

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Montgomery Township comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Township's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the Township's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the Township's ability to generate its property and local enabling taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Township's current levels of outstanding debt and the Township's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Township's financial activities take place and to help make comparisons over time and with other governments.

Operation Information

These schedules contain service and miscellaneous data to help the reader understand how the information in the Township's financial report relates to the service the Township provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The Township implemented GASB Statement No. 34 in 2004; schedules presenting government-wide information include information beginning in that year.

TABLE 1

**Montgomery Township
Net Assets by Component
Last Eight Fiscal Years
(accrual basis of accounting)**

	2004 (1)	2005	2006	2007	2008	2009	2010	2011 (2)
Governmental activities								
Invested in capital assets, net of related debt	\$ 4,749,890	\$ 6,509,687	\$ 7,219,302	\$ 104,433,000	\$ 106,989,556	\$ 106,928,471	\$ 106,979,859	\$ 108,143,857
Restricted	0	0	0	0	0	0	0	2,573,872.00
Unrestricted	12,511,086	12,931,653	15,913,041	18,223,130	17,449,139	18,916,409	18,843,099.00	16,053,270.00
Total governmental activities net assets	17,260,976	19,441,340	23,132,343	122,656,130	124,438,695	125,844,880	125,822,958.00	126,770,999.00
Business-type activities								
Invested in capital assets, net of related debt	26,794,000	26,794,132	26,962,086	28,067,682	27,976,568	28,271,983	29,619,357	29,884,437
Restricted	0	0	0	0	0	0	0	0
Unrestricted	6,124,777	6,124,777	8,922,189	10,238,201	10,700,204	10,520,667	9,888,219	9,079,031
Total business-type activities net assets	32,918,777	32,918,909	35,884,275	38,305,883	38,676,772	38,792,650	39,507,576	38,963,468
Primary government								
Invested in capital assets, net of related debt	31,543,890	33,303,819	34,181,388	132,500,682	134,966,124	135,200,454	136,599,216	138,028,294
Restricted		0	0	0	0	0	0	2,573,872
Unrestricted	18,635,863	19,056,430	24,835,230	28,461,331	28,149,343	29,437,076	28,731,318	25,132,301
Total primary government net assets	\$ 50,179,753	\$ 52,360,249	\$ 59,016,618	\$ 160,962,013	\$ 163,115,467	\$ 164,637,530	\$ 165,330,534	\$ 165,734,467

Note (1): Montgomery Township first applied GASB Statement No. 34 in fiscal Year ending December 31, 2004. Therefore, government-wide financial information for years prior to fiscal year 2004 is not available.

Note (2): Montgomery Township applied GASB Statement No. 54 in fiscal year 2011 therefore changing the way restricted versus unrestricted assets are reported.

Source : Montgomery Township Records, Statement of Net Assets.

TABLE 2

Montgomery Township
Changes in Net Assets
Last Eight Fiscal Years
(modified accrual basis of accounting)

	2004 (1)	2005	2006	2007	2008	2009	2010 (2)	2011
Expenditures -								
Governmental Activities								
General government	\$ 1,805,425	\$ 1,897,732	\$ 1,910,214	\$ 2,168,969	\$ 2,180,895	\$ 2,268,985	\$ 2,144,259	\$ 2,020,878
Public safety	5,436,013	5,739,513	5,975,129	6,208,820	6,829,457	6,700,787	7,168,920	7,337,227
Highways and Streets	2,350,724	2,449,733	2,637,855	2,401,078	2,644,118	1,974,513	2,938,385	3,051,214
Parks and Recreation	437,350	544,296	465,887	580,841	599,551	659,577	568,400	593,554
Police and Employee Pension Costs	318,059	459,437	469,714	493,693	549,772	616,193	-	-
Interest on long-term debt	129,641	104,656	85,226	77,977	69,723	60,857	44,694	35,704
Depreciation, Unallocated	539,304	487,727	629,136	673,598	745,437	820,828	776,908	819,214
Amortization of bond issue cost, unallocated	5,172	5,172	5,172	5,172	5,172	5,172	5,172	5,172
Total governmental activities expenditures	11,021,688	11,688,266	12,178,333	12,610,148	13,624,125	13,106,912	13,646,738	13,862,963
Business -type Activities								
Sewer	4,436,023	4,954,616	5,143,162	5,243,519	5,289,696	5,607,910	5,935,049	5,975,087
Total business activities expenditures	4,436,023	4,954,616	5,143,162	5,243,519	5,289,696	5,607,910	5,935,049	5,975,087
Total primary government expenditures	15,457,711	16,642,882	17,321,495	17,853,667	18,913,821	18,714,822	19,581,787	19,838,050
Program Revenues								
Governmental Activities								
Charges for services								
General Government	71,017	97,152	65,171	32,416	72,866	50,953	62,533	43,405
Public Safety	1,155,933	1,015,045	995,194	1,239,465	1,165,861	755,515	825,034	956,892
Highways and Streets	-	11,499	-	-	6,375	6,376	6,375	-
Parks and Recreation	93,037	90,493	92,360	145,197	212,088	199,817	182,870	225,034
Operating Grants and Contributions	1,427,482	1,330,739	1,256,068	1,379,761	1,399,797	1,267,648	949,586	1,512,844
Capital Grants and Contributions	400,000	-	-	5,097,684	-	-	-	-
Total governmental activities program revenues	3,147,469	2,544,928	2,408,793	7,894,523	2,856,987	2,280,309	2,026,398	2,738,175

Business Type Activities	2004 (1)	2005	2006	2007	2008	2009	2010	2011
Charges for services								
Sewer	6,440,968	6,212,771	5,633,222	5,718,891	5,312,648	5,248,428	5,575,937	5,297,271
Operating Grants and Contributions	-	-	4,869	-	-	-	-	-
Capital Grants and Contributions	10,669,747	393,447	111,909	1,481,160	227,743	328,863	923,525	82,824
Total business type activities program revenues	17,110,715	6,606,218	5,750,000	7,200,051	5,540,391	5,577,291	6,499,462	5,380,095
Total primary government program revenues	20,258,184	9,151,146	8,158,793	15,094,574	8,397,378	7,857,600	8,525,860	8,118,270
Net (expense)/revenue								
Governmental activities	(7,874,219)	(9,143,338)	(9,769,540)	(4,715,625)	(10,767,138)	(10,826,603)	(11,620,340)	(11,124,788)
Business Type Activities	12,674,692	1,651,602	606,838	1,956,532	250,695	(30,619)	564,413	(594,992)
Total Primary government net expense	4,800,473	(7,491,736)	(9,162,702)	(2,759,093)	(10,516,443)	(10,857,222)	(11,055,927)	(11,719,780)
General Revenues and other Changes in Net Assets								
Government Activities								
Taxes	10,696,611	10,550,460	12,240,669	11,536,073	11,501,265	10,645,490	10,485,766	11,486,880
Cable TV Franchise Fees	264,266	286,987	313,750	346,572	368,662	396,874	439,003	483,769
Investment Income	247,904	473,134	917,261	978,784	540,064	311,340	120,328	83,569
Gain (loss) on sale of fixed assets	9,740	13,121	(11,137)	8,304	12,135	879,084	553,321	18,611
Refund of Prior year Expenditures	-	-	-	124,688	127,577	-	-	-
Total Government Activities	11,218,521	11,323,702	13,460,543	12,994,421	12,549,703	12,232,788	11,598,418	12,072,829
Business- Type Activities								
Investment Income	84,640	201,313	358,803	432,530	227,612	146,497	16,122	8,706
Gain (loss) on sale of fixed assets	-	-	163,350	-	-	-	-	-
Total Business Type Activities	84,640	201,313	522,153	432,530	227,612	146,497	16,122	8,706
Total primary government	11,303,161	11,525,015	13,982,696	13,426,951	12,777,315	12,379,285	11,614,540	12,081,535
Change in Net Assets								
Government Activities	3,344,302	2,180,364	3,691,003	8,278,796	1,782,565	1,406,185	(21,922)	948,041
Business- Type Activities	12,759,332	1,852,915	1,128,991	2,389,062	478,307	115,878	580,535	(586,286)
Total primary government	\$ 16,103,634	\$ 4,033,279	\$ 4,819,994	\$ 10,667,858	\$ 2,260,872	\$ 1,522,063	\$ 558,613	\$ 361,755

