

BOROUGH OF IRWIN

IRWIN, PENNSYLVANIA

**FINANCIAL STATEMENTS – CASH BASIS
YEAR ENDED DECEMBER 31, 2025**

BOROUGH OF IRWIN
YEAR ENDED DECEMBER 31, 2025

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Zelenkofske Axlerod LLC

CERTIFIED PUBLIC ACCOUNTANTS

EXPERIENCE | EXPERTISE | ACCOUNTABILITY

INDEPENDENT AUDITOR'S REPORT

To the Members of Council
Borough of Irwin
Irwin, Pennsylvania 15642

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying cash basis balance sheet, statement of revenues and expenditures, debt statement, and statement of capital expenditures and employee compensation, and the related notes to the financial statements (the "financial statements"), of the Borough of Irwin, which are included in the Pennsylvania Department of Community and Economic Development's (DCED) prescribed form as of December 31, 2025, for the year then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash basis assets, liabilities, and fund balances of the Borough of Irwin, as of December 31, 2025, and the revenues it received and expenditures it paid for the year then ended, in accordance with the financial reporting provisions of the Pennsylvania Department of Community and Economic Development's prescribed form as described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Borough of Irwin 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.

Emphasis of Matter — Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting in the Pennsylvania Department of Community and Economic Development's (DCED) prescribed form, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.



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Members of Council
Borough of Irwin
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Responsibilities of Management for the Financial Statements

Borough of Irwin's management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

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 GAAS 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 Borough of Irwin's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough of Irwin'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.



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Members of Council
Borough of Irwin
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Supplementary Information

Our audit was conducted for the purpose of forming opinion on the financial statements that collectively comprise the Borough's financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance- Cash Basis – Budget and Actual – General Fund on page 32, Schedule of Revenues, Expenditures, and Changes in Fund Balance-Cash Basis-Budget and Actual-Liquid Fuels Fund on page 33, the combining special revenue fund financial statements on pages 34 through 35, the proprietary fund financial statements on pages 36 through 37, and the combining fiduciary fund statements on pages 38 through 39, are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Zelenkofske Axlerod LLC

ZELENKOFKSKE AXELROD LLC

March 31, 2026
Greensburg, Pennsylvania

**2025 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

650693 IRWIN BORO, WESTMORELAND COUNTY

IRWIN BORO, WESTMORELAND County

BALANCE SHEET

December 31, 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
Liabilities and Other Credits											
260-269	Long-Term-Liabilities									1,118,374	1,118,374
240-259	Current Portion of Long-Term Debt and Other Credits									291,656	291,656
Total Liabilities and Other Credits		35,917								1,410,030	1,445,947

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	1,482,571	220,413	1,113,904	15	397,216		2,772,712	10,610,747		16,597,578
291-299	Other Equity										
Total Fund and Account Group Equity		1,482,571	220,413	1,113,904	15	397,216		2,772,712	10,610,747		16,597,578

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											18,043,525
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IRWIN BORO, WESTMORELAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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	684,676	86,089					770,765
305.00	Occupation Taxes (levied under municipal code)							
308.00	Residence Taxes (levied by cities of the 3rd Class)							
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)							
310.00	Per Capita Taxes	8,578						8,578
310.10	Real Estate Transfer Taxes	72,244						72,244
310.20	Earned Income Taxes / Wage Taxes	626,832						626,832
310.30	Business Gross Receipts Taxes	136,058						136,058
310.40	Occupation Taxes (levied under Act 511)	10,561						10,561
310.50	Local Services Tax **	67,999						67,999
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes	4,312						4,312
310.90	Other: _____							
	Other: _____							
Total Taxes		1,611,260	86,089					1,697,349

Licenses and Permits								
320-322	All Other Licenses and Permits	5,015						5,015
321.80	Cable Television Franchise Fees	69,554						69,554
Total Licenses and Permits		74,569						74,569

Fines and Forfeits								
330-332	Fines and Forfeits	32,956						32,956
Total Fines and Forfeits		32,956						32,956

IRWIN BORO, WESTMORELAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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								
356.00	State Payments in Lieu of Taxes							
355.00	All Other State Shared Revenues and Entitlements	127,501						127,501
Total State		161,637	180,508	215,935			127,501	685,581

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	31,746						31,746
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes	3,782						3,782
Total Local Government Units		35,528						35,528

Charges for Service								
361.00	General Government	6,841						6,841
362.00	Public Safety	69,376						69,376
363.20	Parking	81,713						81,713
363.00	All Other Charges for Highway & Street Services							
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)	1,724,725						1,724,725
364.30	Solid Waste Collection and Disposal Charge (trash)	838,062						838,062
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	16,125			6,108			22,233
368.00	Airports							

IRWIN BORO, WESTMORELAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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**

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							
379.00	All Other Charges for Service	6,395						6,395
Total Charges for Service		2,743,237			6,108			2,749,345

Unclassified Operating Revenues

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	800,000						800,000
388.00	Fiduciary Fund Pension Contributions					23,924		23,924
389.00	All Other Unclassified Operating Revenues	36,495						36,495
Total Unclassified Operating Revenues		836,495				23,924		860,419

Other Financing Sources

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	42,165						42,165
392.00	Interfund Operating Transfers	527,307	774,218	350,852		458,244		2,110,621
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

