

Township of Cranberry

Financial Statements and Required Supplementary and Supplementary Information

**Year Ended December 31, 2024
with Independent Auditor's Report**

MaherDuessel

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TOWNSHIP OF CRANBERRY

YEAR ENDED DECEMBER 31, 2024

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TOWNSHIP OF CRANBERRY

YEAR ENDED DECEMBER 31, 2024

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Independent Auditor's Report

**Board of Supervisors
Township of Cranberry**

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 Township of Cranberry (Township), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township'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 Township, 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. 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 Township 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Township'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 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, 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 Township'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 Township'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 required supplementary information listed in the table of contents 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 Township's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Maher Duessel

Pittsburgh, Pennsylvania
June 16, 2025

Management's Discussion and Analysis

As management of the Township of Cranberry (Township), Pennsylvania, we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended December 31, 2024.

Financial Highlights

- The assets and deferred outflows of resources of the Township exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$193,034,015.
- The Township's net position increased by \$22,725,796.
- As of the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$54,528,033.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$12,435,262.

Overview of Financial Statements

This Management's Discussion and Analysis is intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide the readers with a broad overview of the Township's finances, in a manner similar to a private sector business.

The statement of net position presents information on all of the Township's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, except fiduciary funds. Net Position – the difference between the Township's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the Township's financial health or position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

The statement of activities presents information showing how the Township'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 changes occurs, regardless of the timing of the 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 the Township that are primarily 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 Township include general government, public safety, highways, roads, and streets, culture and recreation, community development, and interest on long-term debt. The business-type activities of the Township include water, sewer, golf course, solid waste, and swimming pool operations.

The government-wide financial statements include not only the Township itself (known as the primary government), but also a legally separate public library. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 1 and 2 of this report.

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

The blended component units, although legally separate entities, are in substance, part of the government's operations, therefore, data from the blended component units are combined with data of the Township. The Cranberry Township Volunteer Fire Company is included within the government funds and the Cranberry Township General Authority is included within proprietary funds.

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

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

The Township maintains seventeen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Transportation Improvement Program East Fund, and the Capital Improvement Fund as these funds are considered to be major funds. Data from the other fourteen 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 and are described in more detail in Note 1 to the financial statements.

The basic governmental fund financial statements can be found on pages 3 through 6 of this report.

Proprietary funds. The Township maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Township uses enterprise funds to account for its water, sewer, golf course, solid waste, swimming pool, and General Authority operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for water, sewer, golf course, and solid waste operations, all four of which are considered to be major funds of the Township. The Swimming Pool and General Authority Funds are considered other enterprise funds.

The basic proprietary fund financial statements can be found on pages 7 through 9 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Township's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 10 and 11 of this report.

Notes to 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 financial statements can be found on pages 12 through 48 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Township's progress in funding its obligation to provide pension benefits to its police officers (presented in the accompanying notes) and budgetary comparison schedules for the General Fund and each major Special Revenue Fund. Required supplementary information can be found on pages 49 through 53 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual governmental and fiduciary fund statements can be found on pages 54 through 61 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Township, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$193,034,015 at the close of the most recent fiscal year. Of this amount, \$106,051,913 (or 55%) is net investment in capital assets (e.g., land, buildings, and equipment), which includes some infrastructure and construction in progress, less any related debt used to acquire those assets that is still outstanding.

The Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Township's investment in its capital assets is 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.

Township's Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 65,031,301	\$ 62,951,108	\$ 32,176,227	\$ 27,647,052	\$ 97,207,528	\$ 90,598,160
Capital assets	83,766,396	71,050,575	78,543,673	80,479,637	162,310,069	151,530,212
Total Assets	148,797,697	134,001,683	110,719,900	108,126,689	259,517,597	242,128,372
Deferred Outflows of Resources	502,949	1,316,504	41,417	47,333	544,366	1,363,837
Current and other liabilities	5,539,589	2,110,146	5,487,086	2,027,094	11,026,675	4,137,240
Long-term liabilities	12,884,052	17,581,218	39,829,203	47,708,744	52,713,255	65,289,962
Total Liabilities	18,423,641	19,691,364	45,316,289	49,735,838	63,739,930	69,427,202
Deferred Inflows of Resources	950,539	1,217,290	2,337,479	2,539,498	3,288,018	3,756,788
Net Position:						
Net investment in capital assets	70,626,069	54,893,659	35,425,844	32,955,705	106,051,913	87,849,364
Restricted	15,052,052	13,941,625	-	-	15,052,052	13,941,625
Unrestricted	44,248,345	45,574,249	27,681,705	22,942,981	71,930,050	68,517,230
Total net position	\$ 129,926,466	\$ 114,409,533	\$ 63,107,549	\$ 55,898,686	\$ 193,034,015	\$ 170,308,219

The balance of unrestricted net position, \$71,930,050, may be used to meet the Township's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Township is able to report positive balances in all three categories of net position, for the Township as a whole as well as for its separate governmental and business-type activities.

Governmental Activities. Governmental activities increased the Township's net position by \$15,516,933. Business-type activities increased the Township's net position by \$7,208,863. Key elements of the increases are as follows:

Township's Change in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenue:						
Program Revenue:						
Charges for services	\$ 4,255,836	\$ 5,071,281	\$32,653,144	\$31,405,496	\$36,908,980	\$36,476,777
Operating grants	1,679,026	5,083,377	160,933	477,828	1,839,959	5,561,205
Capital grants	8,955,263	6,165,286	198,905	-	9,154,168	6,165,286
General revenue:						
Property taxes	6,164,537	6,035,716	-	-	6,164,537	6,035,716
Earned income tax	11,260,718	10,381,024	-	-	11,260,718	10,381,024
Other taxes	7,032,217	6,639,690	-	-	7,032,217	6,639,690
Interest and rents	3,336,779	2,563,675	1,509,285	1,215,320	4,846,064	3,778,995
Other	305,127	304,772	-	-	305,127	304,772
Transfers	1,574,228	1,245,966	(1,574,228)	(1,245,966)	-	-
Total revenue	\$44,563,731	\$43,490,787	\$32,948,039	\$31,852,678	\$77,511,770	\$75,343,465

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Expenses						
General government	\$ 5,727,843	\$ 5,569,483	\$ -	\$ -	\$ 5,727,843	\$ 5,569,483
Public safety	8,379,431	8,019,388	-	-	8,379,431	8,019,388
Highways, roads, and streets	9,679,391	9,138,766	-	-	9,679,391	9,138,766
Culture and recreation	3,896,267	3,354,301	-	-	3,896,267	3,354,301
Community development	1,103,589	1,017,485	-	-	1,103,589	1,017,485
Long-term debt	260,277	337,009	-	-	260,277	337,009
Water	-	-	9,362,875	8,992,935	9,362,875	8,992,935
Sewer	-	-	9,217,028	9,501,192	9,217,028	9,501,192
Golf course	-	-	2,644,696	2,775,822	2,644,696	2,775,822
Solid waste	-	-	3,436,962	3,190,375	3,436,962	3,190,375
Other	-	-	1,077,615	2,144,492	1,077,615	2,144,492
Total Expenses	29,046,798	27,436,432	25,739,176	26,604,816	54,785,974	54,041,248
Change in net position	15,516,933	16,054,355	7,208,863	5,247,862	22,725,796	21,302,217
Net position - beginning	114,409,533	98,355,178	55,898,686	50,650,824	170,308,219	149,006,002
Net position - ending	\$ 129,926,466	\$ 114,409,533	\$ 63,107,549	\$ 55,898,686	\$ 193,034,015	\$ 170,308,219

The following table depicts revenues by source for governmental activities in 2024:

Revenues by Source - Governmental Activities

Charges for services	10%
Operating grants	4%
Capital grants	21%
Property taxes	14%
Earned income taxes	26%
Other taxes	16%
Other revenues	9%
Total	100%

Government-wide revenues were primarily derived from earned income taxes at 26%, other taxes at 16%, capital grants at 21%, and property taxes at 14%.

The following table depicts expenses by programs for governmental activities in 2024:

Expenses by Program - Governmental Activities

General government	20%
Public safety	30%
Highways, roads, and streets	31%
Culture and recreation	14%
Community development	4%
Interest on long-term debt	1%
Total	100%

Total expenses for all programs in 2024 were \$28,013,916. The expenses reflect the delivery of a wide range of services, with the largest being highways, roads, and streets at 31%. The second largest program is public safety at 30%. The program ranked third is general government at 20%.

The following table depicts the net program expenses/revenues by function/program for governmental activities for the period ending December 31, 2024:

Net Program Expenses/Revenues

General government	\$ (4,970,508)
Public safety	(6,187,178)
Highway, roads, and streets	(3,010,424)
Culture and recreation	(191,799)
Community development	463,513
Interest on long-term debt	(260,277)
Total	\$ (14,156,673)

Net program expenses/revenues indicate the amount of support required from taxes and other general revenues for the year. Highway, roads, and streets expenses need approximately \$3.0 million in 2024. Public safety expenses required approximately \$6.2 million and general government required approximately \$5 million in general revenue support.

Business-type Activities. Business-type activities increased the Township's net position by \$7,208,863. The Township's customer base for sewer and water and solid waste continues to grow.

- 96% of revenues come from charges for services, with 4% from operating grants, capital grants, and other general revenues.

Expenses and Program Revenues - Business-type Activities

Program	Program Revenues	Expenses*
Sewer	\$ 14,317,009	\$ 6,693,159
Water	10,055,389	8,801,373
Golf Course	3,359,853	2,364,566
Solid Waste	3,849,605	3,368,630
Other	2,940,321	2,336,975

* Depreciation expense removed

Financial Analysis of the Township's Funds

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of approximately \$54.5 million.

The General Fund is the chief operating fund of the Township. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$12,435,262.

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

Unrestricted net position of the Water Fund at the end of the year amounted to \$8,901,383, the Sewer Fund \$10,658,659, the Golf Course Fund \$4,049,799, the Solid Waste Fund \$1,027,424, and the Other Enterprise Funds \$3,044,440. Other factors concerning the finances of these funds have already been addressed in the discussion of the Township's business-type activities.

General Fund Budgetary Highlights

Revenues exceeded budgetary estimates by 13%. This positive variance in revenue can be seen mainly in the Earned Income Tax line item. Actual revenues exceeded expenditures by \$7,826,069 due to increases in earned income. After including other financing and uses, actual General Fund balance increased \$911,165.

Capital Assets and Debt Administration

Capital Assets. The Township's investment in capital assets for its governmental and business-type activities as of December 31, 2024, amounts to \$106,051,913 (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings and improvements, equipment, and infrastructure.

Summary of the Township's Capital Assets

	Governmental Activities 2024	Business-type Activities 2024	Total
Land	\$ 14,948,395	\$ 3,566,304	\$ 18,514,699
Construction in progress	11,310,274	749,974	12,060,248
Total Non-Depreciable Assets	26,258,669	4,316,278	30,574,947
Buildings	31,741,703	77,290,273	109,031,976
Site Improvements	10,076,556	4,334,735	14,411,291
Machinery, Equipment, Vehicle	17,822,905	22,005,720	39,828,625
Infrastructure	74,946,299	41,291,750	116,238,049
Carts - In Service	-	1,115,272	1,115,272
Total Depreciable Assets	134,587,463	146,037,750	280,625,213
Accumulated Depreciation	(77,079,736)	(71,810,355)	(148,890,091)
Total Depreciable Assets, net	57,507,727	74,227,395	131,735,122
Total Capital Assets	\$ 83,766,396	\$ 78,543,673	\$ 162,310,069

More detailed information about the Township's capital assets can be found in Note 7 of the notes to financial statements.

Township's Outstanding Debt

Long-Term Debt. At the end of the current fiscal year 2024, the Township had total debt outstanding of \$49,230,245. The Township's bond rating is Aaa by Moody's Investor Service.

	Governmental Activities 2024	Business-type Activities 2024	Total
General Obligation Bonds	\$ 5,778,812	\$ 35,709,903	\$ 41,488,715
Promissory Note	7,361,515	380,015	7,741,530
Total	\$ 13,140,327	\$ 36,089,918	\$ 49,230,245

More detailed information about the Township's long-term debt can be found in Note 9 of the notes to financial statements.

Economic Factors

The Township's population continues an upward trend. According to the latest U.S. Census American Community Survey estimates, the Township added 468 residents between 2022 and 2023. Over the past decade, the average annual population growth has been approximately 1.6%.

This growth is mirrored in local development activity. In 2024, the Township approved permits for 228 new housing units, representing over \$116 million in estimated construction value. Additionally, 102 non-residential permits were issued for commercial, retail, and industrial projects—highlighting sustained investment, particularly in single-family residential development.

The Township also remains a key employment center within Butler County, hosting several of the area's top ten employers. In 2024, the five largest employers were Westinghouse Electric (corporate and research headquarters), MSA Safety Inc. (corporate/research headquarters and manufacturing), Walmart (retail), Kawneer Inc. (manufacturing), and Omnicell Inc. (healthcare technology).

Finally, the Township continues to maintain a strong employment-to-resident commuter ratio. In 2022, approximately 23,139 individuals commuted into the Township for work, while 11,578 residents commuted out—indicating a 2:1 ratio. This commuting ration suggests the Township is solidifying its role as a regional employment hub.

2025 Budget Highlights

The 2025 budget represents approximately a 12.1% increase in operating expenses and reflects our obligation to balanced stewardship. We continue to uphold our duty to create value for our residents and a thriving business community. It is firmly grounded in our dedication to responsible

fiscal management, enhancement of community assets, and advancement of essential infrastructure.

It is not a matter of chance that our Township maintains a robust financial standing, one of only a dozen communities with a Aaa bond rating in Pennsylvania and remains a preferred destination for residents and businesses alike. Great communities do not emerge by chance; they are the product of a guided vision and sustained strategies.

