45,000	1,800	45,000	1,800
	<u>\$ 1,426,203</u>	<u>\$ 229,940</u>	<u>\$ 1,059,605</u>	<u>\$ 93,441</u>	<u>\$ 5,127,967</u>	<u>\$ 1,458,990</u>	<u>\$ 900,000</u>	<u>\$ 486,600</u>	<u>\$ 8,513,775</u>	<u>\$ 2,268,971</u>

Fiscal Year	Water Fund								Total Water Fund	
	2017A GO Bonds		2017B GO Bonds		2021 GO Bonds		2024 GO Bonds		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 120,856	\$ 80,821	\$ 649,506	\$ 78,658	\$ 255,510	\$ 120,889	\$ 100,000	\$ 172,150	\$ 1,125,872	\$ 452,518
2026	127,704	74,778	598,922	52,678	267,895	108,113	85,000	183,800	1,079,521	419,369
2027	129,982	72,224	386,624	28,721	145,000	94,719	90,000	180,400	751,606	376,064
2028	132,258	69,462	241,640	13,256	150,000	87,469	95,000	176,800	618,898	346,987
2029	136,833	66,486	89,750	3,590	155,000	79,969	95,000	173,000	476,583	323,045
2030	139,105	63,236	-	-	160,000	72,219	100,000	169,200	399,105	304,655
2031	143,676	59,759	-	-	170,000	65,819	105,000	165,200	418,676	290,778
2032	145,944	56,167	-	-	180,000	59,019	110,000	161,000	435,944	276,186
2033	150,507	51,788	-	-	180,000	53,619	115,000	156,600	445,507	262,007
2034	155,068	47,273	-	-	185,000	48,219	120,000	152,000	460,068	247,492
2035	159,628	42,621	-	-	195,000	44,519	125,000	147,200	479,628	234,340
2036	164,187	37,832	-	-	200,000	40,619	130,000	142,200	494,187	220,651
2037	168,744	32,907	-	-	160,000	36,619	135,000	137,000	463,744	206,526
2038	175,602	27,844	-	-	165,000	33,419	140,000	131,600	480,602	192,863
2039	180,156	22,576	-	-	165,000	30,119	145,000	126,000	490,156	178,695
2040	184,709	17,172	-	-	170,000	26,819	150,000	120,200	504,709	164,191
2041	191,563	11,630	-	-	175,000	23,419	155,000	114,200	521,563	149,249
2042	196,114	5,883	-	-	175,000	19,919	160,000	108,000	531,114	133,802
2043	-	-	-	-	180,000	16,419	170,000	101,600	350,000	118,019
2044	-	-	-	-	185,000	12,594	175,000	94,800	360,000	107,394
2045	-	-	-	-	190,000	8,663	185,000	87,800	375,000	96,463
2046	-	-	-	-	195,000	4,388	190,000	80,400	385,000	84,788
2047	-	-	-	-	-	-	200,000	72,800	200,000	72,800
2048	-	-	-	-	-	-	205,000	64,800	205,000	64,800
2049	-	-	-	-	-	-	215,000	56,600	215,000	56,600
2050	-	-	-	-	-	-	220,000	48,000	220,000	48,000
2051	-	-	-	-	-	-	230,000	39,200	230,000	39,200
2052	-	-	-	-	-	-	240,000	30,000	240,000	30,000
2053	-	-	-	-	-	-	250,000	20,400	250,000	20,400
2054	-	-	-	-	-	-	260,000	10,400	260,000	10,400
	<u>\$ 2,802,636</u>	<u>\$ 840,459</u>	<u>\$ 1,966,442</u>	<u>\$ 176,903</u>	<u>\$ 4,003,405</u>	<u>\$ 1,087,570</u>	<u>\$ 4,695,000</u>	<u>\$ 3,423,350</u>	<u>\$ 13,467,483</u>	<u>\$ 5,528,282</u>

BOROUGH OF CARLISLE
Future Debt Service Requirements (Continued)
December 31, 2024

Fiscal Year	Sewer Fund								Total Sewer Fund	
	2017A GO Bond		2017B GO Bond		2021 GO Bond		TOTAL		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 128,731	\$ 86,083	\$ 619,302	\$ 97,318	\$ 559,947	\$ 320,832	\$ 1,307,980	\$ 504,233		
2026	136,017	79,646	824,819	72,546	594,061	292,834	1,554,897	445,026		
2027	138,446	76,926	532,448	39,553	545,000	263,131	1,215,894	379,610		
2028	140,875	73,984	332,780	18,255	580,000	235,881	1,053,655	328,120		
2029	145,733	70,814	123,604	4,944	615,000	206,881	884,337	282,639		
2030	148,162	67,353	-	-	655,000	176,131	803,162	243,484		
2031	153,020	63,649	-	-	690,000	149,931	843,020	213,580		
2032	155,448	59,823	-	-	725,000	122,331	880,448	182,154		
2033	160,306	55,160	-	-	760,000	100,581	920,306	155,741		
2034	165,164	50,351	-	-	790,000	77,781	955,164	128,132		
2035	170,022	45,396	-	-	810,000	61,981	980,022	107,377		
2036	174,879	40,295	-	-	230,000	45,781	404,879	86,076		
2037	179,737	35,049	-	-	180,000	41,181	359,737	76,230		
2038	187,024	29,657	-	-	185,000	37,581	372,024	67,238		
2039	191,882	24,046	-	-	190,000	33,881	381,882	57,927		
2040	196,739	18,289	-	-	190,000	30,081	386,739	48,370		
2041	204,026	12,387	-	-	195,000	26,281	399,026	38,668		
2042	208,885	6,267	-	-	200,000	22,381	408,885	28,648		
2043	-	-	-	-	205,000	18,381	205,000	18,381		
2044	-	-	-	-	210,000	14,025	210,000	14,025		
2045	-	-	-	-	210,000	9,563	210,000	9,563		
2046	-	-	-	-	215,001	4,838	215,001	4,838		
	<u>\$ 2,985,096</u>	<u>\$ 895,175</u>	<u>\$ 2,432,953</u>	<u>\$ 232,616</u>	<u>\$ 9,534,009</u>	<u>\$ 2,292,269</u>	<u>\$ 14,952,058</u>	<u>\$ 3,420,060</u>		

Fiscal Year	Parking								Total Parking Fund	
	2017A GO Bond		2017B GO Bond		2021 GO Bond		TOTAL		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 15,354	\$ 3,643	\$ 36,000	\$ 1,440	\$ 7,101	\$ 731	\$ 58,455	\$ 5,814		
2026	15,902	2,875	-	-	7,517	376	23,419	3,251		
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	18,096	543	-	-	-	-	18,096	543		
	<u>\$ 134,896</u>	<u>\$ 16,093</u>	<u>\$ 36,000</u>	<u>\$ 1,440</u>	<u>\$ 14,618</u>	<u>\$ 1,107</u>	<u>\$ 185,514</u>	<u>\$ 18,640</u>		

Fiscal Year	Stormwater		Stormwater		Total Stormwater Fund	
	2017A GO Bond		2021 GO Bond		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 1,135	\$ 755	\$ 40,000	\$ 33,694	\$ 41,135	\$ 34,449
2026	1,192	698	45,000	31,694	46,192	32,392
2027	1,215	674	45,000	29,444	46,215	30,118
2028	1,241	648	45,000	27,194	46,241	27,842
2029	1,269	620	50,000	24,944	51,269	25,564
2030	1,299	590	50,000	22,444	51,299	23,034
2031	1,332	558	55,000	20,444	56,332	21,002
2032	1,365	525	55,000	18,244	56,365	18,769
2033	1,406	484	55,000	16,594	56,406	17,078
2034	1,448	441	55,000	14,944	56,448	15,385
2035	1,492	398	60,000	13,844	61,492	14,242
2036	1,537	353	60,000	12,644	61,537	12,997
2037	1,583	307	50,000	11,444	51,583	11,751
2038	1,630	260	50,000	10,444	51,630	10,704
2039	1,679	211	50,000	9,444	51,679	9,655
2040	1,729	160	55,000	8,444	56,729	8,604
2041	1,781	108	55,000	7,344	56,781	7,452
2042	1,837	56	55,000	6,244	56,837	6,300
2043	-	-	55,000	5,144	55,000	5,144
2044	-	-	60,000	3,975	60,000	3,975
2045	-	-	60,000	2,700	60,000	2,700
2046	-	-	60,000	1,350	60,000	1,350
	<u>\$ 26,170</u>	<u>\$ 7,846</u>	<u>\$ 1,165,000</u>	<u>\$ 332,661</u>	<u>\$ 1,191,170</u>	<u>\$ 340,507</u>

