

NORTH WALES BOROUGH
MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT
(DCED-CLGS-30)

Year Ended December 31, 2025

NORTH WALES BOROUGH
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Independent Auditors' Report

To the Borough Council
North Wales Borough
North Wales, Pennsylvania

Opinions

We have audited the accompanying municipal annual audit and financial report ("financial statements") included in the Pennsylvania Department of Community and Economic Development ("DCED") prescribed form of North Wales Borough as of and for the year ended December 31, 2025.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the respective financial position of North Wales Borough, as of December 31, 2025, and the respective changes in financial position for the year then ended in accordance with the basis of accounting practices prescribed or permitted by the DCED as described in Item A in the Other Supplementary Information to the Financial Statements.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of North Wales Borough as of December 31, 2025, or the changes in financial position and cash flows thereof for the year then ended.

Basis for Qualified Opinion

North Wales Borough's financial statements do not present an accounting of General Fixed Assets and General Long-Term Debt, which are required to be reported in the DCED prescribed form under the General Fixed Assets Account Group and General Long-Term Debt Group.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of North Wales Borough 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.

To the Borough Council
North Wales Borough
North Wales, Pennsylvania

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Item A in the Other Supplementary Information to the Financial Statements, the financial statements are prepared on the basis of accounting prescribed or permitted by the DCED to demonstrate compliance with the DCED's regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Item A of the Other Supplementary Information to the Financial Statements and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

North Wales Borough's management is responsible for the preparation and fair presentation of the financial statements in accordance the financial reporting provisions prescribed or permitted by the Pennsylvania Department of Community and Economic Development (DCED), 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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, 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 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 North Wales Borough'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 North Wales Borough's ability to continue as a going concern for a reasonable period of time.

To the Borough Council
North Wales Borough
North Wales, Pennsylvania

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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise North Wales Borough’s financial statements. The Other Supplementary Information to the Financial Statements is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

The Other Supplementary Information to the Financial Statements 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. Such 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 Other Supplementary Information to the Financial Statements is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Limerick, Pennsylvania
March 27, 2026



2025 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

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

Borough of: North Wales Borough County: Montgomery County

Section I - Introduction

Statutory Requirements

- State law, under the provisions of the Borough Code, First Class Township Code and Second Class Township Code, requires that either the borough controller, elected auditors or appointed auditors file an Annual Audit and Financial Report.
- State law, under the provisions of the Third Class City Code, requires a city's Director of Accounts and Finance to file an Annual Audit and Financial Report.
- The state's Administrative Code requires home rule municipalities to file an Annual Audit and Financial Report.
- The Annual Audit and Financial Report forms, supplied by the Pennsylvania Department of Community and Economic Development (DCED), were developed and approved by a Uniform Forms Committee composed of representatives of the respective municipal associations.
- Form DCED-CLGS-30 (See Section IV) is the form adopted by the Committee for use by all municipalities in Pennsylvania to fulfill their statutory reporting requirements.

One Form

All municipalities are required to submit forms electronically to the DCED. The online form contains the same categories as in previous years: assets, liabilities, revenues and expenditures. Enter data only for those funds that your municipality uses. Leave the remaining columns blank. The online form will automatically calculate the amounts in the "Total" column.

Submitting the Report

- File one copy by the designated date at each of the places listed on page 9.
- DO NOT submit a paper copy of this report to the DCED. Reports must be submitted online at: munstats.pa.gov/forms (Please see the e-filing instructions on page 7.)
- The online system will automatically round all figure to the nearest whole dollar. The system will also add all rows and columns, following basic accounting principles.
- Appointed independent auditors should attach their own opinion in the "Final Review" step of the online form. Additionally, appointed independent auditors should place a checkmark in Section II at the bottom of the "Final Review" step, then choose the "Appointed Auditor/CPA" title from the dropdown and provide a name and contact number in order to submit the form online.
- Elected controllers should place a checkmark in the box in Section I at the bottom of the "Final Review" step of the online form then choose the "Controller" title from the dropdown and provide a name and contact number in order to submit the form online.
- Elected Auditors must place a check mark in the box in Section I of the "Final Review" step of the online form, then choose the "Elected Auditor" title from the dropdown and provide the name and phone number for **at least 2 of the 3 elected auditors**. If you appointed an auditor to fill an elected auditor position, please choose the "Elected Auditor" title, not the "Appointed Auditor/CPA" title when submitting online.
- If you need assistance or have any questions when completing this report, please contact the Governor's Center for Local Government Services (GCLGS) toll-free at 888-223-6837.

