MAIDENCREEK TOWNSHIP

BERKS COUNTY, PENNSYLVANIA

DECEMBER 31, 2007

DCED-CLGS-30 (8-07)

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

2007 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

City of: _____ County: _____

Borough of: _____ County: _____

Township of: MAIDENCREEK County: BERKS

Municipality of: _____ 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 III) is the form adopted by the Committee for use by all municipalities in Pennsylvania to fulfill their statutory reporting requirements.

One Form

Only one form is now being provided. This form contains the same categories as in previous years: assets, liabilities, revenues, and expenditures. **Only complete those funds that you use. Leave the remaining columns blank.**

Submitting the Report

- File one copy by the designated date at each of the places listed on page 9.
- Complete the appropriate items, **rounding to the nearest dollar. Do not include cents.** Calculate totals at the foot of each column and the end of every row. The totals are a required part of the report.
- Handwritten reports are acceptable, if legible, but typewritten reports are preferred.
- Computer-generated forms identical to the official form are acceptable.
- Photocopied reports may be submitted, but the appropriate officer must sign each copy and afix municipal seal.
- Appointed independent auditors may submit their own opinion in place of the prepared opinion at the end of the form.
- On the cover of the report, fill in the name of the municipality and the name of the county where it is located on the appropriate line and the date of the fiscal year being reported.
- **DO NOT place the copy of the report you are submitting to DCED in any type of binder or cover.**
- The report may be e-filed. Please see the Tip Sheet for details on how to e-file.

Kosmerl & Company, P.C.

A Professional Corporation

Certified Public Accountants

MEMBERS
AMERICAN INSTITUTE OF CPA'S
PENNA. INSTITUTE OF CPA'S

ENROLLED TO PRACTICE BEFORE
U.S. TREASURY DEPARTMENT
PENNA. DEPT. OF REVENUE

845 North Park Rd.
Wyomissing, PA
19610-1342

(610) 372-5815
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INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors
Maidencreek Township
Berks County, Pennsylvania

We have audited the accompanying primary government financial statements, included in the accompanying Pennsylvania Form DCED of Maidencreek Township, Berks County, Pennsylvania, as of and for the year ended December 31, 2007. These primary government financial statements are the responsibility of Maidencreek Township's management. Our responsibility is to express an opinion on these primary government financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, Maidencreek Township prepares its primary government financial statements on the cash basis, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion, the primary government financial statements present fairly, in all material respects, the cash balances of Maidencreek Township as of December 31, 2007, and the revenues it received and expenditures it paid for the year then ended on the basis of accounting described in Note 1.

However, the primary government financial statements, because they do not include the financial data of the component unit of Maidencreek Township, do not purport to, and do not, present fairly the cash balances of Maidencreek Township as of December 31, 2007, and the revenues it received and expenditures it paid for the year then ended on the basis of accounting described in Note 1.

The required supplementary information on Page 23 is not a required part of the basic primary government financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The accompanying financial information on Pages 24 and 25 is presented for purposes of additional analysis and is not a required part of the primary government financial statements of Maidencreek Township. Such information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in our opinion, is fairly stated in all material respects in relation to the primary government financial statements taken as a whole.

Kosmerl & Co., P.C.

KOSMERL & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

February 27, 2008

BALANCE SHEET

December 31, 2007

ASSETS AND OTHER DEBITS	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue *(Including State Liquid Fuels)*	Capital Projects	Debt Service
100-120 Cash and Investments	815,376	171,680		
140-144 Tax Receivable				
121-129 145-149 Accounts Receivable (excluding taxes)				
130 Due From Other Funds				
131-139 150-159 Other Current Assets				
160-169 Fixed Assets				
180-189 Other Debits				
TOTAL ASSETS AND OTHER DEBITS	$ 815,376	$ 171,680	$	$

LIABILITIES AND OTHER CREDITS				
210-229 Payroll Taxes and Other Payroll Withholdings				
200-209 231-239 All Other Current Liabilities				
230 Due To Other Funds				
260-269 Long-Term Liabilities				
240-259 Current Portion of Long-Term Debt & Other Credits				
TOTAL LIABILITIES AND OTHER CREDITS	$	$	$	$