In 2024, the Board of Supervisors set five strategic priorities for the Township, aligning them with the budget process. These strategic priorities include a prosperous future, efficient and effective government, quality lifestyle, infrastructure integrity, and a safe and healthy community. Serving as a clear roadmap for responsible governance, these priorities ensure the community's resources are allocated in accordance with the collective vision of the Board. By establishing strategic priorities, the Township identifies and concentrates on the most critical factors for a bright future. The 2025 budget continues to advance these strategic priorities.

Our 2025 budget theme focuses on enhancing community spaces and prioritizes the finalization of the Great Lawn and Municipal Center renovations as well as planned improvements at Community Park, Cranberry Highlands Golf Course and Waterpark. We will continue assessing the need for new recreational opportunities. We will continue the employee leadership and development program, focusing on our most important assets, our employees.

The Township continues to invest in critical infrastructure and community assets, including sewer, water, roads, stormwater systems, and recreational amenities. In 2025, progress advanced on the third phase of the Sun Valley waterline replacement project. Additionally, Pennvest funding was secured, contracts were awarded, and construction is set to begin on the Brush Creek Water Pollution Control Facility. Lastly, construction contracts were bid for the development of three new multipurpose fields at Community Park North that will provide for additional recreational opportunities for residents and visitors of the municipality.

Finally, the Township will continue to assess factors influencing real estate values and their relation to controllable factors. We are committed to pursue all funding opportunities and long-term capital planning efforts.

Requests for Information

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in the government's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Finance Department, 2525 Rochester Road, Suite 400, Cranberry Township, PA 16066.

Questions regarding the Cranberry Public Library financial information should be directed to the Library Director, Cranberry Public Library, 2525 Rochester Road, Suite 300, Cranberry Township, PA 16066.

TOWNSHIP OF CRANBERRY

STATEMENT OF NET POSITION

DECEMBER 31, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Cranberry Public Library
Assets				
Cash and cash equivalents	\$ 7,630,159	\$ 7,013,659	\$ 14,643,818	\$ 393,374
Investments	46,030,340	18,459,231	64,489,571	217,992
Receivable:				
Taxes	5,488,743	-	5,488,743	-
Customers - billed	-	395,476	395,476	-
Customers - unbilled	-	1,798,306	1,798,306	-
Contributions	3,057,741	-	3,057,741	-
Leases	280,921	2,424,524	2,705,445	-
Other	3,281,818	389,812	3,671,630	2,065
Internal balances	(1,647,936)	1,647,936	-	-
Inventory	113,880	47,283	161,163	-
Prepaid expenses	795,635	-	795,635	-
Restricted assets:				
Beneficial interest in net position of community foundation	-	-	-	710,439
Capital assets, net:				
Non-depreciable	26,258,669	4,316,278	30,574,947	-
Depreciable	57,507,727	74,227,395	131,735,122	183,853
Total Assets	148,797,697	110,719,900	259,517,597	1,507,723
Deferred Outflows of Resources				
Deferred charge on refunding	-	41,417	41,417	-
Related to pensions	502,949	-	502,949	-
Total Deferred Outflows of Resources	502,949	41,417	544,366	-
Liabilities				
Accounts payable	1,951,650	1,273,746	3,225,396	52,720
Accrued payroll and related expenses	471,762	331	472,093	-
Accrued interest payable	54,515	349,191	403,706	-
Unearned revenue	166,560	135,882	302,442	-
Developer deposit liability	1,457,196	-	1,457,196	-
Security deposits	-	161,451	161,451	-
Compensated absences, current portion	296,902	107,971	404,873	-
Compensated absences, long-term portion	360,766	128,471	489,237	-
Net pension liability	523,963	-	523,963	-
Intermunicipal service agreement	-	7,069,328	7,069,328	-
Long-term debt, current portion	2,598,200	3,458,514	6,056,714	-
Long-term debt, long-term portion, net	10,542,127	32,631,404	43,173,531	-
Total Liabilities	18,423,641	45,316,289	63,739,930	52,720
Deferred Inflows of Resources				
Related to pensions	674,507	-	674,507	-
Related to leases	276,032	2,337,479	2,613,511	-
Total Deferred Inflows of Resources	950,539	2,337,479	3,288,018	-
Net Position				
Net investment in capital assets	70,626,069	35,425,844	106,051,913	183,853
Restricted, expendable	15,052,052	-	15,052,052	-
Restricted for Cranberry Legacy Fund, nonexpendable	-	-	-	710,439
Unrestricted	44,248,345	27,681,705	71,930,050	560,711
Total Net Position	\$ 129,926,466	\$ 63,107,549	\$ 193,034,015	\$ 1,455,003

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF CRANBERRY

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Cranberry Public Library
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental activities:								
General government	\$ 5,727,843	\$ 502,367	\$ 246,068	\$ 8,900	\$ (4,970,508)	\$ -	\$ (4,970,508)	\$ -
Public safety	8,379,431	721,794	1,405,101	65,358	(6,187,178)	-	(6,187,178)	-
Highways, roads, and streets	9,679,391	94,347	-	6,574,620	(3,010,424)	-	(3,010,424)	-
Culture and recreation	3,896,267	1,370,226	27,857	2,306,385	(191,799)	-	(191,799)	-
Community development	1,103,589	1,567,102	-	-	463,513	-	463,513	-
Interest on long-term debt	260,277	-	-	-	(260,277)	-	(260,277)	-
Total governmental activities	29,046,798	4,255,836	1,679,026	8,955,263	(14,156,673)	-	(14,156,673)	-
Business-type activities:								
Water	9,362,875	9,503,794	-	198,905	-	339,824	339,824	-
Sewer	9,217,028	13,879,718	11,030	-	-	4,673,720	4,673,720	-
Golf course	2,644,696	2,930,343	-	-	-	285,647	285,647	-
Solid waste	3,436,962	3,595,301	149,903	-	-	308,242	308,242	-
Other	1,077,615	2,743,988	-	-	-	1,666,373	1,666,373	-
Total business-type activities	25,739,176	32,653,144	160,933	198,905	-	7,273,806	7,273,806	-
Total primary government	\$ 54,785,974	\$ 36,908,980	\$ 1,839,959	\$ 9,154,168	(14,156,673)	7,273,806	(6,882,867)	-
Component Unit:								
Cranberry Public Library	\$ 1,143,763	\$ 26,881	\$ 1,147,780	\$ -				30,898
General revenues:								
Taxes:								
Property					6,164,537	-	6,164,537	-
Earned income					11,260,718	-	11,260,718	-
Business privilege					3,355,127	-	3,355,127	-
Local service					1,444,959	-	1,444,959	-
Real estate transfer					2,232,131	-	2,232,131	-
Interest, rents, and royalties					3,336,779	1,509,285	4,846,064	-
Gain (loss) on disposal of capital assets					11,866	-	11,866	-
Other					293,261	-	293,261	-
Transfers - internal activities					1,574,228	(1,574,228)	-	-
Total general revenues and transfers					29,673,606	(64,943)	29,608,663	-
Change in Net Position					15,516,933	7,208,863	22,725,796	30,898
Net position - beginning of year					114,409,533	55,898,686	170,308,219	1,424,105
Net position - end of year					\$ 129,926,466	\$ 63,107,549	\$ 193,034,015	\$ 1,455,003

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF CRANBERRY

BALANCE SHEET GOVERNMENTAL FUNDS

DECEMBER 31, 2024

		Special Revenue Fund	Capital Projects Fund		
	General Fund	Transportation Improvement Program East Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 6,950,739	\$ 123	\$ 497,759	\$ 181,538	\$ 7,630,159
Investments	8,636,219	6,062,343	20,562,457	10,769,321	46,030,340
Taxes receivable	5,481,207	-	-	7,536	5,488,743
Contributions receivable	-	3,057,741	-	-	3,057,741
Lease receivable	280,921	-	-	-	280,921
Other receivables	217,877	-	3,058,855	5,086	3,281,818
Prepaid expenditures	795,635	-	-	-	795,635
Due from other funds	3,798,214	114,995	465,402	269,667	4,648,278
Inventory	113,880	-	-	-	113,880
Total Assets	\$ 26,274,692	\$ 9,235,202	\$ 24,584,473	\$ 11,233,148	\$ 71,327,515
Liabilities, Deferred Inflows of Resources, and Fund Balance					
Liabilities:					
Accounts payable and accrued expenses	\$ 365,000	\$ 11,133	\$ 1,481,261	\$ 94,256	\$ 1,951,650
Accrued payroll and related expenses	471,762	-	-	-	471,762
Due to other funds	3,528,234	-	-	2,767,980	6,296,214
Unearned revenue	174,096	-	-	-	174,096
Developer deposit liability	-	-	-	1,457,196	1,457,196
Total Liabilities	4,539,092	11,133	1,481,261	4,319,432	10,350,918
Deferred Inflows of Resources:					
Unavailable revenue - taxes	3,114,791	-	-	-	3,114,791
Unavailable revenue - contributions	-	3,057,741	-	-	3,057,741
Related to leases	276,032	-	-	-	276,032
Total Deferred Inflows of Resources	3,390,823	3,057,741	-	-	6,448,564
Fund Balance:					
Nonspendable:					
Inventory and prepaid expenditures	909,515	-	-	-	909,515
Restricted:					
Transportation improvement	-	6,166,328	-	24,425	6,190,753
Highways and streets	-	-	-	3,261,814	3,261,814
Recreation	-	-	-	1,223,656	1,223,656
Library	-	-	-	134,344	134,344
Fire protection	-	-	-	981,159	981,159
Infrastructure improvement	-	-	-	976,261	976,261
Storm water maintenance	-	-	-	40,360	40,360
Public building improvements	-	-	-	1,286,943	1,286,943
Farming	-	-	-	956,762	956,762
Assigned:					
Capital improvements	5,000,000	-	23,103,212	-	28,103,212
Unassigned	12,435,262	-	-	(1,972,008)	10,463,254
Total Fund Balance	18,344,777	6,166,328	23,103,212	6,913,716	54,528,033
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 26,274,692	\$ 9,235,202	\$ 24,584,473	\$ 11,233,148	\$ 71,327,515

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF CRANBERRY

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2024

Total Fund Balance - Governmental Funds	\$ 54,528,033
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.	83,766,396
Certain taxes and contributions are not available to pay for current period expenditures and, therefore, are unavailable in the funds.	6,180,068
The net pension asset/liability, and deferred inflows and outflows of resources for pensions are not recorded on the fund financial statements.	(695,521)
Accrued interest payable is not due and payable in the current period and, therefore, is not reported as a liability in the funds.	(54,515)
Long-term liabilities, including compensated absences and bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(13,797,995)</u>
Total Net Position - Governmental Activities	<u>\$ 129,926,466</u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF CRANBERRY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2024

	General Fund	Special Revenue Fund Transportation Improvement Program East Fund	Capital Projects Fund Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes:					
Property	\$ 3,737,029	\$ -	\$ -	\$ 2,398,300	\$ 6,135,329
Earned income	11,321,953	-	-	-	11,321,953
Business privilege	3,355,127	-	-	-	3,355,127
Local service	1,444,959	-	-	-	1,444,959
Real estate transfer	2,232,131	-	-	-	2,232,131
Licenses, permits, and fees	2,074,402	-	-	-	2,074,402
Fines and forfeitures	62,381	-	-	-	62,381
Interest, rents, and royalties	1,102,402	399,801	1,212,120	622,456	3,336,779
Intergovernmental	1,611,624	-	3,195,140	1,074,358	5,881,122
Contributions and donations	76,302	1,025,059	1,883,645	422,740	3,407,746
Charges for services	2,119,053	-	-	-	2,119,053
Miscellaneous	289,911	-	-	3,350	293,261
Total revenues	29,427,274	1,424,860	6,290,905	4,521,204	41,664,243
Expenditures:					
Current:					
General government	4,263,194	-	-	-	4,263,194
Public safety	7,151,361	-	-	682,824	7,834,185
Highways, roads, and streets	4,833,089	197,582	-	1,107,630	6,138,301
Culture and recreation	3,187,813	-	-	512,418	3,700,231
Community development	1,080,400	-	-	-	1,080,400
Miscellaneous	-	-	-	987	987
Debt service:					
Principal retirement	898,690	1,406,343	-	590,866	2,895,899
Interest charges	159,715	119,842	-	114,667	394,224
Capital outlay	26,943	-	15,602,424	608,435	16,237,802
Total expenditures	21,601,205	1,723,767	15,602,424	3,617,827	42,545,223
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,826,069	(298,907)	(9,311,519)	903,377	(880,980)
Other Financing Sources (Uses):					
Proceeds from sale of capital assets	6,780	-	-	5,086	11,866
Transfers in	1,203,688	-	8,648,181	-	9,851,869
Transfers out	(8,125,372)	-	-	(152,269)	(8,277,641)
Total other financing sources (uses)	(6,914,904)	-	8,648,181	(147,183)	1,586,094
Net Change in Fund Balance	911,165	(298,907)	(663,338)	756,194	705,114
Fund Balance:					
Beginning of year	17,433,612	6,465,235	23,766,550	6,157,522	53,822,919
End of year	\$ 18,344,777	\$ 6,166,328	\$ 23,103,212	\$ 6,913,716	\$ 54,528,033

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF CRANBERRY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2024

Net Change in Fund Balance - Governmental Funds

\$ 705,114

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures and contributions of capital assets are not reported. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays and contributions exceeded depreciation in the current period.

Capital outlays	\$	15,488,921
Capital contributions		1,874,100
Depreciation expense		<u>(4,647,200)</u>

12,715,821

In the statement of activities, the pension expense is accrued. In the governmental funds, however, pension expenditures are measured by the amount of financial resources used. This amount represents the difference between the amount accrued versus the amount used.

(110,313)

Collection of long-term receivables is not reflected in the statement of activities, whereas in governmental funds it is reported as revenue.

(528,679)

Some taxes will not be collected for several months after the Township's year-end, and they are not considered "available" revenues in the governmental funds.

(32,027)

In the statement of activities, accumulated employee benefits are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.

(262,829)

Interest on long-term obligations 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.

