

Department of Community & Economic Development
Governor's Center for Local Government Services
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225
Ph: 888-223-6837 | fax: 717-783-1402

2012 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

Township of: West Norriton County: Montgomery

WEST NORRITON TOWNSHIP

TABLE OF CONTENTS

	<u>Page Numbers</u>
Balance Sheet (regulatory basis)	1 - 2
Statement of Revenues and Expenditures (regulatory basis)	3 - 14
Supporting Schedules:	
Debt Statement	15
Statement of Capital Expenditures and Employee Compensation	16
Notes/Comments	17
Independent Auditors' Report	18 - 20

**Balance Sheet
December 31, 2012**

Assets and Other Debits		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue	Capital Projects	Debt Service
100-120	Cash and Investments	\$ 23,349	\$ 132,057	\$ 6,207,419	\$ 1,827
140-144	Tax Receivable				
121-129					
145-149	Account Receivable (excluding taxes)				
130	Due From Other Funds			87,766	
131-139					
150-159	Other Current Assets	35			
160-169	Fixed Assets				
180-189	Other Debits				
Total Assets and Other Debits		\$ 23,384	\$ 132,057	\$ 6,295,185	\$ 1,827

Liabilities and Other Credits					
210-229	Payroll Taxes and Other Payroll Withholdings	\$ 25,492	\$ -	\$ -	\$ -
200-209					
231-239	All Other Current Liabilities				
230	Due To Other Funds	87,766			
260-269	Long Term Liabilities				
240-259	Current Portion of Long-Term Debt & Other Credits				
Total Liabilities and Other Credits		\$ 113,258	\$ -	\$ -	\$ -

Fund and Account Group Equity					
281-284	Contributed Capital	\$ 158,600			
290	Investment in General Fixed Assets				
270-289	Fund Balance / Retained Earnings on 12/31	(248,474)	132,057	6,295,185	1,827
291-299	Other Equity				
Total Fund and Account Group Equity		\$ (89,874)	\$ 132,057	\$ 6,295,185	\$ 1,827

Assets and Other Debits		PROPRIETARY FUNDS		FIDUCIARY FUND	ACCOUNT GROUPS		TOTAL
		Enterprise	Internal Service	Trust & Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
100-120	Cash and Investments	\$ 6,065,506		\$ 12,451,546			\$ 24,881,704
140-144	Tax Receivable						-
121-129							
145-149	Account Receivable (excluding taxes)	446,588					446,588
130	Due From Other Funds						87,766
131-139							
150-159	Other Current Assets						35
160-169	Fixed Assets	8,459,802			8,826,684		17,286,486
180-189	Other Debits	49,127				10,522,349	10,571,476
Total Assets and Other Debits		\$ 15,021,023	\$ -	\$ 12,451,546	\$ 8,826,684	\$ 10,522,349	\$ 53,274,055

Liabilities and Other Credits									
210-229	Payroll Taxes and Other Payroll Withholdings		\$ -	\$ -	\$ -	\$ -			\$ 25,492
200-209									
231-239	All Other Current Liabilities	77,943		609,219					687,162
230	Due To Other Funds								87,766
260-269	Long Term Liabilities	70,613				9,596,284			9,666,897
240-259	Current Portion of Long-Term Debt & Other Credits					926,065			926,065
Total Liabilities and Other Credits		\$ 148,556	\$ -	\$ 609,219	\$ -	\$ 10,522,349	\$ -	\$ -	\$ 11,393,382

Fund and Account Group Equity									
281-284	Contributed Capital	\$ 2,446,402							\$ 2,605,002
290	Investment in General Fixed Assets					8,826,684			8,826,684
270-289	Fund Balance / Retained Earnings on 12/31	12,426,065		11,842,327					30,448,987
291-299	Other Equity								-
Total Fund and Account Group Equity		\$ 14,872,467	\$ -	\$ 11,842,327	\$ 8,826,684	\$ -	\$ -	\$ -	\$ 41,880,673

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY	\$ 53,274,055
--	----------------------