FUND AND ACCOUNT GROUP EQUITY				
281-284 Contributed Capital				
290 Investment in General Fixed Assets				
270-289 Fund Balance/Retained Earnings on 12/31	815,376	171,680		
291-299 Other Equity				
TOTAL FUND AND ACCOUNT GROUP EQUITY	$ 815,376	$ 171,680	$	$

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

ASSETS AND OTHER DEBITS	PROPRIETARY FUNDS: Enterprise	PROPRIETARY FUNDS: Internal Service	FIDUCIARY FUND: Trust & Agency	ACCOUNT GROUPS: General Fixed Assets	ACCOUNT GROUPS: General Long Term Debt	TOTAL: Memorandum Only
100-120 Cash and Investments			401,576			1,388,632
140-144 Tax Receivable						
121-129 145-149 Accounts Receivable (excluding taxes)						
130 Due From Other Funds						
131-139 150-159 Other Current Assets						
160-169 Fixed Assets						
180-189 Other Debits						
TOTAL ASSETS AND OTHER DEBITS	$	$	$401,576	$	$	$1,388,632

LIABILITIES AND OTHER CREDITS						
210-229 Payroll Taxes and Other Payroll Withholdings						
200-209 231-239 All Other Current Liabilities			401,576			401,576
230 Due To Other Funds						
260-269 Long-Term Liabilities						
240-259 Current Portion of Long-Term Debt & Other Credits						
TOTAL LIABILITIES AND OTHER CREDITS	$	$	$401,576	$	$	$401,576

FUND AND ACCOUNT GROUP EQUITY						
281-284 Contributed Capital						
290 Investment in General Fixed Assets						
270-289 Fund Balance/Retained Earnings on 12/31			0			987,056
291-299 Other Equity						
TOTAL FUND AND ACCOUNT GROUP EQUITY	$	$	$ 0	$	$	$987,056

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY	$ 1,388,632

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2007

REVENUES	GOVERNMENTAL FUNDS			
		Special Revenue *(Including State Liquid Fuels)*	Capital Projects	Debt Service
TAXES	General Fund			
301.00 Real Estate Taxes	369,953	193,704		
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	209,269			
310.20 Earned Income Taxes/Wage Taxes	1,019,644			
310.30* Business Gross Receipts Taxes				
310.40* Occupation Taxes (levied under Act 511)				
310.50* Emergency and Municipal Services Tax**	17,299			
310.60 Amusement/Admission Taxes	11,426			
310.70 Mechanical Device Taxes				
310.90 Other Local Tax Enabling Act/Act 511 Taxes				
_____				
_____				
_____				
TOTAL TAXES	$ 1,627,591	$ 193,704	$	$
LICENSES & PERMITS				
320-322 All Other Licenses and Permits	112,895			
321.80* Cable Television Franchise Fees	38,099			
TOTAL LICENSES & PERMITS	$ 150,994	$	$	$
FINES & FORFEITS				
330-332 Fines and Forfeits	41,952			
TOTAL FINES & FORFEITS	$ 41,952	$	$	$
INTEREST, RENTS & ROYALTIES				
341.00 Interest Earnings	18,633	6,350		
342.00 Rents and Royalties	18,771	340		
TOTAL INTEREST, RENTS & ROYALTIES	$ 37,404	$ 6,690	$	$

** *Formerly Occupational Privilege Tax (OPT)*

REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
TAXES					
301.00	Real Estate Taxes				563,657
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				209,269
310.10	Real Estate Transfer Taxes				1,019,644
310.20	Earned Income Taxes/Wage Taxes				
310.30*	Business Gross Receipts Taxes				
310.40*	Occupation Taxes (levied under Act 511)				17,299
310.50*	Emergency and Municipal Services Tax**				11,426
310.60	Amusement/Admission Taxes				
310.70	Mechanical Device Taxes				
310.90	Other Local Tax Enabling Act/Act 511 Taxes				
	_____				
	_____				
	_____				
TOTAL TAXES		$	$	$	$1,821,295
LICENSES & PERMITS					
320-322	All Other Licenses and Permits				112,895
321.80*	Cable Television Franchise Fees				38,099
TOTAL LICENSES & PERMITS		$	$	$	$ 150,994
FINES & FORFEITS					
330-332	Fines and Forfeits				41,952
TOTAL FINES & FORFEITS		$	$	$	$ 41,952
INTEREST, RENTS & ROYALTIES					
341.00	Interest Earnings				24,983
342.00	Rents and Royalties				19,111
TOTAL INTEREST, RENTS & ROYALTIES		$	$	$	$ 44,094