IRWIN BORO, WESTMORELAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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	33,328						33,328
Total Other Financing Sources		602,800	774,218	350,852		458,244		2,186,114

TOTAL REVENUES

6,115,623	1,112,539	578,590		467,855		489,435	8,764,042
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EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	423,319						423,319
401.00	Executive (Manager or Mayor)	65,877						65,877
402.00	Auditing Services / Financial Administration	16,125						16,125
403.00	Tax Collection	42,963						42,963
404.00	Solicitor / Legal Services							
405.00	Secretary / Clerk							
406.00	Other General Government Administration	124,447						124,447
407.00	IT-Networking Services-Data Processing	9,414						9,414
408.00	Engineering Services							
409.00	General Government Buildings and Plant	324,334						324,334
Total General Government		1,006,479						1,006,479

Public Safety

410.00	Police	614,766		3,779				618,545
411.00	Fire	68,779	77,011					145,790
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement	19,861						19,861

IRWIN BORO, WESTMORELAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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	855						855
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							
Total Public Safety		704,261	77,011	3,779				785,051

Health and Human Services

420.00-425.00	Health and Human Services							
Total Health and Human Services								

Public Works - Sanitation

426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)	649,357						649,357
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection	1,014,551			12,200			1,026,751
Total Public Works - Sanitation		1,663,908			12,200			1,676,108

Public Works - Highways and Streets

430.00	General Services - Administration	334,159		51,778				385,937
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	121,265						121,265
433.00	Traffic Control Devices	8,826						8,826
434.00	Street Lighting		67,230					67,230

IRWIN BORO, WESTMORELAND County
STATEMENT OF REVENUES AND EXPENDITURES

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December 31, 2025

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							
437.00	Repairs of Tools and Machinery							
438.00	Maintenance and Repairs of Roads and Bridges	30,975	597,907	247,574				876,456
439.00	Highway Construction and Rebuilding Projects							
Total Public Works - Highways and Streets		495,225	665,137	299,352				1,459,714

Other Public Works Enterprises								
440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets							
445.00	Parking	20,369						20,369
446.00	Storm Water and Flood Control	3,315						3,315
447.00	Transit System	5,644						5,644
448.00	Water System							
449.00	Water Transport and Terminals							
Total Other Public Works Enterprises		29,328						29,328

Culture and Recreation								
451.00	Culture-Recreation Administration	4,425				2,107		6,532
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks	13,096						13,096

IRWIN BORO, WESTMORELAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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

EXPENDITURES

Culture and Recreation								
455.00	Shade Trees	2,594						2,594
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		20,115				2,107		22,222

Community Development								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing		75,077					75,077
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development							
Total Community Development			75,077					75,077

Debt Service								
471.00	Debt Principal (short-term and long-term)	1,493	282,833					284,326
472.00	Debt Interest (short-term and long-term)	256	41,355					41,611
475.00	Fiscal Agent Fees							
Total Debt Service		1,749	324,188					325,937

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

IRWIN BORO, WESTMORELAND County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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								

Insurance								
486.00	Insurance, Casualty, and Surety	135,592						135,592
Total Insurance		135,592						135,592

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid						144,553	144,553
489.00	All Other Unclassified Expenditures	12,944					39,206	52,150
Total Unclassified Operating Expenditures		12,944					183,759	196,703

Other Financing Uses								
491.00	Refund of Prior Year Revenues							
492.00	Interfund Operating Transfers	1,564,073	222,360		324,188			2,110,621
493.00	All Other Financing Uses							
Total Other Financing Uses		1,564,073	222,360		324,188			2,110,621

TOTAL EXPENDITURES	5,633,674	1,141,413	525,491		338,495		183,759	7,822,832
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	481,949	-28,874	53,099		129,360		305,676	941,210
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IRWIN BORO
December 31, 2025

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											
Revenue Bonds and Notes											
Lease Rental Debt											
Other											
PennVest Loan #74133	Note	2007	2027	768,000	137,468		44,658		92,810		92,810
PennVest Loan #P300000770-102	Note	2008	2028	5,250,000	1,556,888		239,668		1,317,220		1,317,220

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding	1,410,030
Capitalized lease obligations	0
Net debt	1,410,030

IRWIN BORO, WESTMORELAND County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2025

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	20,888		20,888
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer			
Solid Waste	49,581		49,581
Streets / Highways		214,245	214,245
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	70,469	214,245	284,714

EMPLOYEE COMPENSATION

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

959,064

ELECTED CONTROLLER'S/AUDITOR'S CERTIFIED OPINION

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

I/We, the undersigned, the duly elected (or appointed replacement), qualified, and Acting Controller/Auditors of the IRWIN BORO have audited, adjusted and settled the various funds and account groups of the IRWIN BORO for the year ended December 31, 2025. My/Our audit, adjustment and settlement was made in accordance with law rather than with generally accepted auditing standards

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

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

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

In my/our opinion, the aforementioned financial statements present the financial position of the various funds and account groups of the municipality of IRWIN BORO for the year ended December 31, 2025, and the results of operations of such funds in accordance with the law.

SIGNATURE AND VERIFICATION

Signed:

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



Signed: _____

Witness (Controller)/Auditor (Auditors)

BOROUGH OF IRWIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

The Borough of Irwin is incorporated under the laws of the Commonwealth of Pennsylvania. The Borough operates under a Mayor-Council form of government. The Borough provides the following services: public safety, streets, health and social services, sanitation, culture-recreation, public improvements, planning and zoning and general administrative services. The Borough regularly maintains its books on the cash receipts and disbursements method. The Borough has not made any provisions for uncollectible taxes, as all real estate taxes unpaid by the due date are liened and will be collected.