Intergovernmental Revenues		Governmental Funds			
Federal		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
351.03	Highways and Streets	\$ -	\$ -	\$ -	\$ -
351.09	Community Development				
351.00	All Other Federal Capital and Operating Grants	33,276			
352.01	National Forest				
352.00	All Other Federal Shared Revenue & Entitlements	-			
353.00	Federal Payments in Lieu of Taxes				
Total Federal		\$ 33,276	\$ -	\$ -	\$ -

State					
354.03	Highway and Streets	\$ -	\$ -	\$ -	\$ -
354.09	Community Development				
354.15	Recycling/Act 101				
354.00	All Other State Capital and Operating Grants	79,609			
355.01	Public Utility Realty Tax	7,638			
355.02-	Motor Vehicle Fuel Tax				
355.03	(Liquid Fuels Tax) and State Road Turnback		286,822		
355.04	Alcoholic Beverage Licenses				
355.05	General Municipal Pension System State Aid				
355.07	Foreign Fire Insurance Tax Distribution	121,214			
355.08	Local Share Assessment/Gaming Proceeds	2,400			
355.00	All Other State Shared Revenues and Entitlements	108,978			
356.00	State Payment in Lieu of Taxes				
Total State		\$ 319,839	\$ 286,822	\$ -	\$ -

Local Governmental Units					
357.03	Highways and Streets	\$ -	\$ -	\$ -	\$ -
357.00	All Other Local Governmental Units Capital and Operating Grants			89,027	
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services				
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes				
Total Local Governmental Units		\$ -	\$ -	\$ 89,027	\$ -

Intergovernmental Revenues		Proprietary Funds		Fiduciary Fund	Total
Federal		Enterprise	Internal Service	Trust and Agency	Memorandum Only
351.03	Highways and Streets	\$ -	\$ -	\$ -	\$ -
351.09	Community Development				-
351.00	All Other Federal Capital and Operating Grants				33,276
352.01	National Forest				-
352.00	All Other Federal Shared Revenue & Entitlements				-
353.00	Federal Payments in Lieu of Taxes				-
Total Federal		\$ -	\$ -	\$ -	\$ 33,276

State		Proprietary Funds		Fiduciary Fund	Total
354.03	Highway and Streets	\$ -	\$ -	\$ -	\$ -
354.09	Community Development				-
354.15	Recycling/Act 101				-
354.00	All Other State Capital and Operating Grants				79,609
355.01	Public Utility Realty Tax				7,638
355.02-	Motor Vehicle Fuel Tax				-
355.03	(Liquid Fuels Tax) and State Road Turnback				286,822
355.04	Alcoholic Beverage Licenses				-
355.05	General Municipal Pension System State Aid			278,937	278,937
355.07	Foreign Fire Insurance Tax Distribution				121,569
355.08	Local Share Assessment/Gaming Proceeds				2,400
355.00	All Other State Shared Revenues and Entitlements				108,978
356.00	State Payment in Lieu of Taxes				-
Total State		\$ -	\$ -	\$ 278,937	\$ 885,598

Local Governmental Units		Proprietary Funds		Fiduciary Fund	Total
357.03	Highways and Streets	\$ -	\$ -	\$ -	\$ -
357.00	All Other Local Governmental Units Capital and Operating Grants				89,027
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services				-
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes				-
Total Local Government Units		\$ -	\$ -	\$ -	\$ 89,027

TOTAL INTERGOVERNMENTAL REVENUES					\$ 1,007,901
---	--	--	--	--	--------------

Revenues	Governmental Funds
----------	--------------------

Charges for Service		General Fund	Special Revenue (including State Liquid Fuels)	Capital Projects	Debt Service
361.00	General Government	\$ 12,950	\$ -	\$ -	\$ -
362.00	Public Safety	107,683			
363.20	Parking				
363.00	All Other Charges for Highway & Streets Services				
364.10	Wastewater/Sewage Charges				
364.30	Solid Waste Collection & 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	137,590			
368.00	Airports				
369.00	Bars				
370.00	Cemeteries				
372.00	Electric System				
373.00	Gas System				
374.00	Housing System				
375.00	Markets				
377.00	Transit Systems				
378.00	Water System				
379.00	All Other Charges for Services				
Total Charges for Services		\$ 258,223	\$ -	\$ -	\$ -