BALANCE SHEET

December 31, 2025

GOVERNMENTAL FUNDS				
ASSETS AND OTHER DEBITS	General Fund	Special Revenue		Debt Service
		<i>(Including State Liquid Fuels)</i>	Capital Projects	
100-120 Cash and Investments.....	3,748,178	1,219,554	1,901,679	233,141
140-144 Tax Receivable.....	47,727	4,688	-	3,276
121-129				
145-149 Accounts Receivable (excluding taxes).....	12,504	-	-	-
130 Due From Other Funds.....	358,776	7,461	-	-
131-139				
150-159 Other Current Assets.....	-	-	-	-
160-169 Fixed Assets.....	-	-	-	-
180-189 Other Debits.....	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS.....	\$ 4,167,185	\$ 1,231,703	\$ 1,901,679	\$ 236,417

LIABILITIES AND OTHER CREDITS				
210-229 Payroll Taxes and Other Payroll Withholdings.....	21,584	-	-	-
200-209				
231-239 All Other Current Liabilities.....	57,349	2,159	-	1,509
230 Due To Other Funds.....	7,461	2,452	356,324	-
260-269 Long-Term Liabilities.....	-	-	-	-
240-259 Current Portion of Long-Term Debt & Other Credits...	-	-	-	-
TOTAL LIABILITIES AND OTHER CREDITS.....	86,394	4,611	356,324	1,509

FUND AND ACCOUNT GROUP EQUITY				
281-284 Contributed Capital.....	-	-	-	-
290 Investment in General Fixed Assets.....	-	-	-	-
270-289 Fund Balance/Retained Earnings on 12/31.....	4,080,791	1,227,092	1,545,355	234,908
291-299 Other Equity.....	-	-	-	-
TOTAL FUND AND ACCOUNT GROUP EQUITY.....	4,080,791	1,227,092	1,545,355	234,908

Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity.

2025 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | BALANCE SHEET

	PROPRIETARY FUNDS		FIDUCIARY FUND	ACCOUNT GROUPS		TOTAL
	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
ASSETS AND OTHER DEBITS						
100-120 Cash and Investments.....	-	-	2,725,824	-	-	9,828,376
140-144 Tax Receivable.....	-	-	-	-	-	55,691
121-129						
145-149 Accounts Receivable (excluding taxes).....	-	-	-	-	-	12,504
130 Due From Other Funds.....	-	-	-	-	-	366,237
131-139						
150-159 Other Current Assets.....	-	-	-	-	-	-
160-169 Fixed Assets.....	-	-	-	-	-	-
180-189 Other Debits.....	-	-	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS.....	\$ -	\$ -	\$ 2,725,824	\$ -	\$ -	\$ 10,262,808

LIABILITIES AND OTHER CREDITS						
210-229 Payroll Taxes and Other Payroll Withholdings.....	-	-	-	-	-	21,584
200-209						
231-239 All Other Current Liabilities.....	-	-	48	-	-	61,065
230 Due To Other Funds.....	-	-	-	-	-	366,237
260-269 Long-Term Liabilities.....	-	-	-	-	-	-
240-259 Current Portion of Long-Term Debt & Other Credits.....	-	-	-	-	-	-
TOTAL LIABILITIES AND OTHER CREDITS.....	-	-	48	-	-	448,886

FUND AND ACCOUNT GROUP EQUITY						
281-284 Contributed Capital.....	-	-	-	-	-	-
290 Investment in General Fixed Assets.....	-	-	-	-	-	-
270-289 Fund Balance/Retained Earnings on 12/31.....	-	-	2,725,776	-	-	9,813,922
291-299 Other Equity.....	-	-	-	-	-	-
TOTAL FUND AND ACCOUNT GROUP EQUITY.....	-	-	2,725,776	-	-	9,813,922

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY.....	\$ 10,262,808
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Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity.