A. Reporting Entity

Consistent with the guidance contained in GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*", the criteria used by the Borough to evaluate the possible inclusion of related entities within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given case, the Borough reviews the applicability of the following criteria.

The Borough is financially accountable for:

- a. Organizations that make up the legal Borough entity.
- b. Legally separate organizations if the Borough's officials appoint a voting majority of the organization's governing body and the Borough is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Borough as defined below:

Impose Its Will – If the Borough can significantly influence the programs, projects, or activities of, or the level of services performed or provided by the organization.

Financial Benefit or Burden – Exists if the Borough (1) is entitled to the organization's resources or (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization or (3) is obligated in some manner for the debt of the organization.

- c. Organizations that are fiscally dependent on the Borough. Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes or set rates or charges, or issued bonded debt without approval by the Borough.

Based upon the application of these criteria, the Borough of Irwin has no component units, and the reporting entity is all inclusive.

BOROUGH OF IRWIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025
(CONTINUED)

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

B. Basis of Presentation

Governmental Fund Types

General Fund – The General Fund is the general operating fund of the Borough. It is used to account for all activities except those required to be accounted for in another fund.

Capital Projects Fund - Capital Projects funds are used to account for financial resources to be used for the acquisition of capital assets other than those financed by proprietary fund types.

Debt Service Fund - Debt Service funds are used to account for resources set aside to pay interest and principal on long-term debt.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than capital projects) requiring separate accounting because of legal or regulatory provisions or administrative actions.

<u>Fund</u>	<u>Description</u>
Liquid Fuels	Liquid Fuels funds are used to account for revenues and expenditures of state liquid fuels grant funds.
Neighborhood Association And Recreation Board	Accounts for revenues and expenditures used for recreation program in the Borough
Phase I Combined Sewer Separation Project	Accounts for expenditures used for sewer repairs and replacement.
Phase II and III Combined Sewer Separation Project	Accounts for expenditures used for sewer repairs and replacement.
CARES Act Fund	Accounts for revenues and expenditures of CARES Act funding.
Building Fund	Accounts for revenues and expenditures for building repairs and maintenance
Street Light Fund	Accounts for revenues and expenditures for street light repairs.
Irwin VFD Real Estate Fund	Accounts for the collection of real estate taxes collected for the purpose of supporting the volunteer fire department.

BOROUGH OF IRWIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025
(CONTINUED)

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

B. Basis of Presentation (Continued)

Proprietary Fund Types

Enterprise Funds – Enterprise Funds are used to account for activities in which the governing body intends that the costs of providing goods or services will be recovered primarily through user charges or where the governing body has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, managerial control, accountability, or other purposes.

Fiduciary Fund Types

The Fiduciary Funds function to account for the activities related to the Police and Employees' Pension Funds which are held for the benefit of employees and retirees. These funds are restricted as to their use and are not available to the Borough to finance its operations.

C. Basis of Accounting

All governmental, proprietary, and fiduciary funds of the Borough demonstrate compliance with the cash basis and budget laws of Pennsylvania. The cash basis method of accounting, which is another comprehensive basis of accounting, recognizes receipts as revenues when cash or its equivalent is actually received rather than when earned, and recognizes a purchase for goods acquired or a service rendered to the Borough as an expenditure when the goods or services are actually paid for rather than when incurred. Accordingly, the accounting policies of the Borough do not conform to generally accepted accounting principles as applicable to governments and as promulgated by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants.

The Borough did not adopt the accounting and recording model under GASB 34. In the future, implementation of GASB 34 will require prior period adjustments and the effect could be material.

D. Assets, Liabilities, and Net Position or Fund Balance

Cash and Cash Equivalents

The Borough of Irwin maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Investments" under each fund's caption. For deposits, custodial credit risk is the risk that, in the event of bank failure, the Borough's deposits may not be returned to it. The Borough's deposits are in two financial institutions and are carried at cost plus accrued interest.

BOROUGH OF IRWIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025
(CONTINUED)

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

D. Assets, Liabilities, and Net Position or Fund Balance (CONTINUED)

Cash and Cash Equivalents (Continued)

Custodial Credit Risk - For deposits custodial credit risk is the risk that in the event of the failure of the counterparty, the Borough will be able to recover the value of its investment or collateral securities that are in the possession of an outside party. As of December 31, 2025, the Borough's cash balances were \$3,095,387 and its bank balances were \$3,337,916. Of these bank balances, \$250,000 was insured by the FDIC and \$3,087,916 was collateralized with securities held by the pledging financial institutions, or by their trust departments or agents, but not in the Borough's name.

The Borough uses an external investment pool to ensure safety and to maximize efficiency, liquidity, and yield for Borough funds. At December 31, 2025, PLGIT carried an AAA rating with an average maturity of less than one year. PLGIT separately issues audited financial statements that are available to the public. The fair value of the Borough's position in the external investment pool is equivalent to the value of the pool shares and amounted to \$154,549 as of December 31, 2025. The Commonwealth of Pennsylvania provides external regulatory oversight of the external investment pool.

