Perkiomen Township

Collegeville, Pennsylvania

December 31, 2024

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BARSZ GOWIE AMON FULTZ
Certified Public Accountants

Independent Auditor's Report

Board of Supervisors
Perkiomen Township
Collegeville, Montgomery County, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Perkiomen Township, Montgomery County, Pennsylvania, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise Perkiomen Township, Montgomery County, Pennsylvania's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Perkiomen Township, Montgomery County, Pennsylvania as of December 31, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Perkiomen Township, Montgomery County, Pennsylvania, 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 opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Perkiomen Township, Montgomery County, Pennsylvania's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 generally accepted auditing standards and *Government 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 and *Government 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 Perkiomen Township, Montgomery County, Pennsylvania'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 Perkiomen Township, Montgomery County, Pennsylvania's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 – 9 and 38 – 40 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied

certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Perkiomen Township, Montgomery County, Pennsylvania's basic financial statements. The combining statements of the nonmajor governmental funds and the budgetary comparison schedule of the capital reserve fund are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements of the nonmajor governmental funds and the budgetary comparison schedule of the capital reserve fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standard

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2025, on our consideration of Perkiomen Township, Montgomery County, Pennsylvania's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Perkiomen Township, Montgomery County, Pennsylvania's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Perkiomen Township, Montgomery County, Pennsylvania's internal control over financial reporting and compliance.

Barsz Gowie Amon & Fultz, LLC

Media, Pennsylvania
June 13, 2025

Perkiomen Township
Management's Discussion and Analysis
For the Year Ended December 31, 2024

Our discussion and analysis of Perkiomen Township's financial performance provides an overview of the Township's financial activities for the year ended December 31, 2024. Please read it in conjunction with the Township's financial statements, which begin on page 10.

FINANCIAL HIGHLIGHTS

- The Township enjoys a General Fund budgetary fund balance of $17,306,941, which is also a clear indication of the Township's overall financial health. The General Fund Budgetary Comparison Schedule is presented on page 35.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 10 and 11, and page 12) provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. Fund financial statements start on page 13. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide statements by providing information about the Township's most significant funds. The remaining statements provide financial information about activities for which the Township acts solely as a trustee or agent for the benefit of those outside of the government.

REPORTING THE TOWNSHIP AS A WHOLE

The Statement of Net Position and the Statement of Activities

Our analysis of the Township as a whole begins on page 6. One of the most important questions asked about the Township's finances is, "Is the Township as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Township as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenditures are taken into account regardless of when cash is received or paid.

These two statements report the Township's net position and changes in them. You can think of the Township's net position – the difference between assets, and liabilities and deferred inflows of resources – as one way to measure the Township's financial health, or financial position. Over time, increases or decreases in the Township's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Township's tax base and the condition of the Township's infrastructure, to assess the overall health of the Township.

The Statement of Net Position and the Statement of Activities present the following:

- Governmental Activities – Most of the Township's basic services are reported here, including general administration, public safety, public works, and parks and recreation. Property taxes, earned income taxes, and real estate transfer taxes finance most of these activities.

- Component units – The Township includes two separate legal entities in its report: Perkiomen Township Fire Company (a 501(c)(3) nonprofit organization) and Perkiomen Township Municipal Authority. Although legally separate, these component units are important because the Township is financially accountable for them. Separate audited financial statements are issued and available for the Municipal Authority.

REPORTING THE TOWNSHIP'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements begin on page 13 and provide detailed information about the most significant funds – not the Township as a whole. Perkiomen Township's Board of Supervisors establishes funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities. The Township has one kind of fund that uses the following accounting approach.

- Governmental Funds – The Township's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Township's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a separate reconciliation following the fund financial statements.

THE TOWNSHIP AS TRUSTEE

Reporting the Township's Fiduciary Responsibilities

The Township is the trustee, or fiduciary, for its employees' pension fund. Because of legal restrictions, this fund can only be used for the designated beneficiaries. All of the Township's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 17 and 18. We exclude these activities from the Township's other financial statements because the Township cannot use these assets to finance its operations. The Township is responsible for ensuring that the assets reported in this fund are used for their intended purpose.

The Township also has a custodial fund, the Land Development Escrow Fund, which accounts for funds paid by developers in advance to be used for land subdivision costs.

THE TOWNSHIP AS A WHOLE

Tables 1 and 2 that follow present a summarization of Perkiomen Township's net position and changes in net position for fiscal years ended in 2024 and 2023.

Table 1
Net Position
(Actual Dollars)

	Governmental Activities	
	2024	2023
Current assets	$ 20,713,072	$ 18,782,066
Capital assets	8,355,398	8,230,238
Lease receivable	1,173,437	1,196,706
Total assets	$ 30,241,907	$ 28,209,010
Long-term debt outstanding	$ -	$ -
Other liabilities	578,619	159,533
Deferred inflow of resources - lease of land	1,196,706	1,219,975
Total liabilities and deferred inflow of resources	$ 1,775,325	$ 1,379,508
Net position:		
Invested in capital assets, net of debt	$ 8,355,398	$ 8,230,238
Restricted	4,074,689	3,726,824
Unrestricted	16,036,495	14,872,440
Total net position	$ 28,466,582	$ 26,829,502

The Township has a significant investment in capital assets for its governmental activities. Also, the Township enjoys a healthy balance of unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. Present capital expenditure requirements are relatively low because the Township is not expanding the scope of its operations and the Township's successful preventive maintenance program has prolonged the life of existing capital assets. The financial statements present a reconciliation of the Governmental Fund Balances to the Total Net Position on page 14.

Table 2
Changes in Net Position
(Actual Dollars)

	Governmental Activities	
	2024	2023
Revenues		
Program Revenues:		
Charges for Services	$ 63,493	$ 63,057
Operating Grants	636,243	1,805,833
Capital Grants	-	691,801
General Revenues:		
Earned Income Tax	3,131,492	2,906,018
Real Estate Tax	462,926	302,668
Real Estate Transfer Tax	263,421	168,223
Interest Earnings	707,900	457,182
Licenses and Permits	129,453	134,494
Other General Revenues	93,620	82,604
Total Revenues	5,488,548	6,611,880
Program Expenses		
General Government	951,215	1,838,596
Public Safety	447,746	295,120
Public Works	1,558,696	1,392,602
Culture and Recreation	893,811	216,066
Total Expenses	3,851,468	3,742,384
Increase in Net Position	$ 1,637,080	$ 2,869,496

The cost of all governmental activities this year was $3,851,468 compared with $3,742,384 for the prior year. As shown in the Statement of Activities on page 12, the amount our taxpayers ultimately financed for these activities through taxes was $3,151,732 as compared with $1,181,693 for 2023. The balance of these costs was paid by those who directly benefited by the programs ($63,493) in 2024 and ($63,057) in 2023, or by other governments or organizations that subsidized certain programs with grants and contributions ($636,243) in 2024 and ($1,805,833) in 2023. Grants and contributions for 2023 included Hazard Mitigation grant funds totaling $1,118,103.

