

YORK COUNTY LAND BANK AUTHORITY



Thursday, April 16, 2026
Hybrid Zoom/In-person Meeting
144 Roosevelt Avenue York, PA 17401
Join Zoom Meeting
<https://us02web.zoom.us/j/538759070>

Members: Thomas Englerth II, Michael Black, Heidi Hormel, Frank Countess, Shanna Terroso, Timothy Staub, Michael Pritchard, Archie Palmore, Joesph Mulá

- | | |
|---|-----------------|
| 1. Call to Order | Thomas Englerth |
| Comments or Questions from the Public | |
| 2. Meeting Minutes – March 2026 | Thomas Englerth |
| 3. Financial Statements – February 2026 | Thomas Englerth |
| 4. Project Discussion | |
| a. Servants – Reimbursement Action?? | |
| 5. Audit – Action | Nancy Barry |
| 6. Legal Resolution | Thomas Englerth |
| 7. New Member Nomination | Thomas Englerth |
| 8. Good of the Order | Thomas Englerth |
| 9. Next Meeting: May 21, 2026 | |
| 10. Adjournment | Thomas Englerth |

The Mission of YCLBA is to deter blight and to return vacant property to productive status using a unified, predictable, and transparent process, thereby revitalizing neighborhoods and strengthening the tax base of the entire County of York including the City of York and all of its boroughs and townships

YORK COUNTY LAND BANK AUTHORITY
MEETING MINUTES
March 19, 2026

A meeting of the York County Land Bank Authority (“YCLBA”) was held on March 19, 2026, commencing at 3:30 p.m. The meeting was conducted using a hybrid model with an in-person and Zoom meeting option. Access for the public to hear the meeting was also available in-person and by telephone. Notice of the hybrid meeting, via Zoom link, and a telephone number were provided to the public in advance by notice required by law.

The following Authority members were in attendance in the YCEA Board Room:

Mr. Tom Englerth
Ms. Heidi Hormel
Mr. Frank Countess
Mr. Joseph Mulá

Mr. Michael Black
Mr. Michael Pritchard
Mr. Archie Palmore
Ms. Shanna Terroso

Sarah Doyle, Legal Counsel, and the following members of the York County Economic Alliance were also in attendance: Ms. Kim Hogeman, AVP, Economic & Community Development; Mr. Brendan Salyards, Manager, Economic Initiatives & Analysis; and Ms. Erin Strine, Manager, Economic Development.

The following guests were in attendance: Floretha Williams, City of York.

CALL TO ORDER

Chairman Englerth called the meeting to order at 3:30 p.m., verified each Board member could hear and be heard by all others, and a quorum was present. Mr. Englerth welcomed Ms. Erin Strine, Manager, Economic & Community Development, who recently joined the YCEA team. Ms. Strine introduced herself to the board.

COMMENTS FROM THE PUBLIC

Members of the public were invited to submit comments in advance and were offered the opportunity to comment at this time. No comments were offered.

CHAIR COMMENTS

Chairman Englerth welcomed the Board.

MINUTES

Chairman Englerth asked if there were any questions or comments on the February Meeting Minutes, which were circulated prior to this meeting. On a motion by Mr. Michael Black, properly seconded by Mr. Michael Pritchard, a vote was conducted by roll call, and the Board approved the February Meeting Minutes as presented.

FINANCIALS

The financial statements for January 2026 were distributed to the board prior to the meeting. Ms. Hogeman shared that the YCLBA received just over \$36,000 in Act 152 fees in January. On a motion made by Ms. Heidi Hormel, properly seconded by Ms. Shanna Terroso, a vote was conducted by roll call, the Board approved the January Financial Statements as presented.

PROJECT DISCUSSION

Ms. Hogeman shared that she received a text from Royal Square Development and Construction, right be for the meeting and noted that RSDC had received positive news for the Gateway project and that they anticipated project completion by the spring.

- Demolition Grant 745-747 W Mason Avenue

Ms. Hogeman provided a synopsis of the history of the 745-747 W. Mason Avenue building, which is owned by the County and currently has a Demolition Grant which is pending completion. Ms. Hogeman noted that the county has an offer on the building and the buyer would like to purchase the building prior to the demolition being completed. The County is requesting that the demolition grant be transferred to the buyer. Ms Hogeman shared that she had discussed options with Solicitor Doyle and that one option would be to transfer the demolition grant for a short period of time and to make the grant contingent upon the sale being completed and the property being demolished after environmental remediation is completed.

