

YORK TOWNSHIP

YEAR ENDED DECEMBER 31, 2024



Brown Plus

ACCOUNTANTS + ADVISORS

YORK TOWNSHIP

YEAR ENDED DECEMBER 31, 2024

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YORK TOWNSHIP

YEAR ENDED DECEMBER 31, 2024

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Independent Auditor's Report

Board of Commissioners
York Township
Dallastown, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of York Township as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise York 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, each major fund and the aggregate remaining fund information of York Township as of December 31, 2024, and the respective changes in financial position and cash flows thereof, where applicable, 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 (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 York 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 York 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 substantive 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 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, 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 York 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 York 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 management's discussion and analysis, budgetary comparison information and schedules of historical pension information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires 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 York Township's basic financial statements as a whole. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements of York Township. The combining fund financial statements are the responsibility of management and were derived from and relate 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.

Brown Plus

Camp Hill, Pennsylvania
March 13, 2026

YORK TOWNSHIP



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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) YEAR ENDED DECEMBER 31, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS

The Management's Discussion and Analysis of York Township's (the Township) financial performance provides a brief overview of the Township's financial activities for the year ended December 31, 2024. The Management's Discussion and Analysis is an element of the reporting model adopted by the Governmental Accounting Standard Board (GASB) in their Statement No. 34, *Basic Financial Statements*.

The accompanying financial statements for York Township for the year ended December 31, 2024 have been prepared in accordance with GASB standards and present both government-wide and fund level financial statements using both the accrual and modified accrual basis of accounting, as appropriate. The government-wide financial statements show financial information about the activities of the Township as a whole and provide a longer-term view of the Township's finances. The statement of net position and the statement of activities provide this information. These statements distinguish between those activities of the Township that are governmental and those that are considered business-type activities. These statements are prepared using the accrual basis of accounting. All assets and liabilities of the Township are included in these statements, and all of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid. This method of financial presentation is similar to the accounting used by most private-sector companies. Fund financial statements show how the Township finances its services in the short-term, as well as what remains for future spending. Fund financial statements provide separate information for the Township's most significant funds, and nonmajor funds are aggregated and presented together. The modified accrual method of accounting is used in the governmental fund financial statements. This method measures cash and all other financial assets that can be readily converted to cash. In the financial statements, there are reconciliations which show the differences between the government-wide financial statements and the governmental fund financial statements. Lastly, a statement of fiduciary net position and statement of changes in fiduciary net position are provided which provide financial information about activities that the Township acts solely as a custodian for the benefit of others. These activities are excluded from the other financial statements of the Township because these assets cannot be used to finance the Township's operations.

YORK TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED) YEAR ENDED DECEMBER 31, 2024

FINANCIAL HIGHLIGHTS

- The Township's net pension liability at December 31, 2024 is \$1,265,479. The Township also reports a \$1,314,110 deferred outflow of resources, which represents changes in assumptions as of December 31, 2024. In addition, the Township reports a \$560,147 deferred inflow of resources related to the pension plan, which represents the difference between the projected and actual earnings on pension plan investments and the difference between the projected and actual experience as of December 31, 2024.
- The Township's net position is stated at \$127,656,343 as of December 31, 2024. Net position increased by 4.5% over 2023.
- The expenditures of all the Township's programs totaled \$23,859,359 compared to \$22,819,281 in 2023.
- During the year, the Township's expenditures from governmental activities totaled \$14,909,510 and were offset by program revenues of \$4,337,712 and general revenues of \$14,257,315, generating a change in net position of \$3,685,517. Expenses from business-type activities totaled \$8,949,849 and were offset by program revenues of \$10,110,826 and general revenues of \$699,844, generating a change in net position of \$1,860,821. This combined with the total government-wide change in net position of \$5,546,338 for 2024.
- In 2021, the Township was awarded \$3,010,914 in grant monies through the American Rescue Recovery Act (ARPA). Half of the funds awarded were received in 2021 and the remaining balance plus some additional funds were received in 2022. All funds must be under contract by December 31, 2024 and utilized by the end of December 31, 2026. The Township has used all of this funding towards rising police costs, including expending \$749,000 of the ARPA funds in 2024. The final remaining amount will be used in 2025, also toward police costs of the Township.

YORK TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED) YEAR ENDED DECEMBER 31, 2024

Government-wide financial statements

A condensed summary of the Township's assets and deferred outflows, liabilities and deferred inflows and net position at December 31, 2024 and 2023 is shown below.

Summary Statements of Net Position as of December 31, 2024 and 2023

	Governmental activities		Business-type activities		Total	
	2024	2023	2024	2023	2024	2023
Current assets	\$ 36,517,670	\$ 32,789,324	\$ 29,878,325	\$ 29,820,132	\$ 66,395,995	\$ 62,609,456
Noncurrent assets	28,097,745	28,694,781	36,061,982	36,840,540	64,159,727	65,535,321
Deferred outflows	967,156	1,403,794	346,954	487,374	1,314,110	1,891,168
Total assets and deferred outflows	<u>\$ 65,582,571</u>	<u>\$ 62,887,899</u>	<u>\$ 66,287,261</u>	<u>\$ 67,148,046</u>	<u>\$ 131,869,832</u>	<u>\$ 130,035,945</u>
Current liabilities	\$ 944,171	\$ 1,660,979	\$ 1,131,760	\$ 3,763,863	\$ 2,075,931	\$ 5,424,842
Noncurrent liabilities, other than pension	251,186	213,832	60,746	50,106	311,932	263,938
Net pension liability	932,383	1,104,143	333,096	388,334	1,265,479	1,492,477
Deferred inflows	413,309	552,940	146,838	191,743	560,147	744,683
Total liabilities and deferred inflows	<u>\$ 2,541,049</u>	<u>\$ 3,531,894</u>	<u>\$ 1,672,440</u>	<u>\$ 4,394,046</u>	<u>\$ 4,213,489</u>	<u>\$ 7,925,940</u>
Investment in capital assets	\$ 28,097,745	\$ 28,694,781	\$ 36,008,649	\$ 36,733,874	\$ 64,106,394	\$ 65,428,655
Restricted	7,918,616	7,086,796	-	-	7,918,616	7,086,796
Unrestricted	27,025,161	23,574,428	28,606,172	26,020,126	55,631,333	49,594,554
Total net position	<u>\$ 63,041,522</u>	<u>\$ 59,356,005</u>	<u>\$ 64,614,821</u>	<u>\$ 62,754,000</u>	<u>\$ 127,656,343</u>	<u>\$ 122,110,005</u>

The \$55,631,333 of unrestricted net position represents the cumulative results of all current year and all past years' operations. The results of the current year's operations are presented in the statement of activities for the year ended December 31, 2024.

YORK TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED) YEAR ENDED DECEMBER 31, 2024

This statement provides a condensed summary of the Township's results of operations:

Summary Statements of Activities for the years ended December 31, 2024 and 2023

	Governmental activities		Business-type activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 2,133,528	\$ 2,239,703	\$ 10,110,826	\$ 9,626,799	\$ 12,244,354	\$ 11,866,502
Operating grants and contributions	2,204,184	2,231,923	-	-	2,204,184	2,231,923
Total program revenue	<u>4,337,712</u>	<u>4,471,626</u>	<u>10,110,826</u>	<u>9,626,799</u>	<u>14,448,538</u>	<u>14,098,425</u>
General revenues:						
Taxes	12,988,272	12,342,021	-	-	12,988,272	12,342,021
Investment earnings	854,994	609,020	663,441	488,137	1,518,435	1,097,157
Internal transfers	(36,403)	1,215	36,403	(1,215)	-	-
Gain (loss) on disposal of assets	(8,557)	27,309	-	-	(8,557)	27,309
Miscellaneous	459,009	185,095	-	-	459,009	185,095
Total general revenues	<u>14,257,315</u>	<u>13,164,660</u>	<u>699,844</u>	<u>486,922</u>	<u>14,957,159</u>	<u>13,651,582</u>
Total revenues	<u>18,595,027</u>	<u>17,636,286</u>	<u>10,810,670</u>	<u>10,113,721</u>	<u>29,405,697</u>	<u>27,750,007</u>
Expenses:						
General government	2,330,470	1,990,034	-	-	2,330,470	1,990,034
Public safety	8,679,313	8,375,097	-	-	8,679,313	8,375,097
Public works	2,677,076	2,790,808	-	-	2,677,076	2,790,808
Capital purchases	159,881	106,824	-	-	159,881	106,824
Culture and recreation	1,062,770	974,524	-	-	1,062,770	974,524
Sewer funds	-	-	8,949,849	8,581,994	8,949,849	8,581,994
Total expenses	<u>14,909,510</u>	<u>14,237,287</u>	<u>8,949,849</u>	<u>8,581,994</u>	<u>23,859,359</u>	<u>22,819,281</u>
Increase in net position	<u>\$ 3,685,517</u>	<u>\$ 3,398,999</u>	<u>\$ 1,860,821</u>	<u>\$ 1,531,727</u>	<u>\$ 5,546,338</u>	<u>\$ 4,930,726</u>

Programs generated revenues of \$14,448,538 and general revenues of \$14,957,159, which offset the total cost of services of \$23,859,359, resulting in an increase in net position of \$5,546,338. The additional revenue used to provide the Township services was generated from taxes, investment earnings and other revenue sources, which were not restricted for specific programs. Overall, the Township taxpayers, through taxes, provided 44% of the Township's support for the year ended December 31, 2024 and 2023.

YORK TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED) YEAR ENDED DECEMBER 31, 2024

Fund financial statements

The fund financial statements provide detailed information about the major individual funds. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the Township uses to keep track of specific sources of funding and spending for a particular purpose. In addition to the major funds, the information for the nonmajor funds is summarized in the financial statements. The Township's funds are divided into three categories - governmental, proprietary and fiduciary - and use different accounting approaches.

- **Governmental funds** - Most of the Township's basic services are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for future spending. The governmental fund financial statements provide a detailed short-term view of the Township's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental funds include the General Fund, which is the principal operating fund of the Township; the Capital Projects Funds, which are used for major capital purchases, renovations and construction projects of the Township's General Fund; and Special Revenue funds.
- **Proprietary funds** - When the Township charges customers for the services it provides, whether to outside customers or to other municipalities, these services are generally reported in proprietary funds. Proprietary funds utilize accrual accounting, the same method used by private sector businesses. Proprietary funds report activities that provide supplies and services to the general public. An example is the Sewer Fund, which provides sewer services to the residents for a fee.
- **Fiduciary funds** - The Township acts as a trustee or fiduciary for its employees' pension plan. It is also responsible for other assets that can only be used for specific purposes. The Township's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These funds, which include the nonuniform pension trust fund, are reported using accrual accounting. The government-wide statements exclude fiduciary fund activities and balances because these assets are restricted in purpose and do not represent discretionary assets of the Township to finance its operations.

Governmental funds

As stated earlier, fund financial statements provide the reader with an understanding of how the Township finances its services in the short term and what funds are available for future spending. The Township continues to maintain a healthy fund balance in the General Fund. As of December 31, 2024, the General Fund's fund balance was \$22,152,476 an increase of 12% over last year. The \$22,152,476 General Fund's fund balance as of December 31, 2024 is comprised of \$63,903 in non-spendable funds; \$2,500,000 in committed funds; \$1,735,830 in assigned funds and \$17,852,743 in unassigned funds.

