

HELLAM TOWNSHIP
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2024
AND
INDEPENDENT AUDITOR'S REPORT

HAMILTON & MUSSER, P.C.
Certified Public Accountants



HAMILTON & MUSSER, PC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Hellam Township
York, Pennsylvania

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hellam Township (the Township), York County, Pennsylvania, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Hellam Township, York County, Pennsylvania, and the respective changes in the modified cash basis financial position and where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

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

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, which is a basis of accounting other than accounting principles generally accepted in the United States of America. 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 these financial statements in accordance with the modified cash basis of accounting as described in Note 1, this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 the Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Supplementary Information

Management is responsible for the supplementary information included in the financial statements. The supplementary information on pages 32-35 comprises the budgetary comparison schedule - general fund - modified cash basis, schedule of changes in the Township's net pension liability (asset) and related ratios, and the schedule of employer contributions but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the supplementary information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the supplementary information exists, we are required to describe it in our report.

October 14, 2025

Mechanicsburg, Pennsylvania



Certified Public Accountants

HELLAM TOWNSHIP
Statement of Net Position – Modified Cash Basis
December 31, 2024

	Governmental <u>Activities</u>
Assets	
Cash and Cash Equivalents (Note 2)	\$ 2,459,992
Restricted Cash and Cash Equivalents (Note 2)	339,697
Capital Assets, Not Being Depreciated (Note 3)	430,863
Capital Assets, Being Depreciation (Note 3)	<u>7,642,313</u>
Total Assets	<u>10,872,865</u>
Liabilities	
Escrow Payable	81,679
Current Portion of Long-Term Liabilities	
Notes Payable (Note 5)	232,000
Finance Lease Liabilities (Note 5)	84,835
Non-Current Portion of Long-Term Liabilities	
Notes Payable (Note 5)	4,764,000
Finance Lease Liabilities (Note 5)	<u>152,779</u>
Total Liabilities	<u>5,315,293</u>
Net Position	
Net Investment in Capital Assets	2,839,562
Restricted	258,018
Unrestricted	<u>2,459,992</u>
Total Net Position	<u>\$ 5,557,572</u>

The Accompanying Notes are an Integral Part of the Financial Statements

HELLAM TOWNSHIP
Statement of Activities – Modified Cash Basis
December 31, 2024

		<u>Program Revenue</u>		Net (Expense) Revenue and Changes in Net Position
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Functions/Programs				
Governmental Activities:				
General Government	\$ 774,452	\$ 115,369	\$ 26,000	\$ (633,083)
Public Safety	2,721,499	1,082,179	310,367	(1,328,953)
Public Works	1,042,282	-	282,054	(760,228)
Culture and Recreation	94,803	-	-	(94,803)
Interest on Long-Term Debt	<u>119,985</u>	<u>-</u>	<u>-</u>	<u>(119,985)</u>
Total Governmental Activities	<u>\$ 4,753,021</u>	<u>\$ 1,197,548</u>	<u>\$ 618,421</u>	<u>(2,937,052)</u>
General Revenues:				
Taxes				2,443,456
Interest Earnings				<u>98,337</u>
Total General Revenues				<u>2,541,793</u>
Change in Net Position				(395,259)
Net Position – Beginning of Year				<u>5,952,831</u>
Net Position – End of Year				<u>\$ 5,557,572</u>

The Accompanying Notes are an Integral Part of the Financial Statements

HELLAM TOWNSHIP
Balance Sheet – Governmental Funds – Modified Cash Basis
December 31, 2024

	<u>Major Funds</u>		<u>Non-Major Fund</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Fire Capital Fund</u>	<u>Highway Aid Fund</u>	
Assets				
Cash and Cash Equivalents (Note 2)	\$ 1,221,738	\$ 1,238,254	\$ -	\$ 2,459,992
Restricted Cash and Cash Equivalents (Note 2)	<u>81,679</u>	<u>-</u>	<u>258,018</u>	<u>339,697</u>
Total Assets	<u>\$ 1,303,417</u>	<u>\$ 1,238,254</u>	<u>\$ 258,018</u>	<u>\$ 2,799,689</u>
Liabilities				
Escrow Payable	\$ 81,679	\$ -	\$ -	\$ 81,679
Total Liabilities	<u>81,679</u>	<u>-</u>	<u>-</u>	<u>81,679</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	258,018	258,018
Committed	-	1,238,254	-	1,238,254
Assigned	-	-	-	-
Unassigned	<u>1,221,738</u>	<u>-</u>	<u>-</u>	<u>1,221,738</u>
Total Fund Balances	<u>1,221,738</u>	<u>1,238,254</u>	<u>258,018</u>	<u>2,718,010</u>
Total Liabilities and Fund Balances	<u>\$ 1,303,417</u>	<u>\$ 1,238,254</u>	<u>\$ 258,018</u>	<u>\$ 2,799,689</u>

The Accompanying Notes are an Integral Part of the Financial Statements

HELLAM TOWNSHIP
Reconciliation of the Balance Sheet – Governmental Funds – Modified Cash Basis
to the Statement of Net Position – Modified Cash Basis
December 31, 2024

Total Fund Balances – Governmental Funds	\$ 2,718,010
Total net position reported for governmental activities in the Statement of Net Position – Modified Cash Basis is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	8,073,176
Long-term liabilities are not reported in governmental funds but are reported on the government-wide financial statements:	
Notes Payable	(4,996,000)
Finance Lease Liabilities	<u>(237,614)</u>
Total Net Position – Governmental Activities	<u>\$ 5,557,572</u>

The Accompanying Notes are an Integral Part of the Financial Statements