Ms. Hormel recalled that there was a similar situation in the past where the Board did not allow a grant to be transferred between private developers. Mr. Englerth noted that as a municipality and the authorization for the YCLBA comes from the county, this is a unique situation. Mr. Englerth stressed that this is a unique situation and voiced his support for transferring the grant.

Ms. Hogeman clarified that Katallasso Family Health Center (Katallasso) is the buyer. Katallasso is a Federally Qualified Health Center, and they have informed the County that they have the funding available for the purchase and environmental remediation. Mr. Englerth noted that Katallasso provides healthcare based on a sliding scale to allow individuals to pay what they can.

Mr. Englerth asked if the County had offered when the sale would close. Ms. Hogeman recapitulated the proposal that she and Solicitor Doyle had discussed. Solicitor Doyle noted that it may be best to add an addendum to grant contract which would include all of the contingencies for the project. Mr. Mulá offered that it would likely take several months to complete the project. Mr. Englerth suggested that it may take full term. Ms. Terroso asked if it was necessary to have a new deadline, given that the grant contract had been extended for a year.

Mr. Black asked about the circumstances of the terms of sale and if Katallasso had requested that the Demolition grant be transferred. Ms. Hogeman stated that she thought that Katallasso was under the impression that they could complete the project at a lower cost as they would not have to follow prevailing wage and bid the project out. Mr. Palmore asked about how long Katallasso has operated in York. Ms. Hogeman stated that she thought it was approximately 10 years.

Ms. Hormel noted that if proejct were to come in through regular order the project would have a year to be completed. Ms. Terroso asked what would happen if the sale fell through. Solicitor Doyle stated that the contract would be structured such that the demolition contract would remain with the County.

Mr. Black asked if the YCLBA could add the provision, based on the policy adopted in 2025, to require that Katallasso have a conversation about repaying the grant if the property is sold. The recorded memorandum requires that Board Action release the hold on the title of the property such that the Board has flexibility to determine if all or some of the funds should be repaid to the YCLBA.

On a motion by Ms. Terroso, properly seconded by Mr. Archie Palmore, a vote was conducted by roll call, with an abstention from Mr. Joeseeph Mulá, the Board approved, amending the grant agreement to transfer the grant to Katallasso Family Health Center contingent upon their acceptance of the recorded covenant that would a conversation to

be had with the Board about repayment, prior to the future sale of the property, the current sale from the County of Katallasso Health being executed, and their completion of necessary environmental remediation work.

- Servants Reimbursement Action

Ms. Hogeman noted that she was going to withdraw the action to allow more time for Servants to provide the necessary documentation for reimbursement, given that she had not yet received all the necessary documentation to close-out the grant.

FUNDING MOU

Ms. Hogeman noted that the original Memorandum of Understanding (MOU) that was instituted with the County controlled the flow of Act 152 funding. Now that the County has adopted an ordinance to enact the Act 48 Funding which adds a second funding source, coming from two new departments at the County, Ms. Hogeman noted that staff would like to have a new MOU to ensure that the County, future board members, and YCLBA staff understand the flow of the funds to the York County Land Bank Authority.

Mr. Pritchard asked why the City of York was listed separately in the MOU. Ms Hogeman noted that at the time the YCLBA was formed via a partnership of the Redevelopment Authority of the County of York and the Redevelopment Authority of the City of York. Mr. Pritchard asked that specific references to the city individually be removed. Mr. Englerth and Ms Hormel asked for several typographical errors to be corrected. Mr. Englerth asked if the legal definition of blight needed to be specific for each funding source since Act 152 of 2016 and Act 48 of 2024 definitions of blight are not the same. Mr. Salyards suggested that the laws may be amended at a future point. Solicitor Doyle agreed stating that the legal definitions in the enabling legislation would be sufficient and that the definitions of blight were codified as part of the ordinance for each fee.

On motion made by Mr. Michael Pitchard, properly second by, Mr. Joesph Mula, the Board unanimously approved sending the MOU, as amended, to the County for Approval.