The Capital Projects Funds' committed and restricted fund balances remain healthy, ending 2024 at \$5,458,467 for Capital Reserve; \$1,702,495 for Recreation Capital and \$1,193,607 for Storm Water Management for a total Capital Projects Funds' fund balance of \$8,354,569. The Township has earmarked these funds for on-going major purchases and renovations, as well as infrastructure improvements, and they are replenished each year with budgeted operating transfers from the General Fund to the Capital Reserve Funds and fee assessments for both the Storm Water Management and Recreation Capital Reserve Funds.

YORK TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED) YEAR ENDED DECEMBER 31, 2024

Proprietary funds

The Sewer Fund, the Township's primary proprietary fund, showed a \$203,110 decrease in net position for 2024 and ended the year with a very healthy net position balance of \$54,135,969, with cash and investments at \$15,789,814. The Sewer Capital Reserve Fund ended the year with a net position of \$10,351,539, with cash and investments at \$9,224,161.

Fiduciary funds

The Fiduciary Funds of the Township are presented separately in the statement of fiduciary net position because these funds are not used in the operation of the Township. However, the Township acts as the custodian of these funds. Included in the statement of fiduciary net position are the assets of the employee pension fund.

Capital assets

At December 31, 2024, the Township had \$64,106,394 invested in a broad range of capital assets including infrastructure, land, buildings, furniture and equipment (a decrease of \$1,322,261 as compared to 2023). Below is a comparison of Township capital assets for the past two years.

Capital Assets at Year End

	Governmental activities		Business-type activities	
	2024	2023	2024	2023
Land	\$ 6,322,761	\$ 6,322,761	\$ 578,399	\$ 578,399
Buildings and site improvements	9,589,133	9,530,850	5,953,685	5,953,685
Storm water system	584,134	484,804	-	-
Pump station	-	-	5,911,206	5,888,736
Traffic signals and signs	1,569,887	1,569,887	-	-
Vehicles	3,338,251	3,178,891	1,256,661	1,263,223
Office furniture and equipment	898,056	888,412	226,615	220,127
Machinery and equipment	3,737,393	3,832,799	926,506	926,506
Infrastructure	55,293,540	54,236,080	45,888,294	45,682,380
Construction in progress	365,760	284,112	320,265	62,240
Totals	81,698,915	80,328,596	61,061,631	60,575,296
Accumulated depreciation	(53,601,170)	(51,633,815)	(25,052,982)	(23,841,422)
Net capital assets	\$ 28,097,745	\$ 28,694,781	\$ 36,008,649	\$ 36,733,874

YORK TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED) YEAR ENDED DECEMBER 31, 2024

Debt administration

As of December 31, 2024 and 2023, there were no bond issues outstanding for York Township. York Township guarantees payment of any notes or bonds issued by the York Township Water and Sewer Authority, a component unit of York Township. As of December 31, 2024 and 2023, there were no bond issues outstanding for the York Township Water and Sewer Authority.

General fund budget highlights

The Township adopts an annual budget for the General Fund. The budget includes all revenues and expenditures of this Fund. The budget acts as the financial operating plan for the fiscal year and is revised as necessary. The Board of Commissioners may amend the budget at any time during the fiscal year by making additional appropriations or increasing existing appropriations, but the funds must be provided from unexpended balances in existing appropriations, from unappropriated revenues or from unassigned fund balances.

The Township has adopted a conservative approach to budgeting. Revenues are projected conservatively based upon historical trends, and expenditures are generally budgeted on a "worst case" scenario. In 2024, the General Fund showed a net change in fund balance of \$2,446,499, which is a combination of the excess of revenues over expenditures in the amount of \$4,240,403 less net transfers out of \$1,793,904. Revenues came in higher than the budget mainly due to increased tax revenues, as well as \$749,000 in ARPA funding recognized this year. Expenditures came in lower than anticipated for 2024 because of several factors. General government costs came in under budget because of conservative budgeting, a large healthcare rebate and staffing shortfalls. Highway expenditures came in under budget for 2024 mostly because less winter maintenance was needed for the Township roadways and some projects were put on hold in 2024. Culture and recreation expenditures were lower than expected because of a large healthcare rebate, staffing shortfalls and reduced maintenance costs.

Requests for information

This financial report is designed to provide a general overview of York Township's finances for all those with an interest in the government's finances. If you have any questions about this report or need additional information, contact York Township, 190 Oak Avenue, Dallastown, PA 17313 or (717) 741-3861.

Separately issued financial statements for York Township Water and Sewer Authority, a component unit of York Township, can be obtained by contacting the Township Office.

YORK TOWNSHIP

STATEMENT OF NET POSITION DECEMBER 31, 2024

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Governmental activities	Business-type activities	Total
Current assets:			
Cash and cash equivalents	\$ 26,231,006	\$ 17,594,150	\$ 43,825,156
Investments	9,012,735	8,131,809	17,144,544
Taxes receivable	551,219	-	551,219
Accounts receivable	264,949	1,342,844	1,607,793
Internal balances	-	67,875	67,875
Prepaid expenses	63,903	10,030	73,933
Restricted assets, cash held in escrow	393,858	-	393,858
Due from other governments	-	55,619	55,619
Intermunicipal deposits	-	2,675,998	2,675,998
Total current assets	36,517,670	29,878,325	66,395,995
Noncurrent assets:			
Long-term receivable, due from other governments	-	53,333	53,333
Capital assets, net of depreciation:			
Land	6,322,761	578,399	6,901,160
Construction in progress	365,760	320,265	686,025
Buildings and site improvements	4,631,721	4,509,626	9,141,347
Pump station	-	3,635,018	3,635,018
Infrastructure	13,797,060	26,166,273	39,963,333
Storm water system	375,921	-	375,921
Traffic signals and signs	341,310	-	341,310
Vehicles	1,079,147	286,369	1,365,516
Office furniture and equipment	84,762	33,487	118,249
Machinery and equipment	1,099,303	479,212	1,578,515
Total capital assets, net of depreciation	28,097,745	36,008,649	64,106,394
Total noncurrent assets	28,097,745	36,061,982	64,159,727
Total assets	64,615,415	65,940,307	130,555,722
Deferred outflows of resources, pensions	967,156	346,954	1,314,110
Total assets and deferred outflows of resources	\$ 65,582,571	\$ 66,287,261	\$ 131,869,832

See notes to financial statements.

YORK TOWNSHIP

STATEMENT OF NET POSITION DECEMBER 31, 2024

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	Governmental activities	Business-type activities	Total
Current liabilities:			
Accounts payable	\$ 283,003	\$ 739,158	\$ 1,022,161
Payroll deductions and withholdings	103,715	28,206	131,921
Internal balances	67,875	-	67,875
Revenue received in advance	95,720	-	95,720
Other current liabilities	-	364,396	364,396
Developers escrow	393,858	-	393,858
	944,171	1,131,760	2,075,931
Noncurrent liabilities:			
Compensated absences	251,186	60,746	311,932
Net pension liability	932,383	333,096	1,265,479
	1,183,569	393,842	1,577,411
Total liabilities	2,127,740	1,525,602	3,653,342
Deferred inflows of resources, pensions	413,309	146,838	560,147
Net position:			
Investment in capital assets	28,097,745	36,008,649	64,106,394
Restricted	7,918,616	-	7,918,616
Unrestricted	27,025,161	28,606,172	55,631,333
	63,041,522	64,614,821	127,656,343
Total liabilities, deferred inflows of resources and net position	\$ 65,582,571	\$ 66,287,261	\$ 131,869,832

See notes to financial statements.

YORK TOWNSHIP

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

Functions/programs	Expenses	Program revenues		Net (expense) revenue and changes in net position		
		Charges for services	Operating grants and contributions	Primary government		
				Governmental activities	Business-type activities	Total
Governmental activities:						
General government	\$ 2,330,470	\$ 458,983	\$ 1,199,175	\$ (672,312)	\$ -	\$ (672,312)
Public safety	8,679,313	908,313	-	(7,771,000)	-	(7,771,000)
Public works:						
Sanitation	27,648	57,495	58,795	88,642	-	88,642
Highway	2,213,633	-	946,214	(1,267,419)	-	(1,267,419)
Storm water and flood control	53,600	-	-	(53,600)	-	(53,600)
Other	382,195	-	-	(382,195)	-	(382,195)
Capital purchases	159,881	-	-	(159,881)	-	(159,881)
Culture and recreation	1,062,770	708,737	-	(354,033)	-	(354,033)
Total governmental activities	14,909,510	2,133,528	2,204,184	(10,571,798)	-	(10,571,798)
Business-type activities, sewer	8,949,849	10,110,826	-	-	1,160,977	1,160,977
Total government activities	\$ 23,859,359	\$ 12,244,354	\$ 2,204,184	(10,571,798)	1,160,977	(9,410,821)

(continued)

YORK TOWNSHIP

STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

Functions/programs	Primary government		
	Governmental activities	Business-type activities	Total
General revenues:			
Taxes, all levies	\$ 12,988,272	\$ -	\$ 12,988,272
Investment earnings	854,994	663,441	1,518,435
Loss on disposal of assets	(8,557)	-	(8,557)
Other	459,009	-	459,009
Internal transfers	(36,403)	36,403	-
Total general revenues	14,257,315	699,844	14,957,159
Change in net position	3,685,517	1,860,821	5,546,338
Net position:			
Beginning	59,356,005	62,754,000	122,110,005
Ending	\$ 63,041,522	\$ 64,614,821	\$ 127,656,343

See notes to financial statements.

YORK TOWNSHIP

**BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	Major funds			Total governmental funds
	General Fund	Capital Projects Funds	Nonmajor funds	
Assets:				
Cash and cash equivalents	\$ 16,458,325	\$ 4,750,001	\$ 5,022,680	\$ 26,231,006
Investments	7,090,610	1,922,125	-	9,012,735
Due from other funds	-	1,747,802	-	1,747,802
Taxes receivable	551,159	-	60	551,219
Accounts receivable	209,569	55,380	-	264,949
Prepaid expenditures	63,903	-	-	63,903
Restricted assets, cash held in escrow	393,858	-	-	393,858
Total assets	\$ 24,767,424	\$ 8,475,308	\$ 5,022,740	\$ 38,265,472
Liabilities:				
Accounts payable	\$ 195,750	\$ 87,087	\$ 166	\$ 283,003
Due to other funds	1,815,451	226	-	1,815,677
Revenue received in advance	62,294	33,426	60	95,780
Payroll deductions and withholdings	103,715	-	-	103,715
Developers escrow	393,858	-	-	393,858
Total liabilities	2,571,068	120,739	226	2,692,033
Deferred inflows of resources, unavailable revenue	43,880	-	-	43,880
Fund balances:				
Nonspendable, prepaid expenses	63,903	-	-	63,903
Restricted:				
Liquid fuels	-	-	1,358,353	1,358,353
Street light	-	-	60,727	60,727
Impact fees	-	-	3,603,434	3,603,434
Recreation site fee	-	1,702,495	-	1,702,495
Storm water	-	1,193,607	-	1,193,607
Committed:				
Capital reserve	-	5,458,467	-	5,458,467
Minimum reserve requirement	2,500,000	-	-	2,500,000
Assigned, employee benefit	1,735,830	-	-	1,735,830
Unassigned	17,852,743	-	-	17,852,743
Total fund balances	22,152,476	8,354,569	5,022,514	35,529,559
Total liabilities, deferred inflows of resources and fund balances	\$ 24,767,424	\$ 8,475,308	\$ 5,022,740	\$ 38,265,472

See notes to financial statements.