Note (1): Montgomery Township first applied GASB Statement No. 34 in fiscal Year ending December 31, 2004. Therefore, government-wide financial information for years prior to fiscal year 2004 is not available.

Note (2): Police and Employee Pension Costs are distributed amongst the appropriate functions beginning 2010.

Source: Montgomery Township Records, Statement of Activities.

TABLE 3

**Montgomery Township
Fund Balances Of Governmental Funds
Last Eight Fiscal Years
(modified accrual basis of accounting)**

	2004 (1)	2005	2006	2007	2008	2009	2010	2011 (2)
General Fund								
Reserved	\$ 111,676	\$ 113,037	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	
Unreserved	1,552,357	1,552,832	2,137,051	2,348,124	2,196,009	2,294,563	2,538,375	
Non-Spendable								3,200
Unassigned								2,789,761
Total General Fund	\$ 1,664,033	\$ 1,665,869	\$ 2,140,251	\$ 2,351,324	\$ 2,199,209	\$ 2,297,763	\$ 2,541,575	\$ 2,792,961
All other governmental funds								
Reserved	\$ 2,159,621	\$ 2,108,498	\$ 1,917,324	\$ 1,671,274	\$ 1,896,329	\$ 2,056,389	\$ 1,599,140	
Unreserved, reported in :								
Special revenue funds	1,412,265	1,415,507	1,781,916	2,170,976	2,412,356	2,373,591	2,605,488	
Capital projects funds	6,464,185	6,969,512	9,281,343	11,310,882	10,311,022	11,823,426	11,923,918	
Restricted								
Basin Maintenance Fund								261,327
Liquid Fuels Fund								152,279
Debt Service Fund								704,870
Park Development Fund								171,518
Street Light Fund								610,834
Environmental Fund								649,527
Restoration Fund								23,517
Committed								
Fire Services Fund								213,550
Capital Reserve Fund								
Replacement Tree Fund								635,572
Assigned								11,800,878
Park and Recreation Fund								577,156
Autumn Festival Fund								26,464
Total all other governmental funds	\$ 10,036,071	\$ 10,493,517	\$ 12,980,583	\$ 15,153,132	\$ 14,619,707	\$ 16,253,406	\$ 16,128,546	#####
Total all Governmental funds	\$ 11,700,104	\$ 12,159,386	\$ 15,120,834	\$ 17,504,456	\$ 16,818,916	\$ 18,551,169	\$ 18,670,121	#####

Note (1): Montgomery Township first applied GASB Statement No. 34 in the fiscal Year ending December 31, 2004. Therefore, government-wide financial information for years prior to fiscal year 2004 is not available.

Note (2): Montgomery Township first applied GASB Statement No. 54 in the fiscal year ending December 31, 2011. Therefore the fund balance designations for prior years differ.

Source : Montgomery Township Records, Statement of Net Assets.

Montgomery Township
Changes in Fund Balances of Governmental Funds
Last Eight Fiscal Years (Unaudited)

Fiscal Year	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Revenues								
Taxes	\$ 10,631,552	\$ 10,582,878	\$ 12,214,440	\$ 11,603,372	\$ 11,387,431	\$ 10,658,866	\$ 10,558,172	\$ 11,479,869
Licenses and Permits	1,252,123	1,119,071	1,150,776	1,400,306	1,356,901	998,662	1,105,903	1,222,484
Fines and Forfeitures	125,740	151,169	142,042	158,394	158,616	129,191	135,190	179,842
Interest Income, Rents and Royalties	256,364	481,594	928,661	987,184	549,919	312,678	131,528	84,595
Intergovernmental revenues	1,099,054	1,085,802	1,116,409	1,179,194	1,265,989	1,239,390	1,234,924	1,691,974
Charges for Services	197,930	172,405	162,257	196,550	302,815	280,344	263,522	305,748
Contributions	669,898	244,937	139,659	200,567	131,473	28,258	73,729	437,351
Total Revenues	14,232,661	13,837,856	15,854,244	15,725,567	15,153,144	13,647,389	13,502,968	15,401,863
Expenditures								
Current								
General Government	2,172,428	1,924,205	1,998,062	2,301,878	2,305,366	2,346,523	2,147,085	3,079,371
Public Safety	5,722,491	7,464,682	6,763,846	6,515,130	8,853,157	6,720,338	7,030,217	7,447,466
Highways and Streets	2,371,597	2,664,230	2,795,551	2,794,257	3,129,374	2,383,845	3,212,200	3,263,340
Parks and Recreation	452,050	595,646	500,746	910,019	704,322	686,519	568,400	643,990
Other Employee Benefits not allocated	318,059	459,437	469,714	493,693	549,772	616,193	607,784	663,646
Debt Service								
Principal	353,182	375,466	397,188	383,044	379,446	318,914	340,510	349,200
Interest and other charges	128,516	103,531	84,109	76,916	68,704	59,888	43,792	29,662
Total Expenditures	11,518,323	13,587,197	13,009,216	13,474,937	15,990,141	13,132,220	13,949,988	15,476,675
Excess (deficiency) of revenues over expenditures	2,714,338	250,659	2,845,028	2,250,630	(836,997)	515,169	(447,020)	(74,812)
Other Financing Sources (Uses)								
Proceeds from sale of fixed assets	9,740	15,624	28,572	8,304	23,880	1,217,084	565,972	22,800
Proceeds from county infrastructure loan	-	142,928	-	-	-	-	-	-
Refund of prior years' expenditures	58,530	50,071	87,848	124,688	127,577	-	-	-
Interfund transfers in	3,500,431	2,925,329	4,093,063	3,562,081	5,023,072	1,359,760	747,891	2,133,806
Interfund Transfers out	(3,500,431)	(2,925,329)	(4,093,063)	(3,562,081)	(5,023,072)	(1,359,760)	(747,891)	(2,133,806)
Total Other Financing Sources (Uses)	68,270	208,623	116,420	132,992	151,457	1,217,084	565,972	22,800
Net change in fund balance	<u>2,782,608</u>	<u>459,282</u>	<u>2,961,448</u>	<u>2,383,622</u>	<u>(685,540)</u>	<u>1,732,253</u>	<u>118,952</u>	<u>(52,012)</u>
Fund balance at beginning of year	<u>8,917,496</u>	<u>11,700,104</u>	<u>12,159,386</u>	<u>15,120,834</u>	<u>17,504,456</u>	<u>16,818,916</u>	<u>18,551,169</u>	<u>18,670,121</u>
Fund balance at end of year	<u>11,700,104</u>	<u>12,159,386</u>	<u>15,120,834</u>	<u>17,504,456</u>	<u>16,818,916</u>	<u>18,551,169</u>	<u>18,670,121</u>	<u>18,618,109</u>
Debt Service as a percentage of non-capital expenditures	4.36%	3.65%	3.84%	3.53%	2.88%	2.97%	2.83%	2.51%

Note: Montgomery first applied GASB Statement No. 34 in fiscal year ending December 31, 2004. Therefore, government-wide financial information for years prior to fiscal year 2004 is not available.