13,257

The issuance of long-term obligations (e.g., bonds and notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.

Principal payments		2,895,899
Amortization of bond discounts/premiums		<u>120,690</u>

3,016,589

Change in Net Position of Governmental Activities

\$ 15,516,933

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF CRANBERRY

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

DECEMBER 31, 2024

	Water	Sewer	Golf Course	Solid Waste	Other Enterprise Funds	Total
Assets						
Current assets:						
Cash and cash equivalents	\$ 4,196,409	\$ (619,248)	\$ 331,788	\$ 203,232	\$ 2,901,478	\$ 7,013,659
Investments	3,937,191	10,157,529	3,901,447	35,033	428,031	18,459,231
Accounts receivable:						
Customers - billed	89,623	230,800	-	46,564	28,489	395,476
Customers - unbilled	747,552	1,050,754	-	-	-	1,798,306
Leases	2,424,524	-	-	-	-	2,424,524
Other	232,776	169	59,604	91,489	5,774	389,812
Due from other funds	414,822	847,263	4,110	1,037,574	322,316	2,626,085
Inventory	-	-	47,283	-	-	47,283
Total current assets	12,042,897	11,667,267	4,344,232	1,413,892	3,686,088	33,154,376
Non-current assets:						
Capital assets:						
Land	91,517	171,340	3,103,447	-	200,000	3,566,304
Construction in progress	-	749,974	-	-	-	749,974
Total non-depreciable capital assets	91,517	921,314	3,103,447	-	200,000	4,316,278
Buildings	6,849,493	61,897,271	3,298,786	-	5,251,423	77,296,973
Site improvements	386,565	269,103	3,679,067	-	-	4,334,735
Machinery, equipment, and vehicles	2,211,103	17,263,783	2,339,306	69,687	115,142	21,999,021
Infrastructure	16,293,206	24,998,543	-	-	-	41,291,749
Carts	-	-	-	1,115,273	-	1,115,273
Less: accumulated depreciation	(15,009,381)	(45,485,990)	(7,169,584)	(816,862)	(3,328,539)	(71,810,356)
Total depreciable capital assets	10,730,986	58,942,710	2,147,575	368,098	2,038,026	74,227,395
Total non-current assets	10,822,503	59,864,024	5,251,022	368,098	2,238,026	78,543,673
Total Assets	22,865,400	71,531,291	9,595,254	1,781,990	5,924,114	111,698,049
Deferred Outflows of Resources						
Deferred charge on refunding	-	-	41,417	-	-	41,417
Liabilities						
Current liabilities:						
Accounts payable and accrued expenses	545,747	320,225	60,284	329,855	17,635	1,273,746
Accrued payroll and related expenses	134	185	-	12	-	331
Accrued interest payable	-	313,748	22,358	-	13,085	349,191
Due to other funds	-	289,579	38,125	49,545	600,900	978,149
Unearned revenue	-	-	130,792	-	5,090	135,882
Security deposits	161,451	-	-	-	-	161,451
Compensated absences - current portion	54,237	41,353	12,381	-	-	107,971
Long-term debt - current portion	-	3,026,622	431,892	-	-	3,458,514
Total current liabilities	761,569	3,991,712	695,832	379,412	636,710	6,465,235
Non-current liabilities:						
Compensated absences	42,466	43,518	30,493	7,056	4,938	128,471
Intermunicipal service agreement	-	7,069,328	-	-	-	7,069,328
Long-term debt - net of current maturities:						
General obligation bonds	-	28,195,786	1,356,731	-	-	29,552,517
Unamortized bond premium	-	2,686,806	392,081	-	-	3,078,887
Total non-current liabilities	42,466	37,995,438	1,779,305	7,056	4,938	39,829,203
Total Liabilities	804,035	41,987,150	2,475,137	386,468	641,648	46,294,438
Deferred Inflows of Resources						
Lease related	2,337,479	-	-	-	-	2,337,479
Net Position						
Net investment in capital assets	10,822,503	18,885,482	3,111,735	368,098	2,238,026	35,425,844
Unrestricted	8,901,383	10,658,659	4,049,799	1,027,424	3,044,440	27,681,705
Total Net Position	\$ 19,723,886	\$ 29,544,141	\$ 7,161,534	\$ 1,395,522	\$ 5,282,466	\$ 63,107,549

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF CRANBERRY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS

YEAR ENDED DECEMBER 31, 2024

	Water	Sewer	Golf Course	Solid Waste	Other Enterprise Funds	Total
Operating Revenues:						
Charges for services	\$ 9,160,456	\$ 13,627,120	\$ 2,913,788	\$ 3,512,744	\$ 2,730,776	\$ 31,944,884
Penalties and interest	99,906	72,356	-	21,712	-	193,974
Miscellaneous revenues	24,539	180,242	16,555	60,845	13,212	295,393
Total operating revenues	9,284,901	13,879,718	2,930,343	3,595,301	2,743,988	32,434,251
Operating Expenses:						
Wages, benefits, and related taxes	1,677,102	2,009,699	978,427	231,752	469,383	5,366,363
Employee insurance	313,439	463,397	130,132	54,968	25,768	987,704
Retirement contribution	150,129	182,072	46,974	18,657	3,748	401,580
Administrative expenses	94,416	130,303	129,702	29,563	22,501	406,485
Materials and supplies	391,862	95,628	123,651	378	27,388	638,907
Collection and disposal cost	-	-	-	2,914,485	-	2,914,485
Water purchase	5,377,765	-	-	-	-	5,377,765
Chemicals	-	874,548	156,122	-	37,116	1,067,786
Laboratory	-	128,097	-	-	-	128,097
Utilities	69,842	752,990	59,804	863	56,186	939,685
Repairs and maintenance	6,996	324,105	12,891	29,584	48,391	421,967
Minor equipment rental and purchase	9,602	60,074	21,369	-	21,711	112,756
Vehicle expense	21,858	14,172	23,880	817	-	60,727
Professional and other services	688,362	761,117	384,526	87,563	81,771	2,003,339
Concession and other products and services	-	-	252,030	-	91,143	343,173
Depreciation	561,502	2,523,869	280,130	68,332	192,509	3,626,342
Total operating expenses	9,362,875	8,320,071	2,599,638	3,436,962	1,077,615	24,797,161
Operating Income (Loss)	(77,974)	5,559,647	330,705	158,339	1,666,373	7,637,090
Non-Operating Revenues (Expenses):						
Investment income (loss)	352,690	426,351	225,543	104,401	196,333	1,305,318
Rental income	218,893	-	203,967	-	-	422,860
Grant revenue	198,905	11,030	-	149,903	-	359,838
Interest expense	-	(896,957)	(45,058)	-	-	(942,015)
Total non-operating revenues (expenses)	770,488	(459,576)	384,452	254,304	196,333	1,146,001
Income (loss) before transfers	692,514	5,100,071	715,157	412,643	1,862,706	8,783,091
Transfers in	-	-	264,981	-	-	264,981
Transfers out	(200,000)	(187,340)	-	-	(1,451,869)	(1,839,209)
Total transfers	(200,000)	(187,340)	264,981	-	(1,451,869)	(1,574,228)
Change in Net Position	492,514	4,912,731	980,138	412,643	410,837	7,208,863
Net Position:						
Beginning of year	19,231,372	24,631,410	6,181,396	982,879	4,871,629	55,898,686
End of year	\$ 19,723,886	\$ 29,544,141	\$ 7,161,534	\$ 1,395,522	\$ 5,282,466	\$ 63,107,549

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF CRANBERRY

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

YEAR ENDED DECEMBER 31, 2024

	Water	Sewer	Golf Course	Soild Waste	Other Enterprise Funds	Total
Cash Flows From Operating Activities:						
Receipts from customers	\$ 9,159,844	\$ 13,511,056	\$ 2,913,788	\$ 3,876,781	\$ 2,733,284	\$ 32,194,753
Payments to suppliers	(6,778,163)	(3,285,776)	(1,313,997)	(3,019,239)	(404,871)	(14,802,046)
Payments to employees	(1,938,677)	(2,437,656)	(1,096,531)	(286,843)	(495,066)	(6,254,773)
Other receipts (payments), net	37,424	180,242	16,555	60,845	13,212	308,278
Net cash provided by (used in) operating activities	480,428	7,967,866	519,815	631,544	1,846,559	11,446,212
Cash Flows From Non-Capital Financing Activities:						
Transfers from (to) other funds, net	150,093	2,116,360	262,210	(4,126,949)	(1,561,695)	(3,159,981)
Net cash provided by (used in) non-capital financing activities	150,093	2,116,360	262,210	(4,126,949)	(1,561,695)	(3,159,981)
Cash Flows From Capital and Related Financing Activities:						
Acquisition and construction of capital assets	(575,419)	(60,438)	(476,685)	-	(577,836)	(1,690,378)
Principal paid on capital debt	-	(3,315,220)	(632,835)	-	-	(3,948,055)
Interest paid on capital debt	-	(1,363,076)	(50,885)	-	-	(1,413,961)
Grants	-	11,030	-	58,414	-	69,444
Net cash provided by (used in) capital and related financing activities	(575,419)	(4,727,704)	(1,160,405)	58,414	(577,836)	(6,982,950)
Cash Flows From Investing Activities:						
Interest receipts	325,627	-	225,543	104,401	196,333	851,904
Rental receipts	218,893	-	235,764	-	-	454,657
Net sales (purchases) of investments	1,027,158	(4,892,846)	234,307	3,535,822	593,857	498,298
Net cash provided by (used in) investing activities	1,571,678	(4,892,846)	695,614	3,640,223	790,190	1,804,859
Net Increase (Decrease) in Cash and Cash Equivalents	1,626,780	463,676	317,234	203,232	497,218	3,108,140
Cash and Cash Equivalents:						
Beginning of year	2,569,629	(1,082,924)	14,554	-	2,404,260	3,905,519
End of year	\$ 4,196,409	\$ (619,248)	\$ 331,788	\$ 203,232	\$ 2,901,478	\$ 7,013,659
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:						
Operating income (loss)	\$ (77,974)	\$ 5,559,647	\$ 330,705	\$ 158,339	\$ 1,666,373	\$ 7,637,090
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation expense	561,502	2,523,869	280,130	68,332	192,509	3,626,342
Intermunicipal service agreement amortization	-	(157,096)	-	-	-	(157,096)
Change in:						
Receivables	(100,518)	(31,324)	-	342,325	2,508	212,991
Inventory	-	-	10,847	-	-	10,847
Accounts payable and accrued expenses	32,803	37,515	(113,895)	62,683	(14,916)	4,190
Security deposits	12,885	-	-	-	-	12,885
Compensated absences	51,730	35,255	12,028	(135)	85	98,963
Total adjustments	558,402	2,408,219	189,110	473,205	180,186	3,809,122
Net cash provided by (used in) operating activities	\$ 480,428	\$ 7,967,866	\$ 519,815	\$ 631,544	\$ 1,846,559	\$ 11,446,212
Supplementary Information:						
Amortization of premiums and deferred refunding loss charged to interest	\$ -	\$ 26,874	\$ 5,916	\$ -	\$ -	\$ 32,790

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF CRANBERRY

STATEMENT OF FIDUCIARY NET POSITION PENSION TRUST FUNDS

DECEMBER 31, 2024

Assets	
Cash and cash equivalents	\$ 274,368
Investments:	
Corporate bonds	12,017,442
Mutual funds	<u>22,504,552</u>
Total Assets	<u>34,796,362</u>
 Net Position Restricted For Pension Benefits	 \$ <u><u>34,796,362</u></u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF CRANBERRY

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION TRUST FUNDS

YEAR ENDED DECEMBER 31, 2024

Additions:

Employer contributions	\$ 1,061,862
Employee contributions	<u>158,483</u>
Total contributions	<u>1,220,345</u>
Investment gain (loss):	
Net appreciation (depreciation) in fair value of investments	2,325,593
Interest and dividends	<u>847,537</u>
Total investment gain (loss)	<u>3,173,130</u>
Total additions	<u>4,393,475</u>

Deductions:

Benefit payment and distributions	2,530,536
Administrative expense	<u>79,785</u>
Total deductions	<u>2,610,321</u>

Change in Plan Net Position	1,783,154
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Net Position:

Beginning of year	<u>33,013,208</u>
End of year	<u><u>\$ 34,796,362</u></u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

1. Summary of Significant Accounting Policies

The Township of Cranberry (Township) is a second-class township organized under laws of the Commonwealth of Pennsylvania. The Township operates under a supervisors-manager form of government and provides the following services: public safety, highways and streets, health and welfare, recreation, public improvements, planning and zoning, and general administrative services.

Reporting Entity

These financial statements present the Township (the primary government) and the Township's blended component units and discretely presented component unit, as described below.

The blended component units, although legally separate entities, are in substance, part of the government's operations, so data from the blended component units are combined with data of the primary government (the Township).

Cranberry Township Volunteer Fire Company

In 1981, the Cranberry Township Volunteer Fire Company (Company) agreed to transfer its assets to the Township. As a part of the agreement, the Township provides both operating and capital financial support in return for the professionals of the company volunteering their time training, performing administrative work, and responding to emergency calls. The Internal Revenue Service considers the Company exempt from federal income tax as defined in Section 501(c)(4) of the Internal Revenue Code. This blended component unit is reported as the Fire Protection Fund within the Township's fund financial statements.

Cranberry Township General Authority

The Cranberry Township General Authority (Authority) formed in 2014 to undertake capital projects on behalf of the Township. Effective January 1, 2020, the Authority imposed a stormwater utility rate on all developed real-estate in the Township. The Township is considered to be financially accountable for the Authority because the Township appoints the Authority's governing body, has the ability to impose its will on the Authority, and the Authority is fiscally dependent on the Township. Furthermore, the Township obtains management responsibility of the Authority. This blended component unit is reported as the General Authority Fund within the Township's financial statements.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Township.