YORK TOWNSHIP

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024

Total fund balances, governmental funds		\$ 35,529,559
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. The cost of assets is \$81,698,915, and the accumulated depreciation is \$53,601,170.		28,097,745
Property taxes receivable will be collected subsequent to year end, but are not available soon enough to pay for the current period's expenditures and, therefore, are unavailable in the funds.		43,940
Certain government-wide amounts are not included in the governmental funds because governmental funds use current financial resources:		
Net pension liability	\$ (932,383)	
Compensated absences	<u>(251,186)</u>	
		(1,183,569)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources, pension		967,156
Deferred inflows of resources, pension		<u>(413,309)</u>
Net position, governmental activities		<u><u>\$ 63,041,522</u></u>

See notes to financial statements.

YORK TOWNSHIP

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS YEAR ENDED DECEMBER 31, 2024

	Major funds			Total governmental funds
	General Fund	Capital Projects Funds	Nonmajor funds	
Revenues:				
Taxes	\$ 12,966,911	\$ -	\$ 4,965	\$ 12,971,876
Licenses and permits	452,383	-	-	452,383
Fines and forfeitures	186,550	-	-	186,550
Charges for services	1,001,746	487,856	-	1,489,602
Investment earnings	592,826	163,158	99,010	854,994
Refund of prior year expenditures	216,917	-	-	216,917
Intergovernmental revenues	1,275,775	-	935,009	2,210,784
Other	14,957	-	175,909	190,866
Total revenues	16,708,065	651,014	1,214,893	18,573,972
Expenditures:				
General government	1,699,325	153,933	-	1,853,258
Public safety	7,671,551	-	-	7,671,551
Capital projects	-	-	-	-
Public works:				
Sanitation	27,648	-	-	27,648
Highway	2,069,569	107,513	812,725	2,989,807
Storm water and flood control	-	207,881	-	207,881
Other	-	348,863	3,164	352,027
Culture and recreation	999,569	56,688	-	1,056,257
Total expenditures	12,467,662	874,878	815,889	14,158,429
Excess (deficiency) of revenues over expenditures	4,240,403	(223,864)	399,004	4,415,543
Other financing sources (uses):				
Proceeds from sale of fixed assets	-	49,618	-	49,618
Operating transfers in	-	1,757,501	-	1,757,501
Operating transfers out	(1,793,904)	-	-	(1,793,904)
Total other financing sources (uses)	(1,793,904)	1,807,119	-	13,215
Net change in fund balances	2,446,499	1,583,255	399,004	4,428,758
Fund balances:				
Beginning	19,705,977	6,771,314	4,623,510	31,100,801
Ending	\$ 22,152,476	\$ 8,354,569	\$ 5,022,514	\$ 35,529,559

See notes to financial statements.

YORK TOWNSHIP

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2024

Total net change in fund balances, governmental funds **\$ 4,428,758**

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

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

Depreciation expense	\$(2,254,435)	
Capital outlays, net	<u>1,690,131</u>	
		(564,304)

Because some property taxes will not be collected for several months after the Township's year end, they are not considered as available revenues in the governmental funds. Unavailable tax revenue increased by this amount this year. (16,336)

Governmental funds report pension contributions as expenditures.

However, in the statement of activities, the cost of pension benefits earned is reported as pension expense:

Township pension contributions		349,026
Costs of benefits earned		(474,273)

Changes in compensated absences are not recorded as expenditures in the governmental funds but are in the statement of activities. Compensated absences increased by this amount this year. (37,354)

Change in net position of governmental activities **\$ 3,685,517**

YORK TOWNSHIP

STATEMENT OF NET POSITION – PROPRIETARY FUNDS
DECEMBER 31, 2024

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Major funds			Total
	Sewer Fund	Intermunicipal Sewer Fund	Sewer Capital Reserve Fund	
Current assets:				
Cash and cash equivalents	\$ 13,873,174	\$ 711,984	\$ 3,008,992	\$ 17,594,150
Investments	1,916,640	-	6,215,169	8,131,809
Accounts receivable	873,347	468,927	570	1,342,844
Due from other funds	-	-	1,145,506	1,145,506
Prepaid expenses	9,470	560	-	10,030
Due from other governments	55,619	-	-	55,619
Intermunicipal deposits	2,675,998	-	-	2,675,998
Total current assets	19,404,248	1,181,471	10,370,237	30,955,956
Noncurrent assets:				
Long-term receivable, due from other governments	53,333	-	-	53,333
Capital assets, net of depreciation:				
Land	578,399	-	-	578,399
Construction in progress	320,265	-	-	320,265
Building and site improvements	4,509,626	-	-	4,509,626
Pump station	3,635,018	-	-	3,635,018
Infrastructure	26,166,273	-	-	26,166,273
Vehicles	286,369	-	-	286,369
Office furniture and equipment	33,487	-	-	33,487
Machinery and equipment	479,212	-	-	479,212
Total capital assets, net of depreciation	36,008,649	-	-	36,008,649
Total noncurrent assets	36,061,982	-	-	36,061,982
Total assets	55,466,230	1,181,471	10,370,237	67,017,938
Deferred outflows of resources, pensions	346,954	-	-	346,954
Total assets and deferred outflows of resources	\$ 55,813,184	\$ 1,181,471	\$ 10,370,237	\$ 67,364,892

See notes to financial statements.

YORK TOWNSHIP

STATEMENT OF NET POSITION – PROPRIETARY FUNDS
DECEMBER 31, 2024

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	Major funds			Total
	Sewer Fund	Intermunicipal Sewer Fund	Sewer Capital Reserve Fund	
Current liabilities:				
Accounts payable	\$ 535,419	\$ 185,041	\$ 18,698	\$ 739,158
Payroll deductions and withholdings	26,035	2,171	-	28,206
Due to other funds	214,259	863,372	-	1,077,631
Other current liabilities	364,396	-	-	364,396
Total current liabilities	1,140,109	1,050,584	18,698	2,209,391
Noncurrent liabilities:				
Compensated absences	57,172	3,574	-	60,746
Net pension liability	333,096	-	-	333,096
Total noncurrent liabilities	390,268	3,574	-	393,842
Total liabilities	1,530,377	1,054,158	18,698	2,603,233
Deferred inflows of resources, pensions	146,838	-	-	146,838
Net position:				
Investment in capital assets	36,008,649	-	-	36,008,649
Unrestricted	18,127,320	127,313	10,351,539	28,606,172
Total net position	54,135,969	127,313	10,351,539	64,614,821
Total liabilities, deferred inflows of resources and net position	\$ 55,813,184	\$ 1,181,471	\$ 10,370,237	\$ 67,364,892

See notes to financial statements.

YORK TOWNSHIP

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – PROPRIETARY FUNDS YEAR ENDED DECEMBER 31, 2024

	Major funds			Total
	Sewer Fund	Intermunicipal Sewer Fund	Sewer Capital Reserve Fund	
Operating revenues:				
Rental and service charges	\$ 6,960,345	\$ 2,760,154	\$ -	\$ 9,720,499
Connection and tapping fees	295,180	-	-	295,180
Other	90,445	4,702	-	95,147
Total operating revenues	7,345,970	2,764,856	-	10,110,826
Operating expenses, operations of facilities	4,892,551	2,775,470	12,781	7,680,802
Net operating income (loss) before depreciation	2,453,419	(10,614)	(12,781)	2,430,024
Depreciation	1,317,047	-	-	1,317,047
Net operating income (loss)	1,136,372	(10,614)	(12,781)	1,112,977
Nonoperating revenue:				
Gain on sale of capital assets	48,000	-	-	48,000
Earnings on investments, net	362,414	13,420	287,607	663,441
Total nonoperating revenue	410,414	13,420	287,607	711,441
Net income before operating transfers	1,546,786	2,806	274,826	1,824,418
Operating transfers:				
Transfers in	-	-	1,794,305	1,794,305
Transfers out	(1,749,896)	(8,006)	-	(1,757,902)
Total operating transfers	(1,749,896)	(8,006)	1,794,305	36,403
Change in net position	(203,110)	(5,200)	2,069,131	1,860,821
Net position:				
Beginning	54,339,079	132,513	8,282,408	62,754,000
Ending	\$ 54,135,969	\$ 127,313	\$ 10,351,539	\$ 64,614,821

See notes to financial statements.

YORK TOWNSHIP

**STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024**

	Major funds			Total
	Sewer Fund	Intermunicipal Sewer Fund	Sewer Capital Reserve Fund	
Cash flows from operating activities:				
Cash received from users	\$ 7,029,134	\$ 2,883,466	\$ -	\$ 9,912,600
Cash payments to:				
Employees for service	(1,056,229)	(94,744)	-	(1,150,973)
Suppliers for goods and services	(4,541,829)	(3,316,167)	(1,167,167)	(9,025,163)
Net cash provided by (used in) operating activities	1,431,076	(527,445)	(1,167,167)	(263,536)
Net cash provided by (used in) noncapital financing activities, operating transfers in (out)	(1,757,881)	(8,006)	1,802,290	36,403
Net cash used in capital and related financing activities, purchase of capital assets	(583,838)	-	-	(583,838)
Cash flows from investing activities:				
Earnings on investments	347,242	13,420	242,389	603,051
Sale of investments, net	1,055,010	-	3,267,667	4,322,677
Purchases of investments, net	(1,114,055)	-	(3,466,805)	(4,580,860)
Net cash provided by investing activities	288,197	13,420	43,251	344,868
Increase (decrease) in cash and cash equivalents	(622,446)	(522,031)	678,374	(466,103)
Cash and cash equivalents:				
Beginning of year	14,495,620	1,234,015	2,330,618	18,060,253
End of year	\$ 13,873,174	\$ 711,984	\$ 3,008,992	\$ 17,594,150

YORK TOWNSHIP

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

	Major funds			Total
	Sewer Fund	Intermunicipal Sewer Fund	Sewer Capital Reserve Fund	
Reconciliation of net operating income (loss) to net cash provided by (used in) operating activities:				
Net operating income (loss)	\$ 1,136,372	\$ (10,614)	\$ (12,781)	\$ 1,112,977
Adjustments to reconcile net operating income (loss) to net cash provided by (used in) operating activities:				
Gain from sale of assets	48,000	-	-	48,000
Depreciation	1,317,047	-	-	1,317,047
(Increase) decrease in:				
Accounts receivable	(218,913)	118,610	(570)	(100,873)
Due from other funds	-	797,961	(1,145,506)	(347,545)
Prepaid expenses	38,026	4,096	-	42,122
Due from other governments	67,076	-	-	67,076
Intermunicipal deposits	(256,358)	-	-	(256,358)
Long-term receivable, due from other governments	53,333	-	-	53,333
Deferred outflows of resources, pension	140,420	-	-	140,420
Increase (decrease) in:				
Accounts payable	(342,541)	(2,301,595)	6,035	(2,638,101)
Due to other funds	(459,171)	863,372	(14,345)	389,856
Compensated absences	9,776	864	-	10,640
Net pension liability	(55,238)	-	-	(55,238)
Payroll deductions and withholdings	535	(139)	-	396
Other liabilities	(2,383)	-	-	(2,383)
Deferred inflows of resources, pension	(44,905)	-	-	(44,905)
Total adjustments	<u>294,704</u>	<u>(516,831)</u>	<u>(1,154,386)</u>	<u>(1,376,513)</u>
Net cash provided by (used in) operating activities	<u>\$ 1,431,076</u>	<u>\$ (527,445)</u>	<u>\$ (1,167,167)</u>	<u>\$ (263,536)</u>
Noncash activities:				
Capital assets included in accounts payable at year end	\$ 12,663	\$ -	\$ -	\$ 12,663

See notes to financial statements.

