

Annual Audit and
Financial Report
(DCED-CLGS-30)

December 31
2022

Heidelberg Township,
York County



INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
Heidelberg Township, York County
Spring Grove, Pennsylvania

President Judge of the Court of Common Pleas

Secretary of the Department of Community and Economic Development

Opinion

We have audited the accompanying modified cash basis financial statements of Heidelberg Township, York County, Pennsylvania, which comprise the balance sheet as of December 31, 2022, and the related statement of revenues and expenditures, debt statement and statement of capital expenditures for the year then ended, and the related notes to the financial statements in the format prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania.

In our opinion, the financial statements referred to above present fairly, in all material respects, the modified cash basis financial position of Heidelberg Township, York County, Pennsylvania, as of December 31, 2022, and the changes in the modified cash basis financial position and related debt statement and statement of capital expenditures for the year then ended, in accordance with the financial reporting provisions of the modified cash basis of accounting within the format prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Heidelberg Township, York County, Pennsylvania and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting within the format prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania, which is a basis of accounting other than accounting principles generally accepted in the United States of America. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting within the financial reporting provisions of the Department of Community and Economic Development of the Commonwealth of Pennsylvania described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Restriction on Use

This report is intended solely for the information and use of the Board of Supervisors, management of Heidelberg Township, York County, Pennsylvania, President Judge of the Court of Common Pleas, and the Secretary of the Department of Community and Economic Development of the Commonwealth of Pennsylvania and is not intended to be and should not be used by anyone other than these specified parties.

Smith Elliott Kearns + Company, LLC

Chambersburg, Pennsylvania
May 22, 2024

**2022 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

670725 HEIDELBERG TWP, YORK COUNTY

HEIDELBERG TWP, YORK County

BALANCE SHEET

December 31, 2022

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
Liabilities and Other Credits											
260-269	Long-Term-Liabilities										
240-259	Current Portion of Long-Term Debt and Other Credits										
Total Liabilities and Other Credits		3,172									3,172
Fund and Account Group Equity											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets										
270-289	Fund Balance / Retained Earnings on 12/31	478,687	138,874								617,561
291-299	Other Equity										
Total Fund and Account Group Equity		478,687	138,874								617,561
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											620,733

HEIDELBERG TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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

REVENUES

Taxes

301.00	Real Estate Taxes	422,713	52,021					474,734
305.00	Occupation Taxes (levied under municipal code)							
308.00	Residence Taxes (levied by cities of the 3rd Class)							
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)							
310.00	Per Capita Taxes							
310.10	Real Estate Transfer Taxes	81,081						81,081
310.20	Earned Income Taxes / Wage Taxes	507,491						507,491
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **							
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
Total Taxes		1,011,285	52,021					1,063,306

Licenses and Permits

320-322	All Other Licenses and Permits	50						50
321.80	Cable Television Franchise Fees							
Total Licenses and Permits		50						50

Fines and Forfeits

330-332	Fines and Forfeits	17,074						17,074
Total Fines and Forfeits		17,074						17,074

HEIDELBERG TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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

REVENUES

Interest, Rents and Royalties								
341.00	Interest Earnings		525					525
342.00	Rents and Royalties	40,557						40,557
Total Interest, Rents and Royalties		40,557	525					41,082

Federal								
351.03	Highways and Streets							
351.09	Community Development							
351.00	All Other Federal Capital and Operating Grants							
352.01	National Forest							
352.00	All Other Federal Shared Revenue and Entitlements	160,367						160,367
353.00	Federal Payments in Lieu of Taxes							
Total Federal		160,367						160,367

State								
354.03	Highways and Streets	87,358						87,358
354.09	Community Development							
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants							
355.01	Public Utility Realty Tax (PURTA)	1,042						1,042
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		136,718					136,718
355.04	Alcoholic Beverage Licenses							
355.05	General Municipal Pension System State Aid							
355.07	Foreign Fire Insurance Tax Distribution	20,585						20,585
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution							

HEIDELBERG TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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

REVENUES

State

355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes							
Total State		108,985	136,718					245,703

Local Government Units

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

Charges for Service

361.00	General Government	922						922
362.00	Public Safety	13,806						13,806
363.20	Parking							
363.00	All Other Charges for Highway & Street Services							
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)							
364.30	Solid Waste Collection and Disposal Charge (trash)							
364.60	Host Municipality Benefit Fee for Solid Waste Facility							
364.00	All Other Charges for Sanitation Services							
365.00	Health							
366.00	Human Services							
367.00	Culture and Recreation							
368.00	Airports							

HEIDELBERG TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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

REVENUES

Charges for Service								
369.00	Bars							
370.00	Cemeteries							
372.00	Electric System							
373.00	Gas System							
374.00	Housing System							
375.00	Markets							
377.00	Transit Systems							
378.00	Water System					15,850		15,850
379.00	All Other Charges for Service							
Total Charges for Service		14,728				15,850		30,578

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors							
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues	180						180
Total Unclassified Operating Revenues		180						180

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition							
392.00	Interfund Operating Transfers					5,992		5,992
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