Cranberry Public Library

The Cranberry Public Library (Library) was created in 1973 to establish, maintain, and encourage the use of a library by the general public in the Township. The Library is considered a special purpose government in that it is engaged in a single governmental program and does not provide the multitude of basic governmental services such as general government services, public safety, parks, and recreation, etc. The Internal Revenue Service considers the Library exempt from federal income tax as defined in Section 501(c)(3) of the Internal Revenue Code. The Library is primarily funded through a dedicated real estate tax millage from the Township, the Butler County Federated Library System, and various state and local grants. Although the Library is a legally separate entity, the Township's Board of Supervisors (Board) appoints a majority of the Library's Board of Directors.

The Library's financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues and support are recorded when earned and expenses are recorded when a liability is incurred. The Library issues separate financial statements, which are available at the Library's office.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component unit. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services. Likewise, the primary government is reported separately from its legally separate, discretely presented *component unit* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from services or privileges provided by a given function or segment and 2) grants that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

and other items not properly included among program revenues are reported as *general revenues*.

Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements. 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 revenue 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.

Governmental fund financial statements are reported using the *current financial resource 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 Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension benefits, and claims and judgments, are recorded only when payment is due.

Property, earned income, local services, and franchise taxes, as well as licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Township.

Basic Financial Statement – Fund Financial Statements

The accounts of the Township are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities,

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

deferred inflows and outflows of resources, fund balance, revenues, and expenditures or expenses, as appropriate.

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is on the determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The Township reports the following major governmental funds:

The *General Fund* is the Township's primary operating fund. It accounts for all financial resources of the general government, except for those accounted for in another fund.

The *Transportation Improvement Program East Fund*, a Special Revenue Fund, accounts for expenses relating to transportation improvement projects in the eastern part of the Township.

The *Capital Improvement Fund*, a Capital Projects Fund, accounts for the expenses relating to capital improvement projects of the Township.

Additionally, the Township reports the following other governmental funds:

The *Other Governmental Funds* are comprised of Special Revenue Funds and Capital Projects Funds.

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes (other than major capital projects). The Township uses the following non-major Special Revenue Funds: *Fire Protection Fund*, *Library Fund*, *Recreational Facilities Fund*, *Transportation Improvement Program West Fund*, *Developers' Deposits Fund*, *Developers' Contributions Fund*, *Highway Aid Fund*, *Storm Water Maintenance Fund*, and the *Powell Farm Fund*.

The Capital Projects Funds are used to account for the accumulation of resources to use in the acquisition or construction of major capital purchases and facilities (other than those financed by proprietary funds). The Township uses the following non-major Capital Projects Funds: *Fire Capital Fund*, *Township Transportation Improvement Fund*, *Road Equipment Fund*, and the *Public Building Fund*.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Proprietary Funds

The focus of proprietary funds measurement is upon determination of operating income, changes in net position, financial position, and cash flows. These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The Township reports the following major proprietary funds:

The *Water and Sewer Funds* account for transactions related to providing water and sewer services to Township residents.

The *Golf Course Fund* accounts for transactions related to operating the Township's golf course.

The *Solid Waste Fund* accounts for transactions related to providing solid waste services to Township residents.

Additionally, the Township reports the following other proprietary funds information:

The *Swimming Pool Fund* accounts for transactions related to providing services to residents at the Township's swimming pool and recreation park.

The *General Authority Fund* accounts for transactions related to the handling of stormwater for all real estate within the Township.

Fiduciary Funds

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and, therefore, are not available to support Township programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

The *Police Pension Fund* and *Non-Uniform Pension Fund* account for assets held by the Township in a trustee capacity for the future payment of retirement benefits to employees.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Interfund Activity

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Township's governmental activities, business-type activities, and component unit. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. These items are presented as internal balances and eliminated in the total primary government column.

Revenue Classification of Proprietary Funds

Proprietary funds distinguish operating revenues and expenses from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues of the Township's proprietary funds are charges to customers for sales and services. The Township also recognizes as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash and Cash Equivalents

The Township has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents. For purposes of the basic financial statements, the Township considers cash equivalents to be highly liquid short-term investments that are readily convertible to known amounts of cash and mature within 90 days of the date they are acquired.

Investments

Investments are reported at fair value. The Township categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Inventories

Inventories are carried at cost using the first-in, first-out method.

Leases

The Township is a lessor for various noncancellable leases of Township property. The Township recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Township 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 payments received. The deferred inflow or 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 or resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Township determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Township 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 the lease receivable is composed of fixed payments from the lessee.

The Township monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Capital Assets

Capital assets are reported in the applicable proprietary fund, or governmental or business-type activities columns in the government-wide financial statements, at historical cost, or estimated historical cost if purchased or constructed. Contributed capital assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

The Township's threshold for capitalization of assets is as follows:

Land and land improvements	\$5,000
Buildings	\$5,000
Machinery, equipment, and vehicles	\$5,000
Infrastructure	\$50,000
Site improvements	\$5,000

Depreciation on all assets is calculated on the straight-line basis over the following estimated useful lives:

Buildings and building improvements	20-50 years
Infrastructure	10-60 years
Site improvements	10-20 years
Machinery, equipment, and vehicles	5-20 years

Capitalizable costs incurred on projects which are not in use or ready for use are held in construction in progress. When the asset is ready for use, costs relating thereto are transferred to property, plant, and equipment. Upon determination that a project will be abandoned, the related costs are charged to expense.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of net position and balance sheet will sometimes report separate sections for deferred outflows and inflows of resources. These separate financial statement elements represent a consumption (outflows) or addition (inflow) of net position/fund balance that applies to a future period and so will not be recognized as an outflow (expense) or inflow (revenue) of resources until then.

Compensated Absences

The Township recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. The liability for compensated absences includes salary-related benefits, where applicable.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method.

Deferred refunding gains and losses result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In the governmental fund financial statements, bond premium and discounts are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

In both the fund and government-wide financial statements issue costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures/expenses.

Fund Balance

In the fund financial statements, governmental funds report fund balance in categories based on the level of constraint placed upon the funds. These levels are as follows:

- Nonspendable – This category represents funds that are not in spendable form.
- Restricted – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending that are legally enforceable by outside parties.
- Committed – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending imposed by the Board. Such commitment is made via formal action by the Board and must be made prior to the end of the year. A commitment can only be modified or removed by the same formal action. There was no committed fund balance at December 31, 2024.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

- Assigned – This category represents intentions of the Board to use the funds for specific purposes. The Board has delegated the authority to assign amounts to be used for specific purposes to the Township Manager or his/her designee.
- Unassigned – This category includes the residual classification for the Township's General Fund and includes all spendable amounts not contained in other classifications.

The Township's policy is to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Net Position

The government-wide and proprietary funds financial statements are required to report three components of net position:

Net Investment in Capital Assets - This component of net position consists of capital assets net of accumulated depreciation and is reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources is included in the same net position component (restricted or unrestricted) as the unspent amount.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Restricted - This component of net position consists of constraints placed on net position use through external restrictions. Net position is restricted as described below:

Amount	Restriction
\$ 981,159	Fire protection
134,344	Library
1,223,656	Recreation
6,190,753	Transportation improvement
976,261	Infrastructure improvement
3,261,814	Highways and streets
40,360	Storm water maintenance
956,762	Farming
1,286,943	Public building improvements
<u>\$ 15,052,052</u>	

Unrestricted - This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the Township’s policy to use restricted resources first, then unrestricted resources as they are needed.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Adopted Pronouncements

GASB Statement No. 100, “*Accounting Changes and Error Corrections*” was adopted for the year ended December 31, 2024. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The impact of the adoption on the financial statements relates to reporting of accounting changes and error corrections and new/enhanced disclosures.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

GASB Statement No. 101, "*Compensated Absences*" was adopted for the year ended December 31, 2024. In addition to the value of unused vacation time owed to employees upon separation of employment, the Organization now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of this adoption were not material to beginning net position balances and were adjusted through the current year statement of activities.

Pending Pronouncements

GASB has issued statements that will become effective in future years including Statement Nos. 102 (Certain Risk Disclosures), 103 (Financial Reporting Model Improvements), and 104 (Disclosure of Certain Capital Assets). Management has not yet determined the impact of these statements on the financial statements.

2. Stewardship, Compliance, and Accountability

Budgets and Budgetary Accounting

Annual budgets for the General, Capital Improvement, and Special Revenue Funds are adopted on a budgetary basis of accounting whereby revenues are budgeted in the year receipt is expected, and expenditures are budgeted in the year that the applicable purchase orders are expected to be issued. The differences between the basis used and that which is consistent with generally accepted accounting principles is not material. All annual appropriations lapse at fiscal year-end.

The Township uses the following procedures in establishing the budgetary data reflected in the financial statements:

- The Township's staff begins preparation of the annual budget in mid-September of each year.
- Budget requests from departments (revenue and expenses) must be submitted to the Township Manager by the second week of October.
- The Township Manager, in consult with Assistant Managers and the Director of Finance, prepare a tentative budget for presentation to the Board.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

- Meetings regarding the budget with the Board take place the second and third weeks of November. The Board adopts the tentative budget the fourth week of November.
- The availability of the tentative budget is advertised publicly. According to the Second Class Township Code of the Commonwealth of Pennsylvania, the budget must be available to the public for 20 days prior to its final adoption.
- The Board adopts the final budget at their final meeting of the year, typically the third week of December. The Second Class Township Code requires that the budget be adopted prior to December 31 of each year.

Appropriations may be transferred between accounts within functions without approval of the Board.

3. Real Estate Taxes

Real estate taxes are based on assessed valuations provided by the County of Butler (County) and are billed and collected by the Township's elected tax collector.

The millage for 2024 was 13.25 mills applied to an assessed valuation of \$467,759,082. The Township apportions the millage and property taxes collected in the following manner:

General Fund	8.03 mills
Fire Protection Fund	1.42 mills
Fire Capital Fund	0.95 mills
Library Fund	1.00 mills
Public Building Fund	1.00 mills
Road Equipment Fund	0.85 mills

The Township's property tax calendar is as follows:

Discount of 2% if paid by April 30
Face value if paid by June 30
Penalty of 10% if paid between July 1 and December 31

After one-year, unpaid taxes are turned over to the Butler County Tax Claim Bureau, and a sheriff's sale is conducted on the property if settlement is not made within one additional year. Delinquent taxes are considered fully collectible.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

4. Cash, Deposits, and Investments

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. and Pennsylvania government obligations, short-term commercial paper issued by a public corporation, banker's acceptances, insured or collateralized time deposits, and certificates of deposit. The statutes allow pooling of governmental funds for investment purposes.

The deposit and investment policy of the Township and the Library adheres to state statutes. Deposits of the governmental funds, proprietary funds, and the Library are either maintained in demand deposits and certificates of deposit or are pooled for investment purposes in the Pennsylvania Local Government Investment Trust (PLGIT). There were no deposit or investment transactions during the year that were in violation of either the state statutes or the policy of the Township or Library.

Deposits

Custodial Credit Risk – For a deposit, custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a formal deposit policy for custodial credit risk. As of December 31, 2024, \$750,000 of the Township's \$17,222,032 bank balance was insured by the Federal Deposit Insurance Corporation (FDIC). The remaining balance was exposed to custodial credit risk but is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. These deposits have carrying amounts of \$14,643,818 of December 31, 2024.

Investments

The investments in PLGIT are "pooled" with other local governments and school districts in an effort to maximize return and minimize costs associated with investing. PLGIT invests in two basic types of federal securities: obligations backed by the full faith and credit of the United States Government and short-term obligations of the United States Government or its agencies or instrumentalities (which may or may not be backed by the full faith and credit of the United States Government). The PLGIT Trust may also invest in full faith and credit obligations of the Commonwealth of Pennsylvania and its agencies and may also have repurchase agreements. Finally, the trust is also authorized to invest in certificates of deposit which are insured by the FDIC or which are collateralized as provided by law. PLGIT investments are subject to oversight by the Commonwealth of Pennsylvania.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

The fair value of the Township's position in the external investment pool is the same as the value of the pool shares. All investments in an external investment pool that is not SEC registered are subject to oversight by the Commonwealth of Pennsylvania.

The Township can withdraw funds from the external investment pools; however, there are certain limitations placed on these withdrawals. For PLGIT-Class accounts, there is a one-day holding period. For PLGIT/PLUS-Class accounts, there is a 30-day holding period for each deposit and a penalty for early withdrawals. For PLGIT PRIME accounts, there is a one-day holding period and a penalty for more than two withdrawals in a calendar month. For PLGIT/TERM accounts, there is a 60-day holding period for deposits and a penalty for early withdrawals. For PLGIT/ARM accounts, there is a one-day holding period and a penalty for early withdrawals. For PLGIT-CD accounts, there is a 60-day holding period for deposits. PLGIT is audited annually by independent auditors. PLGIT operates in a manner consistent with the SEC's Rule 2(a)7 of the Investment Company Act of 1940. PLGIT uses amortized cost to report net assets to compute share prices. PLGIT maintains a net asset value of \$1 per share. Accordingly, the fair value of the position of PLGIT is the same as the value of PLGIT shares.

Deposits in PLGIT as of December 31, 2024 are as follows:

Investments:	
PLGIT - CLASS	\$ 9,869,680
PLGIT TERM	49,949,616
PLGIT PRIME	<u>4,670,275</u>
Total PLGIT	<u>\$ 64,489,571</u>

As of December 31, 2024, the entire fair value of the investments in PLGIT of \$64,489,571 is considered to be investments for presentation on the statement of net position and governmental funds balance sheet. These deposits have a carrying amount of \$64,489,571 as of December 31, 2024.

Credit Risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The Township has no formal investment policy that would limit its investment choices based on credit ratings by nationally recognized statistical rating organizations. As of December 31, 2024, investments in PLGIT received an AAA rating.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside entity. The

TOWNSHIP OF CRANBERRY

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Township does not have a formal investment policy for custodial credit risk. The Township's investments in PLGIT cannot be classified by risk category because the investment is not evidenced by securities that exist in physical or book entry form.