YORK TOWNSHIP

STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2024

	<u>Pension trust fund</u> Nonuniform <u>pension</u>
ASSETS	
Total assets, investments	<u>\$ 14,100,035</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	
Total net position held in trust for pension benefits	<u>\$ 14,100,035</u>

See notes to financial statements.

YORK TOWNSHIP

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED DECEMBER 31, 2024

Nonuniform
pension
trust fund

Additions:

Investment gain	\$ 1,115,854
Contributions	<u>461,270</u>

Total additions

1,577,124

Deductions:

Administrative expenses	53,865
Benefit payments	<u>874,425</u>

Total deductions

928,290

Change in net position

648,834

Net position held in trust for pension benefits:

Beginning	<u>13,451,201</u>
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Ending

\$ 14,100,035

See notes to financial statements.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

1. Organization and summary of significant accounting policies:

The financial statements of York Township (the Township) have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Principles determining scope of reporting entity:

York Township operates as a first-class township under the laws governing municipalities in the Commonwealth of Pennsylvania. The Township operates under a Board of Commissioners form of government and provides services as authorized by statute: General Government, Public Safety (Police and Fire), Public Works (Highway and Sanitation), Culture and Recreation, Planning and Zoning and other services as required. The Township includes the component unit discussed below in the Township's reporting entity.

Reporting entity:

The Township defines its reporting entity based upon the criteria established by the Governmental Accounting Standards Board. The Township includes in its reporting entity organizations for which it is financially accountable and other organizations for which the nature and significance of their relationship with the Township are such that exclusions would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of reporting entity is based primarily on the notion of financial accountability. The Township is financially accountable to an organization if it appoints a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Township. The Township would also include any organization fiscally dependent on it. The Township has included the component unit, the York Township Water and Sewer Authority (the Authority).

Blended component unit:

The Authority is a municipal authority chartered under the Municipal Authorities Act of 1945, approved May 2, 1945, P.L. 382 as amended. The purpose of the Authority is to acquire, hold, construct and operate, or provide operations, of the municipal water and sewer systems for York Township. The Authority has financed the sewer improvement projects of the Township through leasing arrangements. The Township guarantees the debt of the Authority. The governing body of York Township Water and Sewer Authority is appointed by the Township Board of Commissioners.

The separate audited financial statements of the Authority can be obtained from the Authority Board.

Government-wide financial statements:

The statement of net position and statement of activities display information about the reporting government as a whole. The statements include the primary government and its component units, except for the fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

1. Organization and summary of significant accounting policies (continued):

Government-wide financial statements:

The statement of net position and statement of activities are prepared using the economic measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund financial statements.

Program revenues, government-wide financial statements:

The statement of activities reports two categories of program revenues: (a) charges for services and (b) program specific operating grants and contributions. Program revenues are derived directly from the program itself or from parties outside the reporting government's taxpayers or citizenry. As a whole, they reduce the net cost of the function to be financed from the government's general revenues.

Policy for eliminating internal activity, government-wide financial statements:

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. In the process of aggregating data for the statement of net position, amounts reported as interfund balances in the individual funds are eliminated or reclassified. Eliminations are made in the statement of net position to minimize the "grossing-up" effect on assets and liabilities within the governmental and business-type activities columns of the primary government. As a result, amounts reported in the funds as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Policy for capitalizing assets and estimating useful lives, government-wide financial statements:

The Township reports capital assets at historical cost or estimated historical cost. Capital assets include land, improvements, easements, buildings, building improvements, vehicles, machinery, equipment, infrastructure and all other tangible or intangible assets that are used in operations and that have useful lives extending beyond a single reporting period. The Township's policy is to capitalize assets or groups of assets with costs in excess of \$10,000. Depreciation expense is calculated using the straight-line method over the estimated useful lives of capital assets ranging from 5 to 40 years.

Policy regarding applying restricted or unrestricted resources:

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.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

1. Organization and summary of significant accounting policies (continued):

Fund financial statements:

The accounts of the Township are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund or account group are summarized by providing a separate set of self-balancing accounts which includes its assets, liabilities, deferred inflows of resources, fund balance or net position, revenues and expenses or expenditures. The following funds are used by the Township.

Governmental funds:

General Fund – The General Fund is the general operating fund of the Township. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Special Revenue Funds – The Special Revenue Funds account for revenues that are legally restricted to expenditures for specific purposes. The Special Revenue Funds are the liquid fuels fund, street lighting tax fund and impact fees.

Capital Projects Funds – The Capital Projects Funds account for financial resources to be used for the acquisition of major facilities which are not financed by proprietary and trust and agency funds. The Capital Projects Funds are the Recreation Capital Reserve Fund, Storm Water Management Fund and Capital Reserve Fund.

Proprietary funds:

Enterprise Funds – The enterprise funds are to account for operations that are financed and operated in a manner similar to private business enterprises where the cost (expenses, including depreciation) is financed through user charges. The Enterprise Funds include the York Township Water and Sewer Authority and the Sewer Fund, Intermunicipal Sewer Fund and Sewer Capital Reserve Fund.

Fiduciary funds:

The fiduciary funds account for assets held by the Township in a trustee capacity or as a custodian. Pension trust funds use the economic resources measurement focus in essentially the same manner as proprietary funds. Custodial funds are custodial in nature and do not involve measurement of results of operations. The Nonuniform Pension Fund is a pension trust fund. The Township does not have any custodial funds.

Measurement focus/basis of accounting:

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds of the Township are accounted for using a current financial resources measurement focus. Accordingly, only current assets, current liabilities and deferred inflows of resources are included on the balance sheet, and the fund balances reflect spendable or appropriable resources. The operating statements of these funds reflect increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

1. Organization and summary of significant accounting policies (continued):

Measurement focus/basis of accounting:

The proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and liabilities (current or noncurrent) associated with the operation of the funds are included on the statement of net position. The proprietary fund operating statement presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

The Township defines proprietary funds operating revenues based on how the individual transaction would be categorized for purposes of preparing the statement of cash flows. Transactions for which cash flows are reported as capital and related financing activities, noncapital finance activities or investing activities would normally not be reported as operating revenues.

Modified accrual basis:

The modified accrual basis of accounting is followed for all governmental funds of the Township. Under the modified accrual basis of accounting, expenditures (other than interest and principal payments on long-term debt which are recorded on their payment dates) are recorded when the fund liability is incurred. Revenues are recognized when they become susceptible to accrual, i.e., measurable and available to finance the Township's operations. Available means collectible within 60 days after fiscal year end. The modified accrual basis of accounting is used as follows:

Property taxes:

Current revenue – These are taxes levied as of a specific date with a legal, enforceable claim against the taxpayer and/or property. These taxes are recognizable as current revenue when received by the Township during the fiscal year and also estimated to be received by the Township within 60 days after the close of the fiscal year.

Revenue received in advance, taxes – Currently levied property taxes which are not estimated to be received by the Township within 60 days after the close of the current fiscal year are recorded as deferred inflows of resources - unavailable revenue.

Doubtful – An allowance for doubtful accounts is not required for property taxes due to a lien placed on delinquent properties. Upon sale, the lien would be satisfied and the Township would receive levied taxes.

Revenue from state sources:

State subsidies due the Township as current fiscal year entitlements are recognized as revenue in the current fiscal year even though such funds may be received in a subsequent fiscal year.

Revenue from federal sources:

Federal program funds applicable to expenditures for the same program in the current fiscal year, but expected to be received in the next fiscal year, are accrued as current revenue at the end of the current fiscal year along with the recognition of the federal funds receivable. Likewise, any excess of revenues at the fiscal year end over the program expenditures are recorded as unearned revenue.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

1. Organization and summary of significant accounting policies (continued):

Accrual basis:

Under the accrual basis of accounting, revenues are recognized in the accounting period they are earned and become measurable; expenses are recognized in the period incurred. The accrual basis of accounting is used for the proprietary funds and Pension Trust Fund.

Interfund transactions:

During the course of normal operations, the Township has numerous transactions between funds, including expenditures and transfers of resources to provide services.

Cash and cash equivalents:

For the purpose of the statement of cash flows, the proprietary funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments:

Investments are stated at fair value. Fair values for the mutual funds are measured by quoted prices in an active market. Fair values for the money market funds are principal values, and fair value for the government pool is based upon quoted market prices for investments held by the pool. The fair value for the bonds are measured by other significant observable inputs. The change in fair value of the investments is reflected as unrealized gains (losses) and is included as a component of investment income.

Deferred outflows of resources:

The statement of net position reports a separate section for deferred outflows of resources, which represents a consumption of net position or fund balance that applies to future periods, and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Township has one item that qualifies for this reporting:

Deferred outflows of resources related to the pension plan represent a change of assumptions, amortized over a closed period using the average of the expected remaining service lives of all active and inactive employees that are provided pensions through the plan, including the current year and the net difference between the projected and actual earnings on pension plan investments amortized over a five-year period, including the current year.

Deferred inflows of resources:

The statement of net position reports a separate section for deferred inflows of resources, which represents the acquisition of net position or fund balance that applies to future periods, and thus, will not be recognized as an inflow of resources until then. The Township has two items that qualify for this reporting:

Deferred inflows of resources related to the pension represent the difference in projected and actual experience, amortized over a closed period using the average of the expected remaining service lives of all active and inactive employees that are provided pensions through the plan, including the current year and the net difference between the projected and actual earnings on pension plan investments amortized over a five-year period, including the current year.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

1. Organization and summary of significant accounting policies (continued):

Deferred inflows of resources:

Deferred inflows of resources, unavailable revenue represents unavailable tax revenue and is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Fund balance classification:

The Township follows GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- **Nonspendable:** This classification includes amounts that are not in spendable form (such as inventory, prepaid expenses or amounts that are required to be maintained intact).
- **Restricted:** This classification includes amounts constrained to specific purposes by their providers (such as grantors and bondholders) and higher levels of government through constitutional provisions or by enabling legislation.
- **Committed:** This classification includes amounts constrained to specific purposes by the Township itself, using its highest level of decision-making authority (Board of Commissioners). When reported as committed, amounts cannot be used for any other purpose unless the Township takes the same highest level action to remove or change the constraint.
- **Assigned:** This classification includes amounts the Township intends to use for a specific purpose. Intent can be expressed by the Board of Commissioners or by an official or body to which the Township Board of Commissioners delegates the authority.
- **Unassigned:** This classification includes amounts that are available for any purpose.

Restricted funds are used first as appropriate. Assigned funds are reduced to the extent that expenditure authority has been budgeted by the board or the assignment has been changed by the board. Decreases to fund balance first reduce committed fund balance. In the event that committed fund balance becomes zero, then assigned and unassigned fund balances are used in that order.

Capital assets, fund financial statements:

Under the Township's method of accounting, capital assets are recorded as expenditures at the time of purchase in the governmental funds. Accordingly, no depreciation has been provided on fixed assets in those funds. Proprietary fund capital assets are recorded at cost. Depreciation is provided for on a straight-line basis over periods ranging from 5 to 40 years.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

1. Organization and summary of significant accounting policies (continued):

Total columns:

Total columns on the combined statements are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations or changes in financial position in accordance with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most sensitive accounting estimate affecting the financial statements is the pension obligation based on life expectancy tables and asset rate of return discount rates, along with rates of benefits increases.

Long-term liabilities:

All long-term liabilities to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term liabilities consist primarily of accrued compensated absences and net pension liability.