TRAIL TOWNS FAÇADE GRANT

Mr. Hogeman provided a recap on the funding received from YCEA's Trail Towns Program and offered that she would like to see the Trail Towns Grant run simultaneously with the Fall Blight Grant Round, which would open July 1 and close Sept. 30 and run on same cycle as 2026 Fall Demolition Grant Round.

RESOLUTIONS OF APPRECIATION

Ms. Hogeman noted that two resolutions of appreciation had been circulated. Ms. Hogeman stated that this would be Solicitor Doyle's last meeting as the solicitor for the YCLBA. YCEA had released an RFP for legal services owing to Ron Hershner's retirement and the contract was set to be awarded to CGA. Ms. Hogeman offered that Ms. Doyle had been at the heart of the work to establish and operate the YCLBA since inception. Ms. Doyle thanked the Board for retaining her services and noted the YCLBA is her favorite Board.

Mr. Englerth noted that when *Stock and Leader* was purchased the legal contract was split so that Ms. Doyle could continue to be the solicitor for the YCLBA, when she moved to Barley Snyder the YCLBA continued to retain her services. The legal contract for YCEA includes all of its entities and the boards that are staffed by YCEA.

On motion made by Ms. Heidi Hormel, properly seconded by Mr. Frank Countess, the Board unanimously approved Resolutions of Appreciation for Ms. Sarah Doyle, thanking her for her service to the YCLBA.

On motion made by Mr. Tom Englerh, properly seconded by Mr. Joseph Mula, the Board unanimously approved Resolutions of Appreciation for Mr. Ronald Hershner, thanking him for her service to the YCLBA.

GOOD OF THE ORDER

Category 4 LSA Grant

Ms. Hogeman shared that the Category 4 Local Share Account Program Awards were announced yesterday by the Commonwealth Financing Authority and the YCLBA's grant application was not awarded but noted that the application for the Statewide Grant Round is still pending and will likely be announced in the fall.

Judicial Sale

Ms. Hogeman shared that the Judicial is upcoming and that Ms. Strine reviewed a few of the properties on the list for opportunities that might be of interest to groups like Habitat for Humanity. Ms. Hogeman offered that Ms. Strine had identified four properties, one of which is located in Airville, appears to be blighted, and could be an opportunity for the YCLBA to purchase property to act as a developer. Ms. Hormel asked if the other three properties were currently vacant. Ms. Strine affirmed that the three other properties appeared to be vacant. Ms. Hogeman noted that she had met with Habitat recently and that if properties were purchased, they would be subject to the same Judicial Sale Policies as past sales.

Mr. Englerth noted he was fine with staff investigating the parcel and bringing a recommendation back to the YCLBA board.

Committee Meeting for Act 48 Policy

Ms. Hogeman noted that she would like to schedule a committee meeting to talk through the policies governing the distribution of the Act 48 funding. Mr. Salyards offered that it appeared that Monday April 20th and Thursday April 23rd worked for staff. Mr. Black, Mr. Pritchard, and Mr. Englerth offered to serve on the Committee. The Committee meeting was tentatively scheduled for Monday, April 20th at 11:00 AM. Solicitor Doyle advised that, procedurally, the April YCLBA meeting should be recessed until the date of the Committee Meeting to ensure that the proceedings comply with the Sunshine Act.

ADJOURNMENT

There being no further business to be brought before the Authority, the meeting was adjourned at 4:14 p.m.

Balance Sheet
As of 2/28/2026

YORK COUNTY LAND BANK AUTHORITY (LBA)

Assets			
Current Assets			
103-000	CASH-YTB:GEN	\$ 104,852.40	
104-000	CASH-YTB GRANT:GEN	\$ 155.97	
105-000	CASH-YTB MONEY MKT:GEN	\$ 779,718.69	
110-000	ACCOUNTS RECEIVABLE:GEN	\$ 66,240.00	
	Total Current Assets:		\$ 950,967.06
	Total Assets:		\$ 950,967.06
Liabilities			
Current Liabilities			
200-000	ACCOUNTS PAYABLE:GEN	\$ 4,090.64	
	Total Current Liabilities:		\$ 4,090.64
	Total Liabilities:		\$ 4,090.64
Equity			
320-000	Retained Earnings	\$ 884,610.46	
320-000	Retained Earnings-Current Year	\$ 62,265.96	
	Total Equity:		\$ 946,876.42
	Total Liabilities & Equity:		\$ 950,967.06

