

**2023 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

630965 HOPEWELL TWP, WASHINGTON COUNTY



To the Board of Supervisors
Hopewell Township
Washington County, PA

INDEPENDENT AUDITOR'S REPORT

Opinion

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, 2023 and the related statements of revenues and expenditures, debt, and capital expenditures for the year then ended.

In our opinion, Form DCED-CLGS-30 referred to above present fairly, in all material respects, the cash and unencumbered cash balances of Hopewell Township as of December 31, 2023, 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.

Basis for Opinion

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

Emphasis of Matter—Basis of Accounting

Form DCED-CLGS-30 is prepared on the regulatory basis of accounting in accordance with 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. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified with respect to that matter.

Emphasis of Matter Regarding the Fiduciary Funds Assets and Activity

As described in Note 4 of Form DCED-CLGS-30, Hopewell Township maintains a single-employer defined contribution pension plan for all participating full-time employees. The plan participates in the Pennsylvania Municipal Retirement System (PMRS), which is an agent multiple-employee public employee retirement system. The Pension Plan information was not available as of and for the year ended December 31, 2023. Therefore, the statement of fiduciary net assets reflects the balance as of December 31, 2022. The statement of changes in fiduciary net assets presents the activity for the year ended December 31, 2022.

Responsibilities of Management for Form DCED-CLGS-30

Management is responsible for the preparation and fair presentation of Form DCED-CLGS-30 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 that is free from material misstatement, whether due to error or fraud.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hopewell Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hopewell 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.

Restriction on Use

This report is intended solely for the information and use of management, the Township's 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, Pennsylvania

July 31, 2024



BALANCE SHEET

HOPEWELL TWP, WASHINGTON County
BALANCE SHEET
 December 31, 2023

	Governmental Funds						Fid. Fund		Account Groups		Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trustand Agency	General Fixed Assets	General Long Term Debt	Memorandum Only	
Assets and Other Debits											
100-120 Cash and Investments	3,399,161	117,629					271,144				3,787,934
140-144 Tax Receivable											
121-129, 145-149 Accounts Receivable (excluding taxes)											
130-00 Due From Other Funds											
131-139, 150-159 Other Current Assets											
160-169 Fixed Assets								1,118,582			1,118,582
180-189 Other Debits											
Total Assets and Other Debits	3,399,161	117,629					271,144	1,118,582			4,906,516

Liabilities and Other Credits							
210-229 Payroll Taxes and Other Payroll Withholdings		1,051					1,051
200-209, 231-239 All Other Current Liabilities		22,371					22,371
230-00 Due To Other Funds							

HOPEWELL TWP, WASHINGTON County

BALANCE SHEET

December 31, 2023

	Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		General Fixed Assets	General Long Term Debt	
Liabilities and Other Credits										
260-269										
	Long-Term-Liabilities									
240-269										
	Current Portion of Long-Term Debt and Other Credits									
	23,422									23,422
Total Liabilities and Other Credits										
Fund and Account Group Equity										
281-284										
	Contributed Capital									
290.00										
	Investment in General Fixed Assets									
270-289	3,375,739	117,629				271,144	1,118,582			4,883,094
	Fund Balance / Retained Earnings on 12/31									
291-299										
	Other Equity									
	3,375,739	117,629				271,144	1,118,582			4,883,094
Total Fund and Account Group Equity										

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY										4,906,516
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HOPEWELL TWP, WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

	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	46,912						46,912
305.00	Occupation Taxes (levied under municipal code)							
310.00	Per Capita Taxes	2,284						2,284
310.10	Real Estate Transfer Taxes	25,103						25,103
310.20	Earned Income Taxes / Wage Taxes	128,513						128,513
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	2,931						2,931
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
	Total Taxes	205,743						205,743

Licenses and Permits								
320-322	All Other Licenses and Permits	8,460						8,460
321.80	Cable Television Franchise Fees							
	Total Licenses and Permits	8,460						8,460

Fines and Forfeits								
330-332	Fines and Forfeits	4,139						4,139
	Total Fines and Forfeits	4,139						4,139

HOPEWELL TWP, WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2023

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		
161,386	10,585							171,971
9,053								9,053
170,439	10,585							181,024