Overall, the Township's governmental program revenues and general revenues amounted to $5,488,548 in fiscal 2024 compared with $6,611,880 in fiscal 2023. The difference is primarily due to Hazard Mitigation grant funds totaling $1,118,103 used to fund floodplain management expenditures in 2023.

Table 3
Governmental Activities
(Actual Dollars)

	2024		2023	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General Government	$ 951,215	$ 640,257	$ 1,838,596	$ 688,357
Public Safety	447,746	320,343	295,120	168,433
Public Works	1,558,696	1,297,321	1,392,602	108,837
Culture and Recreation	893,811	893,811	216,066	216,066
Totals	$ 3,851,468	$ 3,151,732	$ 3,742,384	$ 1,181,693

THE TOWNSHIP'S FUNDS

As the Township completed the fiscal year, its governmental funds (as presented in the balance sheet on page 13) reported a combined fund balance of $19,812,679, which is an increase of $1,452,265 from last year's total of $18,360,414. As of December 31, 2024, the General Fund reported a fund balance of $17,306,941, which represented an increase of $1,478,091 from the previous year. As of December 31, 2024, the Capital Reserve Fund reported a fund balance of $ $491,155, which represented a decrease of $401,043 from the previous year. As of December 31, 2024, the Highway Reserve Fund reported a fund balance of $647,748, which represented an increase of $87,511 from the previous year.

General Fund Budgetary Highlights

The General Fund Budgetary Comparison Schedule on page 35 reflects that the Township ended fiscal 2024 with a budgetary fund balance of $17,306,941. At the time the 2024 budget was passed, the prior year ending fund balance was not yet known. A conservative figure was used for budgeting purposes.

Overall revenues were better than projected. Earned income tax revenue was $471,839 greater than the total budgeted and interest earnings were $329,580 higher than the total budgeted.

Overall expenditures in 2024 for the General Fund were less than budgeted, resulting in a favorable variance of $1,648,706. This was a result of operating expenses being less than budgeted, such as the road project and personnel expenses and some of the items budgeted were either not expended such the purchase of equipment or not completely spent such as development of the design work for the Highland-Huber Park.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2024, the Township had $8,355,398 invested in a broad range of capital assets including public works equipment, municipal buildings and land, park facilities, roads, bridges, and storm sewer. The Township expended $500,254 for capital assets in 2024. The capital expenditures were made for building improvements and a vehicle.

The Township's fiscal 2024 capital budget called for level of spending in capital expenditures for Building Projects upgrades to the Township's Salt Bins, purchase of equipment, and Road Projects. These projects are being funded from the capital projects fund and general fund.

Debt

At year-end, the Township had no notes outstanding in either 2024 or 2023. There was no new debt incurred during the past year.

ECONOMIC FACTORS AND THE 2025 BUDGET AND RATES

The Township's elected and appointed officials consider many factors when setting the fiscal year 2025 budget. One of those factors was the economy. Increases in tax revenues were assumed to be modest. Inflation and interest rates were expected to remain consistent throughout 2025.

These indicators were taken into account when adopting the General Fund budget for 2025. Most of the projects set forth in the 2024 Budget have been completed. As a result, the General Fund Budget for 2025 decreased. The Township still continues to complete capital projects to the following: Township Complex, purchase of equipment and repairs to the Township's roads.

CONTACTING THE TOWNSHIP'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have any questions about this report or need clarification, please contact Perkiomen Township at 1 Trappe Road, Collegeville, Pennsylvania 19426. Separately issued financial statements are available for the Perkiomen Township Municipal Authority, a separately listed component unit in these financial statements.

Perkiomen Township
Statement of Net Position
December 31, 2024

	Primary Government	Component Units	
	Governmental Activities	Perkiomen Township Municipal Authority	Perkiomen Township Fire Company
Assets			
Current Assets			
Cash and cash equivalents	$ 19,696,226	$ 4,855,838	$ 339,594
Taxes receivable	899,117	-	-
Lease receivable	23,269	-	-
Other receivables	36,865	187,710	-
Due from component unit	12,079	-	-
Prepaid expenses	45,516	-	3,433
Total Current Assets	20,713,072	5,043,548	343,027
Non-Current Assets			
Capital Assets			
Land	3,537,002	-	-
Buildings and building improvements (net)	1,901,262	-	246,929
Infrastructure (net)	2,416,687	-	-
Sewer system (net)	-	2,411,086	-
Equipment (net)	427,225	94,383	130,350
Vehicles (net)	73,222	-	361,375
Total Capital Assets	8,355,398	2,505,469	738,654
Lease receivable	1,173,437	-	-
Recoverable Sewer Capacity Fees	-	14,000	-
Total Non-Current Assets	9,528,835	2,519,469	738,654
Total Assets	$ 30,241,907	$ 7,563,017	$ 1,081,681

(Continued)

See accompanying notes to the financial statements.

Perkiomen Township
Statement of Net Position (Continued)
December 31, 2024

	Primary Government	Component Units	
	Governmental Activities	Perkiomen Township Municipal Authority	Perkiomen Township Fire Company
Liabilities, Deferred Inflows of Resources, and Net Position			
Liabilities			
Current Liabilities			
Accounts payable and accrued expenses	$ 270,638	$ 25,248	$ 6,583
Unearned revenue	304,238	-	-
Payroll taxes payable	3,743	110	-
Due to primary government	-	12,079	-
Current portion of long-term debt	-	-	14,028
Total Current Liabilities	578,619	37,437	20,611
Non-Current Liabilities			
Long-term debt, net of current portion	-	-	146,616
Total Non-Current Liabilities	-	-	146,616
Total Liabilities	578,619	37,437	167,227
Deferred Inflows of Resources			
Lease of Land	1,196,706	-	-
Total Deferred Inflows of Resources	1,196,706	-	-
Net Position			
Net investment in capital assets	8,355,398	2,505,469	578,010
Restricted for:			
Highway construction and maintenance	647,748	-	-
Open space	3,426,941	-	-
Unrestricted	16,036,495	5,020,111	336,444
Total Net Position	28,466,582	7,525,580	914,454
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 30,241,907	$ 7,563,017	$ 1,081,681

See accompanying notes to the financial statements.