Net position classifications:

Government-wide statements - Equity is classified as net position and displayed in three components:

- Investment in capital assets - Consists of capital assets net of accumulated depreciation.
- Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position - All other net position that does not meet the definition of "restricted" or "investment in capital assets."

Adoption of new accounting pronouncements:

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*. 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 and assessing accountability. The Township adopted Statement No. 100 for its December 31, 2024 financial statements. There was no quantitative impact as a result of adopting Statement No. 100.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

1. Organization and summary of significant accounting policies (continued):

Adoption of new accounting pronouncements:

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Township adopted Statement No. 101 for its December 31, 2024 financial statements. There was no quantitative impact as a result of adopting Statement No. 101. The new standard enhanced disclosures.

Pending Government Accounting Standards Board (GASB) statements:

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The provisions of this Statement are effective for the Township's 2025 financial statements.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model used in decision making and assessing a government's accountability. The provisions of this Statement are effective for the Township's 2026 financial statements.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The provisions of this Statement are effective for the Township's 2026 financial statements.

The effect of implementation of these statements on future periods has not yet been determined.

2. Deposits and investments:

Cash includes amounts in demand deposits and certificates of deposit that mature within three months of the purchase date. The Township is authorized under the First-Class Township Code to invest in the following:

1. United States Treasury bills and short-term obligations of the U.S. government or its agencies or instrumentalities,
2. Obligations of the United States of America and the Commonwealth of Pennsylvania, or any of their agencies or instrumentalities, which are backed by the full faith and credit of said government,
3. Savings accounts, time deposits and certificates of deposit, pursuant to certain insurance and collateral requirements,
4. Shares of qualifying registered investment companies and

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

2. Deposits and investments:

5. Any investment authorized by PA C.S. Ch. 73, (relating to fiduciaries investments) shall be an authorized investment for any pension or retirement fund.

Custodial credit risk, deposits and investments:

For deposits, custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned to it. 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 security that are in the possession of an outside party. The Township has a policy for managing custodial credit risk.

Reconciliation to financial statements:

Covered by Federal Depository Insurance Corporation (FDIC)	\$ 401,643
Collateral held by the pledging bank under Act 72	43,807,437
Outstanding checks	(103,041)
Deposits in transit	<u>112,475</u>
Carrying amount, bank balances	44,218,514
Petty cash	<u>500</u>
Total cash and cash equivalents per financial statements	<u>\$ 44,219,014</u>
Reconciliation to financial statements:	
Governmental funds:	
Unrestricted	\$ 26,231,006
Restricted, cash held in escrow	393,858
Proprietary funds	<u>17,594,150</u>
Total cash and cash equivalents per financial statements	<u>\$ 44,219,014</u>

Investments:

Investments, other than certificates of deposits, are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

2. Deposits and investments (continued):

Investments:

As of December 31, 2024, the Township had the following investments measured at fair value:

	Total	Fair value measurements categories	
		Level 1	Level 2
PLGIT investments	\$ 3,706,900	\$ 3,706,900	\$ -
First State Trust:			
U.S. Treasury obligations bonds and notes	11,384,497	-	11,384,497
U.S. government agencies notes and bonds	1,715,217	-	1,715,217
Corporate and foreign bonds	337,930	-	337,930
	17,144,544	3,706,900	13,437,644
 Fiduciary nonuniform pension investments:			
Principal Financial Group:			
Large U.S. equity	3,546,225	3,546,225	-
Small/Mid U.S. equity	1,470,983	1,470,983	-
International equity	2,162,879	2,162,879	-
Fixed income	5,618,982	5,618,982	-
Other	1,300,966	1,300,966	-
 Total fiduciary funds, pension plan	14,100,035	14,100,035	-
 Total investments measured at fair value	\$ 31,244,579	\$ 17,806,935	\$ 13,437,644
 Total investments	\$ 31,244,579		
 Reconciliation to financial statements:			
Governmental funds	\$ 9,012,735		
Proprietary funds	8,131,809		
Fiduciary funds, Nonuniform Pension Plan	14,100,035		
 Total investments per financial statements	\$ 31,244,579		

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

2. Deposits and investments (continued):

Investments:

See Note 1 for a further description of how the fair value measurements were derived.

At December 31, 2024, the Nonuniform Pension Plan investments that exceeded 5% of total net assets include the following:

Large U.S. equity:	
Principal Global Investors, Equity Income Separate Account	\$ 1,058,494
Principal Global Investors, Large Cap S&P 500 Index	1,421,897
T. Rowe Price/Brown Advisory, Large Cap Growth Separate Account	1,065,833
International equity:	
Principal Global Investors, Diversified International Separate Account	1,594,483
Fixed income:	
Principal Global Investors, Bond Market Index Separate Account	1,291,629
Principal Global Investors, Core Fixed Income Separate Account	3,874,559
Principal Real Estate Investors, U.S. Property Separate Account	891,995

External investment pool:

The Township uses external investment pools to ensure safety and maximize efficiency, liquidity and yield for Township funds. The external investment pool is valued at amortized cost, which approximates fair value. The amortized cost method involves valuing a security at its cost on the date of purchase and recording a constant amortization or accretion to maturity of any discount or premium. The fair value of the securities, held by the external investment pool, are evaluated on at least a weekly basis using prices supplied from an independent pricing service. These values are compared to the amortized cost of the securities.

The Township has funds totaling \$3,706,900 invested in the Pennsylvania Local Government Investment Trust (PLGIT). PLGIT funds operate similarly to mutual funds and consist of short-term money market instruments that seek to maintain a constant net asset value of \$1 per share. The Township and Authority are invested in the following PLGIT investment option:

- PLGIT Prime – a variable rate investment portfolio rated AAAm by Standard & Poor's. This option requires no minimum balance and no minimum initial investment. This option limits redemptions or exchanges to two per calendar month.

PLGIT separately issues audited financial statements that are available to the public via their website. The Commonwealth of Pennsylvania provides external regulatory oversight for the external investment pools. At December 31, 2024, PLGIT carries an AAAm rating and has an average maturity of less than one year.

Interest rate risk:

The Township has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

2. Deposits and investments (continued):

Credit risk:

The Township has an investment policy that limits its investment choices to certain credit ratings.

Concentrations:

The Township's policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity.

3. Property taxes:

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien date	January 1
Discount dates	February 16 - April 15
Face amount dates	April 16 - June 15
Delinquent dates	June 16 - December 31

Real estate taxes were 1.24 mils for general purposes and 0.37 mils for fire tax in 2024. Property taxes attach as an enforceable lien on property, as of the date of the tax notice. Delinquent taxes for balance sheet purposes are considered fully collectible, and therefore, no allowance of uncollectible taxes is provided.

4. Capital assets, governmental activities:

A summary of governmental activities' capital assets transactions for the year ended December 31, 2024, was as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Transfers/ deletions</u>	<u>Ending balance</u>
Governmental activities:				
Land	\$ 6,322,761	\$ -	\$ -	\$ 6,322,761
Construction in progress	284,112	117,670	(36,022)	365,760
Buildings and site improvements	9,530,850	58,283	-	9,589,133
Infrastructure	54,236,080	1,057,460	-	55,293,540
Storm water system	484,804	99,330	-	584,134
Traffic signals and signs	1,569,887	-	-	1,569,887
Vehicles	3,178,891	334,592	(175,232)	3,338,251
Office furniture and equipment	888,412	9,644	-	898,056
Machinery and equipment	<u>3,832,799</u>	<u>49,999</u>	<u>(145,405)</u>	<u>3,737,393</u>
	<u>80,328,596</u>	<u>1,726,978</u>	<u>(356,659)</u>	<u>81,698,915</u>

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

4. Capital assets, governmental activities (continued):

	<u>Beginning balance</u>	<u>Additions</u>	<u>Transfers/ deletions</u>	<u>Ending balance</u>
Less accumulated depreciation for:				
Buildings and site improvements	\$ 4,663,464	\$ 293,948	\$ -	\$ 4,957,412
Infrastructure	40,035,333	1,461,147	-	41,496,480
Storm water system	188,821	19,392	-	208,213
Traffic signals and signs	1,169,832	58,745	-	1,228,577
Vehicles	2,198,210	215,030	(154,136)	2,259,104
Office furniture and equipment	794,810	18,484	-	813,294
Machinery and equipment	<u>2,583,345</u>	<u>187,689</u>	<u>(132,944)</u>	<u>2,638,090</u>
 Total accumulated depreciation	 <u>51,633,815</u>	 <u>2,254,435</u>	 <u>(287,080)</u>	 <u>53,601,170</u>
 Governmental activities, capital assets, net	 <u>\$ 28,694,781</u>	 <u>\$ (527,457)</u>	 <u>\$ (69,579)</u>	 <u>\$ 28,097,745</u>

Current depreciation expense was charged to each of the functions in the statement of activities as follows:

General government	\$ 214,545
Public works:	
Highway	1,070,801
Highway (infrastructure)	468,483
Other	379,030
Culture and recreation	<u>121,576</u>
 Total	 <u>\$ 2,254,435</u>

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

5. Capital assets, proprietary funds:

A summary of capital assets of the Sewer Fund as of December 31, 2024 was as follows:

	Beginning balance	Additions	Transfers/ deletions	Ending balance
Proprietary funds:				
Land	\$ 578,399	\$ -	\$ -	\$ 578,399
Construction in progress	62,240	258,025	-	320,265
Buildings and site improvements	5,953,685	-	-	5,953,685
Pump station	5,888,736	22,470	-	5,911,206
Infrastructure	45,682,380	205,914	-	45,888,294
Vehicles	1,263,223	98,925	(105,487)	1,256,661
Office furniture and equipment	220,127	6,488	-	226,615
Machinery and equipment	926,506	-	-	926,506
Totals	60,575,296	591,822	(105,487)	61,061,631
Less accumulated depreciation for:				
Buildings and site improvements	1,288,139	155,920	-	1,444,059
Pump station	1,978,065	298,123	-	2,276,188
Infrastructure	18,999,669	722,352	-	19,722,021
Vehicles	994,103	81,676	(105,487)	970,292
Office furniture and equipment	185,112	8,016	-	193,128
Machinery and equipment	396,334	50,960	-	447,294
Total accumulated depreciation	23,841,422	1,317,047	(105,487)	25,052,982
Proprietary funds, capital assets, net	\$ 36,733,874	\$ (725,225)	\$ -	\$ 36,008,649

6. Compensated absences:

Employees are allowed to carry over a maximum of 80 hours of unused vacation time, unless the Board of Commissioners approves the carryover of additional time due to circumstances. Upon separation from service, employees are eligible to receive any unpaid vacation pay earned through the last day of work. As of December 31, 2024, the vacation leave liability totaled \$59,398.

Employees are allowed to accumulate a maximum of 1,120 hours of sick leave. Upon retirement, if the employee has accumulated the maximum number of sick days, one-third of those days will be paid to the employee as a retirement benefit. As of December 31, 2024, the total sick time liability was \$252,534.

As of December 31, 2024, the liability for the accrued vacation and sick leave is \$311,932. The amount expected to be paid from current resources is not significant.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

6. Compensated absences (continued):

A summary of changes in compensated absences is as follows:

	<u>Beginning January 1</u>	<u>Increase/ (decrease)</u>	<u>Balance December 31</u>
Government-wide activities	\$ 213,832	\$ 37,354	\$ 251,186
Business-type activities	<u>50,106</u>	<u>10,640</u>	<u>60,746</u>
	<u>\$ 263,938</u>	<u>\$ 47,994</u>	<u>\$ 311,932</u>

7. Nonuniform Pension Plan:

Description of plan:

The York Township Nonuniform Pension Plan is a single-employer defined benefit pension plan controlled by the provisions of Ordinance No. 97-11. The plan is governed by the Board of Township Commissioners, which is responsible for the management of plan assets. The Board of Township Commissioners has delegated the authority to manage certain plan assets to Principal Financial Group. Payroll for nonuniform employees covered by the plan was \$2,564,536 of the Township's total 2024 payroll of \$2,686,644. There is no stand-alone financial report issued for this plan.

