

2024 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

022764 RESERVE TWP, ALLEGHENY COUNTY



Zelenkofske Axelrod LLC

CERTIFIED PUBLIC ACCOUNTANTS

EXPERIENCE | EXPERTISE | ACCOUNTABILITY

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Reserve Township

Opinions

We have audited the Cash Basis Balance Sheet, Statement of Revenues and Expenditures, Debt Statement, and Statements of Capital Expenditures and Employee Compensation – regulatory basis, as of and for the year ended December 31, 2024, and included in the 2024 Annual Audit and Financial Report (Schedules) of Reserve Township (Township).

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the Schedules referred to above present fairly, in all material respects, the regulatory basis financial position of the Township as of December 31, 2024, and the regulatory results of its operations for the year then ended in accordance with the financial reporting provisions described in the instructions provided by Pennsylvania Department of Community and Economic Development (DCED).

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2024, and the results of its operations for the year then ended.

Basis for Adverse and Unmodified Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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.

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

To meet the financial reporting requirements of the Commonwealth of Pennsylvania, the Schedules are prepared by the Township on the basis of the instructions provided by the DCED, which is a basis of accounting other than accounting principles generally accepted in the United States of America. These requirements permit the Schedules to be prepared without financial statement disclosures, without cash flows, without component unit financial information, without government-wide financial statements, without footnotes to the financial statements, without Management's Discussion and Analysis, without budgetary comparisons, and without historical pension and post-employment benefit liability information and require all funds to be aggregated by fund type on the Schedules.



Zelenkofske Axelrod LLC

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The effects on the Schedules of the variance between the regulatory basis of accounting described above and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these Schedules in accordance with the financial reporting provisions as described in the instructions provided by the DCED to meet filing requirements in Pennsylvania, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of Schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility 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 GAAS [and GAS] will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts 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.



Zelenkofske Axelrod LLC

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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.

Zelenkofske Axelrod LLC

ZELENKOFKSKE AXELROD LLC

Pittsburgh, Pennsylvania
March 24, 2025

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
Assets and Other Debits											
100-120	Cash and Investments	1,199,716	25,904	10,284		1,538,498		5,543,372			8,317,774
140-144	Tax Receivable										
121-129, 145-149	Accounts Receivable (excluding taxes)										
130.00	Due From Other Funds										
131-139, 150-159	Other Current Assets										
160-169	Fixed Assets										
180-189	Other Debits									2,255,079	2,255,079
Total Assets and Other Debits		1,199,716	25,904	10,284		1,538,498		5,543,372		2,255,079	10,572,853

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BALANCE SHEET

Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only

Fund and Account Group Equity											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets										
270-289	Fund Balance / Retained Earnings on 12/31	1,154,661	25,904	10,284		1,538,498		5,543,372			8,272,719
291-299	Other Equity										
Total Fund and Account Group Equity		1,154,661	25,904	10,284		1,538,498		5,543,372			8,272,719

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY	10,572,853
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RESERVE TWP, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

REVENUES

Taxes									
301.00	Real Estate Taxes	872,621							872,621
305.00	Occupation Taxes (levied under municipal code)								
308.00	Residence Taxes (levied by cities of the 3rd Class)								
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)	108,748							108,748
310.00	Per Capita Taxes								
310.10	Real Estate Transfer Taxes	69,901							69,901
310.20	Earned Income Taxes / Wage Taxes	558,027							558,027
310.30	Business Gross Receipts Taxes								
310.40	Occupation Taxes (levied under Act 511)								
310.50	Local Services Tax **	12,942							12,942
310.60	Amusement / Admission Taxes								
310.70	Mechanical Device Taxes								
310.90	Other: Landfill (percent)	16,675							16,675
	Other: _____								
Total Taxes		1,638,914							1,638,914

Licenses and Permits									
320-322	All Other Licenses and Permits	42,039							42,039
321.80	Cable Television Franchise Fees	62,031							62,031
Total Licenses and Permits		104,070							104,070

Fines and Forfeits									
330-332	Fines and Forfeits	12,059							12,059
Total Fines and Forfeits		12,059							12,059

RESERVE TWP, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

REVENUES

Interest, Rents and Royalties									
341.00	Interest Earnings	90,328	3,600	437		86,268		603,308	783,941
342.00	Rents and Royalties								
Total Interest, Rents and Royalties		90,328	3,600	437		86,268		603,308	783,941