**Income Statement
For The 2 Periods Ended 2/28/2026**

YORK COUNTY LAND BANK AUTHORITY (LBA)

		Period to Date	% of Revenue	Year to Date	% of Revenue
Revenue					
401-000	BLIGHT DEMO FEE INCOME:GEN	\$ 30,195.00	97.12%	\$ 66,240.00	97.23%
430-000	INTEREST INCOME:GEN	\$ 896.50	2.88%	\$ 1,884.60	2.77%
Total Revenue:		\$ 31,091.50	100.00%	\$ 68,124.60	100.00%
Gross Profit:		\$ 31,091.50	100.00%	\$ 68,124.60	100.00%
Expenses					
510-000	ADMIN-LEGAL:GEN	\$ 399.00	1.28%	\$ 399.00	0.59%
512-000	ADMIN-AUDIT:GEN	\$ 3,691.64	11.87%	\$ 5,459.64	8.01%
Total Expenses:		\$ 4,090.64	13.16%	\$ 5,858.64	8.60%
Net Income From Operations:		\$ 27,000.86	86.84%	\$ 62,265.96	91.40%
Earnings Before Income Tax:		\$ 27,000.86	86.84%	\$ 62,265.96	91.40%
Net Income (Loss):		\$ 27,000.86	86.84%	\$ 62,265.96	91.40%

YCLBA Unrestricted Income Tracking - Through 2/28/26

	Fee Income	Contributions	Interest	All Unrestricted
2018	-	-	-	-
2019	-	-	735.29	735.29
2020	4,012.50	-	2,707.48	6,719.98
2021	1,796.10	1,000.00	832.50	3,628.60
2022	500.00	8,500.00	3,117.59	12,117.59
2023	4,165.00	-	10,995.38	15,160.38
2024	-	16,400.00	9,761.54	26,161.54
2025	600.00	-	11,811.03	12,411.03
Total - Prior Years	\$ 11,073.60	\$ 25,900.00	\$ 39,960.81	\$ 76,934.41
26-Jan	-	-	988.10	988.10
26-Feb	-	-	896.50	896.50
26-Mar				-
26-Apr				-
26-May				-
26-Jun				-
26-Jul				-
26-Aug				-
26-Sep				-
26-Oct				-
26-Nov				-
26-Dec				-
Total Rec'd in 2026	\$ -	\$ -	\$ 1,884.60	\$ 1,884.60
Total	\$ 11,073.60	\$ 25,900.00	\$ 41,845.41	\$ 78,819.01

Note: No unrestricted funds have been expended as of 2/28/26.



York County Land Bank Authority

Financial Statements

December 31, 2025 and 2024

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December 31, 2025 and 2024

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Independent Auditor's Report

To the Board of Directors
York County Land Bank Authority
York, Pennsylvania

Opinion

We have audited the financial statements of York County Land Bank Authority (the Authority), a component unit of York County, Pennsylvania, as of and for the year ended December 31, 2025, 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 the Authority as of December 31, 2025, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Other Matter

The financial statements of the Authority, as of and for the year ended December 31, 2024, were audited by other auditors, whose report dated May 20, 2025 expressed an unmodified opinion on those statements.

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 the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial 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 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 the 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 the 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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 7 be presented to supplement the basic financial statements. Such information is the responsibility of management, and 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 inquiries 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.

_____, 2026
York, Pennsylvania

**Management's Discussion and Analysis
December 31, 2025 and 2024**

The following management's discussion and analysis of York County Land Bank Authority's (the Authority) activities and financial performance provides an introduction and overview to the Authority's basic financial activities for the years ended December 31, 2025 and 2024 with comparative financial information for the year ended December 31, 2023. Please read it in conjunction with the Authority's financial statements and notes to the financial statements.