Investments

Custodial Credit Risk – Investments: Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Borough will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The Borough has no investments subject to custodial credit risk.

Credit Risk - The Borough has no investment policy that would limit its choices to certain credit ratings. As of December 31, 2025, the Borough had investments concerning the Fiduciary Fund.

Concentration of Credit Risk – Investments: Investments totaling \$2,771,483 are reported by the Borough in the Fiduciary Funds. These investments are held in a trust at the Pennsylvania State Association of Borough's Municipal Retirement Trust for the Borough of Irwin Employees' and Police Retirement Plan. For further information concerning these investments, see Note 7.

Property Taxes

Taxes are levied on March 1 and are due and payable at that time. All unpaid taxes levied on March 1 become delinquent December 31 of the same year. Borough property tax revenues are recognized when received. Property taxes delinquent as of December 31 are passed on to Westmoreland County for collection.

BOROUGH OF IRWIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025
(CONTINUED)

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

D. Assets, Liabilities, and Net Position or Fund Balance (CONTINUED)

Compensated Absences

As of December 31, 2025, the Borough's policy on compensated absences is that unused sick and vacation time do not accumulate. Consequently, sick and vacation time are expensed when used by employees and the Borough has not established an accrual for compensated absences.

Budgets

The Borough budget must be officially enacted before December 31 preceding the new year. The proposed budget shall be made available for public inspection for a period of ten days.

The Council, in its reasonable discretion, may, in any year, by motion, modify the budget after its final adoption. New appropriations, supplementary appropriations, and transfers from one appropriation to another may be made during the fiscal year, either before or after the expenditure is authorized or ratified after the expenditure is made, provided it is within the current year's revenues, or the money, therefore promptly made available through borrowing, as allowed by law. The Borough budget is prepared and presented on the cash basis.

General funds expenditures for public safety, sanitation, highway and streets and other public works enterprises exceeded the budgeted amount; however, these overages were absorbed by surpluses in other areas and higher than expected tax, licenses and permits, fines and forfeits, interest, rents and royalties, intergovernmental revenues, and charges for services revenues.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

BOROUGH OF IRWIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025
(CONTINUED)

NOTE 2: CAPITAL ASSETS

Capital asset purchases are expensed when paid and retirements are recorded as revenue to the extent cash is received upon disposition.

The following is a schedule of capital assets of the Borough of Irwin. The capital assets acquired prior to 2003 are valued at appraisal value as determined by Industrial Appraisals for 2002. Capital assets acquired after 2002 are recorded at cost.

	Balance at December 31, 2024	Additions	Disposals	Balance at December 31, 2025
Buildings	\$ 2,058,872	\$ 20,888	\$ -	\$ 2,079,760
Equipment	1,029,075	49,581	-	1,078,656
Infrastructure	7,238,086	214,245	-	7,452,331
Total	<u>\$ 10,326,033</u>	<u>\$ 284,714</u>	<u>\$ -</u>	<u>\$ 10,610,747</u>

NOTE 3: LONG TERM DEBT

The following schedule represents activity affecting long term debt during 2025:

	Balance at January 1, 2025	New Issues	Principal Repaid	Balance at December 31, 2025	Amounts Due Within One Year
PennVest #74133	\$ 137,468	\$ -	\$ 44,658	\$ 92,810	\$ 45,812
PennVest #P300007700-102	1,556,888	-	239,668	1,317,220	245,844
Total	<u>\$ 1,694,356</u>	<u>\$ -</u>	<u>\$ 284,326</u>	<u>\$ 1,410,030</u>	<u>\$ 291,656</u>

The following represents the Borough's future debt service requirements.

Year Ended December 31,	Principal	Interest	Total
2026	\$ 291,656	\$ 32,531	\$ 324,187
2027	299,177	25,010	324,187
2028	258,678	17,859	276,537
2029	265,343	11,194	276,537
2030	295,176	4,404	299,580
Total Debt	<u>\$ 1,410,030</u>	<u>\$ 90,998</u>	<u>\$ 1,501,028</u>

BOROUGH OF IRWIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025
(CONTINUED)

NOTE 3: LONG TERM DEBT (CONTINUED)

General long-term debt of the Borough of Irwin consists of the following:

On September 13, 2006, the Borough entered into loan agreement Number 74133 with the Pennsylvania Infrastructure Investment Authority (PENNVEST) for the sum of \$768,000. The terms of the loan call for 240 consecutive monthly installments. Sixty principal and interest installments beginning January 1, 2008, of \$3,628 through December 31, 2012, at an annual interest rate of 1.278%. The remaining one hundred eighty (180) installments will bear interest at 2.556%. At December 31, 2025, the outstanding balance was: \$ 92,810

On August 13, 2008, the Borough Council authorized the Borough to enter into a loan agreement with the Pennsylvania Infrastructure Investment Authority (PENNVEST) for the sum of \$5,250,000. The terms of the loan will call for 240 consecutive payments. The first sixty (60) installments will bear interest at 1.274 percent and the remaining installments will bear interest at 2.547 percent. At December 31, 2025, the outstanding balance was:

1,317,220

\$ 1,410,030

NOTE 5: INTERFUND OPERATING TRANSFERS

	Transfers In	Transfers Out
Governmental Fund Types		
General Fund	\$ 527,307	\$ 1,564,073
Capital Projects Fund	350,852	222,360
Building Fund	450,030	-
Phase I Combined Sewer Project Fund	47,651	-
Phase II and III Combined Sewer Project Fund	276,537	-
Total Governmental Fund	\$ 1,652,377	\$ 1,786,433
Proprietary Fund Types		
Sewer Project Fund	\$ 458,244	\$ 324,188
Total Proprietary Funds	\$ 458,244	\$ 324,188
Total Interfund Transfers	\$ 2,110,621	\$ 2,110,621

BOROUGH OF IRWIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025
(CONTINUED)

NOTE 6: LEGAL MATTERS

The Borough of Irwin is involved in various legal matters in the normal course of business of a local municipality. None of the aforementioned legal matters require contingency disclosure in the December 31, 2025, financial statements.

