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**2017 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

630965 HOPEWELL TWP, WASHINGTON COUNTY



To the Board of Supervisors of
Hopewell Township
Washington County, Pennsylvania

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying Commonwealth of Pennsylvania Annual Audit and Financial Report (Form DCED-CLGS-30) of Hopewell Township which comprise the Balance Sheet as of December 31, 2017 and the related Statement of Revenues and Expenditures for the year then ended, and the related notes.

Management's Responsibility for Form DCED-CLGS-30

Management is responsible for the preparation and fair presentation of Form DCED-CLGS-30 and the related notes in accordance with the financial reporting provisions of the Commonwealth of Pennsylvania Department of Community and Economic Development. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of Form DCED-CLGS-30 and the related notes that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on Form DCED-CLGS-30 and the related notes based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether Form DCED-CLGS-30 is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in Form DCED-CLGS-30. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of Form DCED-CLGS-30, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of Form DCED-CLGS-30 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of Form DCED-CLGS-30.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Supervisors of
Hopewell Township
August 6, 2018
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Opinion

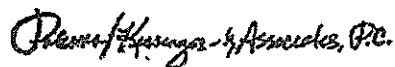
In our opinion, Form DCED-CLGS-30 referred to above presents fairly, in all material respects, the cash and unencumbered cash balances of Hopewell Township as of December 31, 2016, and the revenues it received and expenditures it paid for the year then ended, in accordance with the financial reporting provisions of the Commonwealth of Pennsylvania Department of Community and Economic Development as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of Form DCED-CLGS-30, which describes the regulatory basis of accounting. Form DCED-CLGS-30 is prepared on the basis of the financial reporting provisions of the Commonwealth of Pennsylvania Department of Community and Economic Development, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Commonwealth of Pennsylvania Department of Community and Economic Development. Our opinion is not modified with respect to that matter.

Restriction on Use

This report is intended solely for the information and use of management, the audit committee, the Board of Supervisors, others within the organization, and the Commonwealth of Pennsylvania Department of Community and Economic Development and is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this report which is a matter of public record.



Palermo/Kissinger & Associates, P.C.
Washington, PA

August 6, 2018

HOPEWELL TWP, WASHINGTON COUNTY
BALANCE SHEET
December 31, 2017

	Governmental Funds				Proprietary Funds			Fid. Fund		Account Groups		Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only		
Liabilities and Other Credits												
260-269 Long-Term-Liabilities												
240-259 Current Portion of Long-Term Debt and Other Credits												
Total Liabilities and Other Credits	2,830										2,830	
Fund and Account Group Equity												
281-284 Contributed Capital												
290-00 Investment in General Fixed Assets								573,673			573,673	
270-289 Fund Balance / Retained Earnings on 12/31	1,816,235	94,195				139,934					2,050,364	
291-299 Other Equity												
Total Fund and Account Group Equity	1,816,235	94,195				139,934		573,673			2,624,037	

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY

2,626,867

HOPEWELL TWP., WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2017

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		
REVENUES								
Taxes								
301.00 Real Estate Taxes	45,753							45,753
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	2,161							2,161
310.10 Real Estate Transfer Taxes	22,224							22,224
310.20 Earned Income Taxes /Wage Taxes	108,583							108,583
310.30 Business Gross Receipts Taxes								
310.40 Occupation Taxes (levied under Act 511)								
310.50 Local Services Tax **	3,171							3,171
310.60 Amusement / Admission Taxes								
310.70 Mechanical Device Taxes								
310.90 Other:								
Total Taxes	181,892							181,892

Licenses and Permits								
320-322 All Other Licenses and Permits								
321.80 Cable Television Franchise Fees								
Total Licenses and Permits								
Fines and Forfeits								
330-332 Fines and Forfeits	1,874							1,874
Total Fines and Forfeits	1,874							1,874

HOPEWELL TWP, WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2017

General Fund	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	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	7,924	855				7,014		15,793
342.00	Rents and Royalties	6,320							6,320
Total Interest, Rents and Royalties		14,244	855				7,014		22,113

Federal									
351.03	Highways and Streets								
351.09	Community Development								
351.00	All Other Federal Capital and Operating Grants								
352.01	National Forest								
353.00	Federal Payments in Lieu of Taxes								
Total Federal									

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)	196							196
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		102,090						102,090
355.04	Alcoholic Beverage Licenses								
355.05	General Municipal Pension System State Aid	4,254							4,254
355.07	Foreign Fire Insurance Tax Distribution	6,899							6,899
355.08	Local Share Assessment/Gaming Proceeds	34,570							34,570
355.09	Marcellus Shale Impact Fee Distribution	412,479							412,479

HOPEWELL TWP, WASHINGTON COUNTY
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2017

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		
Total State	458,398	102,090						560,488

REVENUES

State	
355.00	All Other State Shared Revenues and Entitlements
356.00	State Payments in Lieu of Taxes
	Total State