Unclassified Operating Revenues					
383.00	Special Assessments	\$ -	\$ -	\$ -	\$ -
386.00	Escheats (sale of personal property)				
387.00	Contributions & Donations from Private Sectors	350		-	
388.00	Fiduciary Fund Pension Contributions				
389.00	All Other Unclassified Operating Revenues	26,142			
Total Unclassified Operating Revenues		\$ 26,492	\$ -	\$ -	\$ -

Other Financing Sources					
391.00	Proceeds of General Fixed Asset Disposition	\$ 19,822			
392.00	Interfund Operating Transfers	1,946,943		1,374,840	255,000
393.00	Proceeds of General Long-Term Debt				
394.00	Proceeds of Short-Term Debt				
395.00	Refunds of Prior Year Expenditures	122			
Total Other Financing Sources		\$ 1,966,887	\$ -	\$ 1,374,840	\$ 255,000

TOTAL REVENUES	\$ 9,364,044	\$ 475,367	\$ 1,490,242	\$ 1,042,571
-----------------------	---------------------	-------------------	---------------------	---------------------

Revenues		Proprietary Funds		Fiduciary Fund	Total
----------	--	-------------------	--	----------------	-------

Charges for Service		Enterprise	Internal Service	Trust and Agency	Memorandum Only
361.00	General Government	\$ -	\$ -	\$ -	\$ 12,950
362.00	Public Safety				107,683
363.20	Parking				-
363.00	All Other Charges for Highway & Streets Services				-
364.10	Wastewater/Sewage Charges	2,933,198			2,933,198
364.30	Solid Waste Collection & 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	1,457,762			1,595,352
368.00	Airports				-
369.00	Bars				-
370.00	Cemeteries				-
372.00	Electric System				-
373.00	Gas System				-
374.00	Housing System				-
375.00	Markets				-
377.00	Transit Systems				-
378.00	Water System				-
379.00	All Other Charges for Services				-
Total Charges for Services		\$ 4,390,960	\$ -	\$ -	\$ 4,649,183

Unclassified Operating Revenues					
383.00	Special Assessments	\$ -	\$ -	\$ -	\$ -
386.00	Escheats (sale of personal property)				\$ -
387.00	Contributions & Donations from Private Sectors				350
388.00	Fiduciary Fund Pension Contributions			772,348	\$ 772,348
389.00	All Other Unclassified Operating Revenues			4,407	30,549
Total Unclassified Operating Revenues		\$ -	\$ -	\$ 776,755	\$ 803,247

Other Financing Sources					
391.00	Proceeds of General Fixed Asset Disposition		\$ -	\$ -	\$ 19,822
392.00	Interfund Operating Transfers	319,470			3,896,253
393.00	Proceeds of General Long-Term Debt				-
394.00	Proceeds of Short-Term Debt				-
395.00	Refunds of Prior Year Expenditures				122
Total Other Financing Sources		\$ 319,470	\$ -	\$ -	\$ 3,916,197

TOTAL REVENUES		\$ 4,797,624	\$ -	\$ 1,918,633	\$ 19,088,481
-----------------------	--	--------------	------	--------------	---------------

EXPENDITURES		Governmental Funds			
		General Fund	Special Revenue (including State Liquid Fuels)	Capital Projects	Debt Service
General Government					
400.00	Legislative (Governing) Body	\$ 209,199	\$ -	\$ -	\$ -
401.00	Executive (Manager or Mayor)	317,488			
402.00	Auditing Services/Financial Administration	10,000			
403.00	Tax Collection	12,944			
404.00	Solicitor/Legal Services	177,697			
405.00	Secretary/Clerk	116,050			
406.00	Other General Government Administration	135			
407.00	IT-Networking Services-Data Processing				
408.00	Engineering Services				
409.00	General Government Buildings and Plant	96,618		247	
Total General Government		\$ 940,131	\$ -	\$ 247	\$ -