BOROUGH OF CARLISLE

Schedule of Indebtedness

December 31, 2024

Type of Debt	Date of Issue	Original Amount	Interest Rate	Date of Final Maturity	Amount of Annual Maturity	Outstanding at December 31 2023	2024
GO Bonds (Series of 2017A) (Capital Projects Fund)	12/8/2017	\$ 2,241,408	5.00%	8/15/2025	138,925	\$ 1,560,138	\$ 1,426,203
			2.00%	8/15/2026	144,185		
			2.13%	8/15/2027	148,905		
			2.25%	8/15/2028	149,175		
			2.38%	8/15/2029	154,166		
			2.50%	8/15/2030	158,886		
			2.50%	8/15/2031	163,877		
			3.00%	8/15/2032	164,146		
			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	23,167		
GO Bonds (Series of 2017B) (General Fund)	12/8/2017	4,054,674	4.00%	10/15/2025	375,192	1,441,278	1,059,605
			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	46,646		
GO Bonds (Series of 2021) (Capital Projects Fund)	6/10/2021	5,579,597	5.00%	7/15/2025	217,442	5,342,764	5,127,967
			5.00%	7/15/2026	230,525		
			5.00%	7/15/2027	185,000		
			5.00%	7/15/2028	185,000		
			5.00%	7/15/2029	200,000		
			4.00%	7/15/2030	210,000		
			4.00%	7/15/2031	220,000		
			3.00%	7/15/2032	225,000		
			3.00%	7/15/2033	230,000		
			2.00%	7/15/2034	240,000		
			2.00%	7/15/2035	245,000		
			2.00%	7/15/2036	250,000		
			2.00%	7/15/2037	230,000		
			2.00%	7/15/2038	230,000		
			2.00%	7/15/2039	240,000		
			2.00%	7/15/2040	240,000		
			2.00%	7/15/2041	250,000		
			2.00%	7/15/2042	250,000		
			2.13%	7/15/2043	255,000		
			2.13%	7/15/2044	260,000		
			2.25%	7/15/2045	265,000		
			2.25%	7/15/2046	270,000		
GO Bonds (Series of 2024) (Capital Projects Fund)	11/15/2024	900,000	2.82%	10/15/2025	30,000	-	900,000
			2.58%	10/15/2026	25,000		
			2.49%	10/15/2027	30,000		
			2.42%	10/15/2028	30,000		
			2.47%	10/15/2029	30,000		
			2.57%	10/15/2030	30,000		
			2.66%	10/15/2031	35,000		
			2.72%	10/15/2032	35,000		
			2.82%	10/15/2033	40,000		
			2.85%	10/15/2034	40,000		
			2.95%	10/15/2035	40,000		
			3.10%	10/15/2036	40,000		
			3.19%	10/15/2037	40,000		
			3.22%	10/15/2038	45,000		
			3.32%	10/15/2039	50,000		
			3.45%	10/15/2040	30,000		
			3.53%	10/15/2041	30,000		
			3.61%	10/15/2042	30,000		
			3.70%	10/15/2043	35,000		
			3.80%	10/15/2044	35,000		
			3.93%	10/15/2045	35,000		
			4.01%	10/15/2046	40,000		
			4.04%	10/15/2047	40,000		
			4.05%	10/15/2048	40,000		
			4.06%	10/15/2049	45,000		
Total Payable From Tax Revenue						\$ 8,344,180	\$ 8,513,775

BOROUGH OF CARLISLE

Schedule of Indebtedness (Continued)

December 31, 2024

Type of Debt	Date of Issue	Original Amount	Interest Rate	Date of Final Maturity	Amount of Annual Maturity	Outstanding at December 31	
						2023	2024
GO Bonds (Series of 2017A) (Water Fund)	12/8/2017	\$ 3,556,145	5.00%	10/15/2025	120,856		
			2.00%	10/15/2026	127,704		
			2.13%	10/15/2027	129,982		
			2.25%	10/15/2028	132,258		
			2.38%	10/15/2029	136,833		
			2.50%	10/15/2030	139,105		
			2.50%	10/15/2031	143,676		
			3.00%	10/15/2032	145,944		
			3.00%	10/15/2033	150,507		
			3.00%	10/15/2034	155,068		
			3.00%	10/15/2035	159,628		
			3.00%	10/15/2036	164,187		
			3.00%	10/15/2037	168,744		
			3.00%	10/15/2038	175,602		
			3.00%	10/15/2039	180,156		
			3.00%	10/15/2040	184,709		
			3.00%	10/15/2041	191,563		
			3.00%	10/15/2042	196,114		
GO Bonds (Series of 2017B) (Water Fund)	12/8/2017	5,154,676				\$ 2,918,942	\$ 2,802,636
			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		
GO Bonds (Series of 2021) (Water Fund)	6/10/2021	4,649,507				2,607,091	1,966,442
			4.00%	10/15/2029	89,750		
			5.00%	7/15/2025	255,511		
			5.00%	7/15/2026	267,895		
			5.00%	7/15/2027	145,000		
			5.00%	7/15/2028	150,000		
			5.00%	7/15/2029	155,000		
			4.00%	7/15/2030	160,000		
			4.00%	7/15/2031	170,000		
			3.00%	7/15/2032	180,000		
			3.00%	7/15/2033	180,000		
			2.00%	7/15/2034	185,000		
			2.00%	7/15/2035	195,000		
			2.00%	7/15/2036	200,000		
			2.00%	7/15/2037	160,000		
			2.00%	7/15/2038	165,000		
			2.00%	7/15/2039	165,000		
			2.00%	7/15/2040	170,000		
			2.00%	7/15/2041	175,000		
			2.00%	7/15/2042	175,000		
			2.13%	7/15/2043	180,000		
			2.13%	7/15/2044	185,000		
			2.25%	7/15/2045	190,000		
			2.25%	7/15/2046	195,000		
GO Bonds (Series of 2024) (Water Fund)	11/15/2024	4,695,000				4,247,589	4,003,406
			2.82%	10/15/2025	100,000		
			2.58%	10/15/2026	85,000		
			2.49%	10/15/2027	90,000		
			2.42%	10/15/2028	95,000		
			2.47%	10/15/2029	95,000		
			2.57%	10/15/2030	100,000		
			2.66%	10/15/2031	105,000		
			2.72%	10/15/2032	110,000		
			2.82%	10/15/2033	115,000		
			2.85%	10/15/2034	120,000		
			2.95%	10/15/2035	125,000		
			3.10%	10/15/2036	130,000		
			3.19%	10/15/2037	135,000		
			3.22%	10/15/2038	140,000		
			3.32%	10/15/2039	145,000		
			3.45%	10/15/2040	150,000		
			3.53%	10/15/2041	155,000		
			3.61%	10/15/2042	160,000		
			3.70%	10/15/2043	170,000		
			3.80%	10/15/2044	175,000		
			3.93%	10/15/2045	185,000		
			4.01%	10/15/2046	190,000		
			4.04%	10/15/2047	200,000		
			4.05%	10/15/2048	205,000		
			4.06%	10/15/2049	215,000		
			4.07%	10/15/2050	220,000		
			4.08%	10/15/2051	230,000		
			4.10%	10/15/2052	240,000		
			4.12%	10/15/2053	250,000		
			4.13%	10/15/2054	260,000		
						-	4,695,000