Financial Highlights

- The Authority was established by the Board of Commissioners of York County, Pennsylvania on April 4, 2018. Effective May 1, 2018, the Authority receives a fee of \$15 for each deed or mortgage recorded by York County (the County). The Authority serves as the Demolition Fund, as required by Act 152, and the funds are managed by the Authority to be used exclusively for the demolition of blighted properties, after covering administrative costs of up to 10% of annual revenue.
- The Authority's total assets exceed its total liabilities as of December 31, 2025 and 2024, by \$884,610 and \$891,596, respectively.
- The Authority's net position decreased by \$6,986 and increased by \$16,229 for the years ended December 31, 2025 and 2024, respectively.
- During the years ended December 31, 2025 and 2024, demolition expenses totaled \$375,000 and \$364,200, respectively.

Overview of the Financial Statements

The Authority's basic financial statements are comprised of proprietary fund financial statements, which include a statement of net position; statement of revenue, expenses, and changes in net position; statement of cash flows; and notes to the financial statements.

The Authority maintains one type of proprietary fund, which is an enterprise fund. Enterprise funds report functions that are intended to recover all or a significant portion of their costs through user fees and charges. The Authority uses an enterprise fund to account for its activities. The proprietary fund provides a detailed overview of the Authority's finances in a manner similar to a private sector business.

The statement of net position presents the financial position of the Authority. It presents information on the Authority's assets and liabilities, with the difference reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. Other factors to consider are discussed later in this report.

Overview of the Financial Statements (continued)

The statement of revenue, expenses, and changes in net position presents information showing how the Authority's net position changed during the fiscal year. Changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Revenues are recognized when earned, not received. Expenses are recognized when incurred, not when they are paid. Thus, revenues and expenses are reported in this statement for some items that will only result in future cash flows.

The statement of cash flows presents information regarding the Authority's cash receipts and disbursements during the year. This statement differs from the statement of revenue, expenses and changes in net position in that it accounts only for transactions that result in cash receipts and disbursements.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the Authority's financial statements. The notes to the financial statements provide a description of the accounting policies used to prepare the financial statements and present material disclosures required by accounting principles generally accepted in the United States of America.

Financial Analysis

As noted earlier, net position, when viewed over time, may serve as a useful indicator of an entity's financial position. In the case of the Authority, assets exceeded liabilities by \$884,610, \$891,596, and \$875,367 as of December 31, 2025, 2024 and 2023, respectively.

A condensed summary of the Authority's statement of net position is presented below as of December 31:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Total assets	\$ 911,910	\$ 895,802	\$ 881,218
Total liabilities	<u>27,300</u>	<u>4,206</u>	<u>5,851</u>
	<u>\$ 884,610</u>	<u>\$ 891,596</u>	<u>\$ 875,367</u>

Overall, the Authority has sufficient funds to meet requirements for cash outflows for the next fiscal year.

The Authority's total net position decreased by \$6,986 for the year ended December 31, 2025, increased by \$16,229 for the year ended December 31, 2024, and decreased by \$189,001 for the year ended December 31, 2023.

Financial Analysis (continued)

A summary of the Authority's statement of revenue, expenses, and changes in net position is presented below for the years ended December 31:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Program Income	\$ 395,715	\$ 393,630	\$ 385,360
Operating Expenses			
Demolition expenses	375,000	364,200	547,236
Staff support services	25,645	28,743	25,013
Professional fees	13,070	9,800	11,263
Other operating expenses	797	820	1,844
Total Operating Expenses	414,512	403,563	585,356
Nonoperating Revenue			
Interest income	11,811	9,762	10,995
Contribution income	-	16,400	-
Total Nonoperating Revenue	11,811	26,162	10,995
Changes in Net Position	(6,986)	16,229	(189,001)
Net Position			
Beginning of year	891,596	875,367	1,064,368
End of year	<u><u>\$ 884,610</u></u>	<u><u>\$ 891,596</u></u>	<u><u>\$ 875,367</u></u>

Program Income

The Authority serves as the demolition fund for, and receives monthly payments from, York County from their collections of deed and mortgage recording fees. The Authority manages the needed projects and uses these funds exclusively for the demolition of blighted properties, after covering administrative costs up to 10% of total program income.

Operating Expenses

The Authority's major expenses consist of demolition expenses, staff support services, and professional fees.

