

MUNICIPAL AUTHORITY OF THE TOWNSHIP OF WASHINGTON
 FAYETTE COUNTY, PENNSYLVANIA
 CONDENSED STATEMENT OF NET POSITION
 December 31, 2013
 PUBLISHED IN COMPLIANCE WITH THE MUNICIPAL AUTHORITIES ACT
 CONDENSED FOR PUBLICATION

ASSETS

Current Assets	\$	1,877,478
Noncurrent Assets		<u>26,893,260</u>
 TOTAL ASSETS	 \$	 <u><u>28,770,738</u></u>

LIABILITIES AND NET POSITION

Current Liabilities	\$	1,060,102
Noncurrent Liabilities		14,856,152
Net Investment in Capital Assets		11,074,531
Unrestricted Net Position		<u>1,779,953</u>
 TOTAL LIABILITIES AND NET POSITION	 \$	 <u><u>28,770,738</u></u>

CONDENSED STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION
 For the Year Ended December 31, 2013

Operating Revenues	\$	2,254,668
Operating Expenses		<u>2,027,506</u>
 Operating Income		 227,162
Nonoperating Revenues and Expenses		<u>(108,250)</u>
 Income Before Contributions		 118,912
Capital Contributions		<u>6,615</u>
Change in Net Position		125,527
 Net Position - January 1		 <u>12,728,957</u>
 Net Position - December 31	 \$	 <u><u>12,854,484</u></u>

A Complete Copy of the Financial Statements is on File at the Authority Office.



HORNER, WIBLE & TEREK, PC

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditors' Report

To the Board of Directors
Municipal Authority of the Township
of Washington, Fayette County
Belle Vernon, PA 15012

We have audited the accompanying financial statements of the business-type activities and each major fund of the Municipal Authority of the Township of Washington, Fayette County, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2014, on our consideration of the Municipal Authority of the Township of Washington'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 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 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 Municipal Authority of the Township of Washington's internal control over financial reporting and compliance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Municipal Authority of the Township of Washington's basic financial statements. The accompanying condensed statement of net position and the related condensed statement of revenues, expenses, and changes in net position are presented for purposes of additional analysis and are not a required part of the financial statements. The condensed statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Horner, Wible & Terek, PC

Horner, Wible & Terek, PC

September 29, 2014