Public Safety					
410.00	Police	\$ 3,408,597	\$ -	\$ -	\$ -
411.00	Fire	172,733	187,328		
412.00	Ambulance/Rescue	6,000			
413.00	UCC and Code Enforcement	46,904			
414.00	Planning and Zoning	9,645			
415.00	Emergency Management & Communications				
416.00	Militia and Armories				
417.00	Examination of Licensed Occupations				
418.00	Public Scales (weights and measures)				
419.00	Other Public Safety				
Total Public Safety		\$ 3,643,879	\$ 187,328	\$ -	\$ -

Health and Human Services					
420.00-425.00	Health and Human Services	\$ 6,912	\$ -	\$ -	\$ -

Public Works - Sanitation					
426.00	Recycling Collection and Disposal	\$ -	\$ -	\$ -	\$ -
427.00	Solid Waste Collection and Disposal (trash)				
428.00	Weed Control				
429.00	Wastewater/Sewage Collection and Treatment				
Total Public Works - Sanitation		\$ -	\$ -	\$ -	\$ -

EXPENDITURES		Proprietary Funds		Fiduciary Fund	Total
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
General Government					
400.00	Legislative (Governing) Body	\$ -	\$ -	\$ -	\$ 209,199
401.00	Executive (Manager or Mayor)				317,488
402.00	Auditing Services/Financial Administration				10,000
403.00	Tax Collection				12,944
404.00	Solicitor/Legal Services				177,697
405.00	Secretary/Clerk				116,050
406.00	Other General Government Administration				135
407.00	IT-Networking Services-Data Processing				-
408.00	Engineering Services				-
409.00	General Government Buildings and Plant				96,865
Total General Government		\$ -	\$ -	\$ -	\$ 940,378

Public Safety					
410.00	Police	\$ -	\$ -	\$ -	\$ 3,408,597
411.00	Fire				360,061
412.00	Ambulance/Rescue				6,000
413.00	UCC and Code Enforcement				46,904
414.00	Planning and Zoning				9,645
415.00	Emergency Management & Communications				-
416.00	Militia and Armories				-
417.00	Examination of Licensed Occupations				-
418.00	Public Scales (weights and measures)				-
419.00	Other Public Safety				-
Total Public Safety		\$ -	\$ -	\$ -	\$ 3,831,207

Health and Human Services					
420.00-425.00	Health and Human Services	\$ -	\$ -	\$ -	\$ 6,912

Public Works - Sanitation					
426.00	Recycling Collection and Disposal	\$ -	\$ -	\$ -	\$ -
427.00	Solid Waste Collection and Disposal (trash)				-
428.00	Weed Control				-
429.00	Wastewater/Sewage Collection and Treatment	1,280,782			1,280,782
Total Public Works - Sanitation		\$ 1,280,782	\$ -	\$ -	\$ 1,280,782

EXPENDITURES		Governmental Funds			
		General Fund	Special Revenue (including State Liquid Fuels)	Capital Projects	Debt Service
Public Works - Highways and Streets					
430.00	General Services- Administration	\$ 564,126			\$ -
431.00	Cleaning of Streets and Gutters	14,132			
432.00	Winter Maintenance- Snow Removal	16,884			
433.00	Traffic Control Devices	71,987			
434.00	Street Lighting	214,098			
435.00	Sidewalks and Crosswalks				
436.00	Storm Sewers and Drains	3,314		6,654	
437.00	Repairs of Tools and Machinery	19,123			
438.00	Maintenance & Repairs of Roads & Bridges	8,225	81,234	4,809	
439.00	Highway Construction and Rebuilding Projects				
Total Public Works - Highways and Streets		\$ 911,889	\$ 81,234	\$ 11,463	\$ -