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2025

REVENUES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
TAXES					
301.00	Real Estate Taxes.....	801,236	166,300	-	115,884
305.00	Occupation Taxes (levied under municipal code).....	-	-	-	-
308.00	Residence Taxes (levied by cities of the 3rd Class).....	-	-	-	-
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only).....	-	-	-	-
310.00	Per Capita Taxes.....	-	-	-	-
310.10	Real Estate Transfer Taxes.....	69,500	-	-	-
310.20	Earned Income Taxes/Wage Taxes.....	664,578	-	-	-
310.30	Business Gross Receipts Taxes.....	-	-	-	-
310.40	Occupation Taxes (levied under Act 511).....	-	-	-	-
310.50	Local Services Tax**.....	64,523	-	-	-
310.60	Amusement/Admission Taxes.....	-	-	-	-
310.70	Mechanical Device Taxes.....	-	-	-	-
310.90	Other Local Tax Enabling Act/Act 511 Taxes.....	-	-	-	-
				
				
				
TOTAL TAXES		\$ 1,599,837	\$ 166,300	\$ -	\$ 115,884

LICENSES & PERMITS					
320-322	All Other Licenses and Permits.....	17,010	-	-	-
321.80	Cable Television Franchise Fees.....	44,472	-	-	-
TOTAL LICENSES & PERMITS		61,482	-	-	-

FINES & FORFEITS					
330-332	Fines and Forfeits.....	12,285	-	-	-
TOTAL FINES & FORFEITS		12,285	-	-	-

INTEREST, RENTS & ROYALTIES					
341.00	Interest Earnings.....	125,892	34,285	100,670	7,015
342.00	Rents and Royalties.....	22,934	-	-	36,453
TOTAL INTEREST, RENTS & ROYALTIES		148,826	34,285	100,670	43,468

**This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.

2025 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
TAXES					
301.00	Real Estate Taxes.....	-	-	-	1,083,420
305.00	Occupation Taxes (levied under municipal code).....	-	-	-	-
308.00	Residence Taxes (levied by cities of the 3rd Class).....	-	-	-	-
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only).....	-	-	-	-
310.00	Per Capita Taxes.....	-	-	-	-
310.10	Real Estate Transfer Taxes.....	-	-	-	69,500
310.20	Earned Income Taxes/Wage Taxes.....	-	-	-	664,578
310.30	Business Gross Receipts Taxes.....	-	-	-	-
310.40	Occupation Taxes (levied under Act 511).....	-	-	-	-
310.50	Local Services Tax**.....	-	-	-	64,523
310.60	Amusement/Admission Taxes.....	-	-	-	-
310.70	Mechanical Device Taxes.....	-	-	-	-
310.90	Other Local Tax Enabling Act/Act 511 Taxes.....	-	-	-	-
				
				
				
	TOTAL TAXES	\$ -	\$ -	\$ -	\$ 1,882,021

LICENSES & PERMITS					
320-322	All Other Licenses and Permits.....	-	-	-	17,010
321.80	Cable Television Franchise Fees.....	-	-	-	44,472
	TOTAL LICENSES & PERMITS	-	-	-	61,482

FINES & FORFEITS					
330-332	Fines and Forfeits.....	-	-	-	12,285
	TOTAL FINES & FORFEITS	-	-	-	12,285

INTEREST, RENTS & ROYALTIES					
341.00	Interest Earnings.....	-	-	315,219	583,081
342.00	Rents and Royalties.....	-	-	-	59,387
	TOTAL INTEREST, RENTS & ROYALTIES	-	-	315,219	642,468

**This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.

INTERGOVERNMENTAL REVENUES		GOVERNMENTAL FUNDS			
		Special Revenue <i>(Including State Liquid Fuels)</i>		Capital Projects	Debt Service
FEDERAL		General Fund			
351.03	Highways and Streets.....	-	-	-	-
351.09	Community Development.....	-	-	-	-
351.00	All Other Federal Capital and Operating Grants.....	-	-	-	-
352.01	National Forest.....	-	-	-	-
352.00	All Other Federal Shared Revenue & Entitlements.....	-	-	313,477	-
353.00	Federal Payments in Lieu of Taxes.....	-	-	-	-
TOTAL FEDERAL		-	-	313,477	-