Plan membership:

As of December 31, 2024, the pension plan's membership consisted of:

Active employees	42
Retirees and beneficiaries currently receiving benefits	36
Terminated employees entitled to benefits but not yet receiving them	<u>18</u>
Total	<u>96</u>

A summary of employee eligibility requirements and benefits as of December 31, 2024 was as follows:

Covered employees:

All full-time nonuniformed employees

Eligibility requirements:

Normal retirement – Attainment of age 60
 Early retirement – Attained age 50 and 10 years of vesting service
 Vesting – 100% vested after seven years of vesting service

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

7. Nonuniform Pension Plan (continued):

Description of plan:

Plan membership:

Retirement benefit:

Two percent (2%) of average monthly pay multiplied by years of service. Average monthly pay is based upon the final 36 months of employment.

Survivor benefit:

Fifty percent (50%) of the participant's accrued benefit on date of death if seven years of vesting service.

Disability benefit:

Fifty percent (50%) of average monthly pay (minimum of \$20/month).

Member's contributions:

Amount or rate – currently suspended
Interest rate credited to members' contributions – 6.5%.

Funding policy:

Act 205:

On December 18, 1984, Act 205 was passed into law and is known as the "Municipal Pension Plan Funding Standard and Recovery Act" (the Act). The Act mandates actuarial funding standards, establishes a recovery program for financially distressed pension plans and provides for the distribution of the tax on the premiums of foreign fire insurance companies.

The Act requires minimum funding standards based on the most recent actuarial valuation report, including normal cost and administrative expense requirements and amortization of the unfunded actuarial accrued liability. For financially distressed pension plans, the Act provides for delayed implementation of these funding standards over either 10 or 15 years. In addition, supplemental state aid is available to all eligible municipalities and will be paid from the supplemental state assistance account.

Funding requirements:

Active members are not currently required to contribute to the plan.

The pension plan may receive an annual allocation from the General Municipal Pension System State Aid Program. The entire proceeds of the insurance premium tax on foreign casualty insurance companies and any investment income earned on those proceeds of the insurance premium tax on foreign fire insurance companies which represent the amount of the distributions applicable to paid firefighters, and any investment income earned on the amount of those distributions are specifically designated for municipal pension plans. Any remaining obligation with respect to the pension plan shall be paid by the municipality.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

7. Nonuniform Pension Plan (continued):

Funding policy:

Investment policy:

The investment policy statement sets forth the investment objectives and guidelines that will be applied within the investment program to help ensure that the plan is managed in a manner consistent with the plan document and applicable statutory requirements.

The overall objective of this statement is to provide guidance for the investment of contributions and other plan assets and to help maintain adequate funding for plan liabilities. The primary investment objectives of the plan are as follows:

Return – Obtain a reasonable long-term return on assets consistent with the level of risk assumed. Specific return objectives include asset returns that track the growth of liabilities within a reasonable range and/or exceed the return of a plan specified benchmark index over a market cycle.

Cost – Seek to control the cost of funding the plan within prudent levels of risk through the investment of plan assets.

Diversifications – Provide diversification of assets in an effort to minimize the risk of large losses and maximize the investment return consistent with market and economic risk.

The investment adviser shall adopt and implement an asset allocation strategy that is based on several factors including:

- The projected liability stream of benefits and the costs of funding to both covered employees and employers;
- The plan's funding level;
- The sensitivity of plan liabilities to interest rate changes;
- The relationship between the current and projected assets of the plan and the projected future liability stream;
- Capital market assumptions;
- The perception of future economic conditions, including inflation and interest rate assumptions;
- The ability of the plan to withstand funding fluctuations.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

7. Nonuniform Pension Plan (continued):

Funding policy:

Investment policy:

The asset allocation strategy shall identify target allocations to eligible asset classes and suitable ranges within each asset class:

	<u>Lower limit</u>	<u>Upper limit</u>	<u>Normal target range</u>
Fixed income	0%	100%	20% to 80%
Domestic equities	0%	100%	20% to 80%
International equities	0%	50%	0% to 25%
Real assets strategies	0%	15%	0% to 10%

The following asset classes are permitted for plan asset allocation strategies:

1. Stable value
2. Fixed income
3. Real assets
4. U.S. stock
5. Non-U.S. stock

Net pension liability:

The Township's net pension liability was measured as of December 31, 2024, and the total net pension liability was determined by rolling forward the amounts from an actuarial valuation as of January 1, 2023. No significant events or changes in assumptions occurred between the valuation date and the fiscal year end.

Actuarial assumptions:

The total pension liability in the January 1, 2023 actuarial valuation was determined using the following economic assumptions, applied to all periods included in the measurement:

- Inflation – 3.00%
- Salary increases – 3.50% (average, including inflation)
- Investment rate of return – 7.00% (including inflation)
- Postretirement cost of living increase – N/A

Mortality rates were based on the PubG-2010 mortality table, including rates for disabled retirees and contingent survivors. Incorporated into the table are rates projected generationally using Scale MP-2021 to reflect mortality improvement.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

7. Nonuniform Pension Plan (continued):

The following is a summary of the Nonuniformed Pension Plan's net dollar-weighted rates of investment return on a market value basis for the two most recent available calendar years:

	<u>2024</u>	<u>2023</u>
Market value of assets	8.63 %	13.35 %

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of 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 target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return</u>
Domestic equity	44%	5.50% - 7.50%
International equity	18%	4.50% - 6.50%
Fixed income	33%	1.00% - 3.00%
Real estate	5%	4.50% - 6.50%

Discount rate:

The discount rate used to measure the total pension liability was 7.00%. The pension plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The employer has always met the funding requirements of Pennsylvania Act 205 of 1984 (Act 205). Act 205 requires full funding of the entry age normal cost plus plan expenses, as well as amortization of the unfunded liability.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

7. Nonuniform Pension Plan (continued):

Changes in the nonuniform net pension liability:

	Increase (decrease)		
	Increase (decrease) liability	Plan fiduciary net position	Net pension (asset) liability
	(a)	(b)	(a) - (b)
Balances at January 1, 2024	\$ 14,814,779	\$ 13,322,301	\$ 1,492,478
Service cost	265,650	-	265,650
Interest cost	1,029,573	-	1,029,573
Contributions, employer	-	461,270	(461,270)
Net investment income	-	1,069,167	(1,069,167)
Benefit payments, including refund of member contributions	(744,489)	(744,489)	-
Administrative expense	-	(8,215)	8,215
Net changes	550,734	777,733	(226,999)
Balance at December 31, 2024	\$ 15,365,513	\$ 14,100,034	\$ 1,265,479

Sensitivity of the nonuniform net pension liability to changes in the discount rate:

The following presents the net pension liability of the plan, calculated using the discount rate of 7.00%, as well as what the plan's net pension liability would be if it were calculated using a discount rate that is 1.00% point lower or 1.00% point higher than the current rate:

	1% Decrease	Current	1% Increase
	(6.00%)	discount rate (7.00%)	(8.00%)
Plan's net pension (asset) liability	\$ 2,975,747	\$ 1,265,479	\$ (171,454)

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

7. Nonuniform Pension Plan (continued):

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions:

For the year ended December 31, 2024, the Township recognized pension expense of \$626,795. At December 31, 2024, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Difference between expected and actual experience	\$ -	\$ 560,147
Change of assumptions	710,149	-
Net difference between projected and actual earnings on pension plan investments	<u>603,961</u>	<u>-</u>
Total	<u><u>\$ 1,314,110</u></u>	<u><u>\$ 560,147</u></u>

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

<u>Year ended</u>	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
2025	\$ 525,758	\$ 184,534
2026	631,690	184,534
2027	8,485	151,592
2028	<u>148,177</u>	<u>39,487</u>
	<u><u>\$ 1,314,110</u></u>	<u><u>\$ 560,147</u></u>

8. Defined contribution plan:

On March 10, 1998, York Township adopted Resolution 98-5: *Postemployment Health Plan for Public Employees*.

This defined contribution plan (Internal Revenue Code Section 501(c)(9)) is intended to pay 50% of medical premiums, until Medicare eligibility, for the medical benefits of an employee and his or her spouse in situations where the employee retires prior to age 65. Also, the plan pays for prescribed medication, dental and vision coverage, until Medicare eligibility for the employee and the spouse.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

8. Defined contribution plan (continued):

Eligibility:

All nonuniform employees that are full-time employees of York Township are eligible. Participation begins on the first day of a calendar month following the later of (a) the date on which the employee becomes eligible or (b) the effective date of York Township's participation agreement.

Contributions:

Employer contributions:

York Township shall contribute to the plan on a periodic basis on behalf of each participant an amount equal to the amount specified in the employee handbook to fund a postemployment health plan reimbursement account(s) for unreimbursed qualifying medical care expenses and/or healthcare insurance premium reimbursements. Employees are not required to contribute. York Township contributed \$52,365 in 2024.

Individual accounts for contributions:

The amount York Township contributes on the employees' behalf is placed in a trust maintained by the plan's trustee, LaSalle National Bank. The administrator maintains a separate subaccount for contributions made on the employees' behalf to reimburse qualified postemployment healthcare expenses. The account consists of employer contributions, investment returns and any forfeitures allocated. Accounts are charged for amounts reimbursed and plan administrative fees. Employees and their dependents may not receive reimbursements from the employee's account for any reason prior to the employee's separation of service from York Township.

Benefits:

Postemployment health benefits:

Upon separation of service from York Township, employees have the right to seek reimbursement of out-of-pocket qualifying medical or healthcare expenses incurred by employees and their dependents after such termination. Benefit payments are limited to the amounts in a participant's account.

Postemployment health plan value:

The fair value of the assets of participating employee accounts at December 31, 2024 is \$1,414,468.

9. Risk management:

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Township maintains commercial insurance covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three years.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

9. Risk management (continued):

In May 2005, the Township began participating in the Pennsylvania Municipal Health Insurance Cooperative (PMHIC). PMHIC is a public entity risk pool established by certain units of local government in Pennsylvania to provide health and welfare plan benefits directly to eligible employees, their families and dependents. The PMHIC receives, processes and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative from each member. The Township does not exercise any control over the activities of the PMHIC beyond its representation on the Board of Directors.

Under the trust plan, the Township pays reasonable and customary healthcare expenses. For the year ended December 31, 2024, the Township paid premiums of \$894,562. Actual claims paid for the year ended December 31, 2024 were \$1,655,648.

The Township receives revenue from various federal and state grant programs, which are subject to audit and adjustment by the respective grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Township expects such amounts, if any, to be immaterial.