INTERGOVERNMENTAL REVENUES	GOVERNMENTAL FUNDS			
FEDERAL	General Fund	Special Revenue *(Including State Liquid Fuels)*	Capital Projects	Debt Service
351.03 Highways and Streets				
351.09 Community Development				
351.00* All Other Federal Capital and Operating Grants				
352.01 National Forest				
352.00* All Other Federal Shared Revenue & Entitlements				
353.00 Federal Payments in Lieu of Taxes				
TOTAL FEDERAL	$	$	$	$
STATE				
354.03 Highways and Streets				
354.09 Community Development				
354.15 Recycling/Act 101	15,110			
354.00* All Other State Capital and Operating Grants				
355.01 Public Utility Realty Tax (PURTA)	2,746			
355.02 - 355.03 Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		169,424		
355.04 Alcoholic Beverage Licenses				
355.05 General Municipal Pension System State Aid	19,238			
355.00* All Other State Shared Revenues & Entitlements	51,743			
356.00 State Payments in Lieu of Taxes				
TOTAL STATE	$ 88,837	$ 169,424	$	$
LOCAL GOVERNMENT UNITS				
357.03 Highways and Streets				
357.00* All Other Local Governmental Units Capital and Operating Grants				
358.00* Local Government Unit Shared Payments for Contracted Intergovernmental Services				
359.00 Local Governmental Units, Authorities Payments and Payments in Lieu of Taxes				
TOTAL LOCAL GOVERNMENT UNITS	$	$	$	$

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

STATE				
354.03 Highways and Streets				
354.09 Community Development				
354.15 Recycling/Act 101				15,110
354.00* All Other State Capital and Operating Grants				
355.01 Public Utility Realty Tax (PURTA)				2,746
355.02 - 355.03 Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback				169,424
355.04 Alcoholic Beverage Licenses				
355.05 General Municipal Pension System State Aid				19,238
355.00* All Other State Shared Revenues & Entitlements				51,743
356.00 State Payments in Lieu of Taxes				
TOTAL STATE	$	$	$	$ 258,261

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

TOTAL INTERGOVERNMENTAL REVENUES	$ 258,261

REVENUES	GOVERNMENTAL FUNDS			
CHARGES FOR SERVICE	General Fund	Special Revenue *(Including State Liquid Fuels)*	Capital Projects	Debt Service
361.00 General Government	1,120			
362.00 Public Safety	150			
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		24,836		
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	237			
TOTAL CHARGES FOR SERVICE	$ 1,507	$ 24,836	$	$

UNCLASSIFED OPERATING REVENUES				
383.00* Assessments				
386.00 Escheats (sale of personal property)				
387.00 Contributions & Donations from Private Sectors		2,675		
388.00* Fiduciary Fund Pension Contributions				
389.00 All Other Unclassified Operating Revenues				
TOTAL UNCLASSIFIED OPERATING REVENUES	$	$ 2,675	$	$

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	390			
TOTAL OTHER FINANCING SOURCES	$ 390	$	$	$

TOTAL REVENUES	$ 1,948,675	$ 397,329	$	$

** *Must match the amount listed on line 492.00*

REVENUES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
CHARGES FOR SERVICE				
361.00 General Government				1,120
362.00 Public Safety				150
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				24,836
367.00 Culture and Recreation				
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				237
379.00* All Other Charges for Service				
TOTAL CHARGES FOR SERVICE	$	$	$	$ 26,343
UNCLASSIFED OPERATING REVENUES				
383.00* Assessments				
386.00 Escheats (sale of personal property)				
387.00 Contributions & Donations from Private Sectors				2,675
388.00* Fiduciary Fund Pension Contributions				
389.00 All Other Unclassified Operating Revenues				
TOTAL UNCLASSIFIED OPERATING REVENUES	$	$	$	$ 2,675
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				390
TOTAL OTHER FINANCING SOURCES	$	$	$	$ 390
TOTAL REVENUES	$	$	$	$2,346,004