NOTE 7: PENSION PLANS

Plan Description

The Borough has two single-employer defined benefit pension plans: The Police Pension Plan and the Non-Uniformed Pension Plan. The Police Pension Plan was established by Ordinance No. 3-1958, effective May 12, 1958, (adopted pursuant to Act 600 of 1956) and entered into a Joinder Agreement with Pennsylvania State Association of Borough's Municipal Retirement Trust (PSABMRT) dated June 2, 1986. The Non-Uniformed Pension Plan was established January 1, 1984, and entered into a Joinder Agreement with PSABMRT dated December 28, 1990. Both plans are governed by Borough Council of the Borough of Irwin which may amend plan provisions, and which is responsible for the management of each plan's assets. The Borough Council has delegated the Authority to manage certain Plan assets to the PSABMRT for both plans.

The Plans are administered by the Pennsylvania State Association of Borough's Municipal Retirement Trust and are not considered Pension Trust Funds of the Borough of Irwin. Accordingly, these plans are not presented in the Borough's financial statements as Pension Trust Funds.

As a result of the Borough's cash basis method of accounting, the new accounting and reporting model for pensions, GASB Statements 67 and 68 were not adopted. In the future, implementation of GASB 67 and 68 will require prior period adjustments and the effect could be material.

Plan Memberships

As of December 31, 2025, the date of the most recent actuarial report, membership in the plans consisted of the following:

	<u>Police Plan</u>	<u>Employee Plan</u>
Active Employees	6	8
Terminated Employees Entitled to Benefits but not Yet Receiving Them	3	3
	<u>9</u>	<u>11</u>

Benefit Provisions

The Plans pay benefits in the event of death, disability or retirement of participants who meet the eligibility requirements.

BOROUGH OF IRWIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025
(CONTINUED)

NOTE 7: PENSION PLANS (CONTINUED)

Benefit Provisions (Continued)

Police Pension benefits are calculated as 50 percent of final monthly average salary averaged over the last 36 months of employment. Participants hired after June 1, 1998, also receive a service increment equal to \$100 per month for service in excess of 25 years, up to a maximum of \$500 per month. Killed-in-service benefits are calculated at 50% of retirement benefit. Disability benefits are calculated as the greater of 50% of the members salary at the date of disability less Social Security disability benefit for the same injury or 50% of the final monthly average salary less Social Security disability benefit for the same injury.

Employee pension benefits are calculated as 1.8 percent of compensation averaged over the last 36 months of employment, multiplied by years of credited service. Years of credited service are limited to a maximum of 25 years.

Summary of Significant Accounting Policies

1. Basis of Accounting

Both plans' statements have been prepared on the accrual basis of accounting. Contributions and pension payments are recognized in the period when they are due.

2. Valuation of Investments

Plan investments are listed at fair value as reported by the PSABMRT.

3. Contributions

Act 205 requires that annual contributions be based upon the Plan's minimum municipal obligation (MMO). The MMO is based upon the Plan's biennial actuarial valuation.

Employees covered under the Non-Uniformed Pension Plan are required to contribute 5.0 percent of covered payroll to the Plan, which is currently eliminated. The contribution is governed by the Plan's governing ordinances and collective bargaining. Active members may elect to contribute up to 10 percent of wages.

Employees covered under the Police Pension Plan are not required to contribute to the Plan. This contribution is governed by the Plan's governing ordinances and collective bargaining. Full-time employees are currently not required to contribute to the plan.

Both plans may also be eligible to receive an allocation of state aid from the General Municipal Pension System State Aid Program which must be used for pension funding. Any funding requirements established by the MMO are excess of employee contributions and State Aid must be funded by the Borough.

Administrative fees which may include, but are not limited to, investment management fees and actuarial services are charged to the Plan and funded through the MMO and/or Plan earnings.

BOROUGH OF IRWIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025
(CONTINUED)

NOTE 7: PENSION PLANS (CONTINUED)

Contributions Required and Contributions Made

The actuarial computed minimum municipal obligation of contributions required to the pension plans for 2025 was \$97,014 for the Police Pension Plan and \$33,981 for the Non-Uniformed Pension Plan Actual contributions made for the year ended December 31, 2025, were as follows:

	<u>Police Plan</u>	<u>Employee Plan</u>
Employee	\$ -	\$ 20,430
Borough of Irwin	3,494	-
State	93,520	33,981
Total Contributions to the Plans	<u>\$ 97,014</u>	<u>\$ 54,411</u>

