

**2024 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, 2024 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, 2024, 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, 2024. Therefore, the statement of fiduciary net assets reflects the balance as of December 31, 2023. The statement of changes in fiduciary net assets presents the activity for the year ended December 31, 2023.

## **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 & Assoc., P.C.*

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

August 27, 2025



**HOPEWELL TWP, WASHINGTON County**  
**BALANCE SHEET**  
 December 31, 2024

	Governmental 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	
<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>	32,716									32,716

	Fund and Account Group Equity								
281-284 Contributed Capital									
290.00 Investment in General Fixed Assets						1,159,285			1,159,285
270-289 Fund Balance / Retained Earnings on 12/31	3,615,216	131,660					321,669		4,068,545
291-299 Other Equity									
<b>Total Fund and Account Group Equity</b>	3,615,216	131,660					321,669	1,159,285	5,227,830

<b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY</b>	<b>5,260,546</b>
--	------------------

**HOPEWELL TWP, WASHINGTON County**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
 December 31, 2024

	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		

**REVENUES**

<b>Taxes</b>									
301.00	Real Estate Taxes	85,093							85,093
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	2,232							2,232
310.10	Real Estate Transfer Taxes	12,730							12,730
310.20	Earned Income Taxes / Wage Taxes	131,618							131,618
310.30	Business Gross Receipts Taxes								
310.40	Occupation Taxes (levied under Act 511)								
310.50	Local Services Tax **	2,815							2,815
310.60	Amusement / Admission Taxes								
	<b>Total Taxes</b>	<b>234,488</b>							<b>234,488</b>

<b>Licenses and Permits</b>									
320-322	All Other Licenses and Permits	3,980							3,980
321.80	Cable Television Franchise Fees								
	<b>Total Licenses and Permits</b>	<b>3,980</b>							<b>3,980</b>

<b>Fines and Forfeits</b>									
330-332	Fines and Forfeits	5,257							5,257
	<b>Total Fines and Forfeits</b>	<b>5,257</b>							<b>5,257</b>

HOPEWELL TWP, WASHINGTON County  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2024

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

**REVENUES**

Interest, Rents and Royalties									
341.00	Interest Earnings	181,188	8,613					31,215	221,016
342.00	Rents and Royalties	9,143							9,143
<b>Total Interest, Rents and Royalties</b>		190,331	8,613					31,215	230,159

Federal									
351.03	Highways and Streets								
351.09	Community Development								
352.01	National Forest								
<b>Total Federal</b>									

State									
354.03	Highways and Streets	40,935							40,935
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		99,534						99,534
355.04	Alcoholic Beverage Licenses								
355.05	General Municipal Pension System State Aid	5,238							5,238
355.07	Foreign Fire Insurance Tax Distribution	6,587							6,587
355.08	Local Share Assessment/Gaming Proceeds	47,491							47,491
355.09	Marcellus Shale Impact Fee Distribution	328,350							328,350

HOPEWELL TWP, WASHINGTON County  
**STATEMENT OF REVENUES AND EXPENDITURES**  
 December 31, 2024

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

**REVENUES**

State							
355.00	All Other State Shared Revenues and Entitlements						
356.00	State Payments in Lieu of Taxes						
	<b>Total State</b>	428,797	99,534				528,331

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

**Charges for Service**

361.00	General Government	3,345					3,345
362.00	Public Safety						
363.20	Parking						
363.00	All Other Charges for Highway & Street Services	4,000					4,000
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, 2024

	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							
<b>Total Charges for Service</b>		7,345						7,345

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					24,039	24,039
<b>Total Unclassified Operating Revenues</b>						24,039	24,039

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, 2024

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		
395.00								
	471							471
<b>Total Other Financing Sources</b>	471							471

**REVENUES**

Other Financing Sources	
Refunds of Prior Year Expenditures	471
<b>Total Other Financing Sources</b>	471

<b>TOTAL REVENUES</b>	870,669	108,147				55,254	1,034,070
-----------------------	---------	---------	--	--	--	--------	-----------

**EXPENDITURES**

General Government							
400.00	Legislative (Governing) Body	11,601					11,601
401.00	Executive (Manager or Mayor)						
402.00	Auditing Services / Financial Administration	8,400					8,400
403.00	Tax Collection	6,683					6,683
404.00	Solicitor / Legal Services	24,917					24,917
405.00	Secretary / Clerk	38,105					38,105
406.00	Other General Government Administration	15,036					15,036
407.00	IT-Networking Services-Data Processing						
408.00	Engineering Services	29,479					29,479
409.00	General Government Buildings and Plant	27,149					27,149
	<b>Total General Government</b>	161,370					161,370

Public Safety							
410.00	Police						
411.00	Fire	48,710					48,710
412.00	Ambulance / Rescue						
413.00	UCC and Code Enforcement	3,888					3,888