** *Must match the amount listed on line 492.00*

EXPENDITURES	GOVERNMENTAL FUNDS			
GENERAL GOVERNMENT	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
400.00 Legislative (Governing) Body	72,637	1,505		
401.00 Executive (Manager or Mayor)				
402.00 Auditing Services/Financial Administration				
403.00 Tax Collection	6,554			
404.00 Solicitor/Legal Services	37,470			
405.00 Secretary/Clerk	51,788			
406.00 Other General Government Administration	113			
407.00 IT-Networking Services-Data Processing				
408.00+ Engineering Services	70,146	15,384		
409.00 General Government Buildings and Plant	30,719			
TOTAL GENERAL GOVERNMENT	$ 269,427	$ 16,889	$	$
PUBLIC SAFETY				
410.00 Police	761,141			
411.00+ Fire	136,743			
412.00+ Ambulance/Rescue	48,871			
413.00+ UCC and Code Enforcement	126,737			
414.00 Planning and Zoning	4,401			
415.00 Emergency Management & Communications	11,078			
416.00 Militia and Armories				
417.00 Examination of Licensed Occupations				
418.00 Public Scales (weights and measures)				
419.00+ Other Public Safety	100			
TOTAL PUBLIC SAFETY	$ 1,089,071	$	$	$
HEALTH AND HUMAN SERVICES				
420.00-425.00 Health and Human Services	1,625			
PUBLIC WORKS - SANITATION				
426.00 Recycling Collection and Disposal	119,527			
427.00+ Solid Waste Collection and Disposal (trash)	8,876	1,528		
428.00 Weed Control				
429.00+ Wastewater/Sewage Collection & Treatment				
TOTAL PUBLIC WORKS - SANITATION	$ 128,403	$ 1,528	$	$

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
GENERAL GOVERNMENT	Enterprise	Internal Service	Trust and Agency	Memorandum Only
400.00 Legislative (Governing) Body				74,142
401.00 Executive (Manager or Mayor)				
402.00 Auditing Services/Financial Administration				
403.00 Tax Collection				6,554
404.00 Solicitor/Legal Services				37,470
405.00 Secretary/Clerk				51,788
406.00 Other General Government Administration				113
407.00 IT-Networking Services-Data Processing				
408.00+ Engineering Services				85,530
409.00 General Government Buildings and Plant				30,719
TOTAL GENERAL GOVERNMENT	$	$	$	$ 286,316
PUBLIC SAFETY				
410.00 Police				761,141
411.00+ Fire				136,743
412.00+ Ambulance/Rescue				48,871
413.00+ UCC and Code Enforcement				126,737
414.00 Planning and Zoning				4,401
415.00 Emergency Management & Communications				11,078
416.00 Militia and Armories				
417.00 Examination of Licensed Occupations				
418.00 Public Scales (weights and measures)				
419.00+ Other Public Safety				100
TOTAL PUBLIC SAFETY	$	$	$	$1,089,071
HEALTH AND HUMAN SERVICES				
420.00-425.00 Health and Human Services				1,625
PUBLIC WORKS - SANITATION				
426.00 Recycling Collection and Disposal				119,527
427.00+ Solid Waste Collection and Disposal (garbage)				10,404
428.00 Weed Control				
429.00+ Wastewater/Sewage Collection & Treatment				
TOTAL PUBLIC WORKS - SANITATION	$	$	$	$ 129,931