Police Pension Plan
Schedule of Pension Plan

Actual Valuation Date	Actuarial Accrued Value of Assets (a)	Unfunded Liability (UAAL) Entry Age (b)	UAAL- (AAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a/c)
1/1/2007	\$ 1,260,724	\$ 993,542	\$ (267,182)	126.90%	\$197,131	-135.50%
1/1/2009	1,142,944	978,622	(164,322)	116.80%	166,082	-98.90%
1/1/2011	1,065,345	1,143,393	78,048	93.20%	124,323	62.80%
1/1/2013	927,083	1,081,218	154,135	85.70%	117,298	131.40%
1/1/2015	931,416	1,067,973	136,557	87.20%	153,393	89.00%
1/1/2017	969,084	1,213,588	244,504	79.90%	197,031	124.10%
1/1/2019	979,342	1,309,445	330,103	74.80%	223,530	147.70%
1/1/2021	1,203,390	1,072,019	(131,371)	112.30%	145,431	-90.30%
1/1/2023	1,246,403	1,206,339	(40,064)	103.30%	410,322	-9.80%
1/1/2025	1,621,042	1,485,579	(135,463)	109.10%	402,584	-33.60%

Note: Cash value of life insurance is not reflected in Actuarial Value of Assets or Actuarial Accrued Liability

Police Pension Plan
Schedule of Contributions from Employer
and Other Contributing Entities

Year Ended December 31,	Annual Required Contribution	Percentage Contributed
2016	\$ 53,751	100%
2017	53,751	100%
2018	53,751	100%
2019	53,751	100%
2020	53,751	100%
2021	53,751	100%
2022	53,751	100%
2023	58,597	100%
2024	94,044	100%
2025	97,014	100%

BOROUGH OF IRWIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025
(CONTINUED)

NOTE 7: PENSION PLANS (CONTINUED)

Non-Uniformed Pension Plan
Schedule of Pension Plan

Actual Valuation Date	Actuarial Accrued Value of Assets (a)	Unfunded Liability (UAAL) Entry Age (b)	UAAL- (AAL) (b- a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a/c)
1/1/2011	\$364,837	\$396,143	\$31,306	92.10%	\$135,716	23.10%
1/1/2013	385,091	453,007	67,916	85.00%	184,017	36.90%
1/1/2011	444,325	503,940	59,615	88.20%	162,917	36.60%
1/1/2013	478,609	511,847	33,238	93.50%	190,599	17.40%
1/1/2015	570,796	548,736	(22,060)	104.00%	199,201	-11.10%
1/1/2017	655,035	634,501	(20,534)	103.20%	174,978	-11.70%
1/1/2019	657,203	658,631	1,428	99.80%	207,168	0.70%
1/1/2021	740,937	682,205	(58,732)	108.60%	251,215	-23.40%
1/1/2023	693,276	723,543	30,267	95.80%	310,569	9.70%
1/1/2025	845,994	827,380	(18,614)	102.20%	379,998	-4.90%

Non-Uniformed Pension Plan
Schedule of Contributions from Employer
and Other Contributing Entities

Year Ended December 31,	Annual Required Contribution	Percentage Contributed
2016	\$ 11,976	100%
2017	11,749	100%
2018	21,763	185%
2019	12,248	100%
2020	19,811	100%
2021	25,625	100%
2022	20,085	100%
2023	20,258	100%
2024	30,875	100%
2025	33,981	100%

BOROUGH OF IRWIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025
(CONTINUED)

NOTE 7: PENSION PLANS (CONTINUED)

4. Actuarial Valuations and Other Inputs

	<u>Police Plan</u>	<u>Employee Plan</u>
Actuarial valuation date	January 1, 2025	January 1, 2025
Actuarial cost method	Entry Age	Entry Age
Amortization method	Level Dollar	Level Dollar
Remaining amortization period	N/A	N/A
Asset valuation methods	Market Value	Market Value
Assumptions:		
Inflation	2.75%	2.75%
Salary increases	4.75%	4.75%
Investment rate of return	6.75%	6.75%

Mortality rate is based on the PUBS-2010 Mortality Tables projected to 2030 using scale MP-2021

NOTE 8 SUBSEQUENT EVENTS

Management has evaluated subsequent events through the report date, March 31, 2026. Management is not aware of any subsequent events that require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