Public Works - Other Services					
440.00	Airports	\$ -	\$ -	\$ -	\$ -
441.00	Cemeteries				
442.00	Electric System				
443.00	Gas System				
444.00	Markets				
445.00	Parking Facilities				
446.00	Storm Water and Flood Control				
447.00	Transit System				
448.00	Water System				
449.00	Water Transport and Terminals				
Total Public Works-Other Services		\$ -	\$ -	\$ -	\$ -

Culture and Recreation					
451.00	Culture- Recreation Administration	\$ 182,391	\$ -	\$ -	\$ -
452.00	Participant Recreation	\$ 167,529			
453.00	Spectator Recreation				
454.00	Parks				
455.00	Shade Trees				
456.00	Libraries	500			
457.00	Civil and Military Celebrations				
458.00	Senior Citizens' Centers	2,500			
459.00	All Other Culture and Recreation	9,967			
Total Culture and Recreation		\$ 362,887	\$ -	\$ -	\$ -

Community Development					
461.00	Conservation of Natural Resources	\$ -	\$ -	\$ -	\$ -
462.00	Community Development and Housing	5,000			
463.00	Economic Development				
464.00	Economic Opportunity				
465.00-					
469.00	All Other Community Development				
Total Community Development		\$ 5,000	\$ -	\$ -	\$ -

EXPENDITURES		Proprietary Funds		Fiduciary Fund	Total
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
Public Works - Highways and Streets					
430.00	General Services- Administration	\$ -	\$ -	\$ -	564,126
431.00	Cleaning of Streets and Gutters				14,132
432.00	Winter Maintenance- Snow Removal				16,884
433.00	Traffic Control Devices				71,987
434.00	Street Lighting				214,098
435.00	Sidewalks and Crosswalks				-
436.00	Storm Sewers and Drains				9,968
437.00	Repairs of Tools and Machinery				19,123
438.00	Maintenance & Repairs of Roads & Bridges				94,268
439.00	Highway Construction and Rebuilding Projects				-
Total Public Works - Highways and Streets		\$ -	\$ -	\$ -	1,004,586

Public Works - Other Services					
440.00	Airports	\$ -	\$ -	\$ -	\$ -
441.00	Cemeteries				-
442.00	Electric System				-
443.00	Gas System				-
444.00	Markets				-
445.00	Parking Facilities				-
446.00	Storm Water and Flood Control				-
447.00	Transit System				-
448.00	Water System				-
449.00	Water Transport and Terminals				-
Total Public Works-Other Services		\$ -	\$ -	\$ -	\$ -

Culture and Recreation					
451.00	Culture- Recreation Administration	\$ -	\$ -	\$ -	182,391
452.00	Participant Recreation	\$ 864,284			1,031,813
453.00	Spectator Recreation				-
454.00	Parks				-
455.00	Shade Trees				-
456.00	Libraries				500
457.00	Civil and Military Celebrations				-
458.00	Senior Citizens' Centers				2,500
459.00	All Other Culture and Recreation				9,967
Total Culture and Recreation		\$ 864,284	\$ -	\$ -	1,227,171

Community Development					
461.00	Conservation of Natural Resources	\$ -	\$ -	\$ -	-
462.00	Community Development and Housing				5,000
463.00	Economic Development				-
464.00	Economic Opportunity				-
465.00-					-
469.00	All Other Community Development				-
Total Community Development		\$ -	\$ -	\$ -	5,000

EXPENDITURES		Governmental Funds			
		General Fund	Special Revenue (including State Liquid Fuels)	Capital Projects	Debt Service
Debt Service					
471.00	Debt Principal (short-term and long-term)				\$ 778,394
472.00	Debt Interest (short-term and long-term)				264,006
475.00	Fiscal Agent Fees				
Total Debt Service		\$ -	\$ -	\$ -	\$ 1,042,400