Perkiomen Township
Statement of Activities
For the Year Ended December 31, 2024

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government Governmental Activities	Component Units: Perkiomen Township Municipal Authority	Component Units: Perkiomen Township Fire Company
Primary Government							
Governmental Activities							
General government	$ 1,016,525	$ -	$ 310,958	$ -	$ (705,567)		
Public safety	382,436	62,493	64,910	-	(255,033)		
Public works - sanitation	90,596	-	7,538	-	(83,058)		
Public works - highway and streets	1,351,472	1,000	252,837	-	(1,097,635)		
Public works - stormwater management	44,976	-	-	-	(44,976)		
Public works - water	71,652	-	-	-	(71,652)		
Culture and recreation	893,811	-	-	-	(893,811)		
Total Governmental Activities	3,851,468	63,493	636,243	-	(3,151,732)		
Total Primary Government	$ 3,851,468	$ 63,493	$ 636,243	$ -	$ (3,151,732)		
Component Units:							
Perkiomen Township Municipal Authority	$ 958,678	$ 786,524	$ 10,000	$ -		$ (162,154)	$ -
Perkiomen Township Fire Company	364,888	3,631	229,352	-		-	(131,905)
Total Component Units	$ 1,323,566	$ 790,155	$ 239,352	$ -		(162,154)	(131,905)
General Revenues:							
Real estate taxes					$ 462,926	-	-
Real estate transfer taxes					263,421	-	-
Earned income taxes					3,131,492	-	-
Licenses and permits					129,453	-	-
Fines and forfeitures					4,694	-	-
Interest earnings					707,900	196,051	3,225
Intergovernmental revenues					43,957	-	-
Sale of Capital Assets					14,100	-	-
Miscellaneous revenue					30,869	-	21,163
Total General Revenues					4,788,812	196,051	24,388
Change in Net Position					1,637,080	33,897	(107,517)
Net Position - Beginning of Year (As Restated)					26,829,502	7,491,683	1,021,971
Net Position - End of Year					$ 28,466,582	$ 7,525,580	$ 914,454

See accompanying notes to the financial statements.

Perkiomen Township
Balance Sheet
Governmental Funds
December 31, 2024

	General Fund	Capital Reserve Fund	Highway Aid Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 17,033,477	$ 634,100	$ 647,805	$ 1,380,844	$ 19,696,226
Taxes receivable	897,504	-	-	1,613	899,117
Other receivables	32,796	-	-	-	32,796
Interfund receivables	19,691	-	-	-	19,691
Due from component unit	12,079	-	-	-	12,079
Prepaid expenditures	45,516	-	-	-	45,516
Total Assets	$ 18,041,063	$ 634,100	$ 647,805	$ 1,382,457	$ 20,705,425
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities					
Accounts payable and accrued liabilities	$ 127,636	$ 142,945	$ 57	$ -	$ 270,638
Payroll taxes payable	3,743	-	-	-	3,743
Interfund payables	-	-	-	15,622	15,622
Unearned revenue	304,238	-	-	-	304,238
Total Liabilities	435,617	142,945	57	15,622	594,241
Deferred Inflows of Resources					
Unavailable revenue - earned income taxes	298,505	-	-	-	298,505
Total Deferred Inflows of Resources	298,505	-	-	-	298,505
Fund Balances					
Non-spendable	45,516	-	-	-	45,516
Restricted for:					
Highway construction and maintenance	-	-	647,748	-	647,748
Open space	3,426,941	-	-	-	3,426,941
Assigned for:					
Future capital projects	1,139,016	491,155	-	-	1,630,171
Equipment replacement	500,000	-	-	-	500,000
Contingencies and emergencies	3,000,000	-	-	-	3,000,000
Other purposes	-	-	-	1,366,835	1,366,835
Unassigned	9,195,468	-	-	-	9,195,468
Total Fund Balances	17,306,941	491,155	647,748	1,366,835	19,812,679
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 18,041,063	$ 634,100	$ 647,805	$ 1,382,457	$ 20,705,425

See accompanying notes to the financial statements.

Perkiomen Township
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
December 31, 2024

Total Governmental Fund Balances		$ 19,812,679
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds:		
Cost of assets	$ 13,335,298	
Accumulated depreciation	(4,979,900)	
		8,355,398
Earned income taxes receivable will not be collected soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds		298,505
Net Position of Governmental Activities		$ 28,466,582

See accompanying notes to the financial statements.

Perkiomen Township
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General Fund	Capital Reserve Fund	Highway Aid Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Real estate taxes	$ 171,697	$ -	$ -	$ 291,230	$ 462,927
Real estate transfer taxes	263,421	-	-	-	263,421
Earned income taxes	3,071,839	-	-	-	3,071,839
Licenses and permits	129,453	-	-	-	129,453
Fines and forfeits	4,694	-	-	-	4,694
Interest earnings	579,580	39,039	32,995	56,283	707,897
Rents	28,669	-	-	-	28,669
Intergovernmental revenues	427,363	-	252,837	-	680,200
Charges for services	63,693	-	-	1,000	64,693
Other Revenue	1,000	-	-	-	1,000
Total Revenues	4,741,409	39,039	285,832	348,513	5,414,793
Expenditures					
Current Operating:					
General government	954,462	5,865	-	-	960,327
Public safety	366,023	-	-	14,511	380,534
Public works - sanitation	44,300	-	-	46,296	90,596
Public works - highway and streets	739,016	138,963	212,421	-	1,090,400
Public works - stormwater management	16,571	-	-	-	16,571
Public works - water	71,652	-	-	-	71,652
Culture and recreation	866,294	-	-	-	866,294
Capital Outlay:					
General government	-	411,790	-	-	411,790
Public works - highway and streets	-	88,464	-	-	88,464
Total Expenditures	3,058,318	645,082	212,421	60,807	3,976,628
Excess of Revenues Over (Under) Expenditures	1,683,091	(606,043)	73,411	287,706	1,438,165
Other Financing Sources (Uses)					
Proceeds from sale of capital assets	-	-	14,100	-	14,100
Transfers in	-	205,000	-	-	205,000
Transfers out	(205,000)	-	-	-	(205,000)
Total Other Financing Sources and Uses	(205,000)	205,000	14,100	-	14,100
Net Change in Fund Balances	1,478,091	(401,043)	87,511	287,706	1,452,265
Fund Balances - Beginning of Year (As Restated)	15,828,850	892,198	560,237	1,079,129	18,360,414
Fund Balances - End of Year	$ 17,306,941	$ 491,155	$ 647,748	$ 1,366,835	$ 19,812,679

See accompanying notes to the financial statements.