BOROUGH OF IRWIN
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - CASH BASIS
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Actual (Cash Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenue:				
Taxes	\$ 1,491,100	\$ 1,491,100	\$ 1,611,260	\$ 120,160
Licenses and Permits	80,700	80,700	74,569	(6,131)
Fines and Forfeits	30,100	30,100	32,956	2,856
Interest, Rents and Royalties	22,150	22,150	17,141	(5,009)
Intergovernmental Revenues	116,350	116,350	197,165	80,815
Charges for Services	2,488,086	2,488,086	2,743,237	255,151
Miscellaneous Revenues	31,000	31,000	836,495	805,495
Total Revenue	<u>4,259,486</u>	<u>4,259,486</u>	<u>5,512,823</u>	<u>1,253,337</u>
Expenditures:				
General Government	709,833	709,833	1,006,479	(296,646)
Public Safety	665,094	665,094	704,261	(39,167)
Public Works:				
Sanitation	1,575,102	1,575,102	1,663,908	(88,806)
Highways and Streets	547,245	547,245	495,225	52,020
Other Public Works Enterprises	32,959	32,959	29,328	3,631
Culture and Recreation	44,100	44,100	20,115	23,985
Insurance	112,300	112,300	135,592	(23,292)
Miscellaneous Expenditures	85,000	85,000	12,944	72,056
Debt Service:				
Principal	-	-	1,493	(1,493)
Interest	-	-	256	(256)
Total Expenditures	<u>3,771,633</u>	<u>3,771,633</u>	<u>4,069,601</u>	<u>(297,968)</u>
Excess Revenue Over Expenditures	<u>487,853</u>	<u>487,853</u>	<u>1,443,222</u>	<u>955,369</u>
Other Financing Sources (Uses):				
Proceeds of General Fixed Asset Disposition	-	-	42,165	42,165
Refund of Prior Year Expenditures	(1,000)	(1,000)	33,328	34,328
Operating Transfers In	-	-	527,307	527,307
Operating Transfers Out	(486,853)	(486,853)	(1,564,073)	(1,077,220)
Total Other Financing Sources (Uses)	<u>(487,853)</u>	<u>(487,853)</u>	<u>(961,273)</u>	<u>(473,420)</u>
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses	-	-	481,949	481,949
Fund Balance, January 1, 2025	1,000,622	1,000,622	1,000,622	-
Fund Balance, December 31, 2025	<u>\$ 1,000,622</u>	<u>\$ 1,000,622</u>	<u>\$ 1,482,571</u>	<u>\$ 481,949</u>

BOROUGH OF IRWIN
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - CASH BASIS
 BUDGET AND ACTUAL - LIQUID FUELS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u> (Cash Basis)	<u>Variance With</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Interest, Rents and Royalties	\$ 30	\$ 30	\$ 71,318	\$ 71,288
Intergovernmental Revenues	<u>122,849</u>	<u>122,849</u>	<u>123,115</u>	<u>266</u>
Total Revenue	<u>122,879</u>	<u>122,879</u>	<u>194,433</u>	<u>71,554</u>
Expenditures:				
General Government	-	-	-	-
Public Works:				
Highways and Streets	<u>122,879</u>	<u>122,879</u>	<u>147,854</u>	<u>(24,975)</u>
Total Expenditures	<u>122,879</u>	<u>122,879</u>	<u>147,854</u>	<u>(24,975)</u>
Excess Expenditures Over Revenues	-	-	46,579	46,579
Fund Balance, January 1, 2025	<u>34,648</u>	<u>34,648</u>	<u>34,648</u>	-
Fund Balance, December 31, 2025	<u>\$ 34,648</u>	<u>\$ 34,648</u>	<u>\$ 81,227</u>	<u>\$ 46,579</u>

BOROUGH OF IRWIN
 COMBINED STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE - CASH BASIS
 SPECIAL REVENUE FUNDS
 DECEMBER 31, 2025

	Liquid Fuels	Neighborhood Association and Recreation Board	Phase I Combined Sewer Separation Project	Phase II & III Combined Sewer Separation Project	Building Fund	CARES Act Fund	Irwin VFD Real Estate Tax Fund	Street Light Fund	Total
<u>Assets</u>									
Cash	\$ 81,227	\$ 44,549	\$ 4,028	\$ 23,120	\$ -	\$ -	\$ 55,737	\$ 11,652	\$ 220,313
Other Assets	-	-	-	-	-	-	100	-	100
Total Assets	<u>81,227</u>	<u>44,549</u>	<u>4,028</u>	<u>23,120</u>	<u>-</u>	<u>-</u>	<u>55,837</u>	<u>11,652</u>	<u>220,413</u>
<u>Fund Balance:</u>									
Fund Balance:									
Restricted	<u>81,227</u>	<u>44,549</u>	<u>4,028</u>	<u>23,120</u>	<u>-</u>	<u>-</u>	<u>55,837</u>	<u>11,652</u>	<u>220,413</u>
Total Fund Balance	<u>\$ 81,227</u>	<u>\$ 44,549</u>	<u>\$ 4,028</u>	<u>\$ 23,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,837</u>	<u>\$ 11,652</u>	<u>\$ 220,413</u>

BOROUGH OF IRWIN
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - CASH BASIS
 SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2025

	Liquid Fuels	Neighborhood Association and Recreation Board	Phase I Combined Sewer Separation Project	Phase II & III Combined Sewer Separation Project	Building Fund	CARES Act Fund	Irwin VFD Real Estate Tax Fund	Street Light Fund	Total
Revenue:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 86,089	\$ -	\$ 86,089
Interest, Rents and Royalties	71,318	383	-	-	23	-	-	-	71,724
Intergovernmental Revenues	123,115	-	-	-	-	-	-	57,393	180,508
Total Revenue	194,433	383	-	-	23	-	86,089	57,393	338,321
Expenditures:									
Public Safety	-	-	-	-	-	-	77,011	-	77,011
Highways and Streets	147,854	-	-	-	450,053	-	-	67,230	665,137
Community Development	-	-	-	-	-	75,077	-	-	75,077
Debt Service:									
Principal	-	-	44,658	238,175	-	-	-	-	282,833
Interest	-	-	2,993	38,362	-	-	-	-	41,355
Total Expenditures	147,854	-	47,651	276,537	450,053	75,077	77,011	67,230	1,141,413
Excess Revenue Over (Under) Expenditures	46,579	383	(47,651)	(276,537)	(450,030)	(75,077)	9,078	(9,837)	(803,092)
Other Financing Sources:									
Operating Transfers In	-	-	47,651	276,537	450,030	-	-	-	774,218
Total Other Financing Sources	-	-	47,651	276,537	450,030	-	-	-	774,218
Excess of Revenue and Other Financing Other Uses	46,579	383	-	-	-	(75,077)	9,078	(9,837)	(28,874)
Fund Balance, January 1, 2025	34,648	44,166	4,028	23,120	-	75,077	46,759	21,489	249,287
Fund Balance, December 31, 2025	\$ 81,227	\$ 44,549	\$ 4,028	\$ 23,120	\$ -	\$ -	\$ 55,837	\$ 11,652	\$ 220,413