Source: Montgomery Township Statement of Revenues, Expenditures & Changes in Fund Balances Governmental Funds

Table 5

**Montgomery Township
General Government Tax Revenues by Source
Last Ten Years (Unaudited)**

Year Ended 31-Dec	Real Estate Tax (1)	Earned Income Tax (2)	Realty Transfer Tax	Business Gross Receipts	Total
2002	3,036,310	-	1,376,129	2,881,970	7,294,409
2003	2,969,500	1,514,477	828,662	2,902,284	8,214,923
2004	2,959,751	3,109,625	1,222,969	3,339,207	10,631,552
2005	2,932,778	3,139,545	1,183,697	3,326,858	10,582,878
2006	3,340,122	3,837,531	1,563,984	3,472,803	12,214,440
2007	2,960,726	4,079,116	1,066,042	3,497,488	11,603,372
2008	2,965,285	4,244,016	881,517	3,296,613	11,387,431
2009	2,902,742	4,147,313	607,113	3,001,698	10,658,866
2010	2,850,219	4,209,528	564,737	2,933,688	10,558,172
2011	\$ 2,905,662	\$ 4,285,766	\$ 759,294	\$ 2,787,107	\$ 10,737,829

Notes:

(1) Includes General, Fire, Park and Recreation and Debt Service Funds .

(2) On January 1, 2003 the Township began imposing a 1 % earned income tax on residents and non-

(2) On January 1, 2002 the North Penn School District enacted a 1/2 % earned income tax. Township residents will remit 1/2 % to the district and 1/2 % to the Township.

Source : Montgomery Township Records, DCED Annual Audit and Financial Report

Table 6

Montgomery Township
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years (Unaudited)

FISCAL Year Ended 31-Dec	Total Taxable Assessed Value (1)	Less: Tax-Exempt Property	Total Taxable Assessed Value	Estimated Actual Value (2)	Ratio of total Assessed value to Estimated Actual Value	Total Township Tax Rate (3)
2002	1,842,920,702	45,796,579	1,797,124,123	2,402,764,931	.767	1.60
2003	1,888,475,459	46,928,615	1,841,546,844	2,748,872,575	.687	1.52
2004	1,941,807,401	48,253,914	1,893,553,487	3,214,912,916	.604	1.51
2005	1,978,556,401	49,167,127	1,929,389,274	3,705,161,800	.534	1.50
2006	2,014,400,611	50,057,855	1,964,342,756	3,973,176,748	.507	1.49
2007	2,048,745,158	50,911,317	1,997,833,841	4,032,962,909	.508	1.49
2008	2,086,400,611	51,847,055	2,034,553,556	3,863,704,835	.540	1.49
2009	2,093,987,758	52,035,596	2,041,952,162	3,877,755,107	.540	1.49
2010	2,100,221,628	52,249,920	2,047,971,708	3,684,599,347	.570	1.49
2011	\$ 2,098,343,338	\$ 52,330,288	\$ 2,046,013,050	\$ 3,733,707,007	.562	1.49

Source: Montgomery County Board of Assessments .

Notes:

(1) Includes tax exempt properties.

(2) Estimated actual value is calculated by dividing assessed value by Common Level Ratio provided by State Equalization Board.

(3) Tax rates are per \$1,000 of assessed value.

Table 7

**Montgomery Township
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years**

Fiscal Year	Montgomery Township				Total Township Millage	Overlapping Rates		
	General Fund Millage	Park and Recreation Millage	Fire Protection Millage	Debt Service Millage		Total County Millage	Total School Millage	Total Millage
2002	1.00	0.19	0.17	0.24	1.60	2.8400	17.0348	21.4748
2003	0.92	0.19	0.17	0.24	1.52	2.8400	17.0348	21.3948
2004	0.91	0.19	0.17	0.24	1.51	2.8400	17.7639	22.1139
2005	0.90	0.19	0.17	0.24	1.50	2.8900	18.3146	22.7046
2006	0.89	0.19	0.17	0.24	1.49	2.8900	19.0275	23.4075
2007	0.89	0.19	0.17	0.24	1.49	2.8400	19.6744	24.0044
2008	0.89	0.19	0.17	0.24	1.49	2.6950	20.5399	24.7249
2009	0.89	0.19	0.17	0.24	1.49	2.6950	21.3396	25.5246
2010	0.89	0.19	0.17	0.24	1.49	2.6950	21.9564	26.1414
2011	0.89	0.19	0.17	0.24	1.49	2.6950	21.9564	26.1414

Source: Pennsylvania Department of Community and Economic Development Municipal Statistics.

**Montgomery Township
Principal Property Taxpayers
Current and Nine Years Ago (Unaudited)**

Taxpayer	Type of Business	2011			2002		
		Assessed Value	Rank	% of Total Assessment	Assessed Value	Rank	% of Total Assessment
Montgomeryville Associates,inc.	Shopping Mall	\$ 103,400,000	1	4.93%	\$ 102,194,030	1	5.68%
Private Individual	Industrial Building	30,813,320	2	1.47%	28,795,890	2	1.60%
Kir Montgomeryville (formerly Montgomery Square Partnership)	Shopping Mall	22,376,090	3	1.07%	22,376,090	4	1.24%
Nappen & Associates	Industrial Building	21,626,630	4	1.03%	24,340,550	3	1.35%
Gateway DC Properties,Inc.	Shopping Mall	20,196,000	5	0.96%	21,369,730	5	1.19%
Water Tower Square Assoc.	Apartment Building	19,229,000	6	0.92%	17,858,150	6	0.99%
Avenel Realty Co Inco	Shopping Mall	18,896,160	7	0.90%			
Private Individual	Rental Lots	14,794,330	8	0.71%	14,370,500	7	0.80%
Lowe's Home Center	Retail Store	11,751,190	9	0.56%			
Montgomery Department Investor's	Shopping Mall	9,956,880	10	0.47%			
Target Corp	Retail Store				9,751,090	8	0.54%
Bell Run Associates	Apartment Building				9,750,070	9	0.54%
Montgomery Commons Assoc	Shopping Center				9,411,140	10	0.52%
TOTAL		\$273,039,600		13.01%	\$260,217,240		14.46%