STATE					
354.03	Highways and Streets.....	-	-	-	-
354.09	Community Development.....	6,066	-	-	-
354.15	Recycling/Act 101.....	-	5,816	-	-
354.00	All Other State Capital and Operating Grants.....	-	-	-	-
355.01	Public Utility Realty Tax (PURTA).....	1,712	-	-	-
355.02 - 355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback.....	-	97,811	-	-
355.04	Alcoholic Beverage Licenses.....	600	-	-	-
355.05	General Municipal Pension System State Aid.....	83,463	-	-	-
355.07	Foreign Fire Insurance Tax Distribution.....	24,653	-	-	-
355.08	Local Share Assessment/Gaming Proceeds.....	-	-	-	-
355.09	Marcellus Shale Impact Fee Distribution.....	-	-	-	-
355.00	All Other State Shared Revenues & Entitlements.....	1,213	13,038	-	-
356.00	State Payments in Lieu of Taxes.....	-	-	-	-
TOTAL STATE		117,707	116,665	-	-

LOCAL GOVERNMENT UNITS					
357.03	Highways and Streets.....	-	-	-	-
357.00	All Other Local Governmental Units Capital and Operating Grants.....	-	-	450,276	-
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services.....	8,536	-	-	-
359.00	Local Governmental Units, Authorities Payments and Payments in Lieu of Taxes.....	-	-	-	-
TOTAL LOCAL GOVERNMENT UNITS		8,536	-	450,276	-

2025 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

INTERGOVERNMENTAL REVENUES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
FEDERAL				
351.03 Highways and Streets.....	-	-	-	-
351.09 Community Development.....	-	-	-	-
351.00 All Other Federal Capital and Operating Grants.....	-	-	-	-
352.01 National Forest.....	-	-	-	-
352.00 All Other Federal Shared Revenue & Entitlements.....	-	-	-	313,477
353.00 Federal Payments in Lieu of Taxes.....	-	-	-	-
TOTAL FEDERAL	-	-	-	313,477

STATE				
354.03 Highways and Streets.....	-	-	-	-
354.09 Community Development.....	-	-	-	6,066
354.15 Recycling/Act 101.....	-	-	-	5,816
354.00 All Other State Capital and Operating Grants.....	-	-	-	-
355.01 Public Utility Realty Tax (PURTA).....	-	-	-	1,712
355.02 - 355.03 Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback.....	-	-	-	97,811
355.04 Alcoholic Beverage Licenses.....	-	-	-	600
355.05 General Municipal Pension System State Aid.....	-	-	-	83,463
355.07 Foreign Fire Insurance Tax Distribution.....	-	-	-	24,653
355.08 Local Share Assessment/Gaming Proceeds.....	-	-	-	-
355.09 Marcellus Shale Impact Fee Distribution.....	-	-	-	-
355.00 All Other State Shared Revenues & Entitlements.....	-	-	-	14,251
356.00 State Payments in Lieu of Taxes.....	-	-	-	-
TOTAL STATE	-	-	-	234,372

LOCAL GOVERNMENT UNITS				
357.03 Highways and Streets.....	-	-	-	-
357.00 All Other Local Governmental Units Capital and Operating Grants.....	-	-	-	450,276
358.00 Local Government Unit Shared Payments for Contracted Intergovernmental Services.....	-	-	-	8,536
359.00 Local Governmental Units, Authorities Payments and Payments in Lieu of Taxes.....	-	-	-	-
TOTAL LOCAL GOVERNMENT UNITS	-	-	-	458,812

TOTAL INTERGOVERNMENTAL REVENUES				1,006,661
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REVENUES		GOVERNMENTAL FUNDS			
CHARGES FOR SERVICE		General Fund	Special Revenue <i>(Including State Liquid Fuels)</i>		Debt Service
			Capital Projects		
361.00	General Government.....	10,439	-	-	-
362.00	Public Safety.....	65,867	-	-	-
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.....	2,050	-	-	-
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 Service.....	-	-	-	-
TOTAL CHARGES FOR SERVICE.....		78,356	-	-	-