HOPEWELL TWP, WASHINGTON County  
**STATEMENT OF REVENUES AND EXPENDITURES**  
 December 31, 2024

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		
	25,325							25,325
	135,133	88,593						223,726
<b>Total Public Works - Highways and Streets</b>	314,038	94,116						408,154

**EXPENDITURES**

<b>Public Works - Highways and Streets</b>	
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
	<b>Total Public Works - Highways and Streets</b>

<b>Other Public Works Enterprises</b>	
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
	<b>Total Other Public Works Enterprises</b>

<b>Culture and Recreation</b>	
451.00	Culture-Recreation Administration
452.00	Participant Recreation
453.00	Spectator Recreation

HOPEWELL TWP, WASHINGTON County  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2024

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		

**EXPENDITURES**

Culture and Recreation								
455.00	Shade Trees							
456.00	Libraries	1,000						1,000
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
<b>Total Culture and Recreation</b>		1,000						1,000

Community Development								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing							
463.00	Economic 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	16,270						16,270
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions	16,016						16,016

HOPEWELL TWP, WASHINGTON County  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2024

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

**EXPENDITURES**

Employer Paid Benefits and Withholding Items		Proprietary Funds		Fiduciary Fund		Total	
484.00	Worker Compensation Insurance	4,527					4,527
487.00	Other Group Insurance Benefits	33,898			3,685		37,583
<b>Total Employer Paid Benefits and Withholding Items</b>		70,711			3,685		74,396

Insurance		Proprietary Funds		Fiduciary Fund		Total	
486.00	Insurance, Casualty, and Surety	16,057					16,057
<b>Total Insurance</b>		16,057					16,057

Unclassified Operating Expenditures		Proprietary Funds		Fiduciary Fund		Total	
488.00	Fiduciary Fund Benefits and Refunds Paid				1,044		1,044
489.00	All Other Unclassified Expenditures						
<b>Total Unclassified Operating Expenditures</b>					1,044		1,044

Other Financing Uses		Proprietary Funds		Fiduciary Fund		Total	
491.00	Refund of Prior Year Revenues						
492.00	Interfund Operating Transfers						
<b>Total Other Financing Uses</b>							

<b>TOTAL EXPENDITURES</b>	631,192	94,116			4,729		730,037
---------------------------	---------	--------	--	--	-------	--	---------

<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES</b>	239,477	14,031			50,525		304,033
---	---------	--------	--	--	--------	--	---------

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, 2024

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	13,420	27,283	40,703
Water			
Other: _____			
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>13,420</b>	<b>27,283</b>	<b>40,703</b>

**EMPLOYEE COMPENSATION**

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

164,017

**HOPEWELL TOWNSHIP  
NOTES TO THE COMMONWEALTH OF PENNSYLVANIA  
ANNUAL AUDIT AND FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2024**

**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, 2024**

**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, 2024**

**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 budgeted revenues and other financing sources were greater than actual revenues and other financing sources by \$229,957 for 2024. General Fund budgeted expenditures and other financing uses were greater than actual expenditures and other financing uses by \$494,721 for 2024.

State Liquid Fuels Fund actual revenues exceeded budgeted revenues by \$6,563 for 2024. State Liquid Fuels Fund budgeted expenditures exceeded actual expenditures by \$105,884 for 2024.

D. Subsequent Events

In accordance with Accounting Standards Codification (ASC) 855-10, *Subsequent Events*, the Township has evaluated subsequent events through August 27, 2025, 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, 2024, the carrying amount of the Township's deposits was \$3,779,592. The bank balance was \$3,779,845. 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, 2024. 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, 2024**

**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 2024 was \$81,583,500. The Township's tax rate for 2024 was 1.0 mills for a total levy of \$81,584 and was payable as follows:

- At discount of 2% until May 15, 2024
- At face until July 15, 2024
- At penalty of 10% after July 15, 2024
- Unpaid property taxes for 2024 were liened on January 15, 2025

**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, 2024 and the fund assets at December 31, 2024 were not available at December 31, 2024. Therefore, the statements of fiduciary net assets and the changes in fiduciary net assets in the 2024 audited financial statements reflect information as of and for the year ended December 31, 2023.

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, 2023, the employees of the Township contributed \$12,792 to the plan. In addition, the Township contributed \$11,247 to the Pension Plan for 2023.

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, 2024**

**NOTE 5 – Fair Value of Financial Statements**

At December 31, 2024, the Township's financial instruments included cash and cash equivalents. At December 31, 2024, 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 \$47,491 in gaming revenue during the year ended December 31, 2024. 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 \$328,350 in Municipality Act 13 Impact fee revenue during the year ended December 31, 2024. 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, 2024.
- 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, 2024.

**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, 2024 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  
NOTES TO THE COMMONWEALTH OF PENNSYLVANIA  
ANNUAL AUDIT AND FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2024**

**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 utilized the funds in accordance with its requirements as of December 31, 2024. The funds were used for various projects, including to bring high speed internet to the Township.