Source: Montgomery County Tax Assessment Duplicate

TABLE 9

Name of Government
Property Tax Levies and Collections
Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended 31-Dec	Total Tax Levy for Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections Amount	Total Collections to Date	
		Amount (2)	Percentage of Levy		Amount	Percentage of Levy
2002	2,948,673	2,908,413	98.6%	25,185	2,933,598	99.49%
2003	2,821,155	2,773,451	98.3%	38,129	2,811,580	99.66%
2004	2,835,324	2,793,383	98.5%	37,905	2,831,288	99.86%
2005	2,825,412	2,779,010	98.4%	31,551	2,810,561	99.47%
2006	2,755,025	2,702,656	98.1%	21,663	2,724,319	98.89%
2007	2,818,611	2,780,966	98.7%	30,218	2,811,184	99.74%
2008	2,844,902	2,797,743	98.3%	42,255	2,839,998	99.83%
2009	2,811,938	2,746,015	97.7%	49,056	2,795,071	99.40%
2010	2,821,764	2,744,438	97.3%	17,628	2,762,066	97.88%
2011	2,808,794	2,731,699	97.3%	18,964	2,750,663	97.93%

Notes:

(1) The Township implemented a Homestead Exclusion starting in 2003 reducing assessments for single family owner occupied dwelling by \$10,000. The Exclusion was increased to \$15,000 in 2004, \$20,000 in 2005, \$25,000 in 2006 and \$30,000 in 2009.

(2) Taxpayers are entitled to a 2% discount for payment of taxes by April 30th. Historically, 88-90% of taxpayers take advantage of this discount.

Table 10

**Business Privilege and Mercantile Tax
Revenue Base and Collections
Last 10 Years (Unaudited)**

Year Ended	Number of		Taxes	
31-Dec	Returns	Taxable Sales	Collected	Tax rate
2002	860	1,652,557,333	2,478,836	1.5 Mills
2003	923	1,689,382,000	2,534,073	1.5 Mills
2004	1,053	1,911,474,667	2,867,212	1.5 Mills
2005	1,135	2,006,694,667	3,010,042	1.5 Mills
2006	1,254	2,040,210,000	3,060,315	1.5 Mills
2007	1,258	2,067,927,333	3,101,891	1.5 Mills
2008	1,422	1,943,085,333	2,914,628	1.5 Mills
2009	1,391	1,770,841,333	2,656,262	1.5 Mills
2010	1,437	1,727,391,333	2,591,087	1.5 Mills
2011	1,461	1,862,376,000	2,793,564	1.5 Mills

Source: Montgomery Township Business/Mercantile Tax Collection Records

**Montgomery Township
Principal Business Tax Remitters
Current and Nine Years Ago (Unaudited)**

Description	2011		2002	
	Rank	% of Total	Rank	% of Total
Retail Store	1	7.22%	1	5.66%
Retail Store	2	2.95%	3	2.48%
Retail Stores - Auto	3	2.60%	6	2.08%
Retail Store	4	2.43%	9	1.66%
Retail Store	5	2.18%		
Retail Store - Home Improvement	6	2.12%	2	4.15%
Retail Stores - Auto	7	2.12%		
Retail Stores - Auto	8	1.85%		
Department Store	9	1.66%	4	2.32%
Relocation Services	10	1.58%	7	1.74%
Retail Store			5	2.32%
Retail Store			8	1.71%
Retail Store - Auto			10	1.46%
Percentage of Total Gross Collections		26.71%		25.58%

Source: Montgomery Township Business Tax Records

Note: Due to the confidential nature of tax returns and on the advice of legal counsel, Montgomery Township does not disclose the proper name nor specific tax paid for any individual taxpayer. In lieu of that information, we have provided the top ten taxpayers by the nature of the business and the taxpayer's individual share of total tax collected.

Table 12

**Montgomery Township
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds (1)	General Obligation Notes	Total Primary Government	Percentage of Per Capital Income (2)	Per Capita
2002	1,495,000	2,452,704	3,947,704	0.55%	179
2003	1,520,000	2,295,313	3,815,313	0.54%	173
2004	1,385,000	2,077,131	3,462,131	0.49%	157
2005	1,250,000	1,979,593	3,229,593	0.45%	147
2006	1,110,000	1,722,405	2,832,405	0.40%	129
2007	960,000	1,489,360	2,449,360	0.26%	103
2008	815,000	1,254,915	2,069,915	0.20%	88
2009	665,000	1,086,000	1,751,000	0.17%	74
2010	505,000	905,490	1,410,490	0.14%	57
2011	\$ 345,000	\$ 716,290	\$ 1,061,290	0.10%	43

Notes

(1) Details regarding the Township's outstanding debt can be found in the notes to the financial statements.

(2) Per Capita Income taken from American Community Survey 5 Year Estimate for year 2010

**Montgomery Township
Ratio of Net General Obligation Debt To Assessed Value of
Real Estate and General Obligation Debt Per Capita
Last Ten Years (Unaudited)**

Year Ended 31-Dec	Population	Assessed Value	Gross General Obligation Debt	Debt Service Fund Balance	Net General Obligation Debt	Percentage of General Obligation Debt to Assessed Value	General Obligation Debt per Capita
2002	22,025	1,842,920,702	3,947,704	160,136	3,787,568	0.21%	\$172
2003	22,025	1,888,475,459	3,966,921	197,071	3,769,850	0.20%	\$171
2004	22,025	1,941,807,401	3,462,131	169,555	3,292,576	0.17%	\$149
2005	22,025	1,978,556,401	3,229,593	154,283	3,075,310	0.16%	\$140
2006	22,025	2,014,400,611	2,832,405	259,826	2,572,579	0.13%	\$117
2007	23,666	2,048,745,158	2,449,360	314,470	2,134,890	0.10%	\$90
2008	23,504	2,086,400,611	2,069,915	372,171	1,697,744	0.08%	\$72
2009	23,504	2,093,987,758	1,751,000	483,382	1,267,618	0.06%	\$54
2010	24,790	2,100,221,628	1,410,490	586,034	824,456	0.04%	\$33
2011	24,790	2,098,343,338	1,061,290	\$ 704,870	\$ 356,420	0.02%	\$14

Source:

Population 2000 - 2006 Bureau of Census - 2000 Census
 2007 - 2009 Bureau of Census 2005-2009 American Community Survey
 2010 Bureau of Census 2010 Population Total by Municipality
 Assessed Value - Montgomery County Tax Assessment
 Debt - Montgomery Township Audited Financial Reports

TABLE 14

**Montgomery Township
Computation of Direct and Overlapping Debt
December 31, 2011 (Unaudited)**

	Net Debt Outstanding		Debt Applicable to Montgomery
Direct Debt of the Township and Related Entities			
Montgomery Township	\$ 1,061,290		\$ 1,061,290
Overlapping Debt			
County of Montgomery	\$ 418,044,000 (1)		\$ 15,061,403
North Penn School District	\$ 105,792,000 (2)		\$ 32,177,328
Total Overlapping Debt	<u>\$ 523,836,000</u>		<u>\$ 47,238,731</u>
Total Direct and Overlapping Debt	<u>\$ 524,897,290</u>		<u>\$ 48,300,021</u>

Notes:

