

ATTESTATION ENGAGEMENT

Township of Darlington

Beaver County, Pennsylvania

04-204

Highway Transfer Program

Agreement No. 119617

For the Period

February 24, 2021 to June 30, 2025

October 2025



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



Commonwealth of Pennsylvania
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TIMOTHY L. DEFOOR
AUDITOR GENERAL

Independent Auditor's Report

The Honorable Michael Carroll
Secretary
Department of Transportation
Harrisburg, PA 17120

We have examined the accompanying Form PR-999T With Adjustments of the Highway Transfer Program - Turnback Account of the Township of Darlington, Beaver County, for the period February 24, 2021 to June 30, 2025. The municipality's management is responsible for presenting the Form PR-999T in accordance with the criteria described in the Background section of this report and the Department of Transportation's *Publication 310*. Our responsibility is to express an opinion on the Form PR-999T With Adjustments based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Form PR-999T is presented in accordance with the criteria described above, in all material respects. An examination involves performing procedures to obtain evidence about the Form PR-999T. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material misstatement of the Form PR-999T, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with ethical requirements relating to the engagement.

As described in the Auditor Description Of Select Transactions section of this report, the adjustments included on the Form PR-999T With Adjustments are made by the Department of the Auditor General.

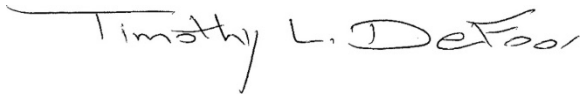
Independent Auditor's Report (Continued)

In our opinion, the Form PR-999T With Adjustments presents, in all material respects, the information required by the Pennsylvania Department of Transportation for the Highway Transfer Program - Turnback Account of the Township of Darlington, Beaver County, for the period February 24, 2021, to June 30, 2025, in accordance with the criteria described in the Background section of this report and the Department of Transportation's *Publication 310*.

Our examination period reflects from the date the turnback funds were received by the Township of Darlington, Beaver County, to the date the funds were either exhausted or the remaining funds were transferred to the township's Liquid Fuels Tax Fund. Upon the completion of the program the township filed a Final Completion Report Form PR-999T with the Department of Transportation. Our examination began shortly after we received the approved Final Completion Report Form PR-999T from the Department of Transportation.

The purpose of this report is to provide information related to the municipality's Turnback Account to assist the Pennsylvania Department of Transportation in fulfilling its regulatory authority as described in the laws and regulations identified in the Background section of this report and the Department of Transportation's *Publication 310*. This report is not suitable for any other purpose.

We appreciate the courtesy extended by the Township of Darlington, Beaver County, to us during the course of our examination. If you have any questions, please feel free to contact the Bureau of County Audits at 717-787-1363.

A handwritten signature in dark ink, reading "Timothy L. DeFoor". The signature is written in a cursive style with a horizontal line extending to the left.

Timothy L. DeFoor
Auditor General
September 23, 2025

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TOWNSHIP OF DARLINGTON
BEAVER COUNTY
HIGHWAY TRANSFER PROGRAM – TURNBACK ACCOUNT
BACKGROUND
FOR THE PERIOD
FEBRUARY 24, 2021 TO JUNE 30, 2025

Background

The Highway Transfer Program (more commonly known as the Highway Turnback Program) is outlined in Title 75 P.S. § 9511. It is designed to reduce the amount of state road mileage by transferring “functionally-local” roads on a cooperative, voluntary basis to local governments. When a municipality takes over a road through this program, the Department of Transportation and the municipality jointly determine the necessity and extent of any restoration or rehabilitative work required to put a state highway in satisfactory condition before it is transferred. The rehabilitative work may be done by the Department of Transportation, municipal forces, or be contracted out by either party.

If the restoration or rehabilitation is to be done by the municipality or a contractor hired by the municipality, the municipality receives funds for the work from the State Highway Transfer Restoration Restricted Receipt Account. These funds must be deposited into a separate interest-bearing Highway Transfer Account. Any funds not used for the restoration or rehabilitation of the road that was transferred to the municipality must be transferred to the township’s Liquid Fuels Tax Fund.

Department of Transportation *Publication 310* contains the policies and procedures that govern the use of Highway Transfer Program money. However, if there is a difference between *Publication 310* and any legislation, the legislation shall govern.

Criteria

The criteria for the Form MS-965 With Adjustment are described below.

Form PR-999T With Adjustments provides a summary of Highway Transfer Program receipts and expenditures by category. Categories requiring explanation include:

- The Turnback Grant is the grant received from the Commonwealth of Pennsylvania to be used for the restoration or rehabilitation of the road or roads transferred from the state to the municipality.
- The Unexpended balance transfer is money that was not used for the restoration or rehabilitation of the road or roads transferred from the state to the municipality that was transferred to the municipality’s Liquid Fuels Tax Fund upon completion of the project.