Interest Rate Risk – The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. All investments have an average maturity of less than one year.

Pension Trust Funds

In addition to the investments authorized for the governmental funds, Fiduciary Fund investments may also be made in corporate stocks and bonds, mutual funds, real estate, and other investments consistent with sound business practices. The deposits and investments of the fiduciary funds are administered by trustees and are held separately from other Township funds.

As of December 31, 2024, the Township had the following cash, cash equivalents, and investments in its Pension Trust Funds:

Cash or Investment Type	Fair Value
Cash and Cash Equivalents	\$ 274,368
Mutual Funds:	
Fixed Income	12,017,442
Equity	22,504,552
Total Mutual Funds	34,521,994
Total cash, cash equivalents, and investments reported on statement of fiduciary net position	\$ 34,796,362

Mutual funds are valued using quoted market prices (Level 1 inputs).

Credit Risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The Pension Trust Funds have no formal investment policy that would limit its investment choices based on credit ratings by nationally recognized statistical rating organizations. The Township's investments in mutual funds are unrated.

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Custodial Credit Risk – Custodial credit risk is the risk that in the event of the failure of the bank or counterparty, the Pension Trust Funds will not be able to recover the value of their deposits or investments or collateral securities that are in the possession of an outside entity. The Pension Trust Funds' money market cash funds (which are included in cash and cash equivalents on the statement of fiduciary net position) and investments in mutual funds are not exposed to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

The Pension Trust Funds do not have a formal deposit or investment policy for custodial credit risk. However, to reduce investment risks, the investment policy guidelines for the police pension fund and the non-uniform pension fund identify range allocations for all investments. The total plan range allocations are as follows:

<u>Asset Class</u>	<u>Allocation Range</u>
Equity	40% - 65%
Fixed income	20% - 60%
Cash equivalents	0% - 20%

Concentration of Credit Risk – The Township places no limit on the amount the Township may invest in any one issuer. The Township has no investments of greater than 5% with one issuer.

Interest Rate Risk – The Pension Trust Funds do not have a formal deposit or investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates.

Deposits and Investments – Cranberry Public Library (Component Unit)

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of bank failure, the Library's deposits may not be returned to it. The Library does not have a formal deposit policy for credit risk. As of December 31, 2024, the carrying amount of the Library's cash and deposits was \$393,374 and the related bank balance totaled \$397,716. As of December 31, 2023, \$250,000 of the Library's bank balance was insured by the FDIC. The remaining balance was exposed to credit risk.

Custodial Credit Risk – Investments. The Library's investments of \$170,622 are not exposed to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form. In addition, the restricted investment described below is also exposed to

TOWNSHIP OF CRANBERRY

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custodial credit risk, as it is held by another entity, and not collateralized. The equities and mutual funds are valued using quoted market prices (Level 1 inputs).

Interest Rate Risk – Investments. The Library does not have a formal deposit or investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates.

Restricted Investments. During December 2010, the Library liquidated and transferred its total investment portfolio to the Cranberry Township Community Chest (CTCC) to invest in their established endowment fund, The Cranberry Legacy Fund. The Library relinquished control of the investments at the time of the transfer. The Library earns its respective portion of investment income earned by The Cranberry Legacy Fund and is entitled to a distribution each year of approximately five percent of the 36-month average asset value of its portfolio. There were no contributions and an investment loss of \$5,237 for the year ended December 31, 2024. At December 31, 2024, the fair value of the underlying investments was \$710,439. The investments are valued using significant unobservable inputs (Level 3 inputs).

	<u>2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 156,709	\$ 156,709	\$ -	\$ -
Investment held by others	710,439	-	-	710,439
Investment in life insurance policy	<u>47,370</u>	<u>-</u>	<u>47,370</u>	<u>-</u>
Total investments by fair value level	<u>914,518</u>	<u>\$ 156,709</u>	<u>\$ 47,370</u>	<u>\$ 710,439</u>
Cash and cash equivalents	<u>13,913</u>			
Total investments	<u>\$ 928,431</u>			

Life Insurance Policy. In June 2012, the Library received a contribution of a permanent life insurance policy from a resident of the Township, in the face amount of \$400,000. The Library holds title to the policy (as it can have only one policy holder); however, it is the donor's intentions that the Library and the CTCC are each one-half beneficiary to the insurance proceeds. A formal agreement was signed by both parties during 2016.

As of December 31, 2024, the policy had a cash surrender value (calculated as premiums paid, plus interest earned at 3.0% per year, less withdrawals and surrender charge) of \$47,370 and, as such, an asset of \$47,370 and a liability for the portion due to CTCC of \$23,686 have been recorded.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

5. Contribution Receivable

On August 10, 2022, the Township entered into a joint development agreement with a development corporation to implement a cooperative approach to developing a portion of the Northeast Quadrant of the Township. Under this agreement the Township received a contribution of approximately \$120,000 upon execution of the agreement and is anticipated to receive contributions of approximately \$708,000 annually. Actual contributions are based on the number of building permits issued in a given year. For the year ended December 31, 2024 contributions were approximately \$870,000. The carrying value of this receivable at December 31, 2024 is \$3,057,741 and is recorded in the Transportation Improvement Project East Fund.

Management periodically assesses the collectability of the contribution receivable and makes appropriate adjustments. Any changes in estimates or significant developments in the collection status are recognized in the period they are identified.

The ultimate realization of the contribution receivable may be subject to various risks and uncertainties, including changes in economic conditions, project delays, or disputes with developers. The Township monitors these factors and maintains ongoing communication with the developers to ensure timely collection.

6. Leases

Governmental activities

The Township is the lessor of a non-cancelable lease for a field located at a Township owned park. The lease includes the following:

Lease Term	Discount Rate	Lease Receivable	Deferred Inflow of Resources	Lease Revenue	Lease Interest
1/1/2022-12/1/2028	1.34%	<u>\$ 280,921</u>	<u>\$ 276,032</u>	<u>\$ 69,008</u>	<u>\$ 4,685</u>

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Business-type activities

The Township is the lessor of non-cancelable leases for space utilized to house cell tower equipment at Township owned water towers. The leases include the following:

<u>Lease Term</u>	<u>Discount Rate</u>	<u>Lease Receivable</u>	<u>Deferred Inflow of Resources</u>	<u>Lease Revenue</u>	<u>Lease Interest</u>
1/1/2022-10/31/2026	1.10%	\$ 78,639	\$ 77,424	\$ 42,231	\$ 1,115
1/1/2022-7/19/2034	0.80%	285,287	281,916	29,511	2,400
1/1/2022-9/10/2034	0.80%	477,213	471,257	48,611	4,011
1/1/2022-10/31/2041	1.10%	847,295	804,583	47,798	9,511
1/1/2022-9/25/2045	0.95%	736,090	702,299	33,868	7,094
		<u>\$ 2,424,524</u>	<u>\$ 2,337,479</u>	<u>\$ 202,019</u>	<u>\$ 24,131</u>

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

7. Capital Assets

A summary of capital asset activity during 2024 was as follows:

	Balance at January 1, 2024	Transfers/ Additions	Transfers/ Deletions	Balance at December 31, 2024
Governmental Activities:				
Non-depreciable capital assets:				
Land	\$ 14,948,395	\$ -	\$ -	\$ 14,948,395
Construction in progress	3,698,973	10,856,733	(3,245,432)	11,310,274
Total non-depreciable capital assets	18,647,368	10,856,733	(3,245,432)	26,258,669
Depreciable capital assets:				
Buildings	31,741,703	-	-	31,741,703
Site improvements	9,693,794	382,762	-	10,076,556
Machinery, equipment, and vehicles	17,289,700	533,205	-	17,822,905
Infrastructure	66,110,546	8,835,753	-	74,946,299
Total depreciable capital assets	124,835,743	9,751,720	-	134,587,463
Less accumulated depreciation for:				
Buildings	(16,256,769)	(955,515)	-	(17,212,284)
Site improvements	(5,404,733)	(351,467)	-	(5,756,200)
Machinery, equipment, and vehicles	(12,437,268)	(762,120)	-	(13,199,388)
Infrastructure	(38,333,766)	(2,578,098)	-	(40,911,864)
Total accumulated depreciation	(72,432,536)	(4,647,200)	-	(77,079,736)
Total depreciable capital assets, net	52,403,207	\$ 5,104,520	\$ -	57,507,727
Governmental activities, capital assets, net	\$ 71,050,575			\$ 83,766,396

TOWNSHIP OF CRANBERRY

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YEAR ENDED DECEMBER 31, 2024

	Balance at January 1, 2024	Transfers/ Additions	Transfers/ Deletions	Balance at December 31, 2024
Business-type Activities:				
Non-depreciable capital assets:				
Land	\$ 3,566,304	\$ -	\$ -	\$ 3,566,304
Construction in progress	749,974	-	-	749,974
Total non-depreciable capital assets	4,316,278	-	-	4,316,278
Depreciable capital assets:				
Buildings	76,601,858	688,415		77,290,273
Site improvements	4,334,735	-	-	4,334,735
Machinery, equipment, and vehicles	21,239,141	766,579	-	22,005,720
Carts - in-service	1,115,272	-	-	1,115,272
Infrastructure	41,056,366	235,384	-	41,291,750
Total depreciable capital assets	144,347,372	1,690,378	-	146,037,750
Less accumulated depreciation for:				
Buildings	(20,566,002)	(1,880,909)	-	(22,446,911)
Site improvements	(4,271,617)	(9,302)	-	(4,280,919)
Machinery, equipment, and vehicles	(19,254,767)	(431,010)	-	(19,685,777)
Carts - in-service	(806,480)	(68,332)	-	(874,812)
Infrastructure	(23,285,147)	(1,236,789)	-	(24,521,936)
Total accumulated depreciation	(68,184,013)	(3,626,342)	-	(71,810,355)
Total depreciable capital assets, net	76,163,359	\$ (1,935,964)	\$ -	74,227,395
Business-type activities, capital assets, net	<u>\$ 80,479,637</u>			<u>\$ 78,543,673</u>

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Depreciation expense was charged to functions/programs of the Township as follows:

Governmental activities:	
General government	\$ 1,420,089
Public safety	327,645
Culture and recreation	168,808
Highways, roads, and streets	<u>2,730,658</u>
Total depreciation expense - governmental activities	<u>\$ 4,647,200</u>
Business-type activities:	
Water	\$ 561,502
Sewer	2,523,869
Golf course	280,130
Solid waste	68,332
Other enterprise fund	<u>192,509</u>
Total depreciation expense - business-type activities	<u>\$ 3,626,342</u>

Infrastructure Assets Contributed by Developers

A significant portion of infrastructure assets related to governmental activities and business-type activities is built by developers and contributed to the Township. Once the Township has valid title to the property, the related capital assets are recorded at acquisition value on the government-wide financial statements and on the proprietary fund's financial statements, as applicable. During the year ended December 31, 2024, \$1,874,100 of infrastructure assets were contributed by developers.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

8. Interfund Receivables, Payables, and Transfers

Interfund receivables, payables, and transfers as of and for the year ended December 31, 2024 are summarized below:

Fund	Interfund Receivable	Interfund Payable
Major Governmental Funds:		
General Fund	\$ 3,798,214	\$ 3,528,234
Transportation Improvement Program East Fund	114,995	-
Capital Improvement Fund	465,402	-
Major Enterprise Funds:		
Water Fund	414,822	-
Sewer Fund	847,263	289,579
Golf Course Fund	4,110	38,125
Solid Waste Fund	1,037,574	49,545
Other Enterprise Fund	322,316	600,900
Other Governmental Funds	269,667	2,767,980
Total	<u>\$ 7,274,363</u>	<u>\$ 7,274,363</u>

Fund	Transfers In	Transfers Out
Major Governmental Funds:		
General Fund	\$ 1,203,688	\$ 8,125,372
Transportation Improvement Program East Fund	-	-
Capital Improvement Fund	8,648,181	-
Major Enterprise Funds:		
Water Fund	-	200,000
Sewer Fund	-	187,340
Golf Course Fund	264,981	-
Solid Waste Fund	-	-
Other Enterprise Funds	-	1,451,869
Other Governmental Funds	-	152,269
Total	<u>\$ 10,116,850</u>	<u>\$ 10,116,850</u>

Transactions between funds which are not expected to be repaid are accounted for as transfers. In those cases when repayment is expected within the next fiscal year, the transactions are accounted for through the various due from and due to accounts.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

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The amounts due to/from the General, Water, Sewer, and Other Enterprise Funds represent ongoing activity between these funds.

The transfers between funds represent ongoing activity between the funds for the disbursements made from the General Fund, and the transfer from the General Fund through the Capital Improvement Fund to other governmental funds represents amounts set aside for capital projects.

9. Long-Term Liabilities

General Obligation Bonds

General obligation bonds are backed by the full faith and credit of the Township. General obligation bonds issued are as follows:

Series	Issue Amount	Maturity Date	Interest Rate
2015	\$ 32,000,000	2035	3.00-5.00%
2017A	7,930,000	2037	2.00-3.00%
2017B	2,020,000	2031	2.00-2.625%
2020	24,725,000	2031	3.00-5.00%

In 2015, the Township issued \$32,000,000 of General Obligation Bonds (2015 Bonds). The proceeds of the 2015 bonds were used to fund various capital projects including but not limited to capital additions and improvements to the Brush Creek Wastewater Pollution Control Facility and Franklin Acres Pump Station.

In 2017, the Township issued \$7,930,000 of General Obligation Bonds (2017 A Bonds). The proceeds of the 2017 bonds were used to fund capital additions and improvements to the Brush Creek Wastewater Pollution Control Facility.

In 2017, the Township issued \$2,020,000 of General Obligation Bonds (2017 B Bonds). The proceeds of the 2017 bonds were used to fund various capital projects including but not limited to alterations of the Township fire stations, golf clubhouse, park improvements, and capital equipment purchases.