REVENUES

Interest, Rents and Royalties	
341.00	Interest Earnings
342.00	Rents and Royalties
	Total Interest, Rents and Royalties
Federal	
351.03	Highways and Streets
351.09	Community Development
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
355.01	Public Utility Realty Tax (PURTA)
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback
355.04	Alcoholic Beverage Licenses
355.05	General Municipal Pension System State Aid
355.07	Foreign Fire Insurance Tax Distribution
355.08	Local Share Assessment/Gaming Proceeds
355.09	Marcellus Shale Impact Fee Distribution

HOPEWELL TWP, WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2023

REVENUES

		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
State									
356.00	State Payments in Lieu of Taxes								
355.00	All Other State Shared Revenues and Entitlements	12,921							12,921
	Total State	618,561	100,243						718,804

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	501							501
362.00	Public Safety								
363.20	Parking								
363.00	All Other Charges for Highway & Street Services	2,611							2,611
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								

HOPEWELL TWP, WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2023

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		
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							
3,112	Total Charges for Service							3,112

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					15,759		15,759
	Total Unclassified Operating Revenues					15,759		15,759

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition							
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, 2023

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

REVENUES

Other Financing Sources							
395.00	130						130
	130						130
Total Other Financing Sources							

TOTAL REVENUES	1,010,584	110,828				15,759	1,137,171
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EXPENDITURES

General Government							
400.00	5,550						5,550
401.00							
402.00	7,800						7,800
403.00	6,441						6,441
404.00	24,290						24,290
405.00	37,677						37,677
406.00	18,912						18,912
407.00							
408.00	17,914						17,914
409.00	36,572						36,572
Total General Government	155,156						155,156

Public Safety							
410.00							
411.00	75,044						75,044
413.00	6,988						6,988

HOPEWELL TWP, WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2023

	Governmental Funds			Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise		
EXPENDITURES							
Public Safety							
414.00 Planning and Zoning	9,349						9,349
415.00 Emergency Management and Communications	51						51
416.00 Militia and Armories							
417.00 Examination of Licensed Occupations							
419.00 Other Public Safety	6,650						6,650
Total Public Safety	98,082						98,082

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

Public Works - Sanitation							
426.00 Recycling Collection and Disposal							
427.00 Solid Waste Collection and Disposal (garbage)							
Total Public Works - Sanitation							

Public Works - Highways and Streets							
430.00 General Services - Administration	261,328	75,000					336,328
431.00 Cleaning of Streets and Gutters							
432.00 Winter Maintenance - Snow Removal	3,920	1,716					5,636
433.00 Traffic Control Devices	125						125
434.00 Street Lighting							

HOPEWELL TWP, WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2023

	Governmental Funds			Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise		
EXPENDITURES							
Public Works - Highways and Streets							
435.00							
	Sidewalks and Crosswalks						
436.00							
	Storm Sewers and Drains						
437.00							
	Repairs of Tools and Machinery	20,233					20,233
438.00							
	Maintenance and Repairs of Roads and Bridges	30,515					144,287
439.00							
	Highway Construction and Rebuilding Projects		113,772				
	Total Public Works - Highways and Streets	316,121	190,488				506,609

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						
	Total Other Public Works Enterprises						

Culture and Recreation							
451.00							
	Culture-Recreation Administration						

HOPEWELL TWP, WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2023

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	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							
459.00	All Other Culture and Recreation	1,600						1,600
	Total Culture and Recreation	1,600						1,600
Community Development								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing							
463.00	Economic Development							
	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							
Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	15,542						15,542
482.00	Judgments and Losses					37,095		37,095
483.00	Pension / Retirement Fund Contributions	12,464						12,464

HOPEWELL TWP, WASHINGTON County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2023

	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
487.00	Other Group Insurance Benefits
Total	Employer Paid Benefits and Withholding Items

5,220								5,220
28,750								28,750
61,976						37,095		99,071

Insurance	
486.00	Insurance, Casualty, and Surety
	Total Insurance

14,560								14,560
14,560								14,560

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

						3,685		3,685
						892		892
						4,577		4,577

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

647,495	190,488					41,672		879,655
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	
363,089	-79,660
	-25,913
	257,516

HOPEWELL TWP

December 31, 2023

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, 2023

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government		21,887	21,887
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer			
Solid Waste			
Streets / Highways	221,832		221,832
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	221,832	21,887	243,719

EMPLOYEE COMPENSATION

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

159,239

**HOPEWELL TOWNSHIP
NOTES TO THE COMMONWEALTH OF PENNSYLVANIA
ANNUAL AUDIT AND FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – Summary of Significant Accounting Policies

The financial statements of Hopewell Township are prepared using the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as applied to government units.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has issued Statement #34 *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. However, the Township has elected not to adopt GASB Statement #34. Adopting GASB #34 would require the Township to; a) present the financial statements on an accrual basis of accounting rather than the cash basis of accounting, b) capitalize the Township’s fixed assets, including infrastructure acquired subsequent to 2003, and c) prepare and present a Management’s Discussion and Analysis.