(1) Percentage of total Montgomery County debt as of December 31, 2009, based on the ratio of Montgomery Twp Assessed valuation to Montgomery County 2010 Assessed Value

(2) Percentage of total North Penn School district debt as of June 30, 2010, based on the ratio of Montgomery Twp Assessed Value to North Penn School District 2010 Assessed Value

Sources: Montgomery Township Annual Financial Statements, County of Montgomery Annual Financial Statements and North Penn School District Annual Financial Statements

TABLE 15

Montgomery Township
Computation of Legal Debt Margin
December 31, 2011 (Unaudited)

Borrowing base revenues (1):	
2009	12,424,298
2010	12,952,994
2011	14,475,990
Total Revenues	<u>\$ 39,853,282</u>
Debt limit for General Obligation Bonds:	
Average borrowing base revenues	<u>\$ 13,284,427</u>
Debt limit percent	250%
Debt limit	33,211,068
Total amount of debt applicable to debt limit	1,061,290
Legal debt margin	<u>\$ 32,149,778</u>
Debt limit for General Obligation bonds and lease rental debt:	
Average borrowing base revenues	<u>\$ 13,284,427</u>
Debt limit percent	350%
Debt limit	<u>\$ 46,495,496</u>
Total amount of debt applicable to debt limit	-
Legal debt margin	<u>\$ 46,495,496</u>

Notes: Borrowing base represents total revenues per Act 177 of 1996 recodified Unit Debt Act.

Source: Montgomery Township Annual Financial Statements.

Table 16

**Montgomery Township
Legal Debt Margin Information
Last Ten Years (Unaudited)**

Year Ended 31-Dec	Debt Limit	Gross General Obligation Debt	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2002	24,198,030	3,947,704	20,250,326	19.49%
2003	26,197,412	3,966,921	22,230,491	17.84%
2004	30,419,129	3,462,131	26,956,998	12.84%
2005	33,240,368	3,229,593	30,010,775	10.76%
2006	36,603,967	2,832,405	33,771,562	8.39%
2007	37,848,055	2,449,360	35,398,695	6.92%
2008	38,944,129	2,069,915	36,874,214	5.61%
2009	37,105,083	1,751,000	35,354,083	4.95%
2010	35,282,084	1,410,490	33,871,594	4.16%
2011	33,211,068	1,061,290	32,149,778	3.30%

Source: Montgomery Township Annual Financial Statements

Table 17

**Montgomery Township
Ratio of Annual Debt Service Expenditures for General
Bonded Debt to Total General Governmental Expenditures
Last Ten Years (Unaudited)**

Year Ended				Total General Governmental Expenditures	Ratio of Debt Service to Total General Governmental Expenditures
31-Dec	Principal	Interest	Debt Services		
2002	440,596	129,477	570,073	11,713,221	4.87%
2003	227,392	133,470	360,862	12,314,911	2.93%
2004	353,182	128,516	481,698	11,518,323	4.18%
2005	375,466	103,531	478,997	13,587,197	3.53%
2006	397,188	84,019	481,207	13,009,216	3.70%
2007	383,044	76,916	459,960	13,474,937	3.41%
2008	379,446	68,704	448,150	15,990,141	2.80%
2009	318,914	59,888	378,802	13,132,220	2.88%
2010	340,510	43,792	384,302	13,949,988	2.75%
2011	\$ 349,200	\$ 29,661	\$ 378,861	15,476,675	2.45%

Source: Montgomery Township Annual Financial Statements.

Table 18

**Montgomery Township
Demographic and Economic Statistics
Last Ten Years (Unaudited)**

Year Ended 31-Dec	Per Capita Income (1)	Population (1)	Per Capita Personal Income	Unemployment Rate (2)
2002	32,349	20,025	647,788,725	4.6
2003	32,349	20,025	647,788,725	4.6
2004	32,349	20,025	647,788,725	5.2
2005	32,349	20,025	647,788,725	3.9
2006	32,349	20,025	647,788,725	3.5
2007	40,537	23,666	959,348,642	3.4
2008	44,142	23,504	1,037,513,568	4.3
2009	44,142	23,504	1,037,513,568	6.7
2010	41,095	24,790	1,018,745,050	6.8
2011	\$40,891.00	24,790	\$ 1,013,687,890	7.0

Source: (1) 2000 -2006 Bureau of Census - 2000 Census
2007 - 2009 Bureau of Census 2005-2008 American Community Survey
2010 Bureau of Census - 2010 Census
(2) U S Depart of Labor Statistics for Montgomery County

Table 19

**Montgomery Township
Principal Employers
Current and Nine Years Ago (Unaudited)**

Employer	Description	<u>2011</u>			<u>2002</u>		
		Employees	Rank	% of Total Township Employment	Employees	Rank	% of Total Township Employment
Teva Pharmaceutical	Pharmaceutical	800	1	3.87%	547	3	2.23%
McCallion	Employment Agency	695	2	3.36%	550	2	2.24%
Sensor Antaenae Systems (BAE)	Manufacturing	453	3	2.19%			
Harriet Carter	Catalog Sales	440	4	2.13%			
Target	Retail Store	409	5	1.98%	303	9	1.24%
Capital Wine and Spirits	State Store	406	6	1.96%	428	6	1.75%
Macy's	Department Store	347	7	1.68%			
Gemalto	Shopping Mall	294	8	1.42%			
Costco	Retail Store	229	9	1.11%	673	1	2.75%
Home Depot	Retail Store	192	10	0.93%	473	5	1.93%
Sears	Department Store				475	4	1.94%
Toys R Us	Retail Store				384	7	1.57%
JC Penney	Department Store				344	8	1.40%
GemPlus	Manufacturing				287	10	1.17%
TOTAL		4,265		20.62%	4,464		18.22%

Notes:

Total Number of individuals employed in the Township in 2011: 20,688

Total Number of individuals employed in the Township in 2002: 24,500

Source: 2002 and 2011 Township Occupation Privilege/Local Services Tax Records

Montgomery Township
Full Time Equivalent Township Government Employees by Function
Last Ten Fiscal Years (Unaudited)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government	7.0	7.0	7.0	7.0	8.0	8.0	8.4	8.0	8.0	8.0
Finance and Tax Collection	7.5	7.5	7.5	7.8	7.8	8.5	7.5	7.5	7.5	6.5
Public Safety										
Officers	34.0	32.0	34.0	34.0	35.0	35.0	35.0	35.0	35.0	36.0
Civilians	9.0	8.0	8.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Fire Safety										
Officers	Note 1	3.0	3.4	3.4	5.0	5.8	5.8	5.8	5.8	5.8
Clerical	Note 1	0.0	0.0	0.0	0.0	0.0	0.5	0.5	0.5	0.5
Code Enforcement, Building & Zoning	5.0	5.0	5.8	5.8	6.3	6.3	6.3	6.3	6.3	6.3
Public Works										
Highway, Storm Sewers, Street Lights, Traffic Signals, Facilities and Parks	14.5	14.5	15.0	19.0	20.3	20.3	21.3	21.3	21.3	23.3
Culture and Recreation	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0
Totals:	78.00	78.00	81.65	86.90	92.21	93.75	95.73	95.33	95.33	97.40

Source: Montgomery Township, Montgomery County, Pennsylvania Records

Notes:

(1) Prior to 2003, Fire Services provided by Colmar Volunteer Fire Department. Combination Career and Volunteer Department created in 2003.