Federal									
351.03	Highways and Streets								
351.09	Community Development								
351.00	All Other Federal Capital and Operating Grants								
352.01	National Forest								
352.00	All Other Federal Shared Revenue and Entitlements								
353.00	Federal Payments in Lieu of Taxes								
Total Federal									

State									
354.03	Highways and Streets								
354.09	Community Development								
354.15	Recycling / Act 101								
354.00	All Other State Capital and Operating Grants	50,000							50,000
355.01	Public Utility Realty Tax (PURTA)	1,511							1,511
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		87,650						87,650
355.04	Alcoholic Beverage Licenses	250							250
355.05	General Municipal Pension System State Aid	106,956							106,956
355.07	Foreign Fire Insurance Tax Distribution	17,647							17,647
355.08	Local Share Assessment/Gaming Proceeds								
355.09	Marcellus Shale Impact Fee Distribution	452							452

RESERVE TWP, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

REVENUES

State									
355.00	All Other State Shared Revenues and Entitlements								
356.00	State Payments in Lieu of Taxes								
Total State		176,816	87,650						264,466

Local Government Units									
357.03	Highways and Streets								
357.00	All Other Local Governmental Units Capital and Operating Grants								
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services								
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes								
Total Local Government Units									

Charges for Service									
361.00	General Government	201,839							201,839
362.00	Public Safety	21,170							21,170
363.20	Parking								
363.00	All Other Charges for Highway & Street Services	27,544							27,544
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)					892,719			892,719
364.30	Solid Waste Collection and Disposal Charge (trash)								
364.60	Host Municipality Benefit Fee for Solid Waste Facility								
364.00	All Other Charges for Sanitation Services								
365.00	Health								
366.00	Human Services								
367.00	Culture and Recreation	5,565							5,565
368.00	Airports								

RESERVE TWP, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

REVENUES

Charges for Service								
369.00	Bars							
370.00	Cemeteries							
372.00	Electric System							
373.00	Gas System							
374.00	Housing System							
375.00	Markets							
377.00	Transit Systems							
378.00	Water System				826,604			826,604
379.00	All Other Charges for Service	30,282						30,282
Total Charges for Service		286,400			1,719,323			2,005,723

Unclassified Operating Revenues								
383.00	Special Assessments				105,088			105,088
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	21,019						21,019
388.00	Fiduciary Fund Pension Contributions						169,141	169,141
389.00	All Other Unclassified Operating Revenues	1,316						1,316
Total Unclassified Operating Revenues		22,335			105,088		169,141	296,564

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition							
392.00	Interfund Operating Transfers			14,689				14,689
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

RESERVE TWP, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

REVENUES

Other Financing Sources									
395.00	Refunds of Prior Year Expenditures	32,726							32,726
Total Other Financing Sources		32,726		14,689					47,415

TOTAL REVENUES

2,363,648	91,250	15,126		1,910,679		772,449	5,153,152
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EXPENDITURES

General Government									
400.00	Legislative (Governing) Body	24,287							24,287
401.00	Executive (Manager or Mayor)	120,620							120,620
402.00	Auditing Services / Financial Administration	14,950							14,950
403.00	Tax Collection	43,032							43,032
404.00	Solicitor / Legal Services	20,515							20,515
405.00	Secretary / Clerk	75,336							75,336
406.00	Other General Government Administration	22,886					14,498		37,384
407.00	IT-Networking Services-Data Processing	21,507							21,507
408.00	Engineering Services								
409.00	General Government Buildings and Plant	43,210							43,210
Total General Government		386,343					14,498		400,841

Public Safety

410.00	Police	717,843					26,971	744,814
411.00	Fire	67,169						67,169
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement	21,981						21,981

RESERVE TWP, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

EXPENDITURES

Public Safety									
414.00	Planning and Zoning	3,419							3,419
415.00	Emergency Management and Communications								
416.00	Militia and Armories								
417.00	Examination of Licensed Occupations								
418.00	Public Scales (weights and measures)								
419.00	Other Public Safety	18,730							18,730
Total Public Safety		829,142						26,971	856,113

Health and Human Services									
420.00-425.00	Health and Human Services	3,190							3,190
Total Health and Human Services		3,190							3,190