Perkiomen Township
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to Statement of Activities
For the Year Ended December 31, 2024

Net Change in Fund Balances - Governmental Funds		$ 1,452,265
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation differs from outlays in the period:		
Depreciation expense	$ (375,094)	
Capital outlays	500,254	
		125,160
Earned income taxes receivable is recorded if collected within sixty days after year-end for the fund financial statements, whereas the full accrual method is used for the government-wide financial statements.		59,655
Change in Net Position of Governmental Activities		$ 1,637,080

See accompanying notes to the financial statements.

Perkiomen Township
Statement of Fiduciary Net Position - Fiduciary Funds
December 31, 2024

	Pension Trust Fund	Custodial Fund
	Municipal Pension Plan	Land Development Escrow Fund
Assets		
Cash and cash equivalents	$ -	$ 457,514
Investments	910,334	-
Total Assets	$ 910,334	$ 457,514
Liabilities and Net Position		
Liabilities		
Due to General Fund	$ -	$ 4,069
Total Liabilities	-	4,069
Net Position		
Restricted for pension benefits	910,334	-
Held in trust for developers	-	453,445
Total Net Position	$ 910,334	$ 453,445

See accompanying notes to the financial statements.

Perkiomen Township
Statement of Changes in Fiduciary Net Position - Fiduciary Funds
For the Year Ended December 31, 2024

	Pension Trust Fund	Custodial Fund
	Municipal Pension Plan	Land Development Escrow Fund
Additions		
Contributions		
Employer	$ 40,780	$ -
Total Contributions	40,780	-
Investment Income		
Interest and dividends	14,155	-
Realized and unrealized gains on investments	74,392	-
Net Investment Income	88,547	-
Escrow Deposits	-	101,611
Total Additions	129,327	101,611
Deductions		
Administrative expenses	7,597	-
Released from escrow	-	205,397
Total Deductions	7,597	205,397
Change in Net Position	121,730	(103,786)
Net Position - Beginning of Year	788,604	557,231
Net Position - End of Year	$ 910,334	$ 453,445

See accompanying notes to the financial statements.

Note 1 Summary of Significant Accounting Policies

The financial statements of Perkiomen Township have been prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America applicable to State and Local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting and reporting policies and practices used by the Township are described below.

A. The Financial Reporting Entity

Perkiomen Township is a municipality governed by an elected five-member board. The Township's financial reporting entity is comprised of Perkiomen Township (the primary government) and its discretely presented component units.

A component unit is a legal entity that is either a separate government organization that is not a primary government, a not-for-profit corporation, or a for-profit corporation, that meets any one of the following four conditions:

1. The primary government appoints a voting majority of the entity's governing body; and the primary government can impose its will on the entity, and/or a financial benefit/burden relationship exists between the primary government and the entity.

2. The entity is fiscally dependent on the primary government and has a financial benefit/burden relationship with the primary government.

3. The primary government holds a majority equity interest in the entity for purpose of facilitating government services; or

4. The primary government's financial statements would be misleading if the entity were excluded.

A component unit's financial statements are blended with the financial statements of the primary government when one of the following four circumstances is met:

1. There is substantively the same governing body for both the primary government and the component unit; and there is a financial benefit or burden relationship between the primary government and the component unit, or the operational responsibility for the component unit rests with management of the primary government.

2. A component unit provides services entirely (or almost entirely) to the primary government or benefits the primary government exclusively (or almost exclusively).

3. A component unit's debt, including leases, is expected to be repaid entirely or almost entirely with the primary government's resources.

Note 1 Summary of Significant Accounting Policies (Continued)

A. The Financial Reporting Entity (continued)

4. A component unit is incorporated as a not-for-profit corporation and the primary government is the sole corporate member.

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. The following component units' financial statements are presented discretely in the primary government's government-wide financial statements.

1. Perkiomen Township Municipal Authority is a body corporate and politic formed on March 20, 1969, under the Municipality Authority Act of 1945. The Authority constructed and currently operates a sewage collection system in the Township to connect with the sewage treatment plant operated by Lower Perkiomen Valley Regional Sewer Authority. The members of the Municipal Authority are appointed by the Township Board of Supervisors.

2. The Perkiomen Township Fire Company is a separate nonprofit entity, which operates independently of the Township but services the same geographic area. The Township instituted a fire tax which assists the Fire Company to finance its operations. The Fire Company Board is elected by its members.

Complete financial statements of Perkiomen Township Municipal Authority can be obtained from their administrative offices.

B. Basis of Presentation

Government-Wide Financial Statements
The statement of net position and the statement of activities display information about the Township as a whole, including the discretely presented component units. These statements distinguish between activities that are governmental and those that are considered business-type activities. The Township does not have any business-type activities. These statements exclude fiduciary activities.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. This approach differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements.

Note 1 Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (continued)

Government-Wide Financial Statements (continued)
The government-wide statement of activities presents a comparison between expenses and program revenues for each functional area. Expenses are those that are specifically associated with and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the function and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each functional area is self-financing or draws from the general revenues of the Township.

Internal activity is limited to interfund transfers, which are eliminated to avoid "doubling up" revenues and expenses.

Net position is reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first and then unrestricted resources, as they are needed.

Fund Financial Statements
Fund financial statements report detailed information about the Township. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Fiduciary fund financial statements are represented by fund type.

Governmental Funds
All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

The Township considers property taxes and earned income taxes as available if they are collected within 60 days after year-end. Revenues for state and federally funded projects are recognized at the time the expenditures are made. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received.

Note 1 Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (continued)

Governmental Funds (continued)
Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

The Township reports the following major governmental funds:

- General Fund: The General Fund is the primary operating fund of the Township and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

- Capital Reserve Fund: The Capital Reserve Fund was established to accumulate resources for future equipment and facilities maintenance expenditures.

- Highway Aid Fund: The Highway Aid Fund is used to account for the proceeds of state grants earmarked for highways and streets.

The Township operates the following non-major funds: Fire Tax Fund and Municipal Services and Facilities Fund.

