MAIDENCREEK TOWNSHIP

BERKS COUNTY, PENNSYLVANIA

DECEMBER 31, 2009

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

March 26, 2010

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, 2009. 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, 2009, 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, 2009, 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

March 26, 2010

BALANCE SHEET

December 31, 2009

ASSETS AND OTHER DEBITS	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue *(Including State Liquid Fuels)*	Capital Projects	Debt Service
100-120 Cash and Investments	451,507	310,102		
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	$ 451,507	$ 310,102	$	$

LIABILITIES AND OTHER CREDITS				
210-229 Payroll Taxes and Other Payroll Withholdings	2,497			
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	$ 2,497	$	$	$

FUND AND ACCOUNT GROUP EQUITY				
281-284 Contributed Capital				
290 Investment in General Fixed Assets				
270-289 Fund Balance/Retained Earnings on 12/31	449,010	310,102		
291-299 Other Equity				
TOTAL FUND AND ACCOUNT GROUP EQUITY	$ 449,010	$ 310,102	$	$

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			414,214			1,175,823
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	$	$	$414,214	$	$	$1,175,823

LIABILITIES AND OTHER CREDITS						
210-229 Payroll Taxes and Other Payroll Withholdings						2,497
200-209 231-239 All Other Current Liabilities			414,214			414,214
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	$	$	$414,214	$	$	$416,711

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			759,112
291-299 Other Equity						
TOTAL FUND AND ACCOUNT GROUP EQUITY	$	$	$ 0	$	$	$759,112

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY	$1,175,823

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

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2009

REVENUES		GOVERNMENTAL FUNDS			
TAXES		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
301.00	Real Estate Taxes	413,405	110,386		
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	142,183			
310.20	Earned Income Taxes/Wage Taxes	1,095,135			
310.30	Business Gross Receipts Taxes				
310.40	Occupation Taxes (levied under Act 511)				
310.50	Local Services Tax**	17,214			
310.60	Amusement/Admission Taxes	10,527			
310.70	Mechanical Device Taxes				
310.90	Other Local Tax Enabling Act/Act 511 Taxes				
	_____				
	_____				
	_____				
TOTAL TAXES		$ 1,678,464	$ 110,386	$	$
LICENSES & PERMITS					
320-322	All Other Licenses and Permits	154,281			
321.80	Cable Television Franchise Fees	43,495			
TOTAL LICENSES & PERMITS		$ 197,776	$	$	$
FINES & FORFEITS					
330-332	Fines and Forfeits	38,688			
TOTAL FINES & FORFEITS		$ 38,688	$	$	$
INTEREST, RENTS & ROYALTIES					
341.00	Interest Earnings	6,147	5,946		
342.00	Rents and Royalties	19,785	610		
TOTAL INTEREST, RENTS & ROYALTIES		$ 25,932	$ 6,556	$	$

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

REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
TAXES		Enterprise	Internal Service	Trust and Agency	Memorandum Only
301.00	Real Estate Taxes				523,791
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				142,183
310.20	Earned Income Taxes/Wage Taxes				1,095,135
310.30	Business Gross Receipts Taxes				
310.40	Occupation Taxes (levied under Act 511)				
310.50	Local Services Tax**				17,214
310.60	Amusement/Admission Taxes				10,527
310.70	Mechanical Device Taxes				
310.90	Other Local Tax Enabling Act/Act 511 Taxes				
	_____				
	_____				
	_____				
TOTAL TAXES		$	$	$	$ 1,788,850
LICENSES & PERMITS					
320-322	All Other Licenses and Permits				154,281
321.80	Cable Television Franchise Fees				43,495
TOTAL LICENSES & PERMITS		$	$	$	$ 197,776
FINES & FORFEITS					
330-332	Fines and Forfeits				38,688
TOTAL FINES & FORFEITS		$	$	$	$ 38,688
INTEREST, RENTS & ROYALTIES					
341.00	Interest Earnings				12,093
342.00	Rents and Royalties				20,395
TOTAL INTEREST, RENTS & ROYALTIES		$	$	$	$ 32,488