BOROUGH OF CARLISLE
Schedule of Indebtedness (Continued)
December 31, 2024

Type of Debt	Date of Issue	Original Amount	Interest Rate	Date of Final Maturity	Amount of Annual Maturity	Outstanding at December 31	
						2023	2024
GO Bonds (Series of 2017A) (Sewer Fund)	12/8/2017	\$ 3,752,622					
			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		
						\$ 3,108,969	\$ 2,985,096
GO Bonds (Series of 2017B) (Sewer Fund)	12/8/2017	5,063,877					
			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	123,603		
						2,959,031	2,432,952
GO Bonds (Series of 2021) (Sewer Fund)	6/10/2021	10,899,809					
			5.00%	7/15/2025	559,947		
			5.00%	7/15/2026	594,061		
			5.00%	7/15/2027	545,000		
			5.00%	7/15/2028	580,000		
			5.00%	7/15/2029	615,000		
			4.00%	7/15/2030	655,000		
			4.00%	7/15/2031	690,000		
			3.00%	7/15/2032	725,000		
			3.00%	7/15/2033	760,000		
			2.00%	7/15/2034	790,000		
			2.00%	7/15/2035	810,000		
			2.00%	7/15/2036	230,000		
			2.00%	7/15/2037	180,000		
			2.00%	7/15/2038	185,000		
			2.00%	7/15/2039	190,000		
			2.00%	7/15/2040	190,000		
			2.00%	7/15/2041	195,000		
			2.00%	7/15/2042	200,000		
			2.13%	7/15/2043	205,000		
			2.13%	7/15/2044	210,000		
			2.25%	7/15/2045	210,000		
			2.25%	7/15/2046	215,001		
						10,068,286	9,534,009
GO Bonds (Series of 2017A) (Parking Fund)	12/8/2017	\$ 224,825					
			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	18,096		
						149,701	134,896
GO Bonds (Series of 2017B) (Parking Fund)	12/8/2017	611,773	4.00%	10/15/2025	36,000	82,600	36,000
GO Bonds (Series of 2021) (Parking Fund)	6/10/2021	31,088					
			5.00%	7/15/2025	7,101		
			5.00%	7/15/2026	7,517		
						21,361	14,618

BOROUGH OF CARLISLE
Schedule of Indebtedness (Continued)
December 31, 2024

Type of Debt	Date of Issue	Original Amount	Interest Rate	Date of Final Maturity	Amount of Annual Maturity	Outstanding at December 31				
						2023	2024			
GO Bonds (Series of 2017A) (Stormwater Fund)	12/8/2017	\$ 30,193	5.00%	10/15/2025	1,135					
			2.00%	10/15/2026	1,192					
			2.13%	10/15/2027	1,215					
			2.25%	10/15/2028	1,241					
			2.38%	10/15/2029	1,269					
			2.50%	10/15/2030	1,299					
			2.50%	10/15/2031	1,332					
			3.00%	10/15/2032	1,365					
			3.00%	10/15/2033	1,406					
			3.00%	10/15/2034	1,448					
			3.00%	10/15/2035	1,492					
			3.00%	10/15/2036	1,537					
			3.00%	10/15/2037	1,583					
			3.00%	10/15/2038	1,630					
			3.00%	10/15/2039	1,679					
			3.00%	10/15/2040	1,729					
			3.00%	10/15/2041	1,781					
			3.00%	10/15/2042	1,837					
								\$ 27,251	\$ 26,170	
GO Bonds (Series of 2021) (Stormwater Fund)	6/10/2021	1,275,000	5.00%	7/15/2025	40,000					
			5.00%	7/15/2026	45,000					
			5.00%	7/15/2027	45,000					
			5.00%	7/15/2028	45,000					
			5.00%	7/15/2029	50,000					
			4.00%	7/15/2030	50,000					
			4.00%	7/15/2031	55,000					
			3.00%	7/15/2032	55,000					
			3.00%	7/15/2033	55,000					
			2.00%	7/15/2034	55,000					
			2.00%	7/15/2035	60,000					
			2.00%	7/15/2036	60,000					
			2.00%	7/15/2037	50,000					
			2.00%	7/15/2038	50,000					
			2.00%	7/15/2039	50,000					
			2.00%	7/15/2040	55,000					
			2.00%	7/15/2041	55,000					
			2.00%	7/15/2042	55,000					
			2.13%	7/15/2043	55,000					
			2.13%	7/15/2044	60,000					
			2.25%	7/15/2045	60,000					
			2.25%	7/15/2046	60,000					
								1,205,000	1,165,000	
			Total Payable From Other Revenues						27,395,821	29,796,225
			Total Principal Debt Service Requirements						\$ 35,740,001	\$ 38,310,000

STATISTICAL SECTION

BOROUGH OF CARLISLE
Statistical Section - Unaudited
December 31, 2024

This part of the Borough of Carlisle's annual comprehensive 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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Revenue Capacity

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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Operating Information

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

	2024	2023 ^(d)	2022 ^(c)	2021	Fiscal Year		2018 ^(b)	2017	2016	2015 ^(a)
					2020	2019				
Governmental activities										
Net investment in capital assets	\$ 21,112,562	\$ 19,111,062	\$ 18,114,103	\$ 15,327,086	\$ 14,799,272	\$ 14,451,032	\$ 14,065,108	\$ 15,154,103	\$ 13,410,957	\$ 12,697,315
Restricted	16,174,379	9,221,339	7,557,340	5,685,534	2,600,104	2,807,160	2,749,193	3,775,262	2,888,319	1,905,409
Unrestricted	13,487,723	12,627,393	9,030,442	8,396,492	8,118,910	6,446,981	5,458,560	3,370,210	3,392,972	4,830,596
Total governmental activities net position	<u>\$ 50,774,664</u>	<u>\$ 40,959,794</u>	<u>\$ 34,701,885</u>	<u>\$ 29,409,112</u>	<u>\$ 25,518,286</u>	<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>
Business-type activities										
Net investment in capital assets	\$ 23,614,280	\$ 22,742,992	\$ 22,784,204	\$ 21,711,225	\$ 22,589,169	\$ 23,163,967	\$ 19,263,605	\$ 20,167,094	\$ 19,776,395	\$ 21,331,813
Restricted	293,172	-	-	-	-	-	-	-	-	-
Unrestricted	31,102,839	29,559,411	26,495,257	25,323,464	22,668,779	19,599,734	18,373,208	15,420,711	13,546,330	10,998,309
Total business-type activities net position	<u>\$ 55,010,291</u>	<u>\$ 52,302,403</u>	<u>\$ 49,279,461</u>	<u>\$ 47,034,689</u>	<u>\$ 45,257,948</u>	<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>
Primary government										
Net investment in capital assets	\$ 44,726,842	\$ 41,854,054	\$ 40,898,307	\$ 37,038,311	\$ 37,388,441	\$ 37,614,999	\$ 33,328,713	\$ 35,321,197	\$ 33,187,352	\$ 34,029,128
Restricted	16,174,379	9,221,339	7,557,340	5,685,534	2,600,104	2,807,160	2,749,193	3,775,262	2,888,319	1,905,409
Unrestricted	44,590,562	42,186,804	35,525,699	33,719,956	30,787,689	26,046,715	23,831,768	18,790,921	16,939,302	15,828,905
Total primary government net position	<u>\$ 105,784,955</u>	<u>\$ 93,262,197</u>	<u>\$ 83,981,346</u>	<u>\$ 76,443,801</u>	<u>\$ 70,776,234</u>	<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>

^a 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.

^b 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.

^c During 2022 the Borough implemented the provisions of GASB 87 which only applies to the Borough's business-type activities. Prior year amounts have not been restated and are shown based on the reporting requirements prior to the implementation of GASB 87.