In 2020, the Township issued \$24,725,000 of General Obligation Bonds (2020 Bonds). The proceeds of the 2020 bonds were used to currently refund the Series 2011 and Series 2012 bonds.

TOWNSHIP OF CRANBERRY

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In the event of failure to pay principal and interest when due to the General Obligation Bonds noted above that exceeds thirty days, any bondholder may bring suit for the amount due.

Direct Borrowing – Promissory Note

The promissory note is secured by the related equipment. The promissory note issued is as follows:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Issue Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
Fire truck	2020	\$ 1,200,000	2032	3.00%

Upon the occurrence of any event of default of the promissory note, the entire unpaid principal sum plus all interest accrued will become due and payable immediately.

Direct Borrowing – General Obligation Notes

In 2019, the Township obtained a General Obligation Note through the Butler County Infrastructure Bank for \$7,477,872 to be used for qualified municipal infrastructure projects. During 2020, the General Obligation Note was refinanced, along with accrued interest and issue costs, increasing the amount due to \$7,665,000. This note bears interest at a rate of .560%, with annual principal payments and semiannual interest payments payable through December 2028. The Note is secured by the full faith, credit, and taxing power of the Township. Upon the occurrence of any event of default, the outstanding principal balance and accrued interest under the Note together, with any additional amounts payable, shall be immediately due and payable without demand or notice of any kind.

In 2020, the Township obtained a General Obligation Note from the Pennsylvania Department of Transportation (PennDOT) in the amount of \$5,000,000 to be used for a road system project connecting to interstate 79 North. The Note bears interest at a rate of 2.50% with annual principal and interest payments payable through June 2030. Upon the occurrence of any event of default of the General Obligation Note, the entire unpaid principal sum plus all interest accrued will become due and payable immediately.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

A detail of long-term liability activity for governmental activities for the year ended December 31, 2024 is as follows:

	Balance at January 1 2024	Additions	Amortization and Retirements	Balance at December 31 2024	Due Within One Year
General obligation bonds:					
Series B of 2017	\$ 1,220,000	\$ -	\$ (140,000)	\$ 1,080,000	\$ 145,000
Series 2020, net of unamortized premium	5,109,625 965,517	- -	(1,255,640) (120,690)	3,853,985 844,827	930,606 -
	<u>7,295,142</u>	<u>-</u>	<u>(1,516,330)</u>	<u>5,778,812</u>	<u>1,075,606</u>
Direct Borrowings:					
Promissory note payable - 2020	885,661	-	(93,916)	791,745	96,772
General obligation note - 2019	4,080,384	-	(806,400)	3,273,984	810,880
General obligation note - 2020	3,895,729	-	(599,943)	3,295,786	614,942
Compensated absences	394,839	262,829	-	657,668	296,902
	<u>\$ 16,551,755</u>	<u>\$ 262,829</u>	<u>\$ (3,016,589)</u>	<u>\$ 13,797,995</u>	<u>\$ 2,895,102</u>

A detail of long-term liability activity for business-type activities for the year ended December 31, 2024 is as follows:

	Balance at January 1 2024	Additions	Amortization and Retirements	Balance at December 31 2024	Due Within One Year
General obligation bonds:					
Series of 2015, net of unamortized premium	\$ 22,440,000 1,906,145	\$ - -	\$ (1,455,000) (165,751)	\$ 20,985,000 1,740,394	\$ 1,525,000 -
Series A of 2017	5,900,000	-	(360,000)	5,540,000	365,000
Series of 2020, net of unamortized premium	8,095,375 1,529,706	- -	(1,989,360) (191,213)	6,106,015 1,338,493	1,474,394 -
	<u>39,871,226</u>	<u>-</u>	<u>(4,161,324)</u>	<u>35,709,902</u>	<u>3,364,394</u>
Direct Borrowings:					
General obligation note - 2019	473,615	-	(93,600)	380,015	94,120
Compensated absences	137,479	98,963	-	236,442	107,971
	<u>\$ 40,482,320</u>	<u>\$ 98,963</u>	<u>\$ (4,254,924)</u>	<u>\$ 36,326,359</u>	<u>\$ 3,566,485</u>

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Future Maturities

The future scheduled maturities of General Obligation Bonds are as follows:

	Governmental and Business-type Activities		
	Principal	Interest	Total
2025	\$ 4,440,000	\$ 1,502,361	\$ 5,942,361
2026	4,555,000	1,295,161	5,850,161
2027	4,755,000	1,079,630	5,834,630
2028	3,295,000	895,993	4,190,993
2029	2,905,000	774,974	3,679,974
2030-2034	13,855,000	2,299,563	16,154,563
2035-2037	3,760,000	203,350	3,963,350
	<u>\$ 37,565,000</u>	<u>\$ 8,051,032</u>	<u>\$ 45,616,032</u>

The future scheduled payments required to amortize direct borrowings (promissory note and general obligation note) outstanding as of December 31, 2024 are as follows:

	Governmental and Business-type Activities		
	Principal	Interest	Total
2025	\$ 1,616,714	\$ 125,286	\$ 1,742,000
2026	1,641,032	101,901	1,742,933
2027	1,664,823	78,008	1,742,831
2028	1,690,099	53,602	1,743,701
2029	787,875	28,663	816,538
2030-2032	340,989	127,575	468,564
	<u>\$ 7,741,532</u>	<u>\$ 515,035</u>	<u>\$ 8,256,567</u>

10. Police Pension Plan

Summary of Significant Accounting Policies

Financial information of the Township's plan is presented on the accrual basis of accounting. Employer contributions to the Plan are recognized when due as required by Act 205 of the Commonwealth of Pennsylvania (the Act). Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investments of the Plan are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last

TOWNSHIP OF CRANBERRY

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reported sales price. The Plan did not have any investment transactions with related parties during the year.

Plan Description

The Police Pension Plan (Plan) is a single-employer defined benefit plan established under the provisions of the Act. The Plan is governed by the Township's Board of Supervisors, which has delegated the authority to manage certain Plan assets to the LeTort Trust. Plan provisions and contribution requirements are established and may be amended by the Township.

At December 31, 2024, Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	17
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>29</u>
Total plan members	<u><u>50</u></u>

Benefits Provided

Eligibility Requirement – Police employees are entitled to receive benefits after completing 25 years of service and attaining age 55. All participants are 100% vested after 12 years of service.

Retirement Benefit - The scheduled monthly retirement benefit is 50% of the participant's final average monthly compensation earned during the last 36 months of employment, plus an additional monthly benefit of \$10 for each completed year of service in excess of 25 years, up to a maximum monthly increment of \$100.

Disability Benefit - If a participant becomes totally and permanently disabled as a result of accident or sickness occurring in the line of duty, the participant is entitled to receive a monthly disability benefit. The scheduled benefit is 50% of the participant's salary at the time the disability was incurred, offset by Social Security disability benefits for the same injury. Payments will continue until the earliest of recovery, death, or normal retirement.

Death Benefit - If a participant's death occurs before retirement eligibility, the participant's estate receives a refund of contributions made by the participant, plus interest. If a participant's death occurs after the participant has qualified for retirement and the participant is survived by an eligible spouse or dependent children, a monthly benefit is

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payable until the latest of the spouse's death, spouse's remarriage, or the youngest dependent attaining age 18 (age 23 if attending college). The benefit payable is 50% of the pension the participant was receiving or entitled to receive on the date of death.

DROP Benefit – Beginning January 1, 2014, employees may receive the *Retirement Benefit* as of DROP participation. The DROP Plan provides an alternative method of payment for retirement benefits for a specified and limited period of time for members of the Plan. Under this Plan, employees stop earning service credit toward a future benefit and the calculated retirement benefit at the time the DROP Plan period begins, is deposited into another investment vehicle that offers both substantial security and some level of guaranteed interest.

Post-Retirement Adjustments – Effective on each anniversary of retirement, a retiree will receive an increase in the monthly benefit equal to the percentage increases in the Consumer Price Index. The total of all increases may not exceed 75% of the average monthly salary used to calculate the original benefit.

Vesting Benefit – Accrued at the date of termination payable monthly starting at the normal retirement date.

Contributions

The Plan is funded by the Township on an annual basis pursuant to the provisions of Act 205. Act 205 requires that annual contributions be based upon the calculation of the Minimum Municipal Obligation (MMO). Employees are not required to contribute under Act 205; such contributions are subject to collective bargaining. For the year ended December 31, 2024 participating employees were required to contribute 5% of their compensation. During the year, the Township paid in \$592,878 based upon the MMO.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Changes in the Net Pension Liability (Asset)

The changes in the net pension liability (asset) of the Township for the year ended December 31, 2024 were as follows:

	Increases / Decreases		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at December 31, 2023	\$ 22,731,182	\$ 21,701,719	\$ 1,029,463
Changes for the year:			
Service cost	669,440	-	669,440
Interest	1,613,214	-	1,613,214
Differences between expected and actual experience	-	-	-
Change in assumptions	-	-	-
Contributions - employer	-	592,878	(592,878)
Contributions - employee	-	158,483	(158,483)
Net investment income	-	2,098,866	(2,098,866)
Benefit payments, including refunds	(721,625)	(721,625)	-
Administrative expense	-	(62,073)	62,073
Net changes	1,561,029	2,066,529	(505,500)
Balances at December 31, 2024	\$ 24,292,211	\$ 23,768,248	\$ 523,963
Plan fiduciary net position as a percentage of the total pension liability (asset)			97.84%

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed on January 1, 2023, and rolled forward to December 31, 2024, using the following actuarial assumptions, applied to all periods in the measurement:

Actuarial assumptions:	
Investment rate of return	7.00%
Projected salary increases	5.25%
Underlying inflation rate	2.75%
Cost-of-living adjustments	100% change in CPI-W
PubS-2010 tables with mortality improvement projected from the year 2015 with rates derived from the Long-Range Demographic Assumptions for the 2020 SSA's Trustee Report.	

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Changes in Actuarial Assumptions – the inflation assumption was increased from 2.50% to 2.75% per year since the previous actuarial valuation.

Investment Policy – The Plan is authorized to invest in legal investments permitted under the Pennsylvania Fiduciaries Investment Act. The Plan's policies in regard to the allocation of invested assets are established and may be amended by the Board of Supervisors by a majority vote of its members. It is the policy of the Board of Supervisors to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

Long-Term Expected Rate of Return – The long-term expected rate of return on 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 investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The following was the asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2024:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	40% - 65%	6.0%
Fixed income	20% - 60%	2.0%
Cash equivalents	0% - 20%	0.0%

Rate of Return – The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended December 31, 2024, the annual money-weighted rate of return on the Plan investments, net of investment expense, was 9.73%.

Discount Rate - The discount rate used to measure the total pension liability for the Plan was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Township's contributions will be made based on the yearly MMO calculation. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the net pension liability (asset) of the Plan, calculated using the discount rates described above, as well as what the Plan's net pension liabilities (assets) would be if they were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rates:

1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
\$ 3,772,003	\$ 523,963	\$ (2,168,546)

Pension Expense and Deferred Inflows and Outflows of Resources Related to Pensions

For the year ended December 31, 2024, the Township recognized pension expense of approximately \$703,000. At December 31, 2024, the Township reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 674,507
Changes in assumptions	389,903	-
Net difference between projected and actual earnings on pension plan investments	113,046	-
	<u>\$ 502,949</u>	<u>\$ 674,507</u>

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2025	\$ 158,142
2026	368,625
2027	(445,644)
2028	(159,578)
2029	(76,890)
Thereafter	<u>(16,213)</u>
	<u>\$ (171,558)</u>

11. Non-Uniform Pension Plan

Plan Description

The Non-Uniform Pension Plan (Plan) is a single-employer defined contribution plan established under the provisions of Act 205 of the Commonwealth of Pennsylvania. The Plan is governed by the Township's Board, which has delegated the authority to manage certain plan assets to the Township Manager. Plan provisions and contribution requirements are established and may be amended by the Township. The Plan provides for retirement, disability, and death benefits to Plan members and their beneficiaries.

Summary of Significant Accounting Policies

Financial information of the Township's plan is presented on the accrual basis of accounting. Employer contributions to Plan are recognized when due as required by Act 205. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investments of the Plan are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. The Plan did not have any investment transactions with related parties during the year.

Significant Provisions of the Non-Uniform Pension Plan

Funding Policy - Active members are not permitted to contribute to the Plan. The Township is required to contribute through yearly contributions five percent (5%) of the participant's

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

annual compensation into an account maintained for the participant. The Plan may also be eligible to receive an allocation of state aid from the General Municipal Pension System State Aid Program, which must be used to reduce or eliminate the required municipal contribution.

Participation - The Plan covers all full-time employees of the Township who are not members of the Township's police force. Effective January 1, 2013, immediate participation is permitted.

Vesting - Any account share attributable to the participants' voluntary contributions is always 100% vested. All other accounts will vest according to the cause of termination. In case of death, disability, or retirement the vesting is 100%. In case of termination for any other reason, a participant will vest as follows:

<u>Years of Service</u>	<u>Vesting %</u>
Less than 2	0%
2, but less than 3	25%
3, but less than 4	50%
4, but less than 5	75%
5 or more	100%

Benefits - In case of death, disability, retirement or any other employment termination, the participant or beneficiary will be entitled to the distribution of the participant's account balance based on the then-current value of their vested interest, plus 100% of the voluntary contributions made.

Death Benefits - If a participant dies prior to retirement age, the beneficiary will be entitled to the accumulated contributions.

Contributions - Contributions in the amount of \$468,984 were made by the Township to the Plan during the year ended December 31, 2024.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

12. Deferred Compensation Plans

Employees of the Township may participate in a deferred compensation plan (plan) adopted under the provisions of Internal Revenue Code Section 457 (Deferred compensation plans with respect to service for State and Local Governments).

The plan is available to all full-time employees of the Township. As part of its fiduciary role, the Township has an obligation of due care in selecting the third-party administrator. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. During 2024, employees contributed approximately \$1,461,000 to the plan.