Montgomery Township
Operating Indicators by Function
Last Ten Fiscal Years (Unaudited)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Police										
Part I Crimes	567	546	555	611	597	656	540	561	479	531
Part II Crimes	1,472	1,411	1,425	1,434	1,423	1,401	1,212	1127	1226	1113
Total Calls for Service	21,551	23,991	25,315	25,854	24,974	26,399	26,092	26,028	26,607	29,306
Fire Safety										
Total Responses	Note 1	606	674	634	683	659	700	570	572	599
Code Enforcement & Zoning										
Total Permits	2284	2252	2193	1481	1026	959	940	928	1160	1374
Land Development Submittals	20	27	14	13	9	7	7	7	3	1
Zoning Hearing Board Applications	18	10	8	8	14	14	15	19	14	15
Rezoning Requests	0	0	1	4	2	2	0	0	0	0
Conditional Use Applications	0	0	1	0	2	4	0	1	0	2
Highway and Streets										
Streets Resurfaced (miles)	4.93	3.95	5.13	4.56	5.02	5.45	5.7	0 (2)	4.34	5.02

Source: Montgomery Township, Montgomery County, Pennsylvania Records

Notes:

(1) Prior to 2003, Fire Services provided by Colmar Volunteer Fire Department. Combination Career and Volunteer Department created in 2003.

(2) Due to favorable conditions of streets, the Township opted to defer annual street resurfacing work in 2009 but continued funding of 14 Year Road Program Reserve.

**Montgomery Township
Capital Asset Statistics by Function
Last Ten Fiscal Years (Unaudited)**

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government										
Municipal Building	1	1	1	1	1	1	1	1	1	1
Public Works Building	1	1	1	1	1	1	1	1	1	1
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicle Units	18	18	18	18	19	19	20	20	19	19
Fire (1)										
Stations	1	1	1	2	2	2	2	2	2	2
Apparatus	Note 1	5	5	5	5	5	5	5	5	5
Highway and Streets										
Street Miles	70	70	70	70	71	71	73	73	73	73
Traffic Signals	38	40	40	40	42	43	43	43	42	41
Stormwater Detention Basins	50	50	50	58	60	60	61	63	63	63
Culture and Recreation										
Park Sites	9	9	10	10	11	11	11	11	11	11
Acres	273	273	303	303	306	306	306	306	306	314
Playgrounds	8	8	8	8	8	8	8	8	8	8
Soccer Fields	10	10	10	10	10	10	10	11	11	11
Baseball Fields	11	11	11	13	13	13	14	14	14	14
Tennis Courts	12	12	12	16	16	16	16	16	16	16
Basketball Courts	6	6	6	6	6	6	6	7	9	8.5
Street Hockey	3	3	3	4	4	4	4	4	4	4
Disc Golf Course						1	1	1	1	1
Volleyball Courts	2	2	2	2	2	2	2	2	2	2
Dog Park	1	1	1	1	1	1	1	1	1	1

Source: Montgomery Township, Montgomery County, Pennsylvania Records

Notes:

(1) Prior to 2003, Fire Services provided by Colmar Volunteer Fire Department. New Combination Career and Volunteer Department created by Township in 2003.

Table 23

SCHEDULE OF INSURANCE COVERAGES 12/31/2011
PROPERTY COVERAGE

1	Limit of Liability		
	The following Limit of Liability applies:		
	All Coverages Combined Including Real and Personal Property	\$1,000,000,000	Each Occurrence
2	Sublimits of Liability		
	The following Sublimits of Liability apply. These are part of and not in addition to the Limit of Liability:		
	a. Extra Expense	\$50,000,000	Each Interruption
	b. Miscellaneous Unnamed Locations	\$25,000,000	Each Occurrence
	(excluding flood coverage for locations in Flood Zones A, AE, V and all other 100 year floodplains)		
	c. Automatic Acquisitions for Ninety (90) Days	\$100,000,000	Each Occurrence
	(excluding flood coverage for locations in Flood Zones A, AE, V and all other 100 year floodplains)		
	d. Automatic Acquisitions After Ninety (90) Days	\$25,000,000	Each Occurrence
	(excluding flood coverage for locations in Flood Zones A, AE, V and all other 100 year floodplains)		
	e. Errors and Omissions	\$50,000,000	Each Occurrence
	f. Course of Construction (Builders Risk), if values reported	\$25,000,000	Each Occurrence, Each Project
	g. Course of Construction (Builders Risk), if values not reported	\$25,000,000	Each Occurrence, Each Project
	h. Increased Cost of Construction Due to Ordinance or Law (no sublimit for Demolition Costs)	\$25,000,000	Each Occurrence
	i. Transit	\$25,000,000	Each Occurrence
	j. Unscheduled Animals (not to exceed \$50,000 per Animal)	\$2,500,000	Each Occurrence
	k. Expediting Expense	\$50,000,000	Each Occurrence
	1 Valuable Papers and Records	\$25,000,000	Each Occurrence
	m. Accounts Receivable	\$25,000,000	Each Occurrence
	n. Unscheduled Landscaping, Tees, Sand Traps, Greens and Athletic Fields with sublimits per item per form	\$1,000,000	Each Occurrence

o. Scheduled Landscaping, Tees, Sand Traps, Greens and Athletic Fields with sublimits per item per form	\$5,000,000	Each Occurrence
p. Unscheduled Fine Arts	\$2,500,000	Each Occurrence
q. Furs, Jewelry, Precious Metals and Stones	\$500,000	Each Occurrence, Each Participant
r. Watercraft (under twenty-seven feet in length, unless scheduled)	\$2,500,000	Each Occurrence
s. Off Premises Service Interruption including Extra Expense Resulting from a Covered Peril at Non-Owned/Operated Locations	\$25,000,000	Each Interruption
t. Business Interruption, including Rental Income, Tuition and Related Fees Income and Tax Interruption, if values have been reported	\$100,000,000	Each Interruption for All Participants Combined
u. Business Interruption, including Rental Income, Tuition and Related Fees Income and Tax Interruption, if values have not been reported	\$500,000	Each Interruption, Each Participant
v. Business Interruption, including Rental Income, Tuition and Related Fees Income and Tax Interruption, if values have not been reported	\$2,500,000	Each Interruption for All Participants Combined
w. Extended Period of Indemnity	180	Days
x. Contingent Business Interruption (including Rental Income, Tuition and Fees Income, Tax Interruption) Resulting from a Covered Peril at Direct Supplier or Direct Customer Locations	\$3,000,000	Each Interruption for All Participants Combined
Y. Contingent Extra Expense Resulting from a Covered Peril at Direct Supplier or Direct Customer Locations	\$3,000,000	Each Interruption for All Participants Combined
z. Leasehold Interest	\$500,000	Each Occurrence
aa. Claims Preparation Expense	\$1,000,000	Each Occurrence
bb. Accidental Contamination of Land When Resulting from a Named Peril	\$250,000	Each Occurrence, Annual Aggregate Each Participant
cc. Accidental Contamination of Land When Resulting from a Named Peril	\$500,000	Annual Aggregate for All Participants Combined

dd. Earthquake Shock	\$50,000,000	Annual Aggregate for All Participants Combined
ee. Flood	\$100,000,000	Annual Aggregate for All Participants Combined
f f. Flood - Zones A, AE, V and all other 100 year Floodplains	\$50,000,000	Annual Aggregate for All Participants Combined *
gg. Terrorism **	\$25,000,000	Annual Aggregate for All Participants Combined

Included within above \$100,000,000 annual aggregate limit for all flood loss.