10. Interfund activity:

Individual fund receivable and payable balances consisted of the following:

Fund	Due from other funds	Due to other funds
General Fund	\$ -	\$ 1,815,451
Intermunicipal Sewer Fund	-	863,372
Sewer Fund	-	214,259
Sewer Capital Reserve Fund	1,145,506	-
Storm Water Management Fund	-	226
Capital Reserve Fund	1,747,802	-
Total	\$ 2,893,308	\$ 2,893,308

The amounts between the Sewer Fund and the Intermunicipal Sewer Fund represent the fourth quarter billing of the Mill Creek interceptor. The amounts between Sewer Capital Reserve Fund and Sewer Fund represent capital asset purchases that are payable at year end. The amounts between the General Fund and Capital Reserve Fund represent amounts due for current capital projects at year end.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

11. Interfund transfers:

Operating transfers in to/out of other funds consisted of the following:

<u>Fund</u>	<u>Transfers in</u>	<u>Transfers out</u>
General Fund	\$ -	\$ 1,793,904
Capital Reserve Fund	1,757,319	-
Storm Water Management Fund	182	-
Sewer Fund	-	1,749,896
Intermunicipal Sewer Fund	-	8,006
Sewer Capital Reserve Fund	<u>1,794,305</u>	<u>-</u>
Total	<u>\$ 3,551,806</u>	<u>\$ 3,551,806</u>

The General Fund and the Sewer Fund made transfers for current and future capital projects identified and planned for in the five-year capital projects schedules.

12. Sewer Fund, intermunicipal deposits and long-term receivable:

The Township has an agreement with Springettsbury Township for the processing of sewage waste which flows to their facility from the Township. Deposits are required by the Township and eight other municipalities that participate in the agreement to defer the cost of future capital improvements to the sewer system. As of December 31, 2024, the Township's portion of the deposits totaled approximately \$2,200,000.

The Township has an intermunicipal agreement with the City of York for the processing of sewage waste which flows to the York City Wastewater Treatment facility. Deposits are required by the Township and five other surrounding municipalities that participate in the agreement to pay for their pro-rata share of financed capital improvement costs to the wastewater treatment facility. The Township's pro-rata share is based on the Township's reserved capacity at the wastewater treatment facility. The Township also pays their pro-rata portion of transportation costs to the City of York, which is also stated within the intermunicipal agreement. The Township's pro-rata portion of the transportation costs are determined by the Township's flows into the wastewater treatment facility. These deposits are to be used for the operation and maintenance of the treatment system. This arrangement also includes reserve accounts for large maintenance projects. On April 14, 2022, the Pennsylvania Utility Commission approved the sale of the York City Wastewater Treatment Plant and Collection System to Pennsylvania American Water Company (PAWC.) As part of a settlement agreement, all agreements between the Township and the City of York (the City) were terminated, and the transportation funds held by the City on the Township's behalf were returned. Additionally, the City was required to post a \$2,000,000 bond for the benefit of the five connected municipalities, including York Township, to reconcile the City's Sewer audits through 2022. On July 1, 2022, PAWC took ownership and control of the City system and started billing the Township for transportation and treatment. Per the settlement agreement, the Township pays a flat rate per 1,000 gallons of flow. As of December 31, 2024, the Township's portion of the deposits totaled approximately \$410,600.

YORK TOWNSHIP

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

12. Sewer Fund, intermunicipal deposits and long-term receivable (continued):

Prior to 2018, the Township's allocation of the debt service for the intermunicipal agreement with the City of York was based on its capacity percentage at the treatment plant which was 12.93%. The City of York billed each connected municipality twice per year for their share of the debt service. At a quarterly connected municipalities meeting in 2018, the members of the connected municipalities noticed that the City of York had made an error on its bills by using the operation and maintenance allocation percentage instead of the capacity allocation percentage. This billing error occurred on all debt service invoices from 2008 through 2017. The connected municipalities compiled all of the City of York invoices from 2008 through 2017 and determined the amounts each connected municipality should have paid from 2008 through 2017. York Township overpaid by \$537,086 over this time period. York Township formalized payment plan agreements with the connected municipalities who underpaid due to the error made by the City of York. During the year ended December 31, 2024, \$120,409 of the amounts due to York Township were received. As of December 31, 2024, \$108,952 of the receivable was remaining, with an expected payment schedule as follows:

<u>Year ending</u> <u>December 31</u>	<u>Amount</u>
2025	\$ 55,619
2026	<u>53,333</u>
	<u><u>\$ 108,952</u></u>

13. American Rescue Plan:

On March 11, 2021, the American Rescue Plan Act of 2021 (American Rescue Plan), a \$1.9 trillion COVID-19 relief package was signed into law. The American Rescue Plan provides additional relief to address the continued impact of COVID-19 on the economy, public health, state and local governments, individuals and businesses. The American Rescue Plan provides \$130 billion in emergency funding for local governments to enable them to continue to support the public health response and lay the foundation for a strong and equitable economic recovery. The Township was allocated \$3,010,914 in funding from the American Rescue Plan, which will be disbursed to the Township in two tranches of \$1,505,457 each. The Township will have until December 31, 2024 to commit these funds. Any funds not committed under contract by December 31, 2024 are to be turned back over to the federal treasury.

The Township received the first tranche of \$1,505,457 during 2021 and the second tranche of \$1,510,217 during 2022. During the year ended December 31, 2024, \$749,000 was used to cover police costs. As of December 31, 2024, the unused portion of \$42,308 was committed for police costs and paid in early 2025.

14. Subsequent events:

Management has evaluated subsequent events through March 13, 2026, the date the financial statements were available to be issued.

YORK TOWNSHIP

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
 BUDGET TO ACTUAL – GENERAL FUND
 YEAR ENDED DECEMBER 31, 2024
 (See independent auditor’s report)

	Budgeted amounts - original and final	Actual	Variance with final budget positive (negative)
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Taxes	\$ 12,067,434	\$ 12,966,911	\$ 899,477
Licenses and permits	522,023	452,383	(69,640)
Fines and forfeitures	170,800	186,550	15,750
Charges for services	837,208	1,001,746	164,538
Investment earnings	248,250	592,826	344,576
Refund of prior year expenditures	20,000	216,917	196,917
Intergovernmental revenues	512,542	1,275,775	763,233
Other revenue	5,650	14,957	9,307
	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>14,383,907</u>	<u>16,708,065</u>	<u>2,324,158</u>
Expenditures:			
General government	1,943,950	1,699,325	244,625
Public safety	7,881,319	7,671,551	209,768
Public works:			
Sanitation	36,000	27,648	8,352
Highways	2,873,024	2,069,569	803,455
Culture and recreation	1,166,834	999,569	167,265
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>13,901,127</u>	<u>12,467,662</u>	<u>1,433,465</u>
Excess of revenues over expenditures	<u>482,780</u>	<u>4,240,403</u>	<u>3,757,623</u>
Other financing uses, operating transfers out	(635,030)	(2,542,904)	(1,907,874)
Other financing sources, operating transfers in	65,035	749,000	683,965
	<u> </u>	<u> </u>	<u> </u>
Total other financing sources (uses)	<u>(569,995)</u>	<u>(1,793,904)</u>	<u>(1,223,909)</u>
Net change in fund balance	<u>\$ (87,215)</u>	<u>2,446,499</u>	<u>\$ 2,533,714</u>
Fund balances:			
Beginning		<u>19,705,977</u>	
Ending		<u>\$ 22,152,476</u>	

See note to required supplementary information.

YORK TOWNSHIP

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGET (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024
(See independent auditor's report)

1. Budgetary data:

Prior to December 31, 2023, in accordance with the laws of the Commonwealth, the 2024 annual budget was presented to the York Township Commissioners. The budget was enacted on December 12, 2023. All unused budget appropriations lapse at year end.

**YORK TOWNSHIP
NONUNIFORM PENSION PLAN**

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED DECEMBER 31, 2024
(See independent auditor's report)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability:										
Service cost	\$ 265,650	\$ 256,667	\$ 267,256	\$ 255,137	\$ 218,823	\$ 208,900	\$ 204,595	\$ 195,317	\$ 202,783	\$ 193,588
Interest	1,029,573	994,612	991,699	940,113	896,944	841,806	807,852	757,043	709,414	662,249
Changes for experience	-	(560,503)	-	(315,928)	-	(263,540)	-	(302,674)	-	-
Changes of assumptions	-	-	-	1,420,294	-	-	-	321,163	-	-
Benefit payments, including refunds of member contributions	(744,489)	(777,155)	(515,352)	(425,475)	(373,992)	(324,369)	(305,825)	(306,236)	(311,078)	(201,815)
Net change in total pension liability	550,734	(86,379)	743,603	1,874,141	741,775	462,797	706,622	664,613	601,119	654,022
Total pension liability:										
Beginning of year	14,814,779	14,901,158	14,157,555	12,283,414	11,541,639	11,078,842	10,372,220	9,707,607	9,106,488	8,452,466
End of year (a)	\$ 15,365,513	\$ 14,814,779	\$ 14,901,158	\$ 14,157,555	\$ 12,283,414	\$ 11,541,639	\$ 11,078,842	\$ 10,372,220	\$ 9,707,607	\$ 9,106,488
Plan fiduciary net position:										
Contributions, employer	\$ 461,270	\$ 460,352	\$ 446,969	\$ 455,262	\$ 460,163	\$ 430,509	\$ 409,166	\$ 320,180	\$ 314,736	\$ 460,930
Net investment income	1,069,167	1,534,674	(2,117,876)	1,429,902	1,365,016	1,788,189	(626,614)	1,344,534	511,294	(93,962)
Benefit payments, including refunds of member contributions	(744,489)	(777,155)	(515,352)	(425,475)	(373,992)	(324,369)	(305,825)	(306,236)	(311,078)	(201,815)
Administrative expense	(8,215)	-	(5,450)	(18,750)	(8,900)	(8,025)	-	(6,500)	(4,050)	-
Net change in plan fiduciary net position	777,733	1,217,871	(2,191,709)	1,440,939	1,442,287	1,886,304	(523,273)	1,351,978	510,902	165,153
Total fiduciary net position:										
Beginning of year	13,322,301	12,104,430	14,296,139	12,855,200	11,412,913	9,526,609	10,049,882	8,697,904	8,187,002	8,021,849
End of year (b)	\$ 14,100,034	\$ 13,322,301	\$ 12,104,430	\$ 14,296,139	\$ 12,855,200	\$ 11,412,913	\$ 9,526,609	\$ 10,049,882	\$ 8,697,904	\$ 8,187,002
Net pension (asset) liability, end of year (a) - (b)	\$ 1,265,479	\$ 1,492,478	\$ 2,796,728	\$ (138,584)	\$ (571,786)	\$ 128,726	\$ 1,552,233	\$ 322,338	\$ 1,009,703	\$ 919,486
Plan fiduciary net position as a percentage of the total pension liability	91.76%	89.93%	81.23%	100.98%	104.65%	98.88%	85.99%	96.89%	89.60%	89.90%
Covered employee payroll	\$ 2,564,536	\$ 2,444,335	\$ 3,945,523	\$ 2,305,298	\$ 2,439,649	\$ 2,407,060	\$ 2,427,415	\$ 2,219,494	\$ 2,049,342	\$ 2,189,258
Net pension liability as a percentage of covered employee payroll	49.35%	61.06%	70.88%	-6.01%	-23.44%	5.35%	63.95%	14.52%	49.27%	42.00%

**YORK TOWNSHIP
NONUNIFORM PENSION PLAN**

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF TOWNSHIP CONTRIBUTIONS AND MONEY-WEIGHTED RATE OF RETURN
YEAR ENDED DECEMBER 31, 2024
(See independent auditor's report)

Description	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 461,270	\$ 460,352	\$ 446,969	\$ 455,262	\$ 460,163	\$ 430,509	\$ 409,166	\$ 320,180	\$ 314,736	\$ 460,930
Contributions from employer	461,270	460,352	446,969	455,262	460,163	430,509	409,166	320,180	314,736	460,930
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 2,564,536	\$ 2,444,335	\$ 3,945,523	\$ 2,305,298	\$ 2,439,649	\$ 2,407,060	\$ 2,427,415	\$ 2,219,494	\$ 2,049,342	\$ 2,189,258
Total contributions made as a percentage of payroll	17.99%	18.83%	11.33%	19.75%	18.86%	17.89%	16.86%	14.43%	15.36%	21.05%
Money-weighted rate of return	8.63%	13.35%	-14.70%	11.56%	12.72%	18.91%	-6.11%	15.79%	6.46%	-0.80%

Effective January 1, 1994, members are not required to contribute to the plan.