EXPENDITURES	GOVERNMENTAL FUNDS			
PUBLIC WORKS - HIGHWAYS & STREETS	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
430.00 General Services - Administration	72,892	34,712		
431.00 Cleaning of Streets and Gutters				
432.00 Winter Maintenance - Snow Removal	22,717	20,328		
433.00 Traffic Control Devices	14,723			
434.00 Street Lighting	84,469			
435.00 Sidewalks and Crosswalks				
436.00 Storm Sewers and Drains	111			
437.00 Repairs of Tools and Machinery	34,714	5,527		
438.00 Maintenance & Repairs of Roads & Bridges	77,790	130,453		
439.00 Highway Construction and Rebuilding Projects				
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS	$ 307,416	$ 191,020	$	$
PUBLIC WORKS - OTHER SERVICES				
440.00 Airports				
441.00 Cemeteries				
442.00 Electric System				
443.00 Gas System				
444.00 Markets				
445.00 Parking Facilities				
446.00 Storm Water and Flood Control	1,331			
447.00 Transit System				
448.00 Water System				
449.00 Water Transport and Terminals				
TOTAL PUBLIC WORKS - OTHER SERVICES	$ 1,331	$	$	$
CULTURE AND RECREATION				
451.00 Culture-Recreation Administration		9,887		
452.00+ Participant Recreation				
453.00+ Spectator Recreation				
454.00 Parks		147,689		
455.00 Shade Trees				
456.00 Libraries				
457.00+ Civil and Military Celebrations				
458.00 Senior Citizens' Centers				
459.00 All Other Culture and Recreation	6,850	7,843		
TOTAL CULTURE AND RECREATION	$ 6,850	$ 165,419	$	$
COMMUNITY DEVELOPMENT				
461.00+ Conservation of Natural Resources				
462.00 Community Development and Housing	2,287			
463.00 Economic Development				
464.00 Economic Opportunity				
465.00 - 469.00 All Other Community Development				
TOTAL COMMUNITY DEVELOPMENT	$ 2,287	$	$	$

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
PUBLIC WORKS - HIGHWAYS AND STREETS	Enterprise	Internal Service	Trust and Agency	Memorandum Only
430.00 General Services - Administration				107,604
431.00 Cleaning of Streets and Gutters				
432.00 Winter Maintenance - Snow Removal				43,045
433.00 Traffic Control Devices				14,723
434.00 Street Lighting				84,469
435.00 Sidewalks and Crosswalks				
436.00 Storm Sewers and Drains				111
437.00 Repairs of Tools and Machinery				40,241
438.00 Maintenance & Repairs of Roads & Bridges				208,243
439.00 Highway Construction and Rebuilding Projects				
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS	$	$	$	$ 498,436
PUBLIC WORKS - OTHER SERVICES				
440.00 Airports				
441.00 Cemeteries				
442.00 Electric System				
443.00 Gas System				
444.00 Markets				
445.00 Parking Facilities				
446.00 Storm Water and Flood Control				1,331
447.00 Transit System				
448.00 Water System				
449.00 Water Transport and Terminals				
TOTAL PUBLIC WORKS - OTHER SERVICES	$	$	$	$ 1,331
CULTURE AND RECREATION				
451.00 Culture-Recreation Administration				9,887
452.00+ Participant Recreation				
453.00+ Spectator Recreation				
454.00 Parks				147,689
455.00 Shade Trees				
456.00 Libraries				
457.00+ Civil and Military Celebrations				
458.00 Senior Citizens' Centers				
459.00 All Other Culture and Recreation				14,693
TOTAL CULTURE AND RECREATION	$	$	$	$ 172,269
COMMUNITY DEVELOPMENT				
461.00+ Conservation of Natural Resources				
462.00 Community Development and Housing				2,287
463.00 Economic Development				
464.00 Economic Opportunity				
465.00 - 469.00 All Other Community Development				
TOTAL COMMUNITY DEVELOPMENT	$	$	$	$ 2,287

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)				
472.00+ Debt Interest (short-term and long-term)				
475.00+ Fiscal Agent Fees				
TOTAL DEBT SERVICE	$	$	$	$
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation	25,349			
482.00 Judgments and Losses				
483.00 Pension/Retirement Fund Contributions	39,569			
484.00 Worker Compensation Insurance	25,462			
487.00 Group Insurance and Other Benefits	4,433			
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS	$ 94,813	$	$	$
INSURANCE				
486.00+ Insurance, Casualty, and Surety	112,148			
UNCLASSIFIED OPERATING EXPENDITURES				
488.00+ Fiduciary Fund Benefits and Refunds Paid				
489.00+ All Other Unclassified Expenditures				
TOTAL UNCLASSIFIED OPERATING EXPENDITURES	$	$	$	$
OTHER FINANCING USES				
491.00+ Refund of Prior Year Revenues				
492.00+ Interfund Operating Transfers**				
493.00 All Other Financing Uses				
TOTAL OTHER FINANCING USES	$	$	$	$
TOTAL EXPENDITURES	$2,013,371	$ 374,856	$	$
EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	$ (64,696)	$ 22,473	$	$