Demolition Expenses

Demolition expenses consist of costs related to demolition of eligible blighted properties, based on Authority's program requirements and guidelines to assist various municipalities in the County. The Authority incurred expenses of \$375,000 and \$364,200 for demolition costs related to the approved projects during the years ended December 31, 2025 and 2024, respectively.

Financial Analysis (continued)

Operating Expenses (continued)

Staff Support Services

The Authority does not employ any paid staff. The Authority has an agreement with York County Economic Alliance (YCEA), a related party through common management, to share 10% of any generated program income after covering the professional fees and any other general expenses, as payment for their staff assistance with the Authority's projects. YCEA provides accounting, development, marketing, and project management services on behalf of the Authority in support of economic development activity in the County. For the years ended December 31, 2025 and 2024, staff support services expense amounted to \$25,645 and \$28,743, respectively.

Professional Fees

Professional fees includes amounts paid to various unrelated firms for audit and legal services on behalf of the Authority, among other expenses typically incurred by a municipal authority. Professional fees amounted to \$13,070 and \$9,800 for the years ended December 31, 2025 and 2024, respectively.

New Business

During the 2025 calendar year, the Land Bank Authority funded the demolition of 4 projects with a combination of private developers and non-profit organizations. In December 2025, the Land Bank Authority had 8 projects approved in their pipeline to be completed in 2026. The Authority continues to accumulate funds through the York County recording fee, which will be used to demolish blighted properties throughout York County in small, mid-size, and large-size projects. The Authority also updated its strategic plan in 2025 to ensure it continues to fund impactful projects.

Next Year's Economic Factors

During 2026, the Land Bank Authority plans to fund the demolition of several of the properties identified in 2025. They also intend to proactively meet with municipalities that may not be aware of the program and will also continue to evaluate new projects for future demolition support. The Authority anticipates administering a new funding source, Act 48 Ordinance, in 2026. These funds will be sourced by collecting \$250 from every purchaser of tax sale properties in York County.

Contacting the Authority's Financial Management

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact York County Land Bank Authority at 144 Roosevelt Avenue, Suite 100, York, Pennsylvania 17401 or visit the section of YCEA's website regarding York County Land Bank Authority at www.ycea.pa.org.

Statement of Net Position

	December 31,	
	<u>2025</u>	<u>2024</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 800,715	\$ 862,577
Due from York County	<u>111,195</u>	<u>33,225</u>
Total Assets	<u>\$ 911,910</u>	<u>\$ 895,802</u>
Liabilities and Net Position		
Current Liabilities		
Accounts payable	<u>\$ 27,300</u>	<u>\$ 4,206</u>
Net Position		
Restricted	807,676	827,073
Unrestricted	<u>76,934</u>	<u>64,523</u>
Total Net Position	<u>884,610</u>	<u>891,596</u>
Total Liabilities and Net Position	<u>\$ 911,910</u>	<u>\$ 895,802</u>

Statement of Revenue, Expenses, and Changes in Net Position

	Years Ended December 31,	
	2025	2024
Operating Revenue		
Program income	<u>\$ 395,715</u>	<u>\$ 393,630</u>
Operating Expenses		
Demolition expenses	375,000	364,200
Staff support services	25,645	28,743
Professional fees	13,070	9,800
Other operating expenses	<u>797</u>	<u>820</u>
Total Operating Expenses	<u>414,512</u>	<u>403,563</u>
Operating Loss	<u>(18,797)</u>	<u>(9,933)</u>
Nonoperating Revenue		
Interest income	11,811	9,762
Contribution income	<u>-</u>	<u>16,400</u>
Total Nonoperating Revenue	<u>11,811</u>	<u>26,162</u>
Changes in Net Position	(6,986)	16,229
Net Position at Beginning of Year	<u>891,596</u>	<u>875,367</u>
Net Position at End of Year	<u><u>\$ 884,610</u></u>	<u><u>\$ 891,596</u></u>