During August of 2012, the Township established two 401(a) plans. The plans are available to the Township Manager and administrative employees. The plans were created to allow the Township Manager and other non-uniformed full-time employees greater opportunity to maximize their deferred compensation contribution to the deferred compensation plan. The Township contributes 5% of the employees' salary. During 2024, the Township contributed approximately \$496,000 to the 401(a) plans.

13. Intermunicipal Service Agreement

On December 4, 2015, the Marshall Township Municipal Sanitary Authority (Authority) paid \$7.2 million to the Township for its proportionate share of the estimated project costs in the Brush Creek Sewage Treatment Plant Expansion and Upgrade (system). The proportionate share of the project costs was calculated based on the future expected capacity by the Authority. The transfer of funds was in accordance with the agreement entered into with the Authority in March 2015, as well as the intermunicipal sewage service agreement dated as of June 1, 1989. During 2021, the agreement was amended to include additional estimated future capacity, and therefore an additional \$628,000 was paid by the Authority to the Township. The value of the Intermunicipal Service Agreement will be amortized on a straight-line basis over the expected life of the system once construction is complete as an offset to depreciation expense for the system. The unamortized portion of the Township capacity was \$7,069,328 at December 31, 2024.

TOWNSHIP OF CRANBERRY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

14. Commitments and Contingencies

The Township is the defendant in a number of lawsuits arising principally from the normal course of operation. In the opinion of the administration, the outcome of these claims and lawsuits will not have a material adverse effect on the accompanying financial statements.

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There have been no significant changes in insurance coverage since the prior year. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. During November 2014, the Township entered into an agreement to participate in the Delaware Valley Health Insurance Trust (Trust) effective January 1, 2015. The Trust operates as a risk sharing pool, operated and controlled by units of local government in southeastern Pennsylvania. The Trust offers contribution credits through a rate stabilization fund. Members have the option to use all or some of the credits allocated to reduce premium contributions or to roll the balance forward to future years.

The Township has signed various contracts related to capital projects that are still outstanding as of December 31, 2024. The total amount of commitments on these contracts is approximately \$1.15 million.

15. Significant Component Unit Transactions

During 2024, the Township provided approximately \$935,000 of support to the Library in the form of dedicated real estate tax revenues and contributions of facilities and equipment.

16. Related Party Transactions

The Township provides support to the Cranberry Township Volunteer Fire Company Relief Association (Association). During 2024, the Township provided approximately \$298,000 of foreign fire insurance tax distributions to the Association. The Township receives the foreign fire insurance tax distributions directly from the Commonwealth of Pennsylvania under Act 205.

REQUIRED SUPPLEMENTARY INFORMATION

TOWNSHIP OF CRANBERRY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND AND CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2024

	General Fund				Transportation Improvement Program East Fund				Capital Improvement Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final			Original	Final		
Revenues:												
Taxes:												
Property	\$ 3,691,730	\$ 3,691,730	\$ 3,737,029	\$ 45,299	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Earned income	8,400,000	8,400,000	11,321,953	2,921,953	-	-	-	-	-	-	-	-
Business privilege	2,700,000	2,700,000	3,355,127	655,127	-	-	-	-	-	-	-	-
Local service	1,100,000	1,100,000	1,444,959	344,959	-	-	-	-	-	-	-	-
Real estate transfer	1,000,000	1,000,000	2,232,131	1,232,131	-	-	-	-	-	-	-	-
Licenses, permits, and fees	1,758,900	1,758,900	2,074,402	315,502	-	-	-	-	-	-	-	-
Fines and forfeitures	73,000	73,000	62,381	(10,619)	-	-	-	-	-	-	-	-
Interest, rents, and royalties	713,000	713,000	1,102,402	389,402	160,000	160,000	399,801	239,801	250,000	250,000	1,212,120	962,120
Intergovernmental	1,513,000	1,513,000	1,611,624	98,624	-	-	-	-	5,423,756	6,395,640	3,195,140	(3,200,500)
Contributions and donations	8,000	8,000	76,302	68,302	1,019,238	1,019,238	1,025,059	5,821	258,000	258,000	1,883,645	1,625,645
Charges for services	2,021,480	2,021,480	2,119,053	97,573	-	-	-	-	-	-	-	-
Miscellaneous	3,085,500	3,085,500	289,911	(2,795,589)	-	-	-	-	-	-	-	-
Total revenues	26,064,610	26,064,610	29,427,274	3,362,664	1,179,238	1,179,238	1,424,860	245,622	5,931,756	6,903,640	6,290,905	(612,735)
Expenditures:												
Current:												
General government	5,169,545	5,169,545	4,263,194	(906,351)	-	-	-	-	-	-	-	-
Public safety	7,884,173	7,884,173	7,151,361	(732,812)	-	-	-	-	-	-	-	-
Highways, roads, and streets	5,372,576	5,374,304	4,833,089	(541,215)	-	-	197,582	197,582	-	-	-	-
Culture and recreation	3,251,065	3,251,065	3,187,813	(63,252)	-	-	-	-	-	-	-	-
Community development	1,244,108	1,244,108	1,080,400	(163,708)	-	-	-	-	-	-	-	-
Debt service	1,183,649	1,183,649	1,058,405	(125,244)	1,526,185	1,526,185	1,526,185	-	-	-	-	-
Capital outlay	37,000	37,000	26,943	(10,057)	160,000	264,349	-	(264,349)	10,922,993	26,530,352	15,602,424	(10,927,928)
Total expenditures	24,142,116	24,143,844	21,601,205	(2,542,639)	1,686,185	1,790,534	1,723,767	(66,767)	10,922,993	26,530,352	15,602,424	(10,927,928)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,922,494	1,920,766	7,826,069	5,905,303	(506,947)	(611,296)	(298,907)	312,389	(4,991,237)	(19,626,712)	(9,311,519)	10,315,193
Other Financing Sources (Uses):												
Proceeds from sale of capital assets	(4,000)	(4,000)	6,780	10,780	-	-	-	-	-	-	-	-
Transfers in	1,247,070	1,247,070	1,203,688	(43,382)	-	-	-	-	3,000,000	8,000,000	8,648,181	648,181
Transfers out	(3,000,000)	(8,000,000)	(8,125,372)	(125,372)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,756,930)	(6,756,930)	(6,914,904)	(157,974)	-	-	-	-	3,000,000	8,000,000	8,648,181	648,181
Net Change in Fund Balance	<u>\$ 165,564</u>	<u>\$ (4,836,164)</u>	911,165	<u>\$ 5,747,329</u>	<u>\$ (506,947)</u>	<u>\$ (611,296)</u>	(298,907)	<u>\$ 312,389</u>	<u>\$ (1,991,237)</u>	<u>\$ (11,626,712)</u>	(663,338)	<u>\$ 10,963,374</u>
Fund Balance:												
Beginning of year			17,433,612				6,465,235				23,766,550	
End of year			<u>\$ 18,344,777</u>				<u>\$ 6,166,328</u>				<u>\$ 23,103,212</u>	

TOWNSHIP OF CRANBERRY

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS

POLICE PENSION PLAN

YEARS ENDED DECEMBER 31

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:										
Service cost	\$ 669,440	\$ 663,215	\$ 647,661	\$ 639,694	\$ 612,506	\$ 580,125	\$ 478,974	\$ 454,004	\$ 418,491	\$ 396,674
Interest	1,613,214	1,510,119	1,450,841	1,356,634	1,287,189	1,205,897	1,133,640	1,068,437	1,032,166	943,437
Differences between expected and actual experience	-	(667,940)	-	(314,204)	-	(97,067)	-	(444,099)	-	109,143
Changes of assumptions	-	84,447	-	649,802	-	-	-	672,316	-	-
Benefit payments, including refunds of member contributions	(721,625)	(692,334)	(675,014)	(646,066)	(627,848)	(631,128)	(611,119)	(626,877)	(538,906)	(454,197)
Net Changes in Total Pension Liability	1,561,029	897,507	1,423,488	1,685,860	1,271,847	1,057,827	1,001,495	1,123,781	911,751	995,057
Total Pension Liability - Beginning	22,731,182	21,833,675	20,410,187	18,724,327	17,452,480	16,394,653	15,393,158	14,269,377	13,357,626	12,362,569
Total Pension Liability - Ending (a)	\$ 24,292,211	\$ 22,731,182	\$ 21,833,675	\$ 20,410,187	\$ 18,724,327	\$ 17,452,480	\$ 16,394,653	\$ 15,393,158	\$ 14,269,377	\$ 13,357,626
Plan Fiduciary Net Position:										
Contributions - employer	\$ 592,878	\$ 700,270	\$ 681,558	\$ 643,357	\$ 631,819	\$ 618,008	\$ 569,355	\$ 505,263	\$ 505,824	\$ 533,510
Contributions - employee	158,483	161,182	163,680	159,126	153,505	145,124	136,376	126,082	114,994	116,006
Net investment income	2,098,866	2,696,489	(2,587,588)	2,366,683	2,033,080	2,797,200	(838,964)	1,808,714	1,006,728	(84,237)
Benefit payments, including refunds of member contributions	(721,625)	(692,334)	(675,014)	(646,066)	(627,848)	(631,128)	(611,119)	(626,877)	(538,906)	(454,197)
Administrative expense	(62,073)	(55,768)	(54,698)	(56,141)	(47,797)	(45,367)	(44,719)	(42,595)	(39,915)	(39,673)
Net Change in Plan Fiduciary Net Position	2,066,529	2,809,839	(2,472,062)	2,466,959	2,142,759	2,883,837	(789,071)	1,770,587	1,048,725	71,409
Plan Fiduciary Net Position - Beginning	21,701,719	18,891,880	21,363,942	18,896,983	16,754,224	13,870,387	14,659,458	12,888,871	11,840,146	11,768,737
Plan Fiduciary Net Position - Ending (b)	\$ 23,768,248	\$ 21,701,719	\$ 18,891,880	\$ 21,363,942	\$ 18,896,983	\$ 16,754,224	\$ 13,870,387	\$ 14,659,458	\$ 12,888,871	\$ 11,840,146
Net Pension Liability (Asset) - Ending (a-b)	\$ 523,963	\$ 1,029,463	\$ 2,941,795	\$ (953,755)	\$ (172,656)	\$ 698,256	\$ 2,524,266	\$ 733,700	\$ 1,380,506	\$ 1,517,480
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.84%	95.47%	86.53%	104.67%	100.92%	96.00%	84.60%	95.23%	90.33%	88.64%
Covered Employee Payroll	\$ 3,610,450	\$ 3,621,211	\$ 3,467,943	\$ 3,526,302	\$ 3,408,803	\$ 3,296,938	\$ 3,158,802	\$ 2,758,713	\$ 2,455,939	\$ 2,615,697
Net Pension Liability (Asset) as a Percentage of Covered Payroll	14.51%	28.43%	84.83%	-27.05%	-5.07%	21.18%	79.91%	26.60%	56.21%	58.01%

See accompanying notes to schedules of
required supplementary information - police pension plan.

TOWNSHIP OF CRANBERRY

SCHEDULES OF CONTRIBUTIONS AND INVESTMENT RETURNS

POLICE PENSION PLAN

YEARS ENDED DECEMBER 31

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Schedule of Contributions										
Actuarially determined contribution	\$ 590,464	\$ 700,270	\$ 681,558	\$ 642,669	\$ 628,116	\$ 618,008	\$ 569,355	\$ 485,049	\$ 505,824	\$ 524,928
Contributions in relation to the actuarially determined contribution	592,878	700,270	681,558	643,357	631,819 *	618,008	569,355	505,263	505,824	524,928
Contribution deficiency (excess)	\$ (2,414)	\$ -	\$ -	\$ (688)	\$ (3,703)	\$ -	\$ -	\$ (20,214)	\$ -	\$ -
Covered payroll	\$ 3,610,450	\$ 3,621,211	\$ 3,467,943	\$ 3,526,302	\$ 3,408,803	\$ 3,296,938	\$ 3,158,802	\$ 2,758,713	\$ 2,455,939	\$ 2,615,697
Contributions as a percentage of covered payroll	16.42%	19.34%	19.65%	18.24%	18.53%	18.74%	18.02%	18.32%	20.60%	20.07%
Investment Returns										
Annual money-weighted rate of return, net of investment expense	9.73%	14.39%	-12.20%	12.63%	12.21%	20.38%	-5.78%	14.20%	8.41%	-0.69%

* Contributions of \$53,102 were accrued and paid into the Plan subsequent to December 31, 2020.

See accompanying notes to schedules of
required supplementary information - police pension plan.

TOWNSHIP OF CRANBERRY

NOTES TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION – POLICE PENSION PLAN

YEAR ENDED DECEMBER 31, 2024

Actuarial Methods and Assumptions Used in Determining the Contribution Rate (MMO)

Actuarial valuation date	1/1/2023
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar Closed
Remaining amortization period	1 year (aggregate)
Asset valuation method	4 year smoothing
Actuarial assumptions:	
Investment rate of return	7.00%
Projected salary increases	5.25%
Underlying inflation rate	2.75%
Mortality Table	2010 Public Retirement Plan - Public Safety mortality tables (PubS-2010). Mortality Improvement rates derived from the Long-Range Demographic Assumptions for the 2020 Social Security Administration's Trustee Report.

Change in Actuarial Assumptions

12/31/23 – Inflation assumption increased from 2.50% to 2.75%.

12/31/21 – Inflation assumption lowered from 2.75% to 2.50% per year; interest rate lowered from 7.25% to 7.00% per year; salary increase reduced from 5.50% to 5.25% per year.

12/31/20 – No significant changes were made to the actuarial assumptions since the previous actuarial valuation.

12/31/19 – No significant changes were made to the actuarial assumptions since the previous actuarial valuation.

TOWNSHIP OF CRANBERRY

NOTES TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION – POLICE PENSION PLAN

YEAR ENDED DECEMBER 31, 2024

12/31/18 – The discount rate was decreased from 7.50% to 7.25%.