** *Must match the amount listed on line 392.00*

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)				
472.00+ Debt Interest (short-term and long-term)				
475.00+ Fiscal Agent Fees				
TOTAL DEBT SERVICE	$	$	$	$
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation				25,349
482.00 Judgments and Losses				
483.00 Pension/Retirement Fund Contributions				39,569
484.00 Worker Compensation Insurance				25,462
487.00 Group Insurance and Other Benefits				4,433
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS	$	$	$	$ 94,813
INSURANCE				
486.00+ Insurance, Casualty, and Surety				112,148
UNCLASSIFIED OPERATING EXPENDITURES				
488.00+ Fiduciary Fund Benefits and Refunds Paid				
489.00+ All Other Unclassified Expenditures				
TOTAL UNCLASSIFIED OPERATING EXPENDITURES	$	$	$	$
OTHER FINANCING USES				
491.00+ Refund of Prior Year Revenues				
492.00+ Interfund Operating Transfers**				
493.00 All Other Financing Uses				
TOTAL OTHER FINANCING USES	$	$	$	$
TOTAL EXPENDITURES	$	$	$	$ 2,388,227
EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	$	$	$	$ (42,223)

** *Must match the amount listed on line 392.00*

1. NATURE OF ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Nature of activity:

Maidencreek Township (the "Township") founded in 1747, has an approximate population of 6,600, based on a 2000 census report, living within an area of 14.8 square miles. The Township is in the southeastern portion of the Commonwealth of Pennsylvania and is located in Berks County.

A summary of the Township's significant accounting policies follows:

The accompanying primary government financial statements conform to the cash basis method of accounting as applicable to governmental units. The following is a summary of the more significant accounting policies used by the Township.

A. THE FINANCIAL REPORTING ENTITY

The Township is a Pennsylvania Second Class Township which operates under a Board of Supervisors form of government. U. S. generally accepted accounting principles require that the reporting entity include the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of their operational or financial relationships with the primary government. The component unit as determined under the above criteria and as discussed below is not included in the Township's reporting entity as these financial statements include only the cash activities of the primary government.

INDIVIDUAL COMPONENT UNIT DISCLOSURES

Maidencreek Township Authority:

The Maidencreek Township Authority is governed by a five-member board appointed by the Township Supervisors. Although it is legally separate from the Township, the Authority is a component unit and its primary purpose is to provide water and sewer utilities to the Township. The Authority issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained by writing to the Maidencreek Township Authority.

1. NATURE OF ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES - continued

A summary of the Township's significant accounting policies follows (continued):

B. DESCRIPTION OF FUND ACCOUNTING AND FUNDS

The accounts of the Township are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The various funds of the Township are grouped in the primary government financial statements in this report as follows:

Governmental fund types:

Governmental funds are those through which most governmental functions of the Township are financed. The acquisition, use and balances of the Township's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position rather than upon net income determination. The following are the Township's governmental fund types:

General Fund – is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes.

State Liquid Fuels Highway Aid Fund – is used to account for the proceeds from the State Motor License Fund. Under the act of June 1, 1956, P.L. 1944, No. 145, this fund must be kept separate from all other funds and no other funds shall be commingled with this fund. Expenditures are legally restricted to expenditures for highway purposes in accordance with Department of Transportation regulations. County liquid fuels tax payments to the local government are not accounted for in this fund.

Recreation Board Fund – is used to account for revenue generated by taxation and expenditures related to recreation.

1. NATURE OF ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

A summary of the Township's significant accounting policies follows (continued):

B. DESCRIPTION OF FUND ACCOUNTING AND FUNDS (CONTINUED)

Fiduciary fund types:

Fiduciary funds are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The following is the Township's fiduciary fund type:

Trust and Agency Funds – Trust funds are used to account for assets held by the government in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments, and/or other funds.

Escrow Fund – is used to account for the funds received from land developers for the completion of improvements to real estate developments within the Township's boundaries. In prior years funds retained for future disposition were accounted for as a fund balance. These funds are held in a trustee capacity and after certain criteria is met, the remainder if any is returned to the developers. As such these funds are now reported as liabilities of the Township.