Statement of Cash Flows

	Years Ended December 31,	
	2025	2024
Cash Flows from Operating Activities		
Cash received from program income	\$ 317,745	\$ 421,530
Cash paid to suppliers for goods and services	<u>(391,418)</u>	<u>(405,208)</u>
Net Cash Provided by (Used In) Operating Activities	<u>(73,673)</u>	<u>16,322</u>
Cash Flows from Investing Activities		
Interest received	<u>11,811</u>	<u>9,762</u>
Net Cash Provided by Investing Activities	<u>11,811</u>	<u>9,762</u>
Cash Flows from Noncapital Financing Activities		
Contributions	<u>-</u>	<u>16,400</u>
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>16,400</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(61,862)</u>	<u>42,484</u>
Cash and Cash Equivalents at Beginning of Year	<u>862,577</u>	<u>820,093</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 800,715</u></u>	<u><u>\$ 862,577</u></u>
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities		
Operating loss	\$ (18,797)	\$ (9,933)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities		
(Increase) decrease in assets		
Due from York County	(77,970)	27,900
Increase (decrease) in liabilities		
Accounts payable	<u>23,094</u>	<u>(1,645)</u>
Net Cash Provided by (Used In) Operating Activities	<u><u>\$ (73,673)</u></u>	<u><u>\$ 16,322</u></u>

Note 1 - Nature of Operations

The Board of Commissioners of York County, Pennsylvania, established York County Land Bank Authority (a Pennsylvania municipal authority) (the Authority) in April 2018 as a vehicle specifically aimed to help facilitate the conversion of vacant and tax delinquent properties. The mission of the Authority is to deter blight and to return vacant property to productive status using a unified, predictable, and transparent process, thereby revitalizing neighborhoods and strengthening the tax base of the County of York and City of York.

Note 2 - Summary of Significant Accounting Policies

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as applicable to local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

The Financial Reporting Entity

Accounting principles generally accepted in the United States of America require that the reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and organizations that are fiscally dependent on the primary government and a financial benefit or burden exists. In addition, the primary government may determine through the exercise of management's professional judgment that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's financial statements from being misleading. In such instances, that organization should be included as a component unit if the nature and significance of their relationship with the primary government or other component units are such that exclusion from the financial reporting entity would render the financial reporting entity's financial statements incomplete or misleading. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the above criteria. Based on the above criteria, the Authority has determined there are no agencies or entities which should be presented with the Authority as component units.

The Authority is a component unit of the County of York (the County). Under the Authority's Articles of Incorporation, the County is responsible for appointing up to six members of the Authority's Board of Directors.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements are reported using the accrual basis of accounting and utilize the proprietary fund type. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows.

Note 2 - Summary of Significant Accounting Policies (continued)**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(continued)**

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating items in the statement of revenue, expenses, and changes in net position. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority are received from the County related to payments the County receives on collection of deed and mortgage recording fees. Operating expenses include demolition expenses, staff support services, and professional services. All revenues or expenses not meeting this definition are reported as non-operating revenues and expenses. The principal nonoperating revenues of the Authority are interest income and contributions.

The Authority's proprietary fund is classified as an enterprise fund. Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity is financed with debt that is solely secured by a pledge of the net revenues; and has third-party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or establishes fees and charges based on a pricing policy designed to recover similar costs.

Use of 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 the disclosure of contingent assets and liabilities, if any, at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all cash accounts, not subject to withdrawal restrictions or penalties, purchased with an original maturity of three months or less to be cash and cash equivalents.

Due from York County

Due from York County represents accounts receivable related to program income and is stated at outstanding balances. The Authority considers amounts due from York County to be fully collectible. If collection becomes doubtful, an allowance for doubtful accounts will be established, or the accounts will be charged to operations when determination is made by management. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received. As of December 31, 2025 and 2024, management of the Authority determined that no allowance for doubtful accounts was necessary.

Note 2 - Summary of Significant Accounting Policies (continued)**Inventory**

The County Ordinance 2018-02, through which the Authority was created, authorizes the Authority to acquire real property or interest in real property through donation, gift, purchase or any other legal means, provided the Authority follows the procedures and limits for demolition and redevelopment as outlined in the ordinance. During the years ended December 31, 2025 and 2024, no properties were purchased for demolition or redevelopment. As of December 31, 2025 and 2024, the Authority does not own any property.

Net Position

Net position is classified into three categories, as applicable, as follows:

Net investment in capital assets - This component consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, accounts payable, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. There was no net investment in capital assets as of December 31, 2025 or 2024.