UNCLASSIFIED OPERATING REVENUES					
383.00	Assessments.....	450	-	-	-
386.00	Escheats (sale of personal property).....	-	-	-	-
387.00	Contributions & Donations from Private Sectors.....	2,500	15,350	-	-
388.00	Fiduciary Fund Pension Contributions.....	 	 	 	
389.00	All Other Unclassified Operating Revenues***.....	8,160	415	-	-
TOTAL UNCLASSIFIED OPERATING REVENUES.....		11,110	15,765	-	-

OTHER FINANCING SOURCES					
391.00	Proceeds of General Fixed Asset Disposition.....	-	-	-	-
392.00	Interfund Operating Transfers**.....	-	-	-	-
393.00	Proceeds of General Long-Term Debt.....	-	-	-	-
394.00	Proceeds of Short-Term Debt.....	-	-	-	-
395.00	Refunds of Prior Year Expenditures.....	13,785	7,461	-	-
TOTAL OTHER FINANCING SOURCES.....		13,785	7,461	-	-

TOTAL REVENUES.....	2,051,924	340,476	864,423	159,352
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** The total of line 392.00 must match the total of line 492.00

*** This amount cannot be greater than 1% of "TOTAL REVENUES" in each of the funds.

2025 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
CHARGES FOR SERVICE					
361.00	General Government.....	-	-	-	10,439
362.00	Public Safety.....	-	-	-	65,867
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.....	-	-	24,565	26,615
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 Service.....	-	-	-	-
TOTAL CHARGES FOR SERVICE		-	-	24,565	102,921

UNCLASSIFIED OPERATING REVENUES					
383.00	Assessments.....	-	-	-	450
386.00	Escheats (sale of personal property).....	-	-	-	-
387.00	Contributions & Donations from Private Sectors.....	-	-	-	17,850
388.00	Fiduciary Fund Pension Contributions.....	-	-	90,033	90,033
389.00	All Other Unclassified Operating Revenues***.....	-	-	-	8,575
TOTAL UNCLASSIFIED OPERATING REVENUES		-	-	90,033	116,908

OTHER FINANCING SOURCES					
391.00	Proceeds of General Fixed Asset Disposition.....	-	-	-	-
392.00	Interfund Operating Transfers**.....	-	-	-	-
393.00	Proceeds of General Long-Term Debt.....	-	-	-	-
394.00	Proceeds of Short-Term Debt.....	-	-	-	-
395.00	Refunds of Prior Year Expenditures.....	-	-	-	21,246
TOTAL OTHER FINANCING SOURCES		-	-	-	21,246

TOTAL REVENUES		-	-	429,817	3,845,992
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** The total of line 392.00 must match the total of line 492.00

*** This amount cannot be greater than 1% of "TOTAL REVENUES" in each of the funds.

EXPENDITURES		GOVERNMENTAL FUNDS			
		Special Revenue <i>(Including State Liquid Fuels)</i>		Capital Projects	Debt Service
GENERAL GOVERNMENT		General Fund			
400.00	Legislative (Governing) Body.....	12,929	-	-	-
401.00	Executive (Manager or Mayor).....	249,566	-	-	-
402.00	Auditing Services/Financial Administration.....	21,020	-	-	-
403.00	Tax Collection.....	13,496	-	-	-
404.00	Solicitor/Legal Services.....	38,337	-	-	-
405.00	Secretary/Clerk.....	-	-	-	-
406.00	Other General Government Administration.....	7,994	-	-	-
407.00	IT-Networking Services-Data Processing.....	-	-	-	-
408.00	Engineering Services.....	18,570	9,233	-	-
409.00	General Government Buildings and Plant.....	38,175	-	919,127	-
TOTAL GENERAL GOVERNMENT.....		400,087	9,233	919,127	-

PUBLIC SAFETY					
410.00	Police.....	705,071	-	-	-
411.00	Fire.....	51,263	40,002	-	-
412.00	Ambulance/Rescue.....	-	-	-	-
413.00	UCC and Code Enforcement.....	22,710	-	-	-
414.00	Planning and Zoning.....	4,891	-	-	-
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.....		783,935	40,002	-	-