TOWNSHIP OF DARLINGTON
BEAVER COUNTY
HIGHWAY TRANSFER PROGRAM – TURNBACK ACCOUNT
BACKGROUND
FOR THE PERIOD
FEBRUARY 24, 2021 TO JUNE 30, 2025

Background (Continued)

Basis Of Presentation

The financial activities of the municipality are accounted for in separate funds. The Highway Transfer Program, Act 32 of 1983 (also referred to as Road Turnback by the Department of Transportation), provides state funds to municipal governments for the costs of restoring state highways for which ownership is turned back to the municipal government. The turnback revenues are deposited in a separate turnback account. After the highway restoration work is completed, any unexpended funds are to be transferred to the Liquid Fuels Tax Fund.

The Form PR-999T has been prepared in accordance with reporting requirements prescribed by the Pennsylvania Department of Transportation as a result of Act 32 of 1983, which does not constitute a complete presentation of the entity's assets, liabilities, expenses, and fund balance.

Basis Of Accounting

The accompanying Form PR-999T With Adjustments is prepared in accordance with reporting requirements prescribed by the Pennsylvania Department of Transportation. Under this method, revenues are recognized when received and expenditures are recorded when paid.

General Fixed Assets

General fixed assets are recognized as expenditures at the time of purchase. No depreciation has been provided on the heavy equipment used to maintain and repair roads and bridges.

TOWNSHIP OF DARLINGTON
 BEAVER COUNTY
 HIGHWAY TRANSFER PROGRAM – TURNBACK ACCOUNT
 FORM PR-999T WITH ADJUSTMENTS
 FOR THE PERIOD
 FEBRUARY 24, 2021 TO JUNE 30, 2025

	<u>Reported</u>	<u>Adjustments</u>	<u>Adjusted Amount</u>
<u>Cash Receipts</u>			
Turnback grant	\$ 97,100.00	\$ -	\$ 97,100.00
Interest	68.98	-	68.98
Miscellaneous	-	31,048.59	31,048.59
	<u> </u>	<u> </u>	<u> </u>
Total receipts	<u>\$ 97,168.98</u>	<u>\$ 31,048.59</u>	<u>\$ 128,217.57</u>
 <u>Cash Disbursements</u>			
Highway construction and rebuilding	\$ 66,120.39	\$ -	\$ 66,120.39
Unexpended balance transfer	31,048.59	-	31,048.59
Miscellaneous	-	31,048.59	31,048.59
	<u> </u>	<u> </u>	<u> </u>
Total disbursements	<u>\$ 97,168.98</u>	<u>\$ 31,048.59</u>	<u>\$ 128,217.57</u>

TOWNSHIP OF DARLINGTON
BEAVER COUNTY
HIGHWAY TRANSFER PROGRAM – TURNBACK ACCOUNT
AUDITOR DESCRIPTION OF SELECT TRANSACTIONS
FOR THE PERIOD
FEBRUARY 24, 2021 TO JUNE 30, 2025

The following information relates to certain types of transactions for which the Pennsylvania Department of Transportation requested that we provide additional detail.

Adjustments

An adjustment of \$31,048.59 was made to “Miscellaneous” cash receipts because a deposit in error was not reported.

An adjustment of \$31,048.59 was made to “Miscellaneous” cash disbursements because the correction of a deposit in error was not reported.

Unexpended Balance

During our examination, we noted that the municipality transferred the \$31,048.59 unexpended balance of the turnback account to its Liquid Fuels Tax Fund account on June 30, 2025, in accordance with Act 32 of 1983.

Deposit In Error

On June 26, 2025, the municipality deposited \$31,048.59 into its Turnback account in error. On June 27, 2025, the municipality transferred this amount from its Turnback account to its General Fund to correct the deposit in error.

TOWNSHIP OF DARLINGTON
BEAVER COUNTY
HIGHWAY TRANSFER PROGRAM – TURNBACK ACCOUNT
SUMMARY OF ONSITE CLOSEOUT MEETING
FOR THE PERIOD
FEBRUARY 24, 2021 TO JUNE 30, 2025

An onsite closeout meeting was held July 8, 2025. Those participating were:

TOWNSHIP OF DARLINGTON

Ms. Brenna Boyde, Secretary/Treasurer

DEPARTMENT OF THE AUDITOR GENERAL

Mr. Joe Farah, Auditor

TOWNSHIP OF DARLINGTON
BEAVER COUNTY
HIGHWAY TRANSFER PROGRAM – TURNBACK ACCOUNT
REPORT DISTRIBUTION
FOR THE PERIOD
FEBRUARY 24, 2021 TO JUNE 30, 2025

This report was initially distributed to:

The Honorable Michael Carroll
Secretary
Department of Transportation

Township of Darlington
Beaver County
3590 Darlington Rd
Darlington, PA 16115

The Honorable Michael Carreon
Chairman of the Board of Supervisors

Ms. Brenna Boyde
Secretary/Treasurer

This report is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: news@PaAuditor.gov.