Fiduciary Funds
Fiduciary funds are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organizations, or others. The Township has one private-purpose trust fund, the Municipal Pension Fund, which accounts for all pension activity.

The Township also has a custodial fund, the Land Development Escrow Fund, which accounts for funds paid by developers in advance to be used for land subdivision costs. Funds received in excess of total costs are returned to the developers. It uses the accrual basis of accounting to recognize receivables and payables.

C. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Budgets

Annual appropriated budgets are adopted for the general and special revenue funds on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year-end.

Note 1 Summary of Significant Accounting Policies (Continued)

E. Cash and Investments

Cash includes amounts in demand deposits. Pennsylvania Act 10 of March 25, 2016, sets forth those investments in which the Township may invest, which include certificates of deposit, obligations of the United States Treasury, and other secured and insured investments. Investments are stated at market value.

F. Capital Assets

Primary Government
Capital assets, which include land, buildings and improvements, infrastructure, furniture and fixtures, equipment, and vehicles, are reported in the government-wide financial statements and are recorded at estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Capital acquisition and construction are reflected as expenditures in the fund financial statements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed, inclusive of ancillary costs.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Years
Buildings and Building Improvements	15 – 50
Infrastructure	20 – 40
Furniture and Fixtures	10
Equipment	3 – 7
Vehicles	7 – 10

Component Units
Perkiomen Township Municipal Authority assets are recorded at cost and are depreciated over their estimated useful lives. Equipment is depreciated over 5 to 10 years using the straight-line method. The sewer system and additions to the sewer system are being depreciated over a 50-year life using the straight-line method.

Perkiomen Township Fire Company buildings and equipment are recorded at cost or estimated historical cost. Assets are depreciated on a straight-line basis over assets' lives ranging from 5 to 10 years on equipment and trucks, and 39 years for the building.

Note 1 Summary of Significant Accounting Policies (Continued)

G. Property Taxes

The tax on real estate in Perkiomen Township for 2024 was 0.95 mills ($0.95 per $1,000 of assessed valuation) as levied by the Supervisors. The breakdown of the millage is 0.35 mills for general purposes and 0.60 mills for fire safety. Assessed valuations of property are determined by Montgomery County, and the tax collector is responsible for collection. The schedule for real estate taxes levied for 2024 was as follows:

March 1	Levy Date
March 1 – April 30	2% Discount Period
May 1 – June 30	Face Payment Period
July 1 – December 31, 2024	10% Penalty Period
January 15, 2025	Lien Date

H. Sick Leave/Vacation Pay

Eligible employees may redeem a maximum of five (5) unused vacation days at the end of each benefit year, payable at the employee's regular hourly rate. All other unused vacation time shall be forfeited. An employee who desires to redeem unused vacation days must submit that request, in writing, to the Township Manager on or before the 3rd Thursday of December of that calendar year.

I. Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the government-wide financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premiums and discounts. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, generally are reported as debt service expenditures.

J. Fund Balance

In accordance with Government Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the Township classifies governmental fund balances as follows:

- Non-Spendable – Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

Note 1 Summary of Significant Accounting Policies (Continued)

J. Fund Balance (continued)

- Restricted – Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

- Committed – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the Board of Supervisors, the highest level of decision-making authority and does not lapse at year-end.

- Assigned – Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. Fund balance may be assigned by the Board of Supervisors.

- Unassigned – Includes positive fund balances within the General Fund that have not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first and then unrestricted resources as they are needed. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Township considers amounts to have been spent first out of committed funds, then assigned funds and, finally, unassigned funds, as needed.

The Board of Supervisors establishes fund balance commitments by passage of resolutions or ordinances. Assigned fund balances are established by the Board of Supervisors through adoption or amendment of the budget as intended for specific purposes such as acquisition, construction, and renovation of major capital facilities in its general fund, and for the purchase of equipment and future facilities maintenance in its capital reserve fund.

The Township does not have a minimum fund balance policy for its general fund.

Note 2 Legal Compliance – Budgets

An annual budget is prepared for each governmental fund. The proposed budget is presented to and approved by the Board of Supervisors each year. The budget is published as required by Township code.

Note 3 Deposits and Investments

Custodial Credit Risk – Deposits
Custodial credit risk for deposits is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township's deposit policy for custodial credit risk is to have uninsured deposits collateralized, pursuant to Pennsylvania Act 72 of 1971, as amended.

As of December 31, 2024, the carrying amount of the Township's deposits totaled $20,153,740, and the bank balances totaled $20,161,418. The bank balances are covered by Federal depository insurance up to $250,000 or pooled collateral held by the applicable custodian financial institution under the provisions of Act 72 of 1971.

As of December 31, 2024, the carrying amount of the Municipal Authority Sewer Fund's deposits totaled $4,855,838 and the bank balance totaled $4,856,452. As of December 31, 2024, the carrying amount of the Fire Company's deposits totaled $339,594 and the bank balances totaled $342,214.

Credit Risk – Deposits
The PLGIT portfolios may contain a combination of obligations of the U.S. government or its agencies, obligations of the Commonwealth of Pennsylvania or its agencies, Federal securities subject to repurchase obligations (collateralized by U.S. Treasury or Federal Agency or instrumentality obligations held by the Trust's Custodian), FDIC insured certificates of deposit (CDs), CDs secured by U.S. Government-backed investments or secured on a pooled basis, or shares of Registered Money Market Funds which invest solely in the securities described above and which are rated in the highest capacity by a nationally recognized rating agency. The Township's PLGIT portfolios are currently rated AAAm by Standard & Poor's.

Investments
The investments of the Municipal Pension Plan are held by the Pennsylvania State Association of Boroughs and consist of a Balanced Fund that offers a moderate blend of domestic stocks, foreign stocks, real estate, and high-quality bonds.

Note 4 Interfund Receivables and Payables and Interfund Transfers

Interfund Receivables and Payables
During the course of operations, loans may occur between individual funds for working capital purposes. In the government-wide financial statements, interfund receivables and payables between governmental funds are eliminated. In the fund financial statements, these receivables and payables are classified as "Interfund Receivables" or "Interfund Payables."

Note 4 Interfund Receivables and Payables and Interfund Transfers (Continued)

Interfund receivables and payables consisted of the following as of December 31, 2024:

Due from Fund	Due to Fund	Amount
Fire Tax Fund	General Fund	$15,622
Land Development Escrow Fund	General Fund	4,069

The interfund receivable and payable between the General Fund and the Fire Tax Fund have been eliminated in the government-wide financial statements.