HEALTH AND HUMAN SERVICES					
420.00-425.00	Health and Human Services.....	-	-	-	-

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 & Treatment.....	-	-	-	-
TOTAL PUBLIC WORKS - SANITATION.....		-	-	-	-

2025 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS			FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only	
GENERAL GOVERNMENT					
400.00 Legislative (Governing) Body.....	-	-	-	-	12,929
401.00 Executive (Manager or Mayor).....	-	-	-	-	249,566
402.00 Auditing Services/Financial Administration.....	-	-	-	-	21,020
403.00 Tax Collection.....	-	-	-	-	13,496
404.00 Solicitor/Legal Services.....	-	-	-	-	38,337
405.00 Secretary/Clerk.....	-	-	-	-	-
406.00 Other General Government Administration.....	-	-	-	-	7,994
407.00 IT-Networking Services-Data Processing.....	-	-	-	-	-
408.00 Engineering Services.....	-	-	-	-	27,803
409.00 General Government Buildings and Plant.....	-	-	-	-	957,302
TOTAL GENERAL GOVERNMENT.....	-	-	-	-	1,328,447

PUBLIC SAFETY					
410.00 Police.....	-	-	-	-	705,071
411.00 Fire.....	-	-	-	-	91,265
412.00 Ambulance/Rescue.....	-	-	-	-	-
413.00 UCC and Code Enforcement.....	-	-	-	-	22,710
414.00 Planning and Zoning.....	-	-	-	-	4,891
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.....	-	-	-	-	823,937

HEALTH AND HUMAN SERVICES					
420.00-425.00 Health and Human Services.....	-	-	-	-	-

PUBLIC WORKS - SANITATION					
426.00 Recycling Collection and Disposal.....	-	-	-	-	-
427.00 Solid Waste Collection and Disposal (garbage).....	-	-	-	-	-
428.00 Weed Control.....	-	-	-	-	-
429.00 Wastewater/Sewage Collection & Treatment.....	-	-	-	-	-
TOTAL PUBLIC WORKS - SANITATION.....	-	-	-	-	-

EXPENDITURES		GOVERNMENTAL FUNDS			
		General Fund	Special Revenue <i>(Including State Liquid Fuels)</i>	Capital Projects	Debt Service
PUBLIC WORKS - HIGHWAYS & STREETS					
430.00	General Services - Administration.....	168,364	-	454,365	-
431.00	Cleaning of Streets and Gutters.....	-	-	-	-
432.00	Winter Maintenance - Snow Removal.....	-	8,067	-	-
433.00	Traffic Control Devices.....	-	581	-	-
434.00	Street Lighting.....	-	27,421	-	-
435.00	Sidewalks and Crosswalks.....	-	-	-	-
436.00	Storm Sewers and Drains.....	-	-	-	-
437.00	Repairs of Tools and Machinery.....	-	4,170	-	-
438.00	Maintenance & Repairs of Roads & Bridges.....	-	5,892	38,404	-
439.00	Highway Construction and Rebuilding Projects.....	277	-	-	-
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS		168,641	46,131	492,769	-

PUBLIC WORKS - OTHER SERVICES					
440.00	Airports.....	-	-	-	-
441.00	Cemeteries.....	-	3,701	-	-
442.00	Electric System.....	-	-	-	-
443.00	Gas System.....	-	-	-	-
444.00	Markets.....	-	-	-	-
445.00	Parking.....	-	-	-	-
446.00	Storm Water and Flood Control.....	-	-	-	-
447.00	Transit System.....	-	-	-	-
448.00	Water System.....	-	-	-	-
449.00	Water Transport and Terminals.....	-	-	-	-
TOTAL PUBLIC WORKS - OTHER SERVICES		-	3,701	-	-

