

Audited  
Financial  
Statements

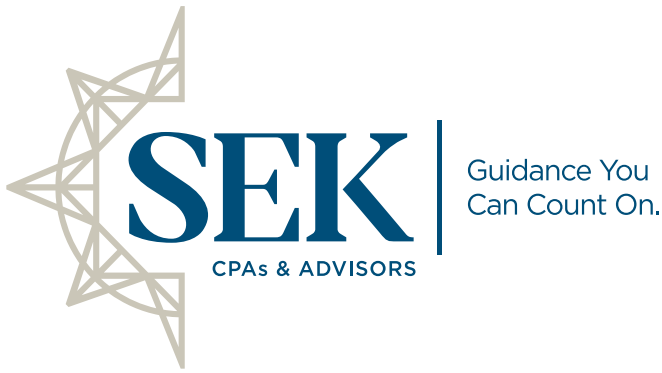
December 31,  
2021

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Springettsbury  
Township Development  
Authority

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## INDEPENDENT AUDITOR'S REPORT

Authority Members  
Springettsbury Township Development Authority  
York, Pennsylvania 17402

### ***Opinion***

We have audited the financial statements of Springettsbury Township Development Authority (the Authority), a component unit of Springettsbury Township, as of December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Springettsbury Township Development Authority as of December 31, 2021 and 2020, and the changes in its financial position, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits 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 Springettsbury Township Development Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***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.

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

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Springettsbury Township Development Authority '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 Springettsbury Township Development Authority '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***

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

*Smith Elliott Hearn + Company, LLC*

York, Pennsylvania  
February 3, 2022

**SPRINGETTSBURY TOWNSHIP DEVELOPMENT AUTHORITY**  
**Statements of Net Position**  
**December 31, 2021 and 2020**

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	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 66,351	\$ 68,889
Total current assets	<u>66,351</u>	<u>68,889</u>
Total assets	<u>\$ 66,351</u>	<u>\$ 68,889</u>
<b>LIABILITIES AND NET POSITION</b>		
<b>Liabilities</b>	\$ -	\$ -
<b>Net Position</b>		
Unrestricted	<u>66,351</u>	<u>68,889</u>
Total net position	<u>66,351</u>	<u>68,889</u>
Total liabilities and net position	<u>\$ 66,351</u>	<u>\$ 68,889</u>

**SPRINGETTSBURY TOWNSHIP DEVELOPMENT AUTHORITY**  
**Statements of Revenues, Expenses and Changes in Net Position**  
**Years Ended December 31, 2021 and 2020**

	2021	2020
<b>Operating Revenues</b>	\$ -	\$ -
<b>Operating Expenses</b>		
Professional fees	2,576	2,576
Total operating expenses	2,576	2,576
Operating loss	(2,576)	(2,576)
<b>Nonoperating Revenues</b>		
Interest income	38	211
Total nonoperating revenues	38	211
Changes in net position	(2,538)	(2,365)
Net position - beginning of year	68,889	71,254
Net position - end of year	<u>\$ 66,351</u>	<u>\$ 68,889</u>

**SPRINGETTSBURY TOWNSHIP DEVELOPMENT AUTHORITY**  
**Statements of Cash Flows**  
**Years Ended December 31, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Cash Flows from Operating Activities</b>		
Cash payments for goods and services	\$ (2,576)	\$ (8,161)
Net cash from operating activities	<u>(2,576)</u>	<u>(8,161)</u>
<b>Cash Flows from Investing Activities</b>		
Interest income	<u>38</u>	<u>211</u>
Net cash from investing activities	<u>38</u>	<u>211</u>
<b>Net Change in Cash</b>	<b>(2,538)</b>	<b>(7,950)</b>
Cash - beginning of year	<u>68,889</u>	<u>76,839</u>
Cash - end of year	<u>\$ 66,351</u>	<u>\$ 68,889</u>
Reconciliation of operating loss to net cash from operating activities		
Operating loss	\$ <u>(2,576)</u>	\$ <u>(2,576)</u>
Adjustments to reconcile operating loss to net cash from operating activities		
Change in due to primary government	<u>-</u>	<u>(5,585)</u>
Total adjustment	<u>-</u>	<u>(5,585)</u>
Net cash from operating activities	<u>\$ (2,576)</u>	<u>\$ (8,161)</u>

