

**FREEDOM TOWNSHIP**  
**MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2025**

**INDEPENDENT AUDITOR'S REPORT**

Township Supervisors  
Freedom Township  
Fairfield, Pennsylvania

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the cash basis balance sheet, statement of revenues and expenditures, debt statement, and statement of capital expenditures included in the Municipal Annual Audit and Financial Report as prescribed by the Department of Community and Economic Development (DCED) of Freedom Township (the Township) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective cash basis balance sheet, statement of revenue and expenditures, debt statement, and statement of capital expenditures of Freedom Township as of and for the year ended December 31, 2025, on the basis of accounting described in Note 1.

***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 Freedom Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe 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 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 cash basis of accounting described in Note 1; and for determining that the 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 Responsibility for the Audit of the Financial Statements***

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

Freedom Township has not presented the management's discussion and analysis and budgetary comparison information that the Governmental Accounting Standards Board requires to supplement, although not to be part of, the basic financial statements. Our opinion on the basic financial statements is not affected by this missing information.

*Wessel & Company*

WESSEL & COMPANY  
Certified Public Accountants

May 18, 2026

**2025 MUNICIPAL ANNUAL AUDIT  
AND  
FINANCIAL REPORT**

**010395 FREEDOM TWP, ADAMS COUNTY**



## FREEDOM TWP, ADAMS County

## BALANCE SHEET

December 31, 2025

		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
<b>Liabilities and Other Credits</b>											
260-269	Long-Term-Liabilities										
240-259	Current Portion of Long-Term Debt and Other Credits										
<b>Total Liabilities and Other Credits</b>											
<b>Fund and Account Group Equity</b>											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets										
270-289	Fund Balance / Retained Earnings on 12/31	493,018	119,571	46,299				4,308			663,196
291-299	Other Equity										
<b>Total Fund and Account Group Equity</b>		493,018	119,571	46,299				4,308			663,196
<b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY</b>											663,196

**FREEDOM TWP, ADAMS County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2025

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	71,604	38,258					109,862
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	3,248						3,248
310.10	Real Estate Transfer Taxes	31,574						31,574
310.20	Earned Income Taxes / Wage Taxes	144,283						144,283
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **							
310.60	Amusement / Admission Taxes	7,248						7,248
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
<b>Total Taxes</b>		257,957	38,258					296,215

Licenses and Permits								
320-322	All Other Licenses and Permits							
321.80	Cable Television Franchise Fees	11,717						11,717
<b>Total Licenses and Permits</b>		11,717						11,717

Fines and Forfeits								
330-332	Fines and Forfeits	5,513						5,513
<b>Total Fines and Forfeits</b>		5,513						5,513

FREEDOM TWP, ADAMS County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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	10,090	4,224	1,201			72	15,587
342.00	Rents and Royalties							
<b>Total Interest, Rents and Royalties</b>		10,090	4,224	1,201			72	15,587

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							
353.00	Federal Payments in Lieu of Taxes							
<b>Total Federal</b>								

State								
354.03	Highways and Streets							
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)	232						232
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		59,298					59,298
355.04	Alcoholic Beverage Licenses	150						150
355.05	General Municipal Pension System State Aid							
355.07	Foreign Fire Insurance Tax Distribution	8,310						8,310
355.08	Local Share Assessment/Gaming Proceeds							8
355.09	Marcellus Shale Impact Fee Distribution							

FREEDOM TWP, ADAMS County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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							
<b>Total State</b>		8,692	59,298					67,990

**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							
<b>Total Local Government Units</b>								

**Charges for Service**

361.00	General Government	12,179						12,179
362.00	Public Safety	9,810						9,810
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							9

**FREEDOM TWP, ADAMS County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2025

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							
379.00	All Other Charges for Service							
<b>Total Charges for Service</b>		21,989						21,989

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	50		5,428				5,478
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues					12,958		12,958
<b>Total Unclassified Operating Revenues</b>		50		5,428			12,958	18,436

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition							
392.00	Interfund Operating Transfers	2,148	25,000	15,005				42,153
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

FREEDOM TWP, ADAMS County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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	5,455						5,455
<b>Total Other Financing Sources</b>		7,603	25,000	15,005				47,608

### TOTAL REVENUES

323,611	126,780	21,634				13,030	485,055
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### EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	6,320						6,320
401.00	Executive (Manager or Mayor)	32,961						32,961
402.00	Auditing Services / Financial Administration	11,707						11,707
403.00	Tax Collection	9,839						9,839
404.00	Solicitor / Legal Services	5,152						5,152
405.00	Secretary / Clerk							
406.00	Other General Government Administration							
407.00	IT-Networking Services-Data Processing	1,090						1,090
408.00	Engineering Services					9,622		9,622
409.00	General Government Buildings and Plant	5,510						5,510
<b>Total General Government</b>		72,579				9,622		82,201

### Public Safety

410.00	Police	37,019						37,019
411.00	Fire	8,810	25,300					34,110
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement							

FREEDOM TWP, ADAMS County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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	11,635						11,635
415.00	Emergency Management and Communications	228						228
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety							
<b>Total Public Safety</b>		57,692	25,300					82,992

#### Health and Human Services

420.00-425.00	Health and Human Services							
<b>Total Health and Human Services</b>								

#### Public Works - Sanitation

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

#### Public Works - Highways and Streets

430.00	General Services - Administration	47,862						47,862
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	2,162						2,162
433.00	Traffic Control Devices	4,035						4,035
434.00	Street Lighting							12