The more significant of the government’s accounting policies are described below.

A. Financial Reporting Entity

Hopewell Township is a Second Class Township incorporated under the laws of the Commonwealth of Pennsylvania and Washington County. The Township is governed by a three-member Board of Supervisors elected by the residents of Hopewell Township. The board is organized with a chairman and vice-chairman selected at the annual meeting in January of each year.

The Township provides such services as are authorized by its charter to advance the welfare, comfort, safety, and convenience of the Township and its inhabitants.

The financial reporting entity includes organizations, functions and activities over which elected officials exercise oversight responsibility. Oversight responsibility is determined on the basis of financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

Included within the reporting entity:

The following funds are under direct control of the Township’s Governing Body: General Fund, State Highway Fund, Act 13 Impact Fee Fund, Local Shares Assessment Fund, Public Works Fund and Pension Trust.

There are no component units as defined in the Governmental Accounting Standards Board (GASB) pronouncements which are included in the Township’s reporting entity.

HOPEWELL TOWNSHIP
NOTES TO THE COMMONWEALTH OF PENNSYLVANIA
ANNUAL AUDIT AND FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2023

NOTE 1 – Summary of Significant Accounting Policies (continued)

B. Fund Accounting

The accounts of the Township are organized on a basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two generic fund types and categories as follows:

GOVERNMENTAL FUNDS

General Fund – The General Fund is the operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – The Special Revenue Funds are used to account for revenues derived from special sources. Such revenues are restricted for specified purposes. The Special Revenue Funds presented in the Commonwealth of Pennsylvania Annual Audit and Financial Report are made up of the following self-balancing funds maintained by the Township:

- A) State Highway Aid Fund

FIDUCIARY FUNDS

Pension Fund – The Pension Fund is used to account for assets held by the Township in a trustee capacity for the employees of the Township.

ACCOUNT GROUPS

General Long-Term Debt Account Group – The Township's Long-Term Debt is presented in the Annual Audit and Financial Report under the General Long-Term Debt Account Group.

**HOPEWELL TOWNSHIP
NOTES TO THE COMMONWEALTH OF PENNSYLVANIA
ANNUAL AUDIT AND FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2023**

NOTE 1 – Summary of Significant Accounting Policies (continued)

C. Budget and Budgetary Accounting

Formal budgetary integration is employed as a management control device for all governmental fund types as a group.

During the year no amendments were made to the budgetary information contained in the accompanying financial statements.

A formal budget was adopted for the General Fund (including the Municipal Impact Fee Account) and the individual Special Revenue Fund (State Liquid Fuels Fund).

General Fund actual revenues and other financing sources were greater than budgeted revenues and other financing sources by \$18,031 for 2023. General Fund budgeted expenditures and other financing uses were greater than actual expenditures and other financing uses by \$478,418 for 2023.

State Liquid Fuels Fund actual revenues exceeded budgeted revenues by \$10,568 for 2023. State Liquid Fuels Fund actual expenditures were less than budgeted expenditures by \$9,512 for 2023.

D. Subsequent Events

In accordance with Accounting Standards Codification (ASC) 855-10, *Subsequent Events*, the Township has evaluated subsequent events through July 31, 2024, the date financial statements were available to be issued.

NOTE 2 – Cash Deposits

Hopewell Township considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

At December 31, 2023, the carrying amount of the Township's deposits was \$3,516,790. The bank balance was \$3,517,313. The Township maintains checking and money market accounts with Washington Financial.

Deposits with financial institutions are insured by FDIC insurance for the first \$250,000 of deposits. Therefore, total FDIC insurance was \$250,000 at December 31, 2023. Amounts above FDIC insurance limits are collateralized with securities held in the Township's name at each financial institution.