^d During 2023 the Borough implemented the provisions of GASB 96. Prior year amounts have not been restated and are shown based on the reporting requirements prior to the implementation of GASB 96.

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									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Program Revenues										
Governmental Activities:										
Charges for Services:										
General government	\$ 312,615	\$ 329,679	\$ 349,812	\$ 345,476	\$ 346,724	\$ 340,690	\$ 366,298	\$ 334,429	\$ 530,175	\$ 306,102
Public safety	467,520	588,753	636,063	271,678	250,898	424,453	538,217	801,510	664,413	694,933
Public services	47,887	71,370	124,918	78,851	37,174	45,603	87,239	120,919	63,094	44,446
Parks and recreation	446,440	414,326	362,337	288,782	110,814	348,767	316,899	288,916	308,928	347,134
Operating grants and contributions	3,946,388	5,196,886	4,870,832	2,184,293	1,985,355	1,240,250	1,201,548	1,287,039	1,283,339	1,259,460
Capital grants and contributions	<u>4,522,182</u>	<u>1,237,296</u>	<u>2,527,922</u>	<u>2,150,082</u>	<u>1,348,420</u>	<u>1,455,601</u>	<u>822,798</u>	<u>2,942,801</u>	<u>1,162,135</u>	<u>929,627</u>
Total governmental activities program revenues	<u>9,743,032</u>	<u>7,838,310</u>	<u>8,871,884</u>	<u>5,319,162</u>	<u>4,079,385</u>	<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>
Business-type Activities:										
Charges for Services:										
Water	4,926,746	4,561,140	4,843,201	4,289,546	4,286,922	4,450,198	4,514,792	4,405,919	4,184,024	4,093,002
Sewer	6,804,920	6,483,278	6,483,274	6,131,551	6,105,810	6,291,347	6,647,052	6,703,342	6,087,099	5,527,954
Parking	627,565	660,282	659,417	663,845	400,579	708,443	696,387	680,576	671,278	629,194
Solid Waste	2,028,002	1,897,232	1,071,113	1,487,037	1,434,687	880,195	837,651	810,308	670,597	657,019
Stormwater	1,760,514	1,745,763	1,742,595	1,701,166	1,767,087	1,148,962	-	-	-	-
Operating grants and contributions	118,809	196	-	46,906	55,074	209,028	85,959	46,971	35,146	39,938
Capital grants and contributions	<u>175,688</u>	<u>95,815</u>	<u>326,931</u>	<u>147,167</u>	<u>323,801</u>	<u>2,419,064</u>	<u>229,596</u>	<u>118,723</u>	<u>62,111</u>	<u>241,649</u>
Total business-type activities program revenues	<u>16,442,244</u>	<u>15,443,706</u>	<u>15,126,531</u>	<u>14,467,218</u>	<u>14,373,960</u>	<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>
Total primary government program revenues	<u>\$ 26,185,276</u>	<u>\$ 23,282,016</u>	<u>\$ 23,998,415</u>	<u>\$ 19,786,380</u>	<u>\$ 18,453,345</u>	<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>
Expenses										
Governmental Activities:										
General government	\$ 1,629,086	\$ 2,304,152	\$ 2,397,128	\$ 1,791,665	\$ 1,996,953	\$ 1,865,486	\$ 1,579,336	\$ 1,791,013	\$ 1,303,148	\$ 1,232,564
Public safety	6,589,643	6,234,842	6,984,227	5,298,260	5,660,761	5,928,270	6,073,956	5,929,571	6,000,082	5,603,645
Public services	1,573,762	1,642,420	1,604,082	1,514,763	1,709,843	2,031,313	2,048,923	1,985,119	2,648,369	2,240,600
Culture and recreation	1,069,228	1,105,839	1,580,301	992,190	893,308	1,131,263	1,147,602	1,145,391	1,182,586	1,082,679
Conservation and community development	263,915	346,059	452,443	854,675	471,282	306,343	293,361	354,101	243,669	397,077
Interest and amortization	<u>195,571</u>	<u>231,253</u>	<u>291,978</u>	<u>313,012</u>	<u>250,103</u>	<u>243,695</u>	<u>269,101</u>	<u>216,089</u>	<u>151,944</u>	<u>157,743</u>
Total governmental activities expenses	<u>\$ 11,321,205</u>	<u>\$ 11,864,565</u>	<u>\$ 13,310,159</u>	<u>\$ 10,764,565</u>	<u>\$ 10,982,250</u>	<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>

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

Schedule 2

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Business-type Activities:										
Water	\$ 5,025,373	\$ 4,319,963	\$ 4,219,490	\$ 3,689,493	\$ 3,447,981	\$ 3,850,851	\$ 4,227,259	\$ 4,257,603	\$ 4,091,163	\$ 3,866,185
Sewer	6,204,643	5,813,663	5,986,997	5,721,946	5,448,124	5,741,796	5,940,591	5,871,507	5,459,634	5,477,005
Parking	664,148	547,931	561,506	514,040	538,817	524,341	476,020	575,388	522,117	517,686
Solid Waste	1,994,612	1,892,314	1,318,955	1,675,340	1,656,256	826,622	772,774	717,530	727,257	688,792
Stormwater	1,752,906	1,441,319	1,318,665	1,138,103	1,055,188	581,219	-	-	-	-
Total business-type activities expenses	15,641,682	14,015,190	13,405,613	12,738,922	12,146,366	11,524,829	11,416,644	11,422,028	10,800,171	10,549,668
Total primary government expense	\$ 26,962,887	\$ 25,879,755	\$ 26,715,772	\$ 23,503,487	\$ 23,128,616	\$ 23,031,199	\$ 22,828,923	\$ 22,843,312	\$ 22,329,969	\$ 21,263,976
Net (Expense)/Revenue										
Governmental activities	\$ (1,578,173)	\$ (4,026,255)	\$ (4,438,275)	\$ (5,445,403)	\$ (6,902,865)	\$ (7,651,006)	\$ (8,079,280)	\$ (5,645,670)	\$ (7,517,714)	\$ (7,132,606)
Business-type activities	800,562	1,428,516	1,720,918	1,728,296	2,227,594	4,582,408	1,594,793	1,343,811	910,084	639,088
Total primary government net expense	\$ (777,611)	\$ (2,597,739)	\$ (2,717,357)	\$ (3,717,107)	\$ (4,675,271)	\$ (3,068,598)	\$ (6,484,487)	\$ (4,301,859)	\$ (6,607,630)	\$ (6,493,518)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Real estate	\$ 5,739,938	\$ 5,273,655	\$ 5,137,010	\$ 5,152,302	\$ 5,143,699	\$ 5,122,842	\$ 5,030,098	\$ 4,900,014	\$ 4,636,777	\$ 4,616,320
Earned income	2,733,495	2,655,504	2,444,004	2,339,350	2,195,815	2,119,181	2,007,721	2,089,313	1,933,846	1,865,042
Real estate transfer	1,144,668	489,293	599,808	553,436	457,392	377,589	415,258	332,300	259,974	600,243
Other	856,570	879,893	884,632	859,215	816,775	860,437	809,969	840,858	794,947	757,100
Investment earnings	1,118,115	933,513	269,195	7,074	94,104	233,038	172,592	59,625	41,814	10,918
Unrestricted grants and contributions	-	-	-	425,350	-	-	-	-	-	-
Miscellaneous	70,938	51,746	396,399	(498)	81,317	259,156	100,070	32,019	109,284	111,166
Gain on sale of capital asset	5,494	560	-	-	-	-	-	-	-	-
Transfers	(276,175)	-	-	-	(73,124)	(43,505)	(19,411)	(1,132)	-	-
Total governmental activities	11,393,043	10,284,164	9,731,048	9,336,229	8,715,978	8,928,738	8,516,297	8,252,997	7,776,642	7,960,789
Business-type Activities:										
Investment earnings	1,593,823	1,545,844	492,157	8,887	152,146	483,019	404,784	82,307	41,331	8,123
Gain on sale of capital asset	1,086	-	452	-	-	-	-	7,053	17,864	10,950
Miscellaneous	36,242	48,582	31,245	39,558	41,383	30,351	30,020	830,777	23,324	26,359
Transfers	276,175	-	-	-	73,124	43,505	19,411	1,132	-	-
Total business-type activities	1,907,326	1,594,426	523,854	48,445	266,653	556,875	454,215	921,269	82,519	45,432
Total primary government	\$ 13,300,369	\$ 11,878,590	\$ 10,254,902	\$ 9,384,674	\$ 8,982,631	\$ 9,485,613	\$ 8,970,512	\$ 9,174,266	\$ 7,859,161	\$ 8,006,221
Change in Net Position										
Governmental activities	\$ 9,814,870	\$ 6,257,909	\$ 5,292,773	\$ 3,890,826	\$ 1,813,113	\$ 1,277,732	\$ 437,017	\$ 2,607,327	\$ 258,928	\$ 828,183
Business-type activities	2,707,888	3,022,942	2,244,772	1,776,741	2,494,247	5,139,283	2,049,008	2,265,080	992,603	684,520
Total primary government	\$ 12,522,758	\$ 9,280,851	\$ 7,537,545	\$ 5,667,567	\$ 4,307,360	\$ 6,417,015	\$ 2,486,025	\$ 4,872,407	\$ 1,251,531	\$ 1,512,703