Employer Paid Benefits & Withholding Items					
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	\$ 134,793	\$ -	\$ -	\$ -
482.00	Judgments and Losses				
483.00	Pension/Retirement Fund Contributions	705,182			
484.00	Worker Compensation Insurance	202,358			
487.00	Group Insurance and Other Benefits	1,645,631			
Total Employer Paid Benefits & Withholding Items		\$ 2,687,964	\$ -	\$ -	\$ -

Insurance					
486.00	Insurance, Casualty, and Surety	\$ 128,076	\$ -	\$ -	\$ -

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

Other Financing Uses					
491.00	Refund of Prior Year Revenues		\$ -	\$ -	\$ -
492.00	Interfund Operating Transfers	731,605	162,659	359,959	
493.00	All Other Financing Uses				
Total Other Financing Uses		\$ 731,605	\$ 162,659	\$ 359,959	\$ -

TOTAL EXPENDITURES		\$ 9,418,343	\$ 431,221	\$ 371,669	\$ 1,042,400
---------------------------	--	--------------	------------	------------	--------------

EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES		\$ (54,299)	\$ 44,146	\$ 1,118,573	\$ 171
---	--	-------------	-----------	--------------	--------

EXPENDITURES		Proprietary Funds		Fiduciary Fund	Total
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
Debt Service					
471.00	Debt Principal (short-term and long-term)		\$ -	\$ -	\$ 778,394
472.00	Debt Interest (short-term and long-term)	57,666			321,672
475.00	Fiscal Agent Fees				-
Total Debt Service		\$ 57,666	\$ -	\$ -	\$ 1,100,066

Employer Paid Benefits & Withholding Items					
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	\$ 38,939	\$ -	\$ -	\$ 173,732
482.00	Judgments and Losses	322,104			322,104
483.00	Pension/Retirement Fund Contributions				705,182
484.00	Worker Compensation Insurance				202,358
487.00	Group Insurance and Other Benefits	-			1,645,631
Total Employer Paid Benefits & Withholding Items		\$ 361,043	\$ -	\$ -	\$ 3,049,007

Insurance					
486.00	Insurance, Casualty, and Surety	\$ 33,692			161,768

Unclassified Operating Expenditures					
488.00	Fiduciary Fund Benefits and Refunds Paid	\$ -	\$ -	\$ 787,474	787,474
489.00	All Other Unclassified Expenditures	20,947		50,063	71,010
Total Unclassified Operating Expenditures		\$ 20,947	\$ -	\$ 837,537	\$ 858,484

Other Financing Uses					
491.00	Refund of Prior Year Revenues	\$ -	\$ -	\$ -	-
492.00	Interfund Operating Transfers	2,642,030		-	3,896,253
493.00	All Other Financing Uses				-
Total Other Financing Uses		\$ 2,642,030	\$ -	\$ -	\$ 3,896,253

TOTAL EXPENDITURES		\$ 5,260,444	\$ -	\$ 837,537	\$ 17,361,614
---------------------------	--	---------------------	-------------	-------------------	----------------------

EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES		\$ (462,820)	\$ -	\$ 1,081,096	\$ 1,726,867
---	--	---------------------	-------------	---------------------	---------------------

STATEMENT OF CAPITAL EXPENDITURES

Category	Capital Purchases	Capital Construction	Total
Electric	\$ -	\$ -	\$ -
Fire			-
Gas System			-
General Government	122,633		122,633
Health			-
Housing			-
Libraries			-
Mass Transit			-
Parks			-
Police	97,261		97,261
Recreation			-
Sewer	217,848		217,848
Solid Waste			-
Streets/Highways			-
Water			-
Other (<i>Please Specify</i>)			-
Golf Course	338,413		338,413
			-
			-
			-
			-
			-
			-
			-
			-

TOTAL CAPITAL EXPENDITURES	\$ 776,155
-----------------------------------	------------

EMPLOYEE COMPENSATION

Total salaries, wages, commissions, etc. \$ 4,753,863
 paid this year (including all employees and elected officials)*

*Use income from box 16 of the W-3 Statement

KIMMEL, LORAH & ASSOCIATES, LLP

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

March 27, 2013

To the: Commissioners of West Norriton Township
President Judge of the Court of Common Pleas
Department of Community and Economic Development

We have audited the accompanying Commonwealth of Pennsylvania Form DCED-CLGS-30 primary government financial statements-regulatory basis, of West Norriton Township, Montgomery County, Pennsylvania, primary government, as of December 31, 2012, and for the year ended December 31, 2012, as listed in the table of contents.