Interfund Transfers
During 2024, the Township transferred $205,000 from the General Fund to the Capital Reserve Fund to fund capital projects.

Note 5 Taxes Receivable

Taxes receivable on the Statement of Net Position and the Balance Sheet – Governmental Funds as of December 31, 2024, consist of the following:

Earned income tax	$ 880,000
Real estate transfer taxes	16,469
Real estate taxes	2,648
Total	$ 899,117

Presentation in Government-wide Financial Statements
Since all taxes receivable as of December 31, 2024, are deemed collectible, the entire balance of $899,117 is reported as taxes receivable on the statement of net position.

Presentation in Fund Financial Statements
Since earned income taxes collected beyond sixty days of year-end do not represent current financial resources, the related receivables are offset by an amount reported as deferred inflows of resources on the balance sheet – governmental funds. Accordingly, included in deferred inflows of resources is earned income taxes receivable expected to be collected beyond sixty days of year-end, totaling $298,505.

Note 6 Lease Receivable

The Township leases approximately 2,500 square feet of land to T-Mobile USA Tower LLC under a site lease dated March 12, 2007, and a first amendment to the site lease dated October 9, 2018, which provide for renewal terms through June 10, 2056. Rental revenue totaled $28,669 for the year ended December 31, 2024, which included fixed lease revenue totaling $23,269 and a revenue sharing component totaling $5,400. Variable payments not included in the measurement of the lease receivable are based on revenue earned by the lessee.

Total lease receivable and related deferred inflow of resources totaled $1,196,706 as of December 31, 2024, which are reported in the government-wide statement of financial position. Long-term leases receivable are not reported in the fund financial statements.

Note 7 Capital Assets

Township
Capital asset activity for the year ended December 31, 2024, for the Township was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Primary Government - Governmental Activities				
Capital Assets Not Being Depreciated				
Land	$ 3,537,002	$ -	$ -	$ 3,537,002
Total Assets Not Being Depreciated	3,537,002	-	-	3,537,002
Capital Assets Being Depreciated				
Buildings and building improvements	2,845,502	411,790	-	3,257,292
Infrastructure	4,292,645	-	-	4,292,645
Furniture and fixtures	104,007	-	-	104,007
Equipment	1,607,186	-	-	1,607,186
Vehicles	448,702	88,464	-	537,166
Total Assets Being Depreciated	9,298,042	500,254	-	9,798,296
Less Accumulated Depreciation				
Buildings and building improvements	(1,283,053)	(72,977)	-	(1,356,030)
Infrastructure	(1,711,100)	(164,858)	-	(1,875,958)
Furniture and fixtures	(104,007)	-	-	(104,007)
Equipment	(1,070,649)	(109,312)	-	(1,179,961)
Vehicles	(435,997)	(27,947)	-	(463,944)
Total Accumulated Depreciation	(4,604,806)	(375,094)	-	(4,979,900)
Total Capital Assets Being Depreciated, Net	4,693,236	125,160	-	4,818,396
Governmental Activities Capital Assets, Net	$ 8,230,238	$ 125,160	$ -	$ 8,355,398

Note 7 Capital Assets (Continued)

Township (continued)
Depreciation expense was charged to functions of the Township as follows:

General government	$ 56,198
Public safety	1,902
Public works - highway and streets	261,072
Public works - stormwater management	28,405
Culture and recreation	27,517
Total Depreciation Expense	$ 375,094

Component Units
Capital Assets presented in the component unit financial statements are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Perkiomen Township Municipal Authority				
Capital Assets Being Depreciated				
Sewer system	$ 6,107,150	$ -	$ -	$ 6,107,150
Equipment	444,809	-	-	444,809
Total Capital Assets Being Depreciated	6,551,959	-	-	6,551,959
Less Accumulated Depreciation				
Sewer system	(3,611,245)	(84,819)	-	(3,696,064)
Equipment	(334,474)	(15,952)	-	(350,426)
Total Accumulated Depreciation	(3,945,719)	(100,771)	-	(4,046,490)
Perkiomen Township Municipal Authority Capital Assets, Net	$ 2,606,240	$ (100,771)	$ -	$ 2,505,469
Perkiomen Township Fire Company				
Capital Assets Being Depreciated				
Buildings and building improvements	$ 926,751	$ -	$ -	$ 926,751
Equipment	960,060	68,876	-	1,028,936
Vehicles	1,569,769	-	-	1,569,769
Total Capital Assets Being Depreciated	3,456,580	68,876	-	3,525,456
Less Accumulated Depreciation				
Buildings and building improvements	(651,269)	(28,553)	-	(679,822)
Equipment	(855,569)	(43,017)	-	(898,586)
Vehicles	(1,129,198)	(79,196)	-	(1,208,394)
Total Accumulated Depreciation	(2,636,036)	(150,766)	-	(2,786,802)
Perkiomen Township Fire Company Capital Assets, Net	$ 820,544	$ (81,890)	$ -	$ 738,654

Note 8 Unearned Revenue

Unearned revenue of $304,238 as of December 31, 2024 represents grant proceeds received for which the related expenditures have not yet been incurred.

Note 9 Deferred Inflows of Resources

Deferred inflows of resources on the balance sheet – government funds as of December 31, 2024, totaling $298,505, consists of earned income taxes that do not meet the availability criteria for the fund financial statements. These earned income taxes are recorded as revenue in the government-wide financial statements.

Note 10 Long-Term Debt

Component Unit – Perkiomen Township Fire Company
The Fire Company obtained a $160,000 promissory note from the Commonwealth of Pennsylvania through the Pennsylvania Emergency Management Agency (PEMA), dated November 12, 2009. This note is payable in 180 equal monthly installments of $1,030, including principal and interest at 2%, maturing on April 1, 2025.

The Fire Company obtained a $200,000 promissory note from the Commonwealth of Pennsylvania through the Pennsylvania Emergency Management Agency (PEMA), dated June 3, 2019. This note is payable in 240 equal monthly installments of $1,012, including principal and interest at 2%, maturing on October 1, 2039.