Source: DOF compilation of data.

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

Schedule 3

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Nonspendable	\$ 298,800	\$ 324,835	\$ 333,784	\$ 422,998	\$ 316,531	\$ 332,694	\$ 467,390	\$ 315,062	\$ 303,198	\$ 348,915
Spendable										
Restricted	20,444	18,658	17,776	19,175	53,735	53,421	78,364	1,682,519	641,228	547,936
Committed	517,216	516,431	501,911	598,344	597,878	595,900	594,364	3,865,506	2,551,650	2,565,376
Assigned	795,861	1,910,800	1,954,258	1,034,326	985,233	404,213	404,213	429,213	433,813	597,500
Unassigned	<u>13,054,544</u>	<u>9,912,599</u>	<u>9,015,736</u>	<u>7,783,269</u>	<u>7,405,190</u>	<u>7,104,470</u>	<u>5,554,601</u>	<u>888,381</u>	<u>2,230,983</u>	<u>2,508,370</u>
Total General Fund	<u>14,686,865</u>	<u>12,683,323</u>	<u>11,823,465</u>	<u>9,858,112</u>	<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>
Capital Projects Fund										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Spendable										
Restricted	13,906,123	9,209,497	6,462,746	4,463,193	1,159,094	1,335,550	1,327,700	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Projects Fund	<u>13,906,123</u>	<u>9,209,497</u>	<u>6,462,746</u>	<u>4,463,193</u>	<u>1,159,094</u>	<u>1,335,550</u>	<u>1,327,700</u>	<u>-</u>	<u>-</u>	<u>-</u>
All Other Governmental Funds										
Restricted	<u>1,081,617</u>	<u>1,073,312</u>	<u>1,094,594</u>	<u>1,314,151</u>	<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>
Total All Other Governmental Funds	<u>1,081,617</u>	<u>1,073,312</u>	<u>1,094,594</u>	<u>1,314,151</u>	<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>
Total Governmental Funds	<u>\$ 29,674,605</u>	<u>\$ 22,966,132</u>	<u>\$ 19,380,805</u>	<u>\$ 15,635,456</u>	<u>\$ 11,935,536</u>	<u>\$ 11,194,320</u>	<u>\$ 9,676,948</u>	<u>\$ 8,386,481</u>	<u>\$ 7,425,053</u>	<u>\$ 7,681,951</u>

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									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Real Estate	\$ 5,728,896	\$ 5,272,126	\$ 5,183,045	\$ 5,158,546	\$ 5,095,199	\$ 5,095,199	\$ 5,031,877	\$ 5,006,110	\$ 4,671,284	\$ 4,657,470
Earned income	2,733,789	2,653,988	2,509,203	2,297,193	2,167,578	2,167,578	1,975,567	2,022,555	1,908,801	1,829,589
Real estate transfer	1,144,668	489,293	599,808	553,436	377,589	377,589	415,258	332,300	259,974	600,243
Other taxes	853,830	875,650	885,183	849,750	856,688	856,688	795,630	827,336	780,753	742,444
Licenses and permits	641,989	646,198	884,267	535,597	597,215	597,215	665,090	852,460	622,317	491,213
Fines and forfeits	72,314	83,223	60,092	74,158	116,636	116,636	105,381	146,529	158,871	186,816
Investment income	1,118,115	933,513	269,195	7,074	233,038	233,038	172,592	59,625	41,814	10,918
Rents	105,239	93,347	86,590	80,268	87,145	87,145	72,280	65,176	61,100	70,335
Intergovernmental	7,934,550	5,554,866	6,975,513	4,397,288	1,751,220	1,751,220	1,670,641	3,848,910	2,491,977	1,769,988
Charges for services	368,420	492,581	352,921	217,871	288,045	288,045	289,281	256,656	287,878	308,312
Other	715,407	567,747	608,584	545,103	457,212	457,212	606,485	515,220	473,313	807,869
Total revenues	<u>21,417,217</u>	<u>17,662,532</u>	<u>18,414,401</u>	<u>14,716,284</u>	<u>12,027,565</u>	<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>
Expenditures										
General government	1,224,799	1,719,203	1,720,381	1,287,697	1,480,701	1,305,179	1,187,412	1,136,972	1,269,990	1,175,464
Public safety	9,725,318	7,293,963	8,927,553	7,891,826	7,046,082	6,321,814	7,190,933	7,573,884	5,962,703	6,331,307
Public services	2,213,610	2,271,140	1,910,852	1,793,652	1,991,412	2,237,355	2,220,644	2,310,652	2,149,503	1,801,269
Parks and recreation	958,962	1,383,440	1,324,873	873,221	801,827	1,017,117	957,184	1,671,909	1,945,141	922,966
Conservation and community development	261,013	381,159	877,792	862,925	471,282	477,951	306,936	462,562	255,277	422,213
Debt service:										
Principal	730,405	826,212	779,617	678,870	604,921	428,014	481,318	492,782	492,821	446,595
Interest and fiscal charges	<u>266,258</u>	<u>307,568</u>	<u>344,086</u>	<u>329,674</u>	<u>303,314</u>	<u>294,379</u>	<u>282,645</u>	<u>212,653</u>	<u>137,288</u>	<u>146,346</u>
Total expenditures	<u>15,380,365</u>	<u>14,182,685</u>	<u>15,885,154</u>	<u>13,717,865</u>	<u>12,699,539</u>	<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>
Excess (deficiency) of revenues over/(under) expenditures	<u>6,036,852</u>	<u>3,479,847</u>	<u>2,529,247</u>	<u>998,419</u>	<u>(671,974)</u>	<u>(54,244)</u>	<u>(826,990)</u>	<u>71,463</u>	<u>(454,641)</u>	<u>229,037</u>
Other Financing Sources (Uses)										
Transfers in	4,455,157	4,583,816	4,194,828	1,116,998	876,648	745,865	282,638	3,098,586	190,569	105,481
Transfers out	(4,731,332)	(4,544,420)	(4,194,828)	(1,116,998)	(949,772)	(745,865)	(302,049)	(3,099,718)	(190,569)	(105,481)
Proceeds from sale of capital assets	5,494	560	17,599	7,620	14,451	45,689	88,903	15,349	78,283	109,209
Bond reallocation	-	-	-	-	-	-	-	-	-	(605,764)
Proceeds from issuance of debt	900,000	-	-	5,799,158	207,891	934,077	1,148,138	6,208,108	1,959,285	10,620
Issuance of IT subscription debt	42,302	65,524	-	-	-	-	-	-	-	-
Bond premium	-	-	-	465,032	-	-	-	669,967	-	-
Payment to refund bond	-	-	-	(2,767,627)	-	-	-	(4,554,406)	(621,499)	-
Total other financing sources (uses)	<u>671,621</u>	<u>105,480</u>	<u>17,599</u>	<u>3,504,183</u>	<u>149,218</u>	<u>979,766</u>	<u>1,217,630</u>	<u>2,337,886</u>	<u>1,416,069</u>	<u>(485,935)</u>
Net change in fund balances	<u>\$ 6,708,473</u>	<u>\$ 3,585,327</u>	<u>\$ 2,546,846</u>	<u>\$ 4,502,602</u>	<u>\$ (522,756)</u>	<u>\$ 925,522</u>	<u>\$ 390,640</u>	<u>\$ 2,409,349</u>	<u>\$ 961,428</u>	<u>\$ (256,898)</u>
Debt service as a percentage of non-capital expenditures	7.7%	8.3%	8.3%	8.3%	7.1%	7.5%	8.3%	6.1%	6.0%	6.4%
Debt service as a percentage of total expenditures	6.5%	7.3%	7.3%	7.4%	7.2%	6.0%	6.1%	5.1%	5.2%	5.3%