Public Works - Sanitation									
426.00	Recycling Collection and Disposal								
427.00	Solid Waste Collection and Disposal (garbage)								
428.00	Weed Control								
429.00	Wastewater / Sewage Treatment and Collection					993,408			993,408
Total Public Works - Sanitation						993,408			993,408

Public Works - Highways and Streets									
430.00	General Services - Administration	379,877	48,024						427,901
431.00	Cleaning of Streets and Gutters								
432.00	Winter Maintenance – Snow Removal		41,688						41,688
433.00	Traffic Control Devices								
434.00	Street Lighting		41,312						41,312

RESERVE TWP, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

EXPENDITURES

Public Works - Highways and Streets

435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains	43,918						43,918
437.00	Repairs of Tools and Machinery	413	2,403					2,816
438.00	Maintenance and Repairs of Roads and Bridges	6,329						6,329
439.00	Highway Construction and Rebuilding Projects	433,287						433,287
Total Public Works - Highways and Streets		863,824	133,427					997,251

Other Public Works Enterprises

440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets							
445.00	Parking							
446.00	Storm Water and Flood Control							
447.00	Transit System							
448.00	Water System				742,992			742,992
449.00	Water Transport and Terminals							
Total Other Public Works Enterprises					742,992			742,992

Culture and Recreation

451.00	Culture-Recreation Administration	6,799						6,799
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks	187						187

RESERVE TWP, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

EXPENDITURES

Culture and Recreation									
455.00	Shade Trees								
456.00	Libraries								
457.00	Civil and Military Celebrations								
458.00	Senior Citizens' Centers								
459.00	All Other Culture and Recreation								
Total Culture and Recreation		6,986							6,986

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

Debt Service									
471.00	Debt Principal (short-term and long-term)	120,013		13,656					133,669
472.00	Debt Interest (short-term and long-term)	56,834		1,033					57,867
475.00	Fiscal Agent Fees								
Total Debt Service		176,847		14,689					191,536

Employer Paid Benefits and Withholding Items									
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	201,906							201,906
482.00	Judgments and Losses								
483.00	Pension / Retirement Fund Contributions								

RESERVE TWP, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2024

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

EXPENDITURES

Employer Paid Benefits and Withholding Items								
484.00	Worker Compensation Insurance							
487.00	Other Group Insurance Benefits							
Total Employer Paid Benefits and Withholding Items		201,906						201,906

Insurance								
486.00	Insurance, Casualty, and Surety	57,661						57,661
Total Insurance		57,661						57,661

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid						240,927	240,927
489.00	All Other Unclassified Expenditures	591						591
Total Unclassified Operating Expenditures		591					240,927	241,518

Other Financing Uses								
491.00	Refund of Prior Year Revenues							
492.00	Interfund Operating Transfers				14,689			14,689
493.00	All Other Financing Uses							
Total Other Financing Uses					14,689			14,689

TOTAL EXPENDITURES	2,526,490	133,427	14,689		1,751,089		282,396	4,708,091
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	-162,842	-42,177	437		159,590		490,053	445,061
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RESERVE TWP
December 31, 2024

DEBT STATEMENT											
OUTSTANDING BONDS AND NOTES Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.											
Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
General Obligation Note	Note	2021	2041	2,545,000	2,326,612		107,641		2,218,971		2,218,971
Revenue Bonds and Notes											
PennVest Guaranteed Revenue Note	Note	2006	2027	246,084	49,764		13,656		36,108		36,108
Lease Rental Debt											
Other											
First Commonwealth Bank	Note	2010	2025	150,000	12,372		12,372		0		0

(1) - excludes unamortized premium/discount	Total bonds and notes outstanding	2,255,079
	Capitalized lease obligations	0
	Net debt	2,255,079

RESERVE TWP, ALLEGHENY County
STATEMENT OF CAPITAL EXPENDITURES
December 31, 2024

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer		76,567	76,567
Solid Waste			
Streets / Highways			
Water		10,410	10,410
Other: _____			
TOTAL CAPITAL EXPENDITURES		86,977	86,977

EMPLOYEE COMPENSATION

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials) 856,927

Independent Public Accountant/Certified Public Accountant Submission Page
Opinion page was provided in lieu of signature page.

SIGNATURE AND VERIFICATION

Signed: Carley Short Appointed Auditor/CPA

December 31, 2024

NOTES / COMMENTS