C. BASIS OF ACCOUNTING AND MEASUREMENT FOCUS

Basis of accounting:

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the primary government financial statements.

Cash Basis:

The Township's accounts are maintained on a cash basis, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principals, and the statements of cash receipts and disbursements reflect only cash received and disbursed. Therefore, receivables and payables, inventories, long-lived assets, accrued income and expenses and amortization and depreciation, which may be material in amount, are not reflected in the accompanying financial statements.

1. NATURE OF ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

A summary of the Township's significant accounting policies follows (continued):

C. BASIS OF ACCOUNTING AND MEASUREMENT FOCUS (CONTINUED)

Measurement focus:

The accounting and reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for on a spending or "financial flow" measurement focus. Governmental fund type operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

When both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first, then unrestricted resources as needed.

D. ASSET ACCOUNTING POLICY DISCLOSURES

Cash:

The Township considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt investments purchased with a maturity of three months or less to be cash.

General fixed assets:

Purchased general fixed assets are recorded as expenditures in the governmental fund types. Infrastructure assets consisting of certain improvements, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are recorded as expenditures in the fund types expending the funds.

E. FUND EQUITY ACCOUNTING POLICY DISCLOSURES

Fund balances:

Fund balances of governmental fund types and nonexpendable trust and pension trust funds are classified in two separate categories. The categories, and their general meanings, are as follows:

Reserved fund balance – indicates that portion of fund balance, which has been legally segregated for specific purposes.

Unreserved fund balance – indicates that portion of fund balance which is available for appropriation and expenditure in future periods.

1. NATURE OF ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

A summary of the Township's significant accounting policies follows (continued):

F. REVENUE AND EXPENDITURE POLICY DISCLOSURES

Revenues:

All revenues are recognized when received.

Property taxes:

Property tax revenues are recognized on the cash basis. The Township is permitted by state law to levy taxes up to 30 mills of assessed valuation for general purposes. State law also permits additional millage to be levied for specific purposes as defined in the law. The millage rate levied by the Township for 2007 was 1.25 mills, as established by the Board of Supervisors. Current tax collections for the Township were approximately 98 percent of the total tax levy.

The Township's real estate taxes are based on assessed values established by the County's Board of Assessments. The taxes are collected by elected local tax collectors. Real estate taxes attach an enforceable lien on property when levied on March 1. A discount of two percent is applied to payments made prior to April 30. A penalty of ten percent is added to the face amount of taxes paid after June 30. The County of Berks Tax Claim Bureau collects delinquent real estate taxes on behalf of itself and other taxing authorities. Return of unpaid real estate taxes to the County Tax Claim Bureau is made by January 15 of the subsequent year.

Intergovernmental revenues:

Intergovernmental revenues represent revenues received from the Commonwealth of Pennsylvania, federal agencies, and other local governments generally to fund specific programs and are recognized when received.

Expenditures/expenses:

Expenditures and expenses are recognized when paid.

1. NATURE OF ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

A summary of the Township's significant accounting policies follows (continued):

F. REVENUE AND EXPENDITURE POLICY DISCLOSURES

Compensated Absences:

Compensated absences for vacation and sick leave are recorded when paid.

2. BUDGET MATTERS

The Board of Supervisors annually adopts a budget for the General and Special Revenue Funds. Budgetary control is legally maintained at the fund level.

The Second Class Township Code provides for the modification of the budget and supplemental appropriations and transfers.

Appropriations, except open project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year.

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with finance related legal and contractual provisions:

The Township had no material violations of finance related legal and contractual provisions.

Excess of expenditures over appropriations in individual funds:

No individual fund, which was budgeted as required by the Commonwealth of Pennsylvania, contained an excess of expenditures over appropriations that was not covered by the cash balance at December 31, 2006 and the cash received for the year ended December 31, 2007.

4. CASH

As of December 31, 2007 bank balances of deposits were entirely insured by Federal Depository Insurance or collateralized in accordance with Act 72 of the 1971 Session of the Pennsylvania General Assembly.

5. PENSION PLAN

The Township administers and contributes to one defined benefit pension plan, the Maidencreek Township Non-Uniform Pension Plan. The assets of the plan are invested separately and may be used only for the payment of benefits to the members of the plan, in accordance with the terms of the plan.