**HOPEWELL TOWNSHIP
NOTES TO THE COMMONWEALTH OF PENNSYLVANIA
ANNUAL AUDIT AND FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2023**

NOTE 3 – Property Taxes

The Township's property tax is levied each March 15 on the assessed value of all real property located in the Township. The assessed value of the roll for 2023 was \$80,874,100. The Township's tax rate for 2023 was .579972 mills for a total levy of \$46,905 and was payable as follows:

- At discount of 2% until May 15, 2023
- At face until July 15, 2023
- At penalty of 10% after July 15, 2023
- Unpaid property taxes for 2023 were liened on January 15, 2024

NOTE 4 – Township's Pension Plan

The Hopewell Township Pension Plan is a single-employer defined benefit pension plan. The Plan is governed by the provisions of Act 205 of 1984. The Township's Pension Plan is funded by State Pension Aid and covers substantially all full-time employees. The plan participates in the Pennsylvania Municipal Retirement System (PMRS), which is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating municipal pension plans. PMRS issues a separate Comprehensive Annual Financial Report (CAFR). The CAFR is available on the PMRS website. A copy can be obtained by contacting the PMRS accounting office.

Annually Hopewell Township reports PMRS pension information one year delayed based on the availability of the PMRS GASB 68 report. The pension plan information from PMRS including the activity for the year ended December 31, 2023 and the fund assets at December 31, 2023 were not available at December 31, 2023. Therefore, the statements of fiduciary net assets and the changes in fiduciary net assets in the 2023 audited financial statements reflect information as of and for the year ended December 31, 2022.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. The Township contributes 5% annually for each eligible member to the plan. In addition to the Township's contributions made to the members' accounts, members may contribute up to, but no more than, ten percent (10%) of their compensation. For the year ended December 31, 2022, the employees of the Township contributed \$8,880 to the plan. In addition, the Township contributed \$6,879 to the Pension Plan for 2022.

Members become fully vested in the Township's contributions upon completion of five (5) year of service. The normal retirement is attained at age 63. Early retirement is available upon attainment of 20 years of service.

**HOPEWELL TOWNSHIP
NOTES TO THE COMMONWEALTH OF PENNSYLVANIA
ANNUAL AUDIT AND FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2023**

NOTE 5 – Fair Value of Financial Statements

At December 31, 2023, the Township's financial instruments included cash and cash equivalents. At December 31, 2023, fair value of cash and cash equivalents approximated carrying values because of short-term nature of these instruments. The estimated fair values of long-term borrowings subject to fair value disclosures approximates carrying value, because of the nature of the borrowings there is no market for them.

NOTE 6 – Gaming Fund Revenue

The Township received \$34,570 in gaming revenue during the year ended December 31, 2023. The proceeds from this revenue are designated by the Board of Supervisors for capital construction and capital purchases.

NOTE 7 – Municipality Act 13 Impact Fee Distribution

The Township received \$555,353 in Municipality Act 13 Impact fee revenue during the year ended December 31, 2023. Proceeds from this revenue were set aside for future capital improvements.

NOTE 8 – Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures to include an overview of certain information concerning individual funds including:

- A. There was no outstanding long-term debt to be disclosed.
- B. Deficit fund balances of individual funds. There are no deficit fund balances of any individual funds as of December 31, 2023.
- C. Individual Fund interfund receivable (Due From) and payable (Due To) balances. There are no individual fund interfund receivables or payables as of December 31, 2023.

NOTE 9 – Contingent Liabilities

Hopewell Township participates in grant programs sponsored by other governments. The programs are subject to program audits by the grantor agencies or their representatives. The audits of some of these programs for and including the year ended December 31, 2023 have not yet been conducted. Accordingly, the Township's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. However, the Township expects such amounts to be immaterial.

**HOPEWELL TOWNSHIP
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ANNUAL AUDIT AND FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2023**

NOTE 10 – Risk Management and Litigation

The Township 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 Township manages risk through the General Fund with the purchase of commercial insurance coverage.

The Township is not involved in any pending litigation. The potential liability to the Township related to legal matters cannot be determined due to the uncertainty of each and any case and the potential for insurance coverage.

NOTE 11 – American Rescue Plan Act Funding

During 2020 and 2021, the Township was impacted by the worldwide coronavirus pandemic (COVID-19). In June 2021, the Township received notice that it is eligible for COVID-19 relief funding through the American Rescue Plan Act of 2021. During 2021 \$48,881 was received representing 50% of the American Rescue Plan funding awarded. The remaining \$49,190 was received in 2022. The funding was deposited into a separate bank account within the General Fund in 2021 and 2022 and the Township is considering ways to utilize the funds in accordance with its requirements. As of December 31, 2023 \$61,600 of the funds were used for various projects, including to bring high speed internet to the Township. Plans are being made for the use of the remaining American Rescue Plan funding.