Managements' Responsibility for the Financial Statements

Management and the Commissioners are responsible for the preparation and fair presentation of the Commonwealth of Pennsylvania Form DCED-CLGS-30 financial statements in accordance with the prescribed basis of accounting that demonstrates compliance with accounting principles prescribed by the Commonwealth of Pennsylvania, Department of Community and Economic Development for the preparation of the accompanying Form DCED-CLGS-30. Management and the Commissioners are responsible 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.

Auditors' Responsibility

Our Responsibility is to express opinions on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

-18-

OAKS CORPORATE CENTER, 400 CRESSON BLVD, SUITE 210
PO BOX 979, OAKS, PA 19456

www.klacpa.net 610-666-0450 FAX 610-666-1950

Member of
AICPA DIVISION FOR CPA FIRMS

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Commonwealth of Pennsylvania Form DCED-CLGS-30 financial statements.

Basis for Qualified Opinion on the Commonwealth of Pennsylvania Form DCED-CLGS-30 financial statements

West Norriton Township, Montgomery County, Pennsylvania, prepares its Commonwealth of Pennsylvania Form DCED-CLGS-30 primary government financial statements on a prescribed basis of accounting that demonstrates compliance with accounting principles prescribed by the Commonwealth of Pennsylvania, Department of Community and Economic Development for the preparation of the accompanying Form DCED-CLGS-30, which is a comprehensive basis of accounting other than generally accepted accounting principles. This regulatory basis of accounting does not require reporting entity financial statements, comparative budgets for budgetary fund types, cash flows for proprietary funds or disclosure notes to the financial statements which would be essential to fair presentation in conformity with generally accepted accounting principles. Also, generally accepted accounting principles require the modified accrual basis of accounting for governmental and agency fund types and the accrual basis of accounting for proprietary and pension trust fund types. The principal effects of these departures from generally accepted accounting principles on financial position, results of operations and cash flows are not reasonably determinable.

The financial statements referred to above include only the financial activities of the primary government. A primary government is a legal entity or body politic and includes all funds, organization, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as a component unit.

Qualified Opinion Commonwealth of Pennsylvania Form DCED-CLGS-30

In our opinion, the Commonwealth of Pennsylvania Form DCED-CLGS-30 primary governmental financial statements-regulatory basis referred to in the first paragraph present fairly, in all material respects, the assets and liabilities arising from transactions of the primary government of West Norriton Township, Montgomery County, Pennsylvania, as of December 31, 2012 and its revenues and other financing sources received and expenditures and other financing uses paid for the year ended December 31, 2012 on the basis of accounting described above.

However, in our opinion, because of the Township's policy to prepare its Commonwealth of Pennsylvania Form DCED-CLGS-30 primary government financial statements on the basis of accounting discussed in the sixth paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of West Norriton Township, Montgomery County, Pennsylvania, as of December 31, 2012, the results of its operations for the year ended December 31, 2012, or , where applicable, its cash flows for the year then ended.

Our audit was made for the purpose of forming an opinion on the Commonwealth of Pennsylvania Form DCED-CLGS-30 primary government financial statements taken as a whole and on the combining and individual fund and account group financial statements. The accompanying financial information listed as supporting schedules in the table of contents is presented for the purpose of additional analysis and is not a required part of the primary government financial statements. Such information has been subjected to the auditing procedures applied in the audit of the Commonwealth of Pennsylvania Form DCED-CLGS-30 primary government financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Kimml, Coraw & Associates, LLP

Certified Public Accountants

Subscribed and sworn to before

me this 27th day of March

2013

Signed Susan G. Locker