Past member contributions are credited with 6.5% interest.

**YORK TOWNSHIP
NONUNIFORM PENSION PLAN**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
YEAR ENDED DECEMBER 31, 2024
(See independent auditor's report)

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method:	Entry age normal
Amortization method:	Level dollar closed
Remaining amortization period:	Four years
Asset valuation method:	Market value of assets as determined by the trustee
Inflation:	3.00%
Salary increases:	4.75%
Investment rate of return:	7.00%
Retirement age:	Normal retirement age
Mortality:	PubG-2010 mortality table, including rates for disabled retirees and contingent survivors. Incorporated into the table are rates projected generationally using Scale MP-2020 to reflect mortality improvement.
Changes in benefit terms:	None since January 1, 2021

YORK TOWNSHIP

COMBINING BALANCE SHEETS – NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2024
 (See independent auditor's report)

ASSETS

	Liquid Fuels	Street Lighting Tax	Impact Fees	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Assets:				
Cash and cash equivalents	\$ 1,358,353	\$ 60,893	\$ 3,603,434	\$ 5,022,680
Taxes receivable	<u> -</u>	<u> 60</u>	<u> -</u>	<u> 60</u>
Total assets	<u><u>\$ 1,358,353</u></u>	<u><u>\$ 60,953</u></u>	<u><u>\$ 3,603,434</u></u>	<u><u>\$ 5,022,740</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:				
Accounts payable	\$ -	\$ 166	\$ -	\$ 166
Due to other funds	-	-	-	-
Revenue received in advance	<u> -</u>	<u> 60</u>	<u> -</u>	<u> 60</u>
Total liabilities	-	226	-	226
Fund balance	<u>1,358,353</u>	<u>60,727</u>	<u>3,603,434</u>	<u>5,022,514</u>
Total liabilities and fund balance	<u><u>\$ 1,358,353</u></u>	<u><u>\$ 60,953</u></u>	<u><u>\$ 3,603,434</u></u>	<u><u>\$ 5,022,740</u></u>

See notes to financial statements.

YORK TOWNSHIP

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024
(See independent auditor's report)

	<u>Liquid Fuels</u>	<u>Street Lighting Tax</u>	<u>Impact Fees</u>	<u>Total</u>
Revenues:				
Taxes	\$ -	\$ 4,965	\$ -	\$ 4,965
Interest	32,626	801	65,583	99,010
Intergovernmental revenues	935,009	-	-	935,009
Impact fees	-	-	175,909	175,909
Total revenues	<u>967,635</u>	<u>5,766</u>	<u>241,492</u>	<u>1,214,893</u>
Expenditures:				
Capital projects	-	-	-	-
Public works, highways	812,725	-	-	812,725
Utilities, electricity	-	3,164	-	3,164
Total expenditures	<u>812,725</u>	<u>3,164</u>	<u>-</u>	<u>815,889</u>
Net change in fund balances	154,910	2,602	241,492	399,004
Fund balances:				
Beginning	<u>1,203,443</u>	<u>58,125</u>	<u>3,361,942</u>	<u>4,623,510</u>
Ending	<u><u>\$ 1,358,353</u></u>	<u><u>\$ 60,727</u></u>	<u><u>\$ 3,603,434</u></u>	<u><u>\$ 5,022,514</u></u>

See notes to financial statements.

YORK TOWNSHIP

COMBINING BALANCE SHEETS – CAPITAL PROJECTS FUNDS

DECEMBER 31, 2024

(See independent auditor's report)

	ASSETS			
	Recreation Capital Reserve	Storm Water Management	Capital Reserve Funds	Total
Cash and cash equivalents	\$ 1,712,923	\$ 1,138,453	\$ 1,898,625	\$ 4,750,001
Investments	-	-	1,922,125	1,922,125
Due from other funds	-	-	1,747,802	1,747,802
Accounts receivable	-	55,380	-	55,380
Total assets	<u>\$ 1,712,923</u>	<u>\$ 1,193,833</u>	<u>\$ 5,568,552</u>	<u>\$ 8,475,308</u>
	LIABILITIES AND FUND BALANCE			
Accounts payable	\$ 10,428	\$ -	\$ 76,659	\$ 87,087
Due to other funds	-	226	-	226
Revenue received in advance	-	-	33,426	33,426
Total liabilities	10,428	226	110,085	120,739
Fund balance	<u>1,702,495</u>	<u>1,193,607</u>	<u>5,458,467</u>	<u>8,354,569</u>
Total liabilities and fund balance	<u>\$ 1,712,923</u>	<u>\$ 1,193,833</u>	<u>\$ 5,568,552</u>	<u>\$ 8,475,308</u>

See notes to financial statements.

YORK TOWNSHIP

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
CAPITAL PROJECTS FUNDS
YEAR ENDED DECEMBER 31, 2024
(See independent auditor's report)

	Recreation Capital Reserve	Storm Water Management	Capital Reserve Funds	Total
Revenues:				
Charges for services	\$ 424,800	\$ 63,056	\$ -	\$ 487,856
Investment earnings	28,922	21,222	113,014	163,158
Total revenues	453,722	84,278	113,014	651,014
Expenditures:				
General government	-	-	153,933	153,933
Public works:				
Highways	-	-	107,513	107,513
Storm water and flood control	-	53,600	154,281	207,881
Other public works	-	-	348,863	348,863
Culture recreation	51,766	-	4,922	56,688
Total expenditures	51,766	53,600	769,512	874,878
Excess (deficiency) of revenues over expenditures	401,956	30,678	(656,498)	(223,864)
Other financing sources:				
Proceeds from sale of fixed assets	-	-	49,618	49,618
Operating transfers in	-	182	1,757,319	1,757,501
Total other financing sources	-	182	1,806,937	1,807,119
Net change in fund balances	401,956	30,860	1,150,439	1,583,255
Fund balances:				
Beginning	1,300,539	1,162,747	4,308,028	6,771,314
Ending	\$ 1,702,495	\$ 1,193,607	\$ 5,458,467	\$ 8,354,569

See notes to financial statements.

YORK TOWNSHIP

COMBINING BALANCE SHEETS – SEWER FUND AND WATER AND SEWER AUTHORITY DECEMBER 31, 2024 (See independent auditor's report)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	<u>Sewer Fund</u>	<u>Water and Sewer Authority</u>	<u>Total</u>
Current assets:			
Cash and cash equivalents	\$ 13,866,595	\$ 6,579	\$ 13,873,174
Investments	1,916,640	-	1,916,640
Accounts receivable	873,347	-	873,347
Prepaid expenses	9,470	-	9,470
Due from other governments	55,619	-	55,619
Intermunicipal deposits	<u>2,675,998</u>	<u>-</u>	<u>2,675,998</u>
Total current assets	<u>19,397,669</u>	<u>6,579</u>	<u>19,404,248</u>
Noncurrent assets:			
Long-term receivable, due from other governments	<u>53,333</u>	<u>-</u>	<u>53,333</u>
Capital assets, net of depreciation:			
Land	578,399	-	578,399
Construction in progress	320,265	-	320,265
Building and site improvements	4,509,626	-	4,509,626
Pump station	3,635,018	-	3,635,018
Infrastructure	26,166,273	-	26,166,273
Vehicles	286,369	-	286,369
Office furniture and equipment	33,487	-	33,487
Machinery and equipment	<u>479,212</u>	<u>-</u>	<u>479,212</u>
Total capital assets, net of depreciation	<u>36,008,649</u>	<u>-</u>	<u>36,008,649</u>
Total noncurrent assets	<u>36,061,982</u>	<u>-</u>	<u>36,061,982</u>
Total assets	55,459,651	6,579	55,466,230
Deferred outflows of resources, pensions	<u>346,954</u>	<u>-</u>	<u>346,954</u>
Total assets and deferred outflows of resources	<u>\$ 55,806,605</u>	<u>\$ 6,579</u>	<u>\$ 55,813,184</u>

See notes to financial statements.

YORK TOWNSHIP

COMBINING BALANCE SHEETS – SEWER FUND AND WATER AND SEWER AUTHORITY
 DECEMBER 31, 2024
 (See independent auditor's report)

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	Sewer Fund	Water and Sewer Authority	Total
	<u> </u>	<u> </u>	<u> </u>
Current liabilities:			
Accounts payable	\$ 535,419	\$ -	\$ 535,419
Payroll deductions and withholdings	26,035	-	26,035
Due to other funds	214,259	-	214,259
Other current liabilities	364,396	-	364,396
	<u> </u>	<u> </u>	<u> </u>
Total current liabilities	<u>1,140,109</u>	<u>-</u>	<u>1,140,109</u>
Noncurrent liabilities:			
Compensated absences	57,172	-	57,172
Net pension liability	333,096	-	333,096
	<u> </u>	<u> </u>	<u> </u>
Total noncurrent liabilities	<u>390,268</u>	<u>-</u>	<u>390,268</u>
Total liabilities	<u>1,530,377</u>	<u>-</u>	<u>1,530,377</u>
Deferred inflows of resources, pensions	<u>146,838</u>	<u>-</u>	<u>146,838</u>
Net position:			
Investment in capital assets	36,008,649	-	36,008,649
Unrestricted	18,120,741	6,579	18,127,320
	<u> </u>	<u> </u>	<u> </u>
Total net position	<u>54,129,390</u>	<u>6,579</u>	<u>54,135,969</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 55,806,605</u>	<u>\$ 6,579</u>	<u>\$ 55,813,184</u>

See notes to financial statements.

YORK TOWNSHIP

COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION –
SEWER FUND AND WATER AND SEWER AUTHORITY
YEAR ENDED DECEMBER 31, 2024
(See independent auditor's report)

	Sewer Fund	Water and Sewer Authority	Eliminations	Total
Operating revenues:				
Rental and service charges	\$ 6,960,345	\$ -	\$ -	\$ 6,960,345
Connection and tapping fees	295,180	-	-	295,180
Other	90,445	7,500	(7,500)	90,445
Total operating revenues	7,345,970	7,500	(7,500)	7,345,970
Operating expenses, operations of facilities	4,895,511	4,540	(7,500)	4,892,551
Net operating income before depreciation	2,450,459	2,960	-	2,453,419
Depreciation	1,317,047	-	-	1,317,047
Net operating income	1,133,412	2,960	-	1,136,372
Nonoperating revenue:				
Gain on sale of capital assets	48,000	-	-	48,000
Earnings on investments, net	362,414	-	-	362,414
Total nonoperating revenue	410,414	-	-	410,414
Net income before operating transfers	1,543,826	2,960	-	1,546,786
Operating transfers, transfers out	(1,749,896)	-	-	(1,749,896)
Change in net position	(206,070)	2,960	-	(203,110)
Net position:				
Beginning	54,335,460	3,619	-	54,339,079
Ending	\$ 54,129,390	\$ 6,579	\$ -	\$ 54,135,969

See notes to financial statements.