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
2024	\$ 2,052,913,800	\$ 526,194,100	25.6%	\$ 1,526,719,700	0.22%	3.810	0.752	\$ 1,526,719,700
2023	2,048,482,300	525,124,900	25.6%	1,523,357,400	1.26%	3.495	0.437	1,523,357,400
2022	2,028,269,200	523,884,000	25.8%	1,504,385,200	0.45%	3.495	0.437	1,504,385,200
2021	2,019,892,100	522,298,700	25.9%	1,497,593,400	0.57%	3.495	0.437	1,497,593,400
2020	2,016,214,100	527,352,200	26.2%	1,489,047,900	0.32%	3.495	0.437	1,489,047,900
2019	2,011,591,600	527,352,200	26.2%	1,484,239,400	0.66%	3.495	0.437	1,484,239,400
2018	2,003,339,400	528,826,200	26.4%	1,474,513,200	1.91%	3.495	0.437	1,474,513,200
2017	1,953,893,400	507,038,700	26.0%	1,446,854,700	0.28%	3.495	0.437	1,446,854,700
2016	1,947,489,000	504,732,700	25.9%	1,442,756,300	1.01%	3.275	0.217	1,442,756,300
2015	1,937,063,700	508,795,200	26.3%	1,428,268,500	-0.17%	3.275	0.217	1,428,268,500

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

<i>Fiscal Year</i>	Borough of Carlisle			Overlapping Rates ^(a)					Borough Percentage of Total
	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	
2024	3.058	0.752	3.810	2.524	0.166	2.690	16.8630	23.363	16.31%
2023	3.058	0.437	3.495	2.524	0.166	2.690	16.3722	22.557	15.49%
2022	3.058	0.437	3.495	2.195	0.166	2.361	15.9729	21.829	16.01%
2021	3.058	0.437	3.495	2.195	0.166	2.361	15.6600	21.516	16.24%
2020	3.058	0.437	3.495	2.195	0.166	2.361	15.3530	21.209	16.48%
2019	3.058	0.437	3.495	2.195	0.166	2.361	14.9060	20.762	16.83%
2018	3.058	0.437	3.495	2.195	0.166	2.361	14.4720	20.328	17.19%
2017	3.058	0.437	3.495	2.195	0.166	2.361	14.0370	19.893	17.57%
2016	3.058	0.217	3.275	2.195	0.143	2.338	13.6410	19.254	17.01%
2015	3.058	0.217	3.275	2.195	0.143	2.338	13.2440	18.857	17.37%

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	2023			2015		
	Taxable Assessed Value	Rank	Percentage of Total Borough Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Borough Taxable Assessed Value
Carlisle Corporation	\$ 39,182,000	1	2.6%	\$ 10,800,000	9	0.8%
Carlisle Commons LLC	37,838,000	2	2.5%	35,877,300	2	2.5%
Allen Distribution	30,704,500	3	2.0%	30,704,500	3	2.1%
Exeter 6 Logistics LP	27,000,000	4	1.8%			
KTR PA Cent LLC	19,300,000	5	1.3%	19,300,000	4	1.4%
Ross Stores Pennsylvania LP	15,975,000	6	1.0%	15,000,000	6	1.1%
Exeter 1 Shearer LLC	15,500,000	7	1.0%			
AH NLA II (PA) LLC	15,000,000	8	1.0%			
Headlands Realty Corp	12,274,200	9	0.8%	12,000,000	7	0.8%
Northside Village LLC	11,966,400	10	0.8%			
LIT Industrial LP				42,500,000	1	3.0%
Giant Food Stores LLC				18,300,000	5	1.3%
Patriarch Seven Gables LP				11,800,000	8	0.8%
Clover-Carlisle LLC				10,500,000	10	0.7%
Total	<u>\$ 224,740,100</u>		<u>14.7%</u>	<u>\$ 206,781,800</u>		<u>14.5%</u>
Total Taxable Assessed Value	<u>\$ 1,523,719,700</u>			<u>\$ 1,428,268,500</u>		

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>				Collected Within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
	General Purpose Taxes Levied for the Fiscal Year	Fire Tax Levied for the Fiscal Year	Total Direct Tax Levied for the Fiscal Year					
2024	\$ 4,680,707	\$ 1,150,064	\$ 5,830,771	\$ 5,661,498	97.1%	n/a	\$ 5,661,498	97.1%
2023	4,622,245	660,537	5,282,782	5,144,765	97.4%	73,832	5,218,597	98.8%
2022	4,583,370	654,982	5,238,352	5,139,794	98.1%	98,558	5,238,352	100.0%
2021	4,559,901	651,628	5,211,529	5,067,347	97.2%	143,742	5,211,089	100.0%
2020	4,538,805	648,613	5,187,418	5,046,122	97.3%	141,296	5,187,418	100.0%
2019	4,529,395	647,269	5,176,664	5,046,122	97.5%	130,542	5,176,664	100.0%
2018	4,452,411	636,268	5,088,679	4,968,809	97.6%	119,870	5,088,679	100.0%
2017	4,415,984	631,053	5,047,037	4,948,035	98.0%	99,002	5,047,037	100.0%
2016	4,411,948	313,078	4,725,026	4,644,586	98.3%	80,440	4,725,026	100.0%
2015	4,360,781	309,449	4,670,230	4,554,455	97.5%	115,775	4,670,230	100.0%

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	
	General Obligation Bonds	General Obligation Notes	IT Subscription Liabilities	General Obligation Bonds	General Obligation Notes	IT Subscription Liabilities		Per Capita	
2024	\$ 9,213,339	\$ -	\$ 55,067	\$ 32,472,560	\$ -	\$ 178,917	\$ 41,919,883	5.09%	1,862
2023	9,116,022	-	67,924	30,166,882	-	190,413	39,541,241	5.12%	1,770
2022	9,947,736	-	-	32,494,000	-	-	42,441,736	5.71%	1,912
2021	10,799,494	-	-	34,656,078	-	-	45,455,572	7.32%	2,312
2020	5,453,513	2,589,799	-	17,265,126	8,098,307	-	33,406,745	5.69%	1,744
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

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 Bonds	General Obligation Notes	Total	Percentage of Actual Taxable Value ^(a) of Property	Per Capita
2024	\$ 41,685,899	\$ -	\$ 41,685,899	2.74%	1,851
2023	40,082,904	-	40,082,904	2.66%	1,794
2022	42,441,736	-	42,441,736	2.82%	1,912
2021	45,455,572	-	45,455,572	3.04%	2,312
2020	22,718,639	10,688,106	33,406,745	2.24%	1,744
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