HEIDELBERG TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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

REVENUES

Other Financing Sources								
395.00	Refunds of Prior Year Expenditures	29,415						29,415
Total Other Financing Sources		29,415			5,992			35,407
TOTAL REVENUES		1,382,641	189,264		21,842			1,593,747

EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	7,883						7,883
401.00	Executive (Manager or Mayor)	16,424						16,424
402.00	Auditing Services / Financial Administration	9,650						9,650
403.00	Tax Collection	22,489	2,601					25,090
404.00	Solicitor / Legal Services	24,946						24,946
405.00	Secretary / Clerk	79,891						79,891
406.00	Other General Government Administration							
407.00	IT-Networking Services-Data Processing	925						925
408.00	Engineering Services	19,022						19,022
409.00	General Government Buildings and Plant	45,231						45,231
Total General Government		226,461	2,601					229,062

Public Safety								
410.00	Police	451,138						451,138
411.00	Fire	134,187	49,420					183,607
412.00	Ambulance / Rescue	500						500
413.00	UCC and Code Enforcement	8,194						8,194

HEIDELBERG TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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

EXPENDITURES

Public Safety

414.00	Planning and Zoning	2,548						2,548
415.00	Emergency Management and Communications							
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety							
Total Public Safety		596,567	49,420					645,987

Health and Human Services

420.00-425.00	Health and Human Services	6,171						6,171
Total Health and Human Services		6,171						6,171

Public Works - Sanitation

426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)	681						681
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection							
Total Public Works - Sanitation		681						681

Public Works - Highways and Streets

430.00	General Services - Administration	13,605						13,605
431.00	Cleaning of Streets and Gutters	5,140						5,140
432.00	Winter Maintenance – Snow Removal	38,851						38,851
433.00	Traffic Control Devices							
434.00	Street Lighting	4,530						4,530

HEIDELBERG TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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

EXPENDITURES

Public Works - Highways and Streets								
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains	525						525
437.00	Repairs of Tools and Machinery	9,623						9,623
438.00	Maintenance and Repairs of Roads and Bridges	318,897	107,985					426,882
439.00	Highway Construction and Rebuilding Projects							
Total Public Works - Highways and Streets		391,171	107,985					499,156

Other Public Works Enterprises								
440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets							
445.00	Parking	159						159
446.00	Storm Water and Flood Control	9,234						9,234
447.00	Transit System							
448.00	Water System				21,842			21,842
449.00	Water Transport and Terminals							
Total Other Public Works Enterprises		9,393			21,842			31,235

Culture and Recreation								
451.00	Culture-Recreation Administration							
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks	53,322						53,322

HEIDELBERG TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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

EXPENDITURES

Culture and Recreation								
455.00	Shade Trees							
456.00	Libraries	7,884						7,884
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
Total Culture and Recreation		61,206						61,206

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

Debt Service								
471.00	Debt Principal (short-term and long-term)		106,754					106,754
472.00	Debt Interest (short-term and long-term)		5,745					5,745
475.00	Fiscal Agent Fees							
Total Debt Service			112,499					112,499

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	17,490						17,490
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions							

HEIDELBERG TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2022

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

EXPENDITURES

Employer Paid Benefits and Withholding Items								
484.00	Worker Compensation Insurance							
487.00	Other Group Insurance Benefits							
Total Employer Paid Benefits and Withholding Items		17,490						17,490

Insurance								
486.00	Insurance, Casualty, and Surety	47,082						47,082
Total Insurance		47,082						47,082

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid							
489.00	All Other Unclassified Expenditures	2,075						2,075
Total Unclassified Operating Expenditures		2,075						2,075

Other Financing Uses								
491.00	Refund of Prior Year Revenues							
492.00	Interfund Operating Transfers	5,992						5,992
493.00	All Other Financing Uses							
Total Other Financing Uses		5,992						5,992

TOTAL EXPENDITURES	1,364,289	272,505			21,842			1,658,636
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	18,352	-83,241						-64,889
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HEIDELBERG TWP

December 31, 2022

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES

Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
PADOT PIB Series 2020 Note	Note	2020	2030	300,000	183,376		106,754		76,622		76,622
Revenue Bonds and Notes											
Lease Rental Debt											
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding

76,622

Capitalized lease obligations

0

Net debt

76,622

HEIDELBERG TWP, YORK County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2022

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks	8,650		8,650
Police			
Recreation			
Sewer			
Solid Waste			
Streets / Highways		406,660	406,660
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	8,650	406,660	415,310

EMPLOYEE COMPENSATION

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

155,184

HEIDELBERG TOWNSHIP, YORK COUNTY
Notes to the Financial Statements
December 31, 2022

NOTE 1 BASIS OF ACCOUNTING

The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Consequently, certain revenues and related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when a liability is incurred. The accompanying annual financial report was prepared for the purpose of complying with the rules and regulations of the Department of Community and Economic Development of the Commonwealth of Pennsylvania, does not include supporting disclosures, government-wide statements, or cash flow statements, if applicable, and is not intended to be a complete presentation of Heidelberg Township's assets, liabilities, revenues and expenses.