CULTURE AND RECREATION					
451.00	Culture-Recreation Administration.....	-	-	-	-
452.00	Participant Recreation.....	-	-	-	-
453.00	Spectator Recreation.....	-	-	-	-
454.00	Parks.....	29,564	15,081	-	-
455.00	Shade Trees.....	-	-	-	-
456.00	Libraries.....	-	20,001	-	-
457.00	Civil and Military Celebrations.....	-	-	-	-
458.00	Senior Citizens' Centers.....	-	-	-	-
459.00	All Other Culture and Recreation.....	-	-	314,145	-
TOTAL CULTURE AND RECREATION		29,564	35,082	314,145	-

COMMUNITY DEVELOPMENT					
461.00	Conservation of Natural Resources.....	-	900	-	-
462.00	Community Development and Housing.....	-	-	-	-
463.00	Economic Development.....	-	-	-	-
464.00	Economic Opportunity.....	-	-	-	-
465.00 - 469.00	All Other Community Development.....	-	-	-	-
TOTAL COMMUNITY DEVELOPMENT		-	900	-	-

2025 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
PUBLIC WORKS - HIGHWAYS & STREETS				
430.00 General Services - Administration.....	-	-	-	622,729
431.00 Cleaning of Streets and Gutters.....	-	-	-	-
432.00 Winter Maintenance - Snow Removal.....	-	-	-	8,067
433.00 Traffic Control Devices.....	-	-	-	581
434.00 Street Lighting.....	-	-	-	27,421
435.00 Sidewalks and Crosswalks.....	-	-	-	-
436.00 Storm Sewers and Drains.....	-	-	-	-
437.00 Repairs of Tools and Machinery.....	-	-	-	4,170
438.00 Maintenance & Repairs of Roads & Bridges.....	-	-	-	44,296
439.00 Highway Construction and Rebuilding Projects.....	-	-	-	277
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS.....	-	-	-	707,541

PUBLIC WORKS - OTHER SERVICES				
440.00 Airports.....	-	-	-	-
441.00 Cemeteries.....	-	-	-	3,701
442.00 Electric System.....	-	-	-	-
443.00 Gas System.....	-	-	-	-
444.00 Markets.....	-	-	-	-
445.00 Parking.....	-	-	-	-
446.00 Storm Water and Flood Control.....	-	-	-	-
447.00 Transit System.....	-	-	-	-
448.00 Water System.....	-	-	-	-
449.00 Water Transport and Terminals.....	-	-	-	-
TOTAL PUBLIC WORKS - OTHER SERVICES.....	-	-	-	3,701

CULTURE AND RECREATION				
451.00 Culture-Recreation Administration.....	-	-	-	-
452.00 Participant Recreation.....	-	-	-	-
453.00 Spectator Recreation.....	-	-	-	-
454.00 Parks.....	-	-	560	45,205
455.00 Shade Trees.....	-	-	-	-
456.00 Libraries.....	-	-	-	20,001
457.00 Civil and Military Celebrations.....	-	-	-	-
458.00 Senior Citizens' Centers.....	-	-	-	-
459.00 All Other Culture and Recreation.....	-	-	24,533	338,678
TOTAL CULTURE AND RECREATION.....	-	-	25,093	403,884

COMMUNITY DEVELOPMENT				
461.00 Conservation of Natural Resources.....	-	-	-	900
462.00 Community Development and Housing.....	-	-	-	-
463.00 Economic Development.....	-	-	-	-
464.00 Economic Opportunity.....	-	-	-	-
465.00 - 469.00 All Other Community Development.....	-	-	-	-
TOTAL COMMUNITY DEVELOPMENT.....	-	-	-	900

2025 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

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).....	-	-	-	94,000
472.00 Debt Interest (short-term and long-term).....	-	-	-	18,635
475.00 Fiscal Agent Fees.....	-	-	-	-
TOTAL DEBT SERVICE	-	-	-	112,635

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	82,546	-	-	-
482.00 Judgments and Losses.....	-	-	-	-
483.00 Pension/Retirement Fund Contributions.....	77,954	-	-	-
484.00 Worker Compensation Insurance.....	24,473	-	-	-
487.00 Group Insurance and Other Benefits.....	148,296	-	-	-
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS	333,269	-	-	-