^(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, 2024

Schedule 11

Jurisdiction	Total Debt Outstanding	Percentage Applicable to the Borough^(a)	Amount Applicable to the Borough
Direct			
Borough of Carlisle - Governmental activities debt	\$ 9,268,406	100.0%	\$ 9,268,406
Overlapping			
Carlisle Area School District	15,675,000	59.5%	9,333,456
Cumberland County	42,650,719	7.5%	3,219,091
Total Overlapping Debt	58,325,719		12,552,547
Total	\$ 67,594,125		\$ 21,820,953

^(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 2024

Borrowing Base Revenues:	
2022	\$ 27,987,688
2023	30,313,947
2024	<u>34,674,605</u>
	<u>\$ 92,976,240</u>
Average Borrowing Base Revenue	
	\$ 30,992,080
Debt Limit Percentage	<u>250.0%</u>
Debt Limit	77,480,200
Less: Total Amount of Debt	
Applicable to Debt Limit	<u>41,685,899</u>
Legal Debt Margin	<u>\$ 35,794,301</u>

	2024	2023	2022	2021	2020	Fiscal Year 2019	2018	2017	2016	2015
Debt Limit	\$ 77,480,200	\$ 70,094,790	\$ 65,821,007	\$ 65,653,481	\$ 64,556,098	\$ 63,278,220	\$ 58,615,065	\$ 55,992,161	\$ 53,520,993	\$ 51,934,423
Total Amount of Debt Applicable to Debt Limit	<u>41,685,899</u>	<u>40,082,904</u>	<u>42,441,736</u>	<u>45,455,572</u>	<u>28,410,745</u>	<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>
Legal Debt Margin	<u>\$ 35,794,301</u>	<u>\$ 30,011,886</u>	<u>\$ 23,379,271</u>	<u>\$ 20,197,909</u>	<u>\$ 36,145,353</u>	<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>
Total Amount of Debt Applicable to Debt Limit as a percentage of debt limit	53.80%	57.18%	64.48%	69.24%	44.01%	48.56%	50.97%	55.18%	46.61%	39.53%

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</i> ^(a)	<i>Personal Income</i>	<i>Per Capita Income</i> ^(a)	<i>School Enrollment</i> ^(b)	<i>Number of Dropouts</i> ^(b)	<i>Dropouts as a Percentage of Enrollment</i>	<i>Unemployment Rate</i> ^(c)
2024	22,517	\$ 822,928,799	\$ 36,547	5,234	22	0.42%	2.90%
2023	22,341	771,926,232	34,552	5,223	10	0.19%	2.40%
2022	22,203	743,245,425	33,475	5,149	6	0.12%	4.30%
2021	19,659	620,811,561	31,579	5,017	8	0.16%	4.90%
2020	19,153	587,288,439	30,663	4,876	7	0.14%	5.60%
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%

^(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	2024			2015		
	Employees	Rank	Percentage of Total Borough Employment	Employees	Rank	Percentage of Total Borough Employment
United Parcel Service Inc	2,001	1	7.5%			
Dickinson College	1,658	2	6.2%	2,035	2	8.0%
Giant Food Stores LLC	1,452	3	5.4%	948	3	3.7%
Ross Dress For Less Inc.	1,058	4	4.0%	500	9	2.0%
Elwood Staffing Service Inc	951	5	3.6%			
Cumberland County Courthouse	804	6	3.0%	744	5	2.9%
Carlisle Roofing Systems Inc	699	7	2.6%			
Walmart Associates Inc	604	8	2.3%	490	10	1.9%
Carlisle Area School District	559	9	2.1%	675	6	2.7%
At Home Procurement Inc	547	10	2.0%			
HGSS				3,137	1	12.4%
ALMA Health				775	4	3.1%
Carlisle Construction				635	7	2.5%
JFC				512	8	2.0%
	<u>10,333</u>		<u>38.6%</u>	<u>10,451</u>		<u>41.2%</u>
Total Borough Employment	<u>26,746</u>			<u>25,386</u>		

Source: DOF analysis of Cumberland County Tax Bureau data.

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

Schedule 15

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<i>Function/program</i>										
General Government										
Borough Manager's Office	4.20	3.90	4.00	4.14	4.00	3.00	4.00	4.00	4.00	3.00
Department of Finance	4.49	4.75	5.50	4.39	4.50	5.00	6.50	6.50	6.50	5.00
Tax Collection	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00
Human Resources/Risk Management	3.67	2.61	1.00	0.73	1.00	1.00	1.00	1.00	1.00	1.00
Public Safety										
Police Department	34.95	36.35	37.50	35.15	38.00	36.00	34.50	35.00	35.00	35.00
Fire Department	0.62	0.60	0.50	0.65	0.50	0.50	0.50	0.50	0.50	1.00
Public Works										
Administration & Engineering Division	3.08	3.43	7.45	3.52	3.00	4.00	4.00	4.00	4.00	5.00
Operations Division	7.61	8.23	5.00	5.33	10.00	9.00	23.00	23.00	23.00	8.00
Planning & Codes Division	6.66	5.58	16.00	3.58	4.75	4.00	5.00	5.00	5.00	4.00
Parks and Recreation	10.66	10.79	7.50	10.87	8.25	14.00	8.50	8.50	8.50	8.50
Water	13.25	13.70	9.00	13.02	13.50	14.00	8.00	8.00	9.00	15.00
Sewer	21.70	19.37	18.00	20.74	21.25	20.50	18.00	18.00	15.00	25.00
Stormwater	3.46	3.79	1.00	4.56	4.00	4.00	0.00	0.00	0.00	0.00
Solid Waste	0.46	0.43	0.55	0.55	0.73	0.82	0.46	0.45	0.45	0.55
Parking	2.27	2.78	3.00	2.89	2.25	4.00	3.50	3.50	3.50	3.50
Total Employment	118.08	117.31	117.00	111.12	116.73	120.82	117.96	117.45	115.45	114.55

Source: DOF analysis of data.

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

Schedule 16

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<i>Function/program</i>										
General Government										
Real estate tax certifications	533	512	651	945	853	734	533	782	702	713
Public Safety										
Arrests	992	999	829	933	872	1,249	1,158	1,100	1,351	1,665
Parking violations	7,941	9,116	10,484	12,166	7,229	8,688	7,696	6,863	5,636	13,053
Traffic violations	1,080	1,190	1,079	1,174	1,498	1,457	2,580	1,610	1,962	2,312
Calls for service	20,000	20,000	18,996	21,202	20,028	22,493	22,230	24,103	21,487	25,319
Police vehicles	17	16	16	16	18	19	19	19	19	
Fire responses	658	649	625	600	467	510	528	456	534	597
Building-related permits issued	1,204	787	1,432	958	382	999	1,082	1,254	910	1,031
Public Services										
Miles of streets resurfaced	2.40	5.50	2.62	2.54	2.36	2.40	2.49	2.40	1.56	1.00
Parks and Recreation										
Community pool attendance	19,692	15,496	18,644	15,886	-	19,752	16,941	17,316	20,017	19,770
Number of seasonal programs	222	210	163	125	82	168	147	160	224	170
Water										
New connections	53	30	48	13	9	68	67	17	9	4
Water main breaks	18	7	18	16	18	33	15	13	21	20
Consumption (mgd)	3.60	3.66	3.20	2.22	2.17	2.25	2.48	2.34	2.69	2.92
Sewer										
Sewage treatment (mgd)	3.30	2.58	2.73	2.93	2.68	4.10	4.32	2.58	2.96	3.22
Parking										
Average daily parking meter revenue	473	570	884	555	435	694	725	700	673	660

Source: DOF compilation of data.