Restricted - This component of net position consists of restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those assets. These restrictions could include constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted - This component of net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position and are available for Authority operations.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Tax-Exempt Status

The Authority was created under Pennsylvania's Land Bank Act 153 of 202. Under this Act, the Authority is excluded from taxes on exempt function income. Therefore, no provision is made for taxes on income.

Note 3 - Cash and Cash Equivalents

Section 1706 of the Commonwealth of Pennsylvania's "County Code" defines allowable investments, 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.
- Insured or collateralized certificates of deposit from financial institutions.
- Commercial paper provided that evidence was obtained to support
 - The commercial paper is rated prime by the National Credit Office, Inc.
 - The paper is not subordinate to other debt of the issuer.
 - There is no pending litigation affecting the paper.
 - The issuer is not in default as to payment of principal and interest on any outstanding obligations.
 - The issuer is incorporated within the United States.

All bank deposits are fully insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized under Pennsylvania Act 72. 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.

As of December 31, 2025 and 2024, the Authority's funds are deposited with a local bank in checking and money market accounts. Total amounts deposited are as follows as of December 31:

	2025	2024
Demand deposits	\$ 800,715	\$ 863,270

Note 3 - Cash and Cash Equivalents (continued)**Custodial Credit Risk**

For demand deposits, 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 written policy for custodial credit risk. As of December 31, 2025 and 2024, \$527,844 and \$566,119, respectively, of the Authority's demand deposits as disclosed above were exposed to custodial credit risk. The demand deposits exposed to custodial credit risk are covered by collateral held by the pledging financial institution's trust department. Pennsylvania Act 72 allows for bank-owned securities to be pledged on a pooled basis to service public funds.

Note 4 - Related Party Transactions

The Authority is related to York County Economic Alliance (YCEA), a not-for-profit organization, through common management. A portion of the operations and administrative functions of the Authority are conducted by the employees of YCEA under a staff support services resolution which is approved annually by the Board of Directors. For the years ended December 31, 2025 and 2024 staff support services expense amounted to \$25,645 and \$28,743, respectively. As of December 31, 2025 and 2024, the Authority had accounts payable to YCEA of \$25,982 and \$4,101, respectively, relating to staff support services and other administrative cost reimbursements.

The Authority receives monthly payments from the County from their collection of deed and mortgage recording fees, which represents program income on the statement of revenue, expenses, and changes in net position. Total fees received for the years ended December 31, 2025 and 2024 amounted to \$395,715 and \$393,630, respectively. As of December 31, 2025 and 2024, the Authority had accounts receivable from the County of \$111,195 and \$33,225, respectively, relating to deed and mortgage recording fees.

Note 5 - Risk Management

The Authority is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority purchases commercial insurance to manage its risk. Settlement amounts have not exceeded insurance coverage for the current year or three prior years.

Note 6 - Commitments, Contingencies, and Uncertainties

The Authority has a memorandum of understanding (MOU) with the County for the purpose of funding a demolition fund to be used to fund a demolition program managed by the Authority. The MOU requires that funds received from the county from their collections of deed and mortgage recording fees must be used exclusively for the demolition of blighted properties, after covering administrative costs up to 10% of total program income. The MOU terminates on May 1, 2027, unless either party provides at least six months of notice to terminate earlier. The balance of funds that are considered to be part of the demolition fund are included in the restricted net position balance on the statement of net position.

Note 7 - Reclassifications

Certain information in the 2024 financial statements and related footnotes contain reclassifications necessary to make that information comparable to information presented in the 2025 financial statements. There was no change to total changes in net position or total net position.

Note 8 - Subsequent Events

The Authority has evaluated subsequent events through _____, 2026. This date is the date the financial statements were available to be issued. No material events subsequent to December 31, 2025 were noted.

YORK COUNTY LAND BANK AUTHORITY



144 ROOSEVELT AVENUE · YORK, PA 17401
717.848.4000
FAX: 717.843.8837

April 16, 2026

York County Land Bank Authority
144 Roosevelt Ave
York, PA 17401

The York County Land Bank Authority (YCLBA) Recommends that CGA Law Firm, with Ms. Meika Driscoll as primary representative, be approved as our legal counsel for year starting April 1, 2026 and ending December 31, 2026.

Thomas Englerth II, Chairman
York County Land Bank Authority