12/31/17 – No significant changes were made to the actuarial assumptions since the previous actuarial valuation.

12/31/16 - The plan was amended to add a Deferred Retirement Option Plan (DROP). As it is assumed that participants will retire upon attainment of normal retirement eligibility, there will be no assumed use of the DROP. Therefore, there is no change in plan costs due to the addition of the DROP reflected in the valuation.

12/31/15 - No significant changes were made to the actuarial assumptions since the previous actuarial valuation.

SUPPLEMENTARY INFORMATION

TOWNSHIP OF CRANBERRY

COMBINING BALANCE SHEET OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2024

	Special Revenue Funds								
	Fire Protection Fund	Library Fund	Recreational Facilities Fund	Transportation Improvement Program West Fund	Developers' Deposits Fund	Developers' Contributions Fund	Highway Aid Fund	Storm Water Maintenance Fund	Powell Farm Fund
Assets									
Cash and cash equivalents	\$ 14,383	\$ 70,786	\$ -	\$ -	\$ 3,000	\$ 50,452	\$ -	\$ 11,763	\$ 25,111
Investments	833,792	760,112	1,208,628	96,501	1,453,440	924,477	441,192	28,597	931,651
Taxes and fees receivable	2,119	1,519	-	-	-	-	-	-	-
Other receivables	5,086	-	-	-	-	-	-	-	-
Due from other funds	225	-	15,028	51,940	756	2,088	-	-	-
Total Assets	\$ 855,605	\$ 832,417	\$ 1,223,656	\$ 148,441	\$ 1,457,196	\$ 977,017	\$ 441,192	\$ 40,360	\$ 956,762
Liabilities and Fund Balance									
Liabilities:									
Accounts payable and accrued expenses	\$ 27,196	\$ 55,706	\$ -	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ -
Developer deposit liability	-	-	-	-	1,457,196	-	-	-	-
Due to other funds	12,408	642,367	-	2,112,449	-	756	-	-	-
Total Liabilities	39,604	698,073	-	2,120,449	1,457,196	756	-	-	-
Fund Balance:									
Restricted	816,001	134,344	1,223,656	-	-	976,261	441,192	40,360	956,762
Unassigned	-	-	-	(1,972,008)	-	-	-	-	-
Total Fund Balance	816,001	134,344	1,223,656	(1,972,008)	-	976,261	441,192	40,360	956,762
Total Liabilities and Fund Balance	\$ 855,605	\$ 832,417	\$ 1,223,656	\$ 148,441	\$ 1,457,196	\$ 977,017	\$ 441,192	\$ 40,360	\$ 956,762

(Continued)

TOWNSHIP OF CRANBERRY

COMBINING BALANCE SHEET OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2024
(Continued)

		Capital Projects Funds					
	Total Special Revenue Funds	Fire Capital Fund	Township Transportation Improvement Fund	Road Equipment Fund	Public Building Fund	Total Capital Projects Funds	Total Other Governmental Funds
Assets							
Cash and cash equivalents	\$ 175,495	\$ 3,645	\$ -	\$ 1,107	\$ 1,291	\$ 6,043	\$ 181,538
Investments	6,678,390	108,475	24,425	2,673,804	1,284,227	4,090,931	10,769,321
Taxes and fees receivable	3,638	1,481	-	1,120	1,297	3,898	7,536
Other receivables	5,086	-	-	-	-	-	5,086
Due from other funds	70,037	54,911	-	144,591	128	199,630	269,667
Total Assets	\$ 6,932,646	\$ 168,512	\$ 24,425	\$ 2,820,622	\$ 1,286,943	\$ 4,300,502	\$ 11,233,148
Liabilities and Fund Balance							
Liabilities:							
Accounts payable and accrued expenses	\$ 90,902	\$ 3,354	\$ -	\$ -	\$ -	\$ 3,354	\$ 94,256
Developer deposit liability	1,457,196	-	-	-	-	-	1,457,196
Due to other funds	2,767,980	-	-	-	-	-	2,767,980
Total Liabilities	4,316,078	3,354	-	-	-	3,354	4,319,432
Fund Balance:							
Restricted	4,588,576	165,158	24,425	2,820,622	1,286,943	4,297,148	8,885,724
Unassigned	(1,972,008)	-	-	-	-	-	(1,972,008)
Total Fund Balance	2,616,568	165,158	24,425	2,820,622	1,286,943	4,297,148	6,913,716
Total Liabilities and Fund Balance	\$ 6,932,646	\$ 168,512	\$ 24,425	\$ 2,820,622	\$ 1,286,943	\$ 4,300,502	\$ 11,233,148

(Concluded)

TOWNSHIP OF CRANBERRY

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OTHER GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2024

	Special Revenue Funds								
	Fire Protection Fund	Library Fund	Recreational Facilities Fund	Transportation Improvement Program West Fund	Developers' Deposits Fund	Developers' Contributions Fund	Highway Aid Fund	Storm Water Maintenance Fund	Powell Farm Fund
Revenues:									
Taxes	\$ 640,912	\$ 459,441	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest, rents, and royalties	57,770	33,477	92,091	7,321	-	52,998	53,906	1,435	47,151
Intergovernmental	65,358	-	-	-	-	-	1,009,000	-	-
Contributions and donations	-	-	248,780	51,940	-	97,020	-	-	25,000
Miscellaneous	3,350	-	-	-	-	-	-	-	-
Total revenues	767,390	492,918	340,871	59,261	-	150,018	1,062,906	1,435	72,151
Expenditures:									
Public safety	681,861	-	-	-	-	-	-	-	-
Highways, roads, and streets	-	-	-	104,805	-	21,875	980,950	-	-
Culture and recreation	-	512,418	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Debt service:									
Principal retirement	-	-	259,600	-	-	-	-	-	-
Interest charges	-	-	44,938	-	-	-	-	-	-
Capital outlay	-	-	-	607,596	-	-	-	-	-
Total expenditures	681,861	512,418	304,538	712,401	-	21,875	980,950	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	85,529	(19,500)	36,333	(653,140)	-	128,143	81,956	1,435	72,151
Other Financing Sources (Uses):									
Proceeds from sale of capital assets	5,086	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	5,086	-	-	-	-	-	-	-	-
Net Change in Fund Balance	90,615	(19,500)	36,333	(653,140)	-	128,143	81,956	1,435	72,151
Fund Balance:									
Beginning of year	725,386	153,844	1,187,323	(1,318,868)	-	848,118	359,236	38,925	884,611
End of year	\$ 816,001	\$ 134,344	\$ 1,223,656	\$ (1,972,008)	\$ -	\$ 976,261	\$ 441,192	\$ 40,360	\$ 956,762

(Continued)

TOWNSHIP OF CRANBERRY

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OTHER GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2024

(Continued)

	Capital Projects Funds						
	Total Special Revenue Funds	Fire Capital Fund	Township Transportation Improvement Fund	Road Equipment Fund	Public Building Fund	Total Capital Projects Funds	Total Other Governmental Funds
Revenues:							
Taxes	\$ 1,100,353	\$ 447,962	\$ -	\$ 390,544	\$ 459,441	\$ 1,297,947	\$ 2,398,300
Interest, rents, and royalties	346,149	12,019	1,250	203,120	59,918	276,307	622,456
Intergovernmental	1,074,358	-	-	-	-	-	1,074,358
Contributions and donations	422,740	-	-	-	-	-	422,740
Miscellaneous	3,350	-	-	-	-	-	3,350
Total revenues	2,946,950	459,981	1,250	593,664	519,359	1,574,254	4,521,204
Expenditures:							
Public safety	681,861	963	-	-	-	963	682,824
Highways, roads, and streets	1,107,630	-	-	-	-	-	1,107,630
Culture and recreation	512,418	-	-	-	-	-	512,418
Miscellaneous	-	-	-	-	987	987	987
Debt service:							
Principal retirement	259,600	331,266	-	-	-	331,266	590,866
Interest charges	44,938	69,729	-	-	-	69,729	114,667
Capital outlay	607,596	-	-	839	-	839	608,435
Total expenditures	3,214,043	401,958	-	839	987	403,784	3,617,827
Excess (Deficiency) of Revenues Over (Under) Expenditures	(267,093)	58,023	1,250	592,825	518,372	1,170,470	903,377
Other Financing Sources (Uses):							
Proceeds from sale of capital assets	5,086	-	-	-	-	-	5,086
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(152,269)	(152,269)	(152,269)
Total other financing sources (uses)	5,086	-	-	-	(152,269)	(152,269)	(147,183)
Net Change in Fund Balance	(262,007)	58,023	1,250	592,825	366,103	1,018,201	756,194
Fund Balance:							
Beginning of year	2,878,575	107,135	23,175	2,227,797	920,840	3,278,947	6,157,522
End of year	\$ 2,616,568	\$ 165,158	\$ 24,425	\$ 2,820,622	\$ 1,286,943	\$ 4,297,148	\$ 6,913,716

TOWNSHIP OF CRANBERRY

COMBINING STATEMENT OF NET POSITION OTHER PROPRIETARY FUNDS

DECEMBER 31, 2024

	Pool	General Authority	Total Other Enterprise Funds
Assets			
Current assets:			
Cash and cash equivalents	\$ 11,574	\$ 2,889,904	\$ 2,901,478
Investments	428,031	-	428,031
Accounts receivable:			
Customers - billed	-	28,489	28,489
Other	5,774	-	5,774
Due from other funds	-	322,316	322,316
Total current assets	445,379	3,240,709	3,686,088
Non-current assets:			
Capital assets:			
Land	-	200,000	200,000
Buildings	5,251,423	-	5,251,423
Machinery, equipment, and vehicles	115,142	-	115,142
Less: accumulated depreciation	(3,328,539)	-	(3,328,539)
Total non-current assets	2,038,026	200,000	2,238,026
Total Assets	2,483,405	3,440,709	5,924,114
Liabilities			
Current liabilities:			
Accounts payable and accrued expenses	11,627	6,008	17,635
Accrued interest payable	13,085	-	13,085
Due to other funds	6,149	594,751	600,900
Unearned revenue	5,090	-	5,090
Total current liabilities	35,951	600,759	636,710
Non-current liabilities:			
Compensated absences	4,938	-	4,938
Total Liabilities	40,889	600,759	641,648
Net Position			
Net investment in capital assets	2,038,026	200,000	2,238,026
Unrestricted	404,490	2,639,950	3,044,440
Total Net Position	\$ 2,442,516	\$ 2,839,950	\$ 5,282,466

TOWNSHIP OF CRANBERRY

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION OTHER PROPRIETARY FUNDS

YEAR ENDED DECEMBER 31, 2024

	Pool	General Authority	Total Other Enterprise Funds
Operating Revenues:			
Charges for services	\$ 812,338	\$ 1,918,438	\$ 2,730,776
Miscellaneous revenues	1,175	12,037	13,212
Total operating revenues	813,513	1,930,475	2,743,988
Operating Expenses:			
Wages, benefits, and related taxes	469,383	-	469,383
Employee insurance	25,768	-	25,768
Retirement contribution	3,748	-	3,748
Administrative expenses	10,214	12,287	22,501
Materials and supplies	27,388	-	27,388
Chemicals	37,116	-	37,116
Telephone and utilities	56,186	-	56,186
Repairs and maintenance	33,308	15,083	48,391
Minor equipment rental and purchase	21,711	-	21,711
Professional and other services	81,381	390	81,771
Concession and other products and services	91,143	-	91,143
Depreciation	192,509	-	192,509
Total operating expenses	1,049,855	27,760	1,077,615
Operating Income (Loss)	(236,342)	1,902,715	1,666,373
Non-Operating Revenues (Expenses):			
Investment income (loss)	66,460	129,873	196,333
Total non-operating revenues (expenses)	66,460	129,873	196,333
Income (loss) before transfers	(169,882)	2,032,588	1,862,706
Transfers in	-	-	-
Transfers out	-	(1,451,869)	(1,451,869)
Total transfers	-	(1,451,869)	(1,451,869)
Change in Net Position	(169,882)	580,719	410,837
Net Position:			
Beginning of year	2,612,398	2,259,231	4,871,629
End of year	\$ 2,442,516	\$ 2,839,950	\$ 5,282,466

TOWNSHIP OF CRANBERRY

COMBINING STATEMENT OF FIDUCIARY NET POSITION PENSION TRUST FUNDS

DECEMBER 31, 2024

Assets	Police Pension Fund	Non-Uniform Pension Fund	Total Pension Trust Funds
Cash and cash equivalents	\$ 274,368	\$ -	\$ 274,368
Investments:			
Fixed income	8,346,105	3,671,337	12,017,442
Mutual funds	15,147,775	7,356,777	22,504,552
Total Assets	23,768,248	11,028,114	34,796,362
Net Position Restricted For Pension Benefits	\$ 23,768,248	\$ 11,028,114	\$ 34,796,362

TOWNSHIP OF CRANBERRY

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION TRUST FUNDS

YEAR ENDED DECEMBER 31, 2024

	Police Pension Fund	Non-Uniform Pension Fund	Total Pension Trust Funds
Additions:			
Employer contributions	\$ 592,878	\$ 468,984	\$ 1,061,862
Employee contributions	158,483	-	158,483
Total contributions	751,361	468,984	1,220,345
Investment gain (loss):			
Net appreciation (depreciation) in fair value of investments	1,525,314	800,279	2,325,593
Interest and dividends	573,552	273,985	847,537
Total investment gain (loss)	2,098,866	1,074,264	3,173,130
Total additions	2,850,227	1,543,248	4,393,475
Deductions:			
Benefit payment and distributions	721,625	1,808,911	2,530,536
Administrative expense	62,073	17,712	79,785
Total deductions	783,698	1,826,623	2,610,321
Change in Plan Net Position	2,066,529	(283,375)	1,783,154
Net Position:			
Beginning of year	21,701,719	11,311,489	33,013,208
End of year	\$ 23,768,248	\$ 11,028,114	\$ 34,796,362