BOROUGH OF IRWIN
STATEMENT OF NET POSITION - CASH BASIS
PROPRIETARY FUNDS
DECEMBER 31, 2025

	H. Allshouse Recreation Fund	Civic Activities Committee	Sewer Project Fund	Total
Assets:				
Cash	\$ 62,146	\$ 10,753	\$ 324,317	\$ 397,216
Total Assets	<u>62,146</u>	<u>10,753</u>	<u>324,317</u>	<u>397,216</u>
Net Position:				
Unrestricted	-	10,753	-	10,753
Restricted	<u>62,146</u>	<u>-</u>	<u>324,317</u>	<u>386,463</u>
Total Net Position	<u>\$ 62,146</u>	<u>\$ 10,753</u>	<u>\$ 324,317</u>	<u>\$ 397,216</u>

BOROUGH OF IRWIN
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - CASH BASIS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	H. Allshouse Recreation Fund	Civic Activities Committee	Sewer Project Fund	Total
Operating Revenue:				
Charges for Service	\$ -	\$ 6,108	\$ -	\$ 6,108
Total Operating Revenues	<u>-</u>	<u>6,108</u>	<u>-</u>	<u>6,108</u>
Operating Expenses:				
Culture and Recreation	-	2,107	-	2,107
Public Works	-	-	12,200	12,200
Total Operating Expenses	<u>-</u>	<u>2,107</u>	<u>12,200</u>	<u>14,307</u>
Operating Income (Loss)	<u>-</u>	<u>4,001</u>	<u>(12,200)</u>	<u>(8,199)</u>
Nonoperating Revenue (Expenses):				
Interest	540	101	2,862	3,503
Operating Transfers In	-	-	458,244	458,244
Operating Transfers Out	-	-	(324,188)	(324,188)
Total Nonoperating Revenue (Expenses)	<u>540</u>	<u>101</u>	<u>136,918</u>	<u>137,559</u>
Changes in Net Position	540	4,102	124,718	129,360
Net Position, January 1, 2025	<u>61,606</u>	<u>6,651</u>	<u>199,599</u>	<u>267,856</u>
Net Position, December 31, 2025	<u>\$ 62,146</u>	<u>\$ 10,753</u>	<u>\$ 324,317</u>	<u>\$ 397,216</u>

BOROUGH OF IRWIN
 COMBINED STATEMENT OF ASSETS, LIABILITIES,
 AND NET POSITION - CASH BASIS
 FIDUCIARY FUND TYPES
 DECEMBER 31, 2025

	<u>Employee Pension Fund</u>	<u>Police Pension Fund</u>	<u>Total</u>
<u>Assets</u>			
Investments	\$ 927,068	\$ 1,844,415	\$ 2,771,483
Receivables	1,229	-	1,229
Total Assets	<u>928,297</u>	<u>1,844,415</u>	<u>2,772,712</u>
<u>Net Position</u>			
Held in Trust For			
Pension Benefits	<u>928,297</u>	<u>1,844,415</u>	<u>2,772,712</u>
Total Net Position	<u>\$ 928,297</u>	<u>\$ 1,844,415</u>	<u>\$ 2,772,712</u>

BOROUGH OF IRWIN
 COMBINED STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION - CASH BASIS
 FIDUCIARY FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 2025

	<u>Employee Pension Fund</u>	<u>Police Pension Fund</u>	<u>Total</u>
Operating Revenues:			
Intergovernmental Revenues:			
State Shared Revenues	\$ 33,981	\$ 93,520	\$ 127,501
Other Revenues:			
Member Contributions	20,430	-	20,430
Municipal Contributions	<u>-</u>	<u>3,494</u>	<u>3,494</u>
Total Revenues	<u>54,411</u>	<u>97,014</u>	<u>151,425</u>
Operating Expenses:			
Benefits	65,675	78,878	144,553
Administration Fees	<u>21,960</u>	<u>17,246</u>	<u>39,206</u>
Total Expenses	<u>87,635</u>	<u>96,124</u>	<u>183,759</u>
Operating (Loss) Income	<u>(33,224)</u>	<u>890</u>	<u>(32,334)</u>
Nonoperating Revenues (Loss):			
Interest	5,396	10,442	15,838
Dividends	9,827	19,022	28,849
Unrealized Gain (Loss)	<u>100,304</u>	<u>193,019</u>	<u>293,323</u>
Total Nonoperating Revenues (Loss)	<u>115,527</u>	<u>222,483</u>	<u>338,010</u>
Changes in Net Position	82,303	223,373	305,676
Net Position, January 1, 2024	\$ 845,994	\$ 1,621,042	\$ 2,467,036
Net Position, December 31, 2024	<u>\$ 928,297</u>	<u>\$ 1,844,415</u>	<u>\$ 2,772,712</u>