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

Charges for Service								
361.00	General Government	415						415
362.00	Public Safety	5,159						5,159
363.20	Parking							
363.00	All Other Charges for Highway & Street Services	4,691						4,691
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							

HOPEWELL TWP, WASHINGTON COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2017

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

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							
	Total Charges for Service	10,265						10,265

Unclassified Operating Revenues

383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors							
388.00	Fiduciary Fund Pension Contributions					4,880		4,880
389.00	All Other Unclassified Operating Revenues							
	Total Unclassified Operating Revenues					4,880		4,880

Other Financing Sources

391.00	Proceeds of General Fixed Asset Disposition							
392.00	Interfund Operating Transfers							
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

HOPEWELL TWP, WASHINGTON COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2017

REVENUES

Other Financing Sources		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
395.00	Refunds of Prior Year Expenditures	581,315							581,315
	Total Other Financing Sources	581,315							581,315

TOTAL REVENUES

1,247,993	102,945					11,894		1,362,832
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EXPENDITURES

General Government									
400.00	Legislative (Governing) Body	5,400							5,400
401.00	Executive (Manager or Mayor)								
402.00	Auditing Services / Financial Administration	6,500							6,500
403.00	Tax Collection	5,939							5,939
404.00	Solicitor / Legal Services	14,402							14,402
405.00	Secretary / Clerk	11,179							11,179
406.00	Other General Government Administration	23,050							23,050
407.00	IT-Networking Services-Data Processing								
408.00	Engineering Services	2,675							2,675
409.00	General Government Buildings and Plant	13,984							13,984
	Total General Government	83,129							83,129

Public Safety

410.00	Police								
411.00	Fire	15,171							15,171
412.00	Ambulance / Rescue								
413.00	UCC and Code Enforcement								

HOPEWELL TWP, WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2017

	Governmental Funds					Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service			
		4,688							4,688
		19,859							19,859

EXPENDITURES

Public Safety	
414.00	Planning and Zoning
415.00	Emergency Management and Communications
416.00	Militia and Armories
417.00	Examination of Licensed Occupations
418.00	Public Scales (weights and measures)
419.00	Other Public Safety
	Total Public Safety

Health and Human Services	
420.00-	Health and Human Services
425.00	
	Total Health and Human Services

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

Public Works - Highways and Streets	
430.00	General Services - Administration
431.00	Cleaning of Streets and Gutters
432.00	Winter Maintenance - Snow Removal
433.00	Traffic Control Devices
434.00	Street Lighting
	Total Public Works - Highways and Streets

HOPEWELL TWP, WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2017

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		
	11,387							11,387
	18,649	57,710						76,359
Total Public Works - Highways and Streets	118,761	61,627						180,388

EXPENDITURES

Public Works - Highways and Streets	
435.00	Sidewalks and Crosswalks
436.00	Storm Sewers and Drains
437.00	Repairs of Tools and Machinery
438.00	Maintenance and Repairs of Roads and Bridges
439.00	Highway Construction and Rebuilding Projects
Total Public Works - Highways and Streets	
Other Public Works Enterprises	
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
Total Other Public Works Enterprises	
Culture and Recreation	
451.00	Culture-Recreation Administration
452.00	Participant Recreation
453.00	Spectator Recreation
454.00	Parks

HOPWELL TWP, WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2017

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

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
Total Culture and Recreation	
2,750	
2,750	

Community Development	
461.00	Conservation of Natural Resources
462.00	Community Development and Housing
463.00	Economic Development
464.00	Economic Opportunity
Total Community Development	

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
Total Debt Service	
	140
	140

Employer Paid Benefits and Withholding Items	
481.00	Employer Paid Withholding Taxes and Unemployment Compensation
482.00	Judgments and Losses
483.00	Pension / Retirement Fund Contributions
10,553	
8,186	
	10,553
	8,186

HOPEWELL TWP, WASHINGTON COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2017

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

EXPENDITURES

Employer Paid Benefits and Withholding Items								
484.00	Worker Compensation Insurance	8,927						8,927
487.00	Other Group Insurance Benefits	24,032						24,032
	Total Employer Paid Benefits and Withholding Items	51,698						51,698

Insurance								
486.00	Insurance, Casualty, and Surety	15,187						15,187
	Total Insurance	15,187						15,187

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

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

TOTAL EXPENDITURES	291,384	61,627				140	353,151
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	956,609	41,318				11,754	1,009,681
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HOPEWELL TWP

December 31, 2017

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES

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

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
Revenue Bonds and Notes											
Lease Rental Debt											
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding

Capitalized lease obligations

Net debt

0

0

0

HOPEWELL TWP, WASHINGTON County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2017

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	131,000		131,000
Water			
Other:			
TOTAL CAPITAL EXPENDITURES	131,000		131,000

EMPLOYEE COMPENSATION

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

113,040