Future debt service payments on the above notes payable are as follows:

Year	Principal	Interest	Total
2025	$ 14,028	$ 3,054	$ 17,082
2026	9,294	2,847	12,141
2027	9,481	2,660	12,141
2028	9,673	2,468	12,141
2029	9,868	2,273	12,141
2030 - 2034	52,409	8,297	60,706
2035 - 2039	55,891	2,792	58,683
Totals	$ 160,644	$ 24,391	$ 185,035

Note 10 Long-Term Debt (Continued)

Changes in General Long-Term Debt
The following summarizes the changes in long-term debt for the discretely presented component units for the year ended December 31, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Perkiomen Township Fire Company:					
Note Payable - PEMA Loans:					
# 0010673	$ 17,059	$ -	$ (12,141)	$ 4,918	$ 4,918
# P31003895-201	164,656	-	(8,930)	155,726	9,110
Total Long-Term Debt	$ 181,715	$ -	$ (21,071)	$ 160,644	$ 14,028

Note 11 Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The Township expects such amounts, if any, to be immaterial.

Significant losses for possible claims and judgments are covered by commercial insurance. There have been no significant reductions in insurance coverage from the prior fiscal year, and settlement amounts have not exceeded insurance coverage for the current fiscal year or the three prior fiscal years.

Note 12 Perkiomen Township Non-Uniformed Employees' Pension Plan

Description of Plan
The Perkiomen Township Non-Uniformed Employees' Pension Plan is a single-employer defined contribution pension plan controlled by the provisions of Ordinance No. 126. The plan is governed by the Board of Township Supervisors, which is responsible for the management of plan assets. The Board of Township Supervisors has delegated the authority to manage certain plan assets to the Pennsylvania State Association of Boroughs (PSAB).

Note 12 Perkiomen Township Non-Uniformed Employees' Pension Plan (Continued)

Benefit Provisions
As of December 31, 2024, the pension plan's benefit provisions were as follows:

- Eligibility Requirements: Full-time employees that work over 35 hours a week are eligible for the plan upon completion of six months of service;
- Retirement Benefit: Normal Retirement – Benefits are payable upon attainment of age 65; Early Retirement – Benefits are payable upon attainment of age 62; Vesting – Based upon completed years of service;
- Other Benefits: The plan also provides for death and disability benefits.

Funding Policy
Active members are not required to contribute to the plan. The municipality is required to contribute six percent of each eligible participant's base compensation.

The pension plan may also be eligible for an annual allocation from the General Municipal Pension System State Aid Program, which must be used to reduce or eliminate the required municipal contribution. Contributions to the plan for 2024 totaled $40,780. The total investments of $910,334 under the plan are invested with the PSAB Municipal Retirement Trust, which represents 100% of the plan assets.

Summary of Significant Accounting Policies
A. Basis of Accounting
The plan's policy is to prepare its financial statements on the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

B. Valuation of Investments
Investments are reported at market value. Consequently, the carrying value of investments is adjusted for unrealized gains and unrealized losses.

C. Deposits and Investments
For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township may not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The investments held in the fiduciary funds consist of open-ended mutual funds, and as such, are not exposed to custodial credit risk.

Note 13 Deferred Compensation (IRC § 457(b)) Plan

The Township established a deferred compensation plan to provide employees a convenient way to save for retirement. Under the plan, deferred compensation is held until paid to the participant or to his/her beneficiary according to the provisions of the plan. An employee may become a participant in the plan by completing and executing the forms required by the plan administrator. Contribution limits are determined in accordance with IRC Code § 457(c)(2), which for 2024 limited the amount that may be deferred to the lesser of $23,000, or 100% of the participant's compensation. Additional catch-up contributions may be made by employees who are 50 years of age or older. Catch-up contributions of $7,500 were allowed for the year ended December 31, 2024. The investment of funds under the plan is self-directed by the participants and administered by the plan administrator. The Township has no fiduciary responsibility under the plan.

Note 14 Restricted Net Position and Fund Balances

In the Statement of Net Position, the restricted net position of the primary government and the restricted fund balances of the governmental funds consists of assets restricted for open space, totaling $3,426,941, and highway construction and maintenance, totaling $647,748.

Assigned fund balances are for future capital projects, equipment replacement, contingencies and emergencies, and other purposes established by the Board of Supervisors through Resolution.

Note 15 Commitments and Contingencies

Grant Programs
The Township participates in state and federally assisted grant programs including State Highway Aid. These programs are subject to program compliance audits by the grantors or their representatives. The Township is potentially liable for any expenditures that may be disallowed pursuant to the terms of these grant programs.

Note 16 Prior Period Adjustments

Understatement of Prepaid Expenditures/Expenses
Employees' medical insurance premiums for January 2024 were inadvertently included in expenditures of the General Fund in 2023. Accordingly, the beginning of year fund balance of the General Fund and the net position of the governmental activities has been restated in these financial statements to reclassify those premiums as prepaid expenditures/expenses as of December 31, 2023.

Note 16 Prior Period Adjustments (Continued)

Understatement of Grant Revenue and Overstatement of Unearned Revenue
Coronavirus State and Local Fiscal Recovery Funds grant revenue, included in intergovernmental revenues, was understated for the year ended December 31, 2023, and the related unearned revenue was overstated as of December 31, 2023, by $32,136. Accordingly, the beginning of year fund balance of the General Fund and the net position of the governmental activities has been restated in these financial statements to restate the balance of unearned revenue as of December 31, 2023.

Summary of Restatement of Fund Balance and Net Position
The effect on the beginning fund balance of the General Fund and the beginning net position of governmental activities is summarized below.

	General Fund	Governmental Activities
Fund balance/net position as of December 31, 2023, as previously stated	$ 15,778,386	$ 26,779,038
Restatement of net position to adjust the balance of unearned revenue	32,136	32,136
Restatement of prepaid expenditures/expenses	18,328	18,328
Fund balance/net position as of December 31, 2023, as restated	$ 15,828,850	$ 26,829,502

Restatement of Net Position of Perkiomen Township Fire Company
The total cash balance of Perkiomen Township Fire Company (the "Fire Company") was understated by $12,423 as of December 31, 2023, due to the omission of the balance maintained in the Fire Company's PayPal account. Accordingly, the beginning of year net position has been restated in these financial statements to include the balance of the PayPal account, as follows:

Net position as of December 31, 2023, as previously stated	$ 1,009,548
Balance of PayPal account as of December 31, 2023	12,423
Net position as of December 31, 2023, as restated	$ 1,021,971

Note 17 Subsequent Events

The Township's management has evaluated subsequent events to determine if events or transactions occurring through June 13, 2025, the date on which the financial statements were available for issuance, require potential adjustment to, or disclosures in, the accompanying financial statements. Based upon the evaluation, the Township's management did not identify any subsequent events other than the event noted above that require adjustment or disclosure in the financial statements.