INSURANCE				
486.00 Insurance, Casualty and Surety.....	84,471	-	-	-

UNCLASSIFIED OPERATING EXPENDITURES				
488.00 Fiduciary Fund Benefits and Refunds Paid.....				
489.00 All Other Unclassified Expenditures***.....	11,817	-	-	-
TOTAL UNCLASSIFIED OPERATING EXPENDITURES	11,817	-	-	-

OTHER FINANCING USES				
491.00 Refund of Prior Year Revenues.....	-	-	-	-
492.00 Interfund Operating Transfers**.....	-	-	-	-
493.00 All Other Financing Uses.....	-	-	-	-
TOTAL OTHER FINANCING USES	-	-	-	-

TOTAL EXPENDITURES	1,811,784	135,049	1,726,041	112,635
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	240,140	205,427	(861,618)	46,717
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** The total of line 492.00 must match the total of line 392.00

*** This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

2025 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

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).....	-	-	-	94,000
472.00 Debt Interest (short-term and long-term).....	-	-	-	18,635
475.00 Fiscal Agent Fees.....	-	-	-	-
TOTAL DEBT SERVICE	-	-	-	112,635

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	-	-	-	82,546
482.00 Judgments and Losses.....	-	-	-	-
483.00 Pension/Retirement Fund Contributions.....	-	-	-	77,954
484.00 Worker Compensation Insurance.....	-	-	-	24,473
487.00 Group Insurance and Other Benefits.....	-	-	-	148,296
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS	-	-	-	333,269

INSURANCE				
486.00 Insurance, Casualty and Surety.....	-	-	-	84,471

UNCLASSIFIED OPERATING EXPENDITURES				
488.00 Fiduciary Fund Benefits and Refunds Paid.....	-	-	75,727	75,727
489.00 All Other Unclassified Expenditures***.....	-	-	-	11,817
TOTAL UNCLASSIFIED OPERATING EXPENDITURES	-	-	75,727	87,544

OTHER FINANCING USES				
491.00 Refund of Prior Year Revenues.....	-	-	-	-
492.00 Interfund Operating Transfers**.....	-	-	-	-
493.00 All Other Financing Uses.....	-	-	-	-
TOTAL OTHER FINANCING USES	-	-	-	-

TOTAL EXPENDITURES	-	-	100,820	3,886,329
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	-	-	328,997	(40,337)
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** The total of line 492.00 must match the total of line 392.00

*** This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

DEBT STATEMENT

Purpose	Bond (B) Note (N)	Issue Date (year)	Maturity Date (year)	Original Amount of Issue	Outstanding Beginning of Year	Principal Incurred This Year (Additions)	Principal Paid This Year	Current Year Accretion of Compound Interest Bonds	Outstanding Year End	Plus (less) Unamortized Premium (Discount)	Total Balance
GENERAL OBLIGATION BONDS AND NOTES											
General Obligation Note, 2021 Series	N	2020	2040	2,000,000	1,634,000	-	94,000	-	1,540,000	-	\$ 1,540,000
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
REVENUE BONDS AND NOTES											
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
LEASE RENTAL DEBT/GENERAL LEASES											
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
OTHER											
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
Total bonds and notes outstanding.....										\$	1,540,000
Capitalized lease obligations.....											-
Other debt.....											-
TOTAL OUTSTANDING DEBT.....										\$	1,540,000

NORTH WALES BOROUGH
OTHER SUPPLEMENTARY INFORMATION
TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025

ITEM A - BASIS OF ACCOUNTING

The accompanying financial statements conform to the financial reporting provisions prescribed or permitted by the Pennsylvania Department of Community and Economic Development (DCED), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

As permitted by the DCED, North Wales Borough prepares its financial statements on the modified accrual basis of accounting for its governmental fund types. Under this basis, revenues primarily are recorded when measurable and available. Expenditures are recorded when the liability is incurred. Trust and Agency fund types utilize the accrual basis of accounting. Under this basis, revenue is recorded when earned and expenditures, are recorded when the liability is incurred. Additionally, in accordance with the prescribed accounting practices permitted by the DCED, the North Wales Borough financial statements are presented without statement of cash flows, component unit financial information, government-wide financial statements, Management's Discussion and Analysis, budgetary comparisons, and without historical pension and post-employment benefit liability information, and require all funds to be aggregated by fund type on the Schedules.