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

Schedule 17

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<i>Function/program</i>										
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police vehicles	17	16	16	16	18	19	19	19	19	19
Fire stations	2	2	2	2	2	2	2	2	2	2
Fire vehicles	7	7	7	7	7	7	7	7	7	7
Public Services										
Borough streets (in miles)	58.5	57.9	57.9	56.7	56.7	56.7	56.7	56.7	56.7	56.7
Number of traffic lighted intersections	43	43	43	43	43	43	43	43	43	43
Parks and Recreation										
Number of parks	18	18	18	17	17	17	17	17	17	17
Acreage of park land	176	176	176	165	163	163	163	163	163	163
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	77.2	77.2	77.2	77.2	77.2
Fire hydrants	635	635	635	635	635	634	630	630	630	630
Storage capacity (in million gallons)	5.8	5.8	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	69.5	69.5	69.5	69.5	69.5
Storm sewers (in miles)	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5
Treatment capacity (in gallons)	7	7	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Parking										
Number of parking lots	7	7	7	7	7	7	6	6	6	6
Number of street parking metered spaces	669	669	669	669	669	669	664	664	664	664
Number of off-street parking metered spc	114	114	114	114	114	114	132	132	132	132
Number of parking garages	1	1	1	1	1	1	1	1	1	1

Source: DOF compilation of data

SINGLE AUDIT

BOROUGH OF CARLISLE
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

Grantor Program Title	ALN	Pass Through Grantor's Number	Grant Year	Applicant Identifier Contract	Cash Receipts	Accrual Expenditures	Total Passed-through to Subrecipients	
U.S. Department of Treasury								
COVID -19 Coronavirus State and Local Fiscal Recovery Funds	D	21.027	N/A	2021	N/A	\$ -	\$ 2,761,321	\$ -
Passed through Pennsylvania Commission on Crime and Delinquency								
Violence Intervention and Prevention (VIP) Program	I	21.027	SLFRP1746	2024	2022-CL-01-41505	-	55,349	-
Public Safety Improvements	I	21.027	SLFRP1746	2023	2022-CL-01-39216	597,672	698,072	-
Total Passed through Pennsylvania Commission on Crime and Delinquency						597,672	753,421	-
Passed through Pennsylvania Commonwealth Financing Authority								
CFA H2O PA	I	21.027	SLFRP1746	2024	C000087204	-	418,418	-
Total U.S. Department of Treasury						597,672	3,933,160	-
U.S. Department of Interior								
Passed through Pennsylvania Historical and Museum Commission								
PHMC - CLG	I	15.904	4100087342	2023	CLG2025_011	-	20,000	-
Certificated Local Government Grant Program (PHMC - Historic District Survey)	I	15.904	4100087342	2022	CLG2025_011	-	12,500	-
Total U.S. Department of Interior						-	32,500	-
U.S. Department of Justice								
Bulletproof Vest Partnership Program	D	16.607	N/A	2021	BA-3A00S-SM02	4,244	344	-
Bulletproof Vest Partnership Program	D	16.607	N/A	2023	BA-3A00S-SM02	2,331	4,113	-
Equitable Sharing	D	21.016	N/A	2024	PA0210200	401	29,060	-
Total U.S. Department of Justice						6,976	33,517	-
U.S. Department of Transportation								
Passed through Pennsylvania Department of Transportation								
National Infrastructure Investments	D	20.933	N/A	2016	MM-G-19-20-CAR-TIGER	122,570	-	-
Highway Planning and Construction	I	20.205	R22080010	2023	N/A	426,444	582,029	-
Total U.S. Department of Transportation						549,014	582,029	-
U.S. Department of Housing and Urban Development Program								
Community Development Block Grant Cluster								
Community Development Block Grant	D	14.218	N/A	Various	B-20-MC-42-0022	327,471	187,629	-
Total U.S. Department of Housing and Urban Development Program						327,471	187,629	-
Total Federal Receipts/Expenditures						\$ 1,481,133	\$ 4,768,835	\$ -
Total by Assistance Listing Number								
Total Community Development Block Grants/Entitlement Grants		14.218				\$ 327,471	\$ 187,629	\$ -
Total Historic Preservation Fund Grants-In-Aid		15.904				-	32,500	-
Total Bulletproof Vest Partnership Program		16.607				6,575	4,457	-
Total Highway Planning and Construction		20.205				426,444	582,029	-
Total National Infrastructure Investments		20.933				122,570	-	-
Total Equitable Sharing		21.016				401	29,060	-
Total Coronavirus State and Local Fiscal Recovery Funds		21.027				597,672	3,933,160	-
						\$ 1,481,133	\$ 4,768,835	\$ -

BOROUGH OF CARLISLE
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

NOTE 1 REFERENCES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

(I) Indirect Funding

(D) Direct Funding

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The schedule of expenditures of federal awards is presented using the modified accrual basis in accordance with accounting principles prescribed by the Pennsylvania Department of Transportation, which conform to generally accepted accounting principles. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable. Revenues designated for payment of specific Borough expenditures are recognized when the related expenditure is incurred. Any excess of revenue or expenditures at year-end is recorded as accounts payable or a receivable, respectively.

Indirect Cost Rate

The Borough has elected not to use the 10% de minimus indirect cost rate for its federal programs.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Mayor and Borough Council
Borough of Carlisle, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Borough of Carlisle, Pennsylvania, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Borough of Carlisle, Pennsylvania's basic financial statements, and have issued our report thereon dated October 31, 2025. The financial statements of the discretely presented component unit, Carlisle Area Municipal Authority, were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance with the Carlisle Area Municipal Authority.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough of Carlisle, Pennsylvania's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Carlisle, Pennsylvania's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Carlisle, Pennsylvania's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Carlisle, Pennsylvania's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Smith Elliott Kearns + Company, LLC

Carlisle, Pennsylvania
October 31, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Mayor and Borough Council
Borough of Carlisle, Pennsylvania

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited the Borough of Carlisle, Pennsylvania's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Borough of Carlisle, Pennsylvania's major federal programs for the year ended December 31, 2024. Borough of Carlisle, Pennsylvania's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Borough of Carlisle, Pennsylvania, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 of the U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Borough of Carlisle, Pennsylvania and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Borough of Carlisle, Pennsylvania's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Borough of Carlisle, Pennsylvania's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Borough of Carlisle, Pennsylvania's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Borough of Carlisle, Pennsylvania's compliance with the requirement for each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Borough of Carlisle, Pennsylvania's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Borough of Carlisle, Pennsylvania's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Carlisle, Pennsylvania's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Smith Elliott Kearns + Company, LLC

Carlisle, Pennsylvania
October 31, 2025

BOROUGH OF CARLISLE
Schedule of Findings and Questioned Costs
December 31, 2024

Section I - Summary of Auditor's Results

Financial Statement

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified: ☐ Yes ☒ No
- Significant deficiencies identified? ☐ Yes ☒ None Reported

Noncompliance material to financial statement noted: ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiencies identified? ☐ Yes ☒ No

Type of auditor's report issued on compliance for the major programs: Unmodified

- Any compliance audit findings disclosed that are required to be reported in accordance with 2CFR Section 200.516? ☐ Yes ☒ No

Identification of the major programs:

Assistance Listing Number(s)	Name of Federal Program
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs? \$ 750,000

Auditee qualified as low risk auditee? ☒ Yes ☐ No

Section II – Financial Statement Findings

A. Significant Deficiency in Internal Control

None noted

B. Material Weaknesses in Internal Control

None noted

C. Compliance Findings

There were no compliance findings relating to the financial statement audit required to be reported.

Section III – Federal Award Findings and Questioned Costs

A. Material Weaknesses in Internal Control Over Compliance

None noted

B. Compliance Findings

There were no findings relating to the major federal awards as required to be reported in accordance with Uniform Guidance by 2 CFR Section 200.516.



BOROUGH OF CARLISLE

"Committed To Excellence in Community Service"

Summary Schedule of Prior Audit Findings December 31, 2024

Findings related to financial statements:

None noted

Findings related to federal awards:

None noted