FREEDOM TWP, ADAMS County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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							
437.00	Repairs of Tools and Machinery	1,044						1,044
438.00	Maintenance and Repairs of Roads and Bridges							
439.00	Highway Construction and Rebuilding Projects	1,586						1,586
<b>Total Public Works - Highways and Streets</b>		56,689						56,689

Other Public Works Enterprises								
440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets							
445.00	Parking							
446.00	Storm Water and Flood Control							
447.00	Transit System							
448.00	Water System							
449.00	Water Transport and Terminals							
<b>Total Other Public Works Enterprises</b>								

Culture and Recreation								
451.00	Culture-Recreation Administration	1,500						1,500
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks							13

FREEDOM TWP, ADAMS County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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							
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
<b>Total Culture and Recreation</b>		1,500						1,500

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							
<b>Total Community Development</b>								

Debt Service								
471.00	Debt Principal (short-term and long-term)							
472.00	Debt Interest (short-term and long-term)							
475.00	Fiscal Agent Fees							
<b>Total Debt Service</b>								

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	7,219						7,219
482.00	Judgments and Losses							14
483.00	Pension / Retirement Fund Contributions							

FREEDOM TWP, ADAMS County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

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	2,718	15,120					17,838
487.00	Other Group Insurance Benefits							
<b>Total Employer Paid Benefits and Withholding Items</b>		9,937	15,120					25,057

Insurance								
486.00	Insurance, Casualty, and Surety	11,946						11,946
<b>Total Insurance</b>		11,946						11,946

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid							
489.00	All Other Unclassified Expenditures	3	1				100	104
<b>Total Unclassified Operating Expenditures</b>		3	1				100	104

Other Financing Uses								
491.00	Refund of Prior Year Revenues							
492.00	Interfund Operating Transfers	40,005	2,148					42,153
493.00	All Other Financing Uses							
<b>Total Other Financing Uses</b>		40,005	2,148					42,153

<b>TOTAL EXPENDITURES</b>	250,351	42,569					9,722	302,642
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<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES</b>	73,260	84,211	21,634				3,308	182,413
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**FREEDOM TWP**  
December 31, 2025

**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
<b>General Obligation Bonds and Notes</b>											
<b>Revenue Bonds and Notes</b>											
<b>Lease Rental Debt</b>											
<b>Other</b>											

(1) - excludes unamortized premium/discount

<b>Total bonds and notes outstanding</b>	0
<b>Capitalized lease obligations</b>	0
<b>Net debt</b>	0

**FREEDOM TWP, ADAMS County**  
**STATEMENT OF CAPITAL EXPENDITURES**

December 31, 2025

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer			
Solid Waste			
Streets / Highways			
Water			
Other: _____			
<b>TOTAL CAPITAL EXPENDITURES</b>			

**EMPLOYEE COMPENSATION**

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

83,957

**ELECTED CONTROLLER'S/AUDITOR'S CERTIFIED OPINION**

To the:           Governing Body of the Municipality  
                    President Judge of the Court of Common Pleas  
                    Secretary of the Department of Community & Economic Development

I/We, the undersigned, the duly elected (or appointed replacement), qualified, and Acting Controller/Auditors of the FREEDOM TWP have audited, adjusted and settled the various funds and account groups of the FREEDOM TWP for the year ended December 31, 2025. My/Our audit, adjustment and settlement was made in accordance with law rather than with generally accepted auditing standards

(PLEASE CROSS OUT ONLY IF ON MODIFIED ACCRUAL/ACCRUAL BASIS)

This municipality's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenditures or expenses are recognized when paid rather than when a liability is incurred. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations of this municipality in conformity with generally accepted accounting principles.

These financial statements do not include all of the disclosures required by generally accepted accounting principles.

In my/our opinion, the aforementioned financial statements present the financial position of the various funds and account groups of the municipality of FREEDOM TWP for the year ended December 31, 2025, and the results of operations of such funds in accordance with the law.

**SIGNATURE AND VERIFICATION**

Signed:

Subscribed and sworn to before me this 1 day of January, 1.



Signed: \_\_\_\_\_

Witness (Controller)/Auditor (Auditors)

December 31, 2025

**NOTES / COMMENTS**

FREEDOM TOWNSHIP  
NOTE TO FINANCIAL STATEMENTS  
DECEMBER 31, 2025

NOTE 1 BASIS OF ACCOUNTING

Freedom Township prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the regulatory basis of accounting and laws of the Commonwealth of Pennsylvania, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The significant differences between the regulatory basis of accounting and accounting principles generally accepted in the United States of America are as follows:

*Disclosures*

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the Township's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

*Basis of Accounting*

The accompanying financial statements have been prepared on the cash basis of accounting, a special purpose framework. Under this basis, the only asset recognized is cash. All transactions are recognized as either cash receipts or disbursements, and non-cash transactions are not recognized. The cash basis differs from generally accepted accounting principles primarily because the effects of accounts receivable, capital assets and related depreciation, deferred inflows, accounts payable, long-term debt obligations, other liabilities, and deferred outflows are not included on the financial statements.

NOTE 2 SUBSEQUENT EVENTS

Subsequent events were considered through May 18, 2026, the date that the DCED Audit was available to be issued. The Township is not aware of any subsequent events which would require recognition or disclosure in the financial statements.