* This terrorism coverage applies excess of any terrorism coverage available through the Trust's property

** reinsurance underwritten by Alliant Insurance Services' Public Entity Property Insurance Program (PEPIP USA).

Per occurrence and aggregate limits of the PEPIP USA program for terrorism are shared by Delaware Valley Insurance Trust and other public entity group self-insurance pools and public entity insureds throughout the United States. This

Insurance Trust membership only and is not shared with other public entities covered by the PEPIP USA program.

3	Deductibles		
a	All Coverages Combined - Property Perils	\$1,000	Each Occurrence
b.	Flood (Other Than Zone A, AE or V locations, water or sewer plant locations, pump stations, water or sewer lines or wells)	\$25,000	Each Occurrence
c.	Flood (Zone A, AE or V locations, water or sewer plant locations, pump stations, water or sewer lines or wells)	\$50,000	Each Occurrence
d.	Service Interruption (Property Damage and Time Element)		24 HoursWaiting Period
e.	Tax Interruption		2.5%Annual Tax Values, Each Location, Each Occurrence

BOILER COVERAGE

1	Limit of Liability		
	The following Limit of Liability applies:		
	All Coverages Combined (Property Damage and Business Interruption and Extra Expense)	\$100,000,000	Each Accident
2	Sublimits of Liability		
	The following Sublimits of Liability apply. These are part of and not in addition to the Limit of Liability:		
	a. Expediting Expense	\$25,000,000	Each Accident
	b. Errors and Omissions	\$25,000,000	Each Accident
	c. Hazardous Substances	\$1,000,000	Each Accident
	d. Ammonia Contamination	\$10,000,000	Each Accident
	e. Water Damage	\$10,000,000	Each Accident
	f. Consequential Damage	\$10,000,000	Each Accident
	g. Ordinance or Law - Value of Undamaged Portion of Building, Demolition and Increased Cost of Construction Due to Ordinance or Law	\$25,000,000	Each Accident
	h. EDP Media	\$10,000,000	Each Accident
	i. Earthquake Resultant Damage	\$2,000,000	Annual Aggregate
	j. Utility Interruption for Utilities Owned by Others and For Covered Objects and Covered Perils	\$10,000,000	Each Accident
	k. Automatic Acquisitions	\$25,000,000	Each Accident
3	Deductibles		
	a. All Coverages Combined	\$1,000	Each Accident
	b. Off Premises Service Interruption (Property Damage and Time Element)		24 HoursWaiting Period Time Element)

CRIME COVERAGE

1	Limits of Liability		
	a. Public Employee Dishonesty Coverage with Faithful Performance of Duty included without sublimit	\$2,000,000	Each Occurrence
	b. Forgery or Alteration Coverage	\$2,000,000	Each Occurrence
	c. Theft, Disappearance and Destruction Coverage (Inside and Outside for Money and Securities excluding checks)	\$250,000	Each Occurrence
	d. Theft, Disappearance and Destruction Coverage (Inside and Outside for Money and Securities - Checks)	\$1,000,000	Each Occurrence
	e. Computer Fraud Coverage	\$2,000,000	Each Occurrence
	f. Wire Transfer Communication Fraud Coverage	\$2,000,000	Each Occurrence
	g. Money Orders and Counterfeit Currency Coverage	\$2,000,000	Each Occurrence
2	Deductibles		
	a. Public Employee Dishonesty Coverage	\$1,000	Each Loss
	b. Faithful Performance of Duty	\$1,000	Each Loss
	c. Forgery or Alteration Coverage	\$0	Each Loss
	d. Theft, Disappearance and Destruction Coverage (Inside and Outside for Money and Securities)	\$1,000	Each Loss
	e. Computer Fraud Coverage	\$1,000	Each Loss
	f. Wire Transfer Communication Fraud Coverage	\$1,000	Each Loss
	g. Money Orders and Counterfeit Currency Coverage	\$1,000	Each Loss

LIABILITY COVERAGE

1	Limits of Liability		
	a. Primary General Liability including Police Professional Liability arising out of Law Enforcement Activities	\$2,000,000	Each Occurrence
	Fire Damage Liability	\$250,000	Each Occurrence
	Limited Pollution Liability - Covered Volunteer Fire Companies	\$1,000,000	Each Occurrence
	Limited Pollution Liability - Covered Volunteer Fire Companies	\$1,000,000	Annual Aggregate
	Terrorism	\$2,000,000	Annual Aggregate for All Participants Combined
	Fungi and Bacteria	\$1,000,000	Annual Aggregate for All Participants Combined
	b. Primary Business Auto Liability	\$2,000,000	Each Accident
	c. Uninsured Motorists	\$15,000	Each Person
	d. Uninsured Motorists	\$30,000	Each Accident
	e. Basic First Party Benefits:		
	Medical Expense	\$10,000	Each Accident
	Work Loss Expense	\$5,000	Each Accident
	Work Loss Expense	\$1,000	Each Month
	Funeral Expense	\$1,500	Each Accident
	f. Garagekeepers Legal Liability	\$250,000	Each Loss
	g. Auto Physical Damage:		
	Fire, Rescue and Ambulance Autos Valued on a Replacement Cost Basis	Limit Per Unit As Reported to Trust	
	All Other Autos	Actual Cash Value	
	h. Primary Public Officials and Employees Liability	\$2,000,000	Each Claim
	i. Primary Public Officials and Employees Liability	\$2,000,000	Annual Aggregate
	j. Excess General Liability including Police Professional Liability arising out of Law Enforcement Activities	\$8,000,000	Each Occurrence
	k. Excess Business Auto Liability	\$8,000,000	Each Accident
	1 Excess Public Officials and Employees Liability	\$8,000,000	Each Claim
	m. Excess Public Officials and Employees Liability	\$8,000,000	Annual Aggregate
	n. Employee Benefit Plan Fiduciary Liability	\$1,000,000	Annual Aggregate

	o. Heart and Lung Act Liability	\$100,000	Annual Aggregate
	p. Privacy Liability (effective May 1, 2009)	\$100,000	Annual Aggregate
2	Deductibles		
	a. General Liability	\$0	Each Occurrence
	General Liability arising out of Skateboarding or Rollerblading	\$2,500	Each Occurrence
	General Liability arising out of Backup of Sewage	n/a	Each Claim
	General Liability arising out of Backup of Sewage	n/a	Each Occurrence
	General Liability arising out of Backup of Sewage	n/a	Annual Aggregate
	b. Police Professional Liability arising out of Law Enforcement Activities	\$3,500	Each Occurrence
	c. Auto Liability, Uninsured Motorists and Basic First Party Benefits	\$0	Each Accident
	d. Auto Physical Damage and Garagekeepers Legal Liability - Collision or Other Than Collision (Passenger Vehicles, Motorcycles and Light Trucks)	\$500	Each Accident
	e. Auto Physical Damage and Garagekeepers Legal Liability - Collision or Other Than Collision (All Other Autos)	\$1,000	Each Accident
	f. Public Officials and Employees Liability	\$2,500	Each Claim
	g. Employee Benefit Plan Fiduciary Liability	\$2,500	Each Loss
	h. Privacy Liability	\$2,500	Each Claim
3	Retroactive Date for Public Officials and Employees Liability:	None	
4	Retroactive Date for Privacy Liability:		May 1, 2009 or the effective date upon which The Participant became a member of The Trust, whichever is later