Perkiomen Township
Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Favorable (Unfavorable) Variance
Revenues				
Real estate taxes	$ 171,500	$ 171,500	$ 171,697	$ 197
Real estate transfer taxes	173,804	173,804	263,421	89,617
Earned income taxes	2,600,000	2,600,000	3,071,839	471,839
Licenses and permits	137,700	137,700	129,453	(8,247)
Fines and forfeits	2,700	2,700	4,694	1,994
Interest earnings	250,000	250,000	579,580	329,580
Rents	29,000	29,000	28,669	(331)
Intergovernmental revenues	311,800	311,800	427,363	115,563
Charges for services	42,310	42,310	63,693	21,383
Other revenue	145,000	145,000	1,000	(144,000)
Total Revenues	3,863,814	3,863,814	4,741,409	877,595
Expenditures				
Current Operating:				
General government	1,396,713	1,396,713	954,462	442,251
Public safety	474,678	474,678	366,023	108,655
Public works - sanitation	57,258	57,258	44,300	12,958
Public works - highway and streets	1,423,156	1,423,156	739,016	684,140
Public works - stormwater management	121,400	121,400	16,571	104,829
Public works - water	67,000	67,000	71,652	(4,652)
Culture and recreation	1,166,819	1,166,819	866,294	300,525
Total Expenditures	4,707,024	4,707,024	3,058,318	1,648,706
Excess of Revenues Over (Under) Expenditures	(843,210)	(843,210)	1,683,091	2,526,301
Other Financing Sources (Uses)				
Transfers out	-	-	(205,000)	(205,000)
Total Other Financing Sources and Uses	-	-	(205,000)	(205,000)
Net Change in Fund Balances	(843,210)	(843,210)	1,478,091	2,321,301
Fund Balances - Beginning of Year (As Restated)	843,210	843,210	15,828,850	14,985,640
Fund Balances - End of Year	$ -	$ -	$ 17,306,941	$ 17,306,941

Perkiomen Township
Budgetary Comparison Schedule - Highway Aid Fund
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Favorable (Unfavorable) Variance
Revenues				
Interest earnings	$ 30,000	$ 30,000	$ 32,995	$ 2,995
Intergovernmental revenues	250,631	250,631	252,837	2,206
Total Revenues	280,631	280,631	285,832	5,201
Expenditures				
Current Operating:				
Public works - highway and streets	354,668	354,668	212,421	142,247
Total Expenditures	354,668	354,668	212,421	142,247
Fund Balances - Beginning of Year	74,037	74,037	560,237	486,200
Fund Balances - End of Year	$ -	$ -	$ 633,648	$ 633,648

Perkiomen Township
Notes to Budgetary Comparison Schedules
December 31, 2024

Note 1 Included Funds

The Township presents budgetary comparison schedules for its General Fund and for each major special revenue fund that has a legally adopted annual budget, which includes the Highway Aid Fund.

Note 2 Budgetary Basis of Accounting

The Township prepares its budgets on a GAAP basis.

Perkiomen Township
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024

	Fire Tax Fund	Municipal Services and Facilities Fund	Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	$ 1,365,026	$ 15,818	$ 1,380,844
Taxes receivable	1,613	-	1,613
Total Assets	$ 1,366,639	$ 15,818	$ 1,382,457
Liabilities and Fund Balances			
Liabilities			
Interfund payables	$ 15,622	$ -	$ 15,622
Total Liabilities	15,622	-	15,622
Fund Balances			
Assigned	1,351,017	15,818	1,366,835
Total Fund Balances	1,351,017	15,818	1,366,835
Total Liabilities and Fund Balances	$ 1,366,639	$ 15,818	$ 1,382,457

Perkiomen Township
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2024

	Fire Tax Fund	Municipal Services and Facilities Fund	Nonmajor Governmental Funds
Revenues			
Real estate taxes	$ 291,230	$ -	$ 291,230
Interest earnings	56,283	-	56,283
Charges for services	-	1,000	1,000
Total Revenues	347,513	1,000	348,513
Expenditures			
Current Operating			
General government	14,511	-	14,511
Public safety	46,296	-	46,296
Total Expenditures	60,807	-	60,807
Net Change in Fund Balances	286,706	1,000	287,706
Fund Balances - Beginning of Year	1,064,311	14,818	1,079,129
Fund Balances - End of Year	$ 1,351,017	$ 15,818	$ 1,366,835

Perkiomen Township
Budgetary Comparison Schedule - Capital Reserve Fund
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts	Favorable (Unfavorable) Variance
Revenues				
Interest earnings	$ -	$ -	$ 39,039	$ 39,039
Total Revenues	-	-	39,039	39,039
Expenditures				
Current Operating:				
General government	500,000	500,000	5,865	494,135
Public works	598,410	598,410	138,963	459,447
Total Expenditures	1,098,410	1,098,410	144,828	953,582
Excess of Revenues (Under) Expenditures	(1,098,410)	(1,098,410)	(105,789)	992,621
Other Financing Sources				
Transfers in	-	-	205,000	205,000
Total Other Financing Sources	-	-	205,000	205,000
Net Change in Fund Balances	(1,098,410)	(1,098,410)	99,211	1,197,621
Fund Balances - Beginning of Year	1,098,410	1,098,410	892,198	(206,212)
Fund Balances - End of Year	$ -	$ -	$ 991,409	$ 991,409

BGA&F
BARSZ GOWIE AMON FULTZ
Certified Public Accountants

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Supervisors
Perkiomen Township
Collegeville, Montgomery County, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Perkiomen Township, Montgomery County, Pennsylvania, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise Perkiomen Township, Montgomery County, Pennsylvania's basic financial statements and have issued our report thereon dated June 13, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Perkiomen Township, Montgomery County, Pennsylvania's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Perkiomen Township, Montgomery County, Pennsylvania's internal control. Accordingly, we do not express an opinion on the effectiveness of Perkiomen Township, Montgomery County, Pennsylvania's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Perkiomen Township, Montgomery County, Pennsylvania's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Barsz Gowie Amon & Fultz, LLC

Media, Pennsylvania
June 13, 2025

Perkiomen Township
Schedule of Findings and Responses
For the Year Ended December 31, 2024

Section I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weaknesses identified?	No
• Significant deficiencies identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

Section II – Financial Statement Findings

Status of Prior-Year Findings:

None

Current-Year Findings:

None