Plan description and funding policy:

Plan description:

The Maidencreek Township Non-Uniform Pension Plan (the "Plan") is a single-employer defined benefit pension plan administered by the Principal Mutual Life Insurance Company. The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The Principal Mutual Life Insurance Company issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to Maidencreek Township.

Funding policy:

The Township is required to contribute amounts necessary to fund the Plan using the actuarial basis specified by statute.

Annual pension cost and net pension obligation:

The Township's annual pension cost and net pension obligation to the Plan for the current year were as follows:

Annual required contribution	$ 37,256
Interest on net pension obligation	--
Adjustment to annual required contribution	--
Annual pension cost	$ 37,256
Contributions made	37,256
Increase(decrease) in net pension obligation	--
Net pension obligation beginning of year	--
Net pension obligation end of year	$ --

5. PENSION PLAN (Continued)

Annual pension cost and net pension obligation (continued):

The annual required contribution for the current year was determined as part of the January 1, 2008 actuarial valuation using the entry age normal with normal cost as a level percent of salary. The actuarial assumptions included (a) 5.5% investment rate of return and (b) projected salary increases of 4.50% per year. Provisions for administrative expenses are added to normal cost. The assumptions included postretirement mortality and percent married provisions. Retirement is based upon normal retirement age as defined in the Plan. The actuarial value of assets was determined by market value of assets as of the valuation date.

Three-Year Trend Information:

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/05	$ 41,726	100%	$ --
12/31/06	$ 31,742	100%	$ --
12/31/07	$ 37,256	100%	$ --

6. COMMITMENTS AND CONTINGENCIES

Line of credit:

The Township has lines of credit with two local financial institutions in the amounts of $50,000 and $75,000. At December 31, 2007, the Township had not drawn on the lines of credit.

Maidencreek Township Authority:

The Township has guaranteed the Authority's 1999 Sewer Revenue Note, of which $ 780,113 is outstanding at September 30, 2007, the date of the Authority's latest year end. The debt is evidenced by a Guaranty Agreement.

MAIDENCREEK TOWNSHIP

SCHEDULE OF FUNDING PROGRESS

Maidencreek Township Non-Uniform Pension Plan:

Actuarial Valuation Date	Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	AAL (UAAL) (b-a)	Funded Ratio (a/b)
January 1, 2001	$ 108,088	$ 156,736	$ 48,648	69%
January 1, 2003	191,044	186,723	(4,321)	102%
January 1, 2005	149,899	190,089	40,190	79%
January 1, 2007	273,269	254,949	(18,320)	107%

	Covered Payroll (c)	UAAL As A % of Covered Payroll ((b-a)/c)
January 1, 2001	$ 131,811	37.0%
January 1, 2003	166,829	(2.6%)
January 1, 2005	176,863	22.7%
January 1, 2007	260,915	(7.0%)

DEBT STATEMENT

Purpose	Bond (B) Note (N)	Issue Date (year)	Maturity Date (year)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year (Additions)	Principal Paid This Year	Current Year Accretion of Compound Interest Bonds	Outstanding Year End (1)	Plus (less) Unamoritized Premium (Discount)	Total Balance
GENERAL OBLIGATION BONDS AND NOTES											
											$
											$
											$
											$
											$
											$
											$
											$
											$
REVENUE BONDS AND NOTES											
											$
											$
											$
											$
											$
LEASE RENTAL DEBT/GENERAL LEASES											
											$
											$
											$
											$
OTHER											
											$
											$
											$
											$

Total bonds and notes outstanding	$ –0–
Capitalized lease obligations	
Other debt	
TOTAL OUTSTANDING DEBT	$ –0–

STATEMENT OF CAPITAL EXPENDITURES

CATEGORY:	Capital Purchases	Capital Construction	Total
Electric			
Fire			
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer			
Solid Waste	34,500		34,500
Streets/Highways			
Water			
Other (Please specify)			
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			

TOTAL CAPITAL EXPENDITURES ..... $ 34,500

EMPLOYEE COMPENSATION

Total salaries, wages, commissions, etc.
paid this year *(including all employees and elected officials)** ..... $ 297,569

**Use income from W-3 Statement*