WORKERS COMPENSATION COVERAGE

1

	\$1,000,000	Each Accident
Statutory Workers Compensation Employers Liability	\$1,000,000	Each Employee - Disease
	\$1,000,000	Disease

SCHEDULE OF PREMIUMS CONTRIBUTIONS PAID IN 2011

DELAWARE VALLEY INSURANCE TRUST

Property	\$28,666.00
Crime	\$1,962.00
Auto Liability	\$21,559.00
Auto Physical Damage	\$14,176.00
General Liability	\$61,528.00
Law Enforcement Liability	\$54,155.00
Public Officials Liability	\$24,721.00
Sub Total	\$206,767.00
Less 2% Multi-trust Discount	(\$6,203.00)
Less Rate Stabilization Contribution	(\$46,952.00)
Less Prior Year Dividend	(\$58,685.00)
Net Contribution	\$94,927.00

DELAWARE VALLEY WORKERS COMPENSATION TRUST

Annual contribution	\$201,771.00
Less 3% Multi-trust Discount	(\$6,053.13)
Less Rate Stabilization Contribution	(\$62,483.00)
Less Prior Year Dividend	(\$28,986.00)
Net Contribution	\$104,248.87

Source: Montgomery Township Insurance Records

Table 24

**Montgomery Township
Selected Data- Police Pension Plan
Last Ten Years (Unaudited)**

Year Ended 31-Dec	Number of Active Members	Contributions			Total	Number of Retired Members (1)
		Members	Township	State		
2002	32	-	-	98,184	98,184	2
2003	34	-	-	79,537	79,537	2
2004	34	-	-	144,324	144,324	2
2005	34	-	92,863	199,021	291,884	4
2006	34	128,934	92,901	216,197	438,032	4
2007	34	128,856	88,399	226,507	443,762	5
2008	34	134,828	98,121	227,136	460,085	5
2009	32	143,224	151,359	225,935	520,518	7
2010	32	135,123	142,441	229,440	507,004	11
2011	32	\$ 134,351	\$ 54,049	\$ 410,011	\$ 598,411	11

Notes: (1) Includes Officers participating in DROP.

Source: Montgomery Township, Montgomery County, Pennsylvania Records

Table 25

**Montgomery Township
Employee Pension Plans
Annual Contributions by Township
Last Ten Years (Unaudited)**

Year Ended 31-Dec	Primary Plan (1)		Secondary Plan	Total All
	Non Uniform	Police	Non Uniform	
2002	-	-	5,717	5,717
2003	11,702	-	7,778	19,480
2004	-	-	3,632	3,632
2005	29,046	92,863	3,877	125,786
2006	36,982	92,901	-	129,883
2007	44,024	88,399	6,881	139,304
2008	71,512	98,121	20,455	190,088
2009	88,615	151,359	22,752	262,726
2010	62,550	54,049	21,028	137,627
2011 (2)	\$ 13,683	\$ 54,049	\$ 17,466	\$ 85,198

Notes: (1) Contributions Net of State Aid

Source: Montgomery Township, Montgomery County, Pennsylvania Records

Table 26

**Montgomery Township
Salaries of Elected Officials
December 31,2011
(Unaudited)**

<u>Official Title</u>	<u>Annual Salary</u>
Supervisor, Chairman	\$4,250
Supervisor, Vice-Chairman	\$4,250
Supervisor	\$4,250
Supervisor	\$4,250
Supervisor	\$4,250
Tax Collector	\$10,000

Source: Montgomery Township, Montgomery County Pennsylvania
Records

**Montgomery Township
Miscellaneous Statistics
December 31, 2011 (Unaudited)**

<u>Date Founded</u>	Incorporated 1714	
<u>Form of Government</u>	2nd Class Township Governed by 5 Board Member of Supervisors Elected at Large	
<u>Area</u>	10.82 Square Miles	
<u>Miles of Road</u>	72.74 Maintained by the Township	
<u>Fire Protection</u>	Combination Department with 4 Career and over 30 Volunteer Fire Fighters manning two (2) stations with five (5) apparatus	
<u>Police Protection</u>	36 Officers Including Chief of Police. 9 Civilian Support/Dispatch Staff.	
<u>Recreation</u>		
<u>Libraries</u>	Montgomery County Public Library System	
<u>Transportation:</u>		
<u>Bus</u>	SEPTA Bus Service on Routes 94, 96, 132 and 134	
<u>Railway</u>	SEPTA Regional Rail Line R-5 with access at the Colmar, Link Belt, Fortuna and Lansdale Rail Stations	
<u>Highway</u>	Township is located at eh crossroads of Rt 309, Rt 202 and the Rt 202 Parkway currently under construction.	
<u>Education:</u>		
<u>Number of Schools (Fall 2011)</u>	Public	Nonpublic
<u>Elementary</u>	2	1
<u>Middle</u>	0	0
<u>Secondary</u>	0	0

Hospitals:

The following hospitals serve the greater North Penn area:
Lansdale Hospital of the Abington Health System.
Grandview Hospital, Sellersville
Abington Hospital, Abington

Township Employees:

	<u>2011</u>
<u>Full Time</u>	82
<u>Part Time</u>	22
<u>Seasonal</u>	21

Population:

	<u>2011</u>	<u>2002</u>
	24,790	20,025

Age Group Comparisons:

	Township		State		US	
	2011	2002	2011	2002	2011	2002
<u>% Under 20</u>	27.6%	29.8%	24.9%	26.5%	26.9%	28.6%
<u>% 20-64</u>	59.0%	58.9%	59.5%	53.7%	60.0%	55.1%
<u>% Over 65</u>	13.4%	11.3%	15.6%	19.8%	13.1%	16.3%
<u>Median (years)</u>	40.9	36.8	41.0	38.0	37.2	35.3%

Average Household Size (persons):

	<u>2011</u>	<u>2002</u>
<u>Montgomery Township</u>	2.68	2.74
<u>U.S.</u>	2.58	2.58

Number of Married couple families as a percentage of all households:

	<u>2011</u>	<u>2002</u>
<u>Montgomery Township</u>	62.8%	68.5%
<u>U.S.</u>	48.4%	51.9%

Married couple families by presence of children under 18:

	<u>2011</u>	<u>2002</u>
<u>With children</u>	2,977	2,946
<u>Without children</u>	2,812	2,484
<u>Difference</u>	165	462

Source : United States Bureau of the Census - 2002/2010-2011 Data and Montgomery Township, Montgomery County, Pennsylvania records.