# SPRINGETTSBURY TOWNSHIP DEVELOPMENT AUTHORITY

## Notes to Financial Statements

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### NOTE 1 NATURE OF OPERATIONS

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Springettsbury Township Development Authority (the Authority) was organized in 2005, under the Pennsylvania Municipality Authorities Act, as a means to provide Springettsbury Township ("Township") the financial resources necessary to enhance the economic health of the community. The Authority will also support the efforts of the Township in developing parks, facilities and improving the Township's existing infrastructure.

### NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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#### ***Reporting Entity***

In evaluating the Authority as a reporting entity, management has addressed all potential component units, which may or may not fall within the Authority's financial accountability. The criteria used to evaluate component units for possible inclusion as part of the Authority's reporting entity are financial accountability and the nature and significance of the relationship.

Based on the criteria, the Springettsbury Township Development Authority is a component unit of Springettsbury Township. Audited financial statements for Springettsbury Township are available at the Township's offices located at 1501 Mount Zion Road, York, Pennsylvania 17402-9084.

#### ***Basis of Accounting***

The financial statements of the Authority are reported using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned or awarded and expenses are recognized when the liability is incurred.

#### ***Estimates***

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

#### ***Cash and Cash Equivalents***

Cash and cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and include investments with original maturities of three months or less. There were no cash equivalents as of December 31, 2021 and 2020.

#### ***Use of Restricted Funds***

It is the Authority's practice to use restricted funds before unrestricted funds when there are eligible expenses. As of December 31, 2021, and 2020, there was no restricted net position.



# SPRINGETTSBURY TOWNSHIP DEVELOPMENT AUTHORITY

## Notes to Financial Statements

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### NOTE 3 CASH AND CASH EQUIVALENTS/ CUSTODIAL CREDIT RISK

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Section 7.1 of the Pennsylvania Municipal Authorities Act and Act 10 of 2016 defines allowable investments for authorities, which are summarized as follows:

- U.S. Treasury Bills.
- Short-term obligations of the U.S. Government and federal agencies.
- Deposits in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund to the extent that such accounts are so insured, and, for any amounts above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository.
- Obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the respective governmental entity.
- Shares of an investment company restricted under the Investment Company Act of 1940.
- Obligations, participations or other instruments of any Federal agency, instrumentality, or United States government-sponsored enterprise if the debt obligations are rated at least "A" or its equivalent.
- Commercial paper issued by corporations or other business entities organized in accordance with federal or state law, with a maturity not to exceed 270 days.
- Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers' acceptances, if the bankers' acceptances do not exceed 180 days maturity.
- Negotiable certificates of deposit or other evidences of deposit, with a remaining maturity of three months or less.

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a policy for custodial credit risk although the Pennsylvania Municipal Code requires that all deposits of the Authority which are not insured by the Federal Depository Insurance Corporation (FDIC) are to be collateralized by the Authority's depository institution.

As of December 31, 2021, and 2020, the Authority's bank balance of \$ 66,351 and \$ 68,889, respectively, is covered by FDIC of \$ 250,000. If the Authority's bank balance was to exceed the FDIC limit, the remaining balance would be collateralized by securities held by the pledging financial institution, not in the Authority's name.

Pennsylvania Act 72 of 1971, as amended, is an act standardizing the procedures for pledges of assets to secure deposits of public funds with banking institutions pursuant to other laws; establishing a standard rule for the types, amounts and valuations of assets eligible to be used as collateral for deposits of public funds; permitting assets to be pledged against deposits on a pooled basis and authorizing the appointment of custodians to act as the pledger of the assets. Based on the standards outlined in Act 72, the financial institution utilized by the Authority has pledged collateral on a pooled basis on behalf of the Authority and all other governmental depositors in the respective financial institutions.