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

INTERGOVERNMENTAL REVENUES	GOVERNMENTAL FUNDS			
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	19,235			
354.00 All Other State Capital and Operating Grants				
355.01 Public Utility Realty Tax (PURTA)	2,486			
355.02 - 355.03 Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		183,991		
355.04 Alcoholic Beverage Licenses				
355.05 General Municipal Pension System State Aid	18,768			
355.00 All Other State Shared Revenues & Entitlements	52,264			
356.00 State Payments in Lieu of Taxes				
TOTAL STATE	$ 92,753	$ 183,991	$	$
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				19,235
354.00 All Other State Capital and Operating Grants				
355.01 Public Utility Realty Tax (PURTA)				2,486
355.02 - 355.03 Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback				183,991
355.04 Alcoholic Beverage Licenses				
355.05 General Municipal Pension System State Aid				18,768
355.00 All Other State Shared Revenues & Entitlements				52,264
356.00 State Payments in Lieu of Taxes				
TOTAL STATE	$	$	$	$ 276,744
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				$ 276,744

REVENUES	GOVERNMENTAL FUNDS			
CHARGES FOR SERVICE	General Fund	Special Revenue *(Including State Liquid Fuels)*	Capital Projects	Debt Service
361.00 General Government	4,068			
362.00 Public Safety	315			
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		104,002		
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	310			
TOTAL CHARGES FOR SERVICE	$ 4,693	$ 104,002	$	$
UNCLASSIFED OPERATING REVENUES				
383.00 Assessments				
386.00 Escheats (sale of personal property)				
387.00 Contributions & Donations from Private Sectors		3,122		
388.00 Fiduciary Fund Pension Contributions				
389.00 All Other Unclassified Operating Revenues***				
TOTAL UNCLASSIFIED OPERATING REVENUES	$	$ 3,122	$	$
OTHER FINANCING SOURCES				
391.00 Proceeds of General Fixed Asset Disposition		1,600		
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				
TOTAL OTHER FINANCING SOURCES	$	$ 1,600	$	$
TOTAL REVENUES	$ 2,038,306	$ 409,657	$	$

** *The total of line 392.00 must match the total of line 492.00*
*** *This amount cannot be greater than 1% of the total revenue within the same fund.*

REVENUES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
CHARGES FOR SERVICE	Enterprise	Internal Service	Trust and Agency	Memorandum Only
361.00 General Government				4,068
362.00 Public Safety				315
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				104,002
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				310
TOTAL CHARGES FOR SERVICE	$	$	$	$ 108,695
UNCLASSIFED OPERATING REVENUES				
383.00 Assessments				
386.00 Escheats (sale of personal property)				
387.00 Contributions & Donations from Private Sectors				3,122
388.00 Fiduciary Fund Pension Contributions	X	X		
389.00 All Other Unclassified Operating Revenues***				
TOTAL UNCLASSIFIED OPERATING REVENUES	$	$	$	$ 3,122
OTHER FINANCING SOURCES				
391.00 Proceeds of General Fixed Asset Disposition				1,600
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				
TOTAL OTHER FINANCING SOURCES	$	$	$	$ 1,600
TOTAL REVENUES	$	$	$	$2,447,963

** *The total of line 392.00 must match the total of line 492.00*

*** *This amount cannot be greater than 1% of the total revenue within the same fund.*

EXPENDITURES	GOVERNMENTAL FUNDS			
GENERAL GOVERNMENT	General Fund	Special Revenue *(Including State Liquid Fuels)*	Capital Projects	Debt Service
400.00 Legislative (Governing) Body	92,648	1,394		
401.00 Executive (Manager or Mayor)				
402.00 Auditing Services/Financial Administration	4,000			
403.00 Tax Collection	5,152	1,482		
404.00 Solicitor/Legal Services	20,998	800		
405.00 Secretary/Clerk	30,372			
406.00 Other General Government Administration	169			
407.00 IT-Networking Services-Data Processing				
408.00 Engineering Services	43,651	6,755		
409.00 General Government Buildings and Plant	22,294			
TOTAL GENERAL GOVERNMENT	$ 219,284	$ 10,431	$	$
PUBLIC SAFETY				
410.00 Police	861,528			
411.00 Fire	140,991			
412.00 Ambulance/Rescue	41,831			
413.00 UCC and Code Enforcement	114,295			
414.00 Planning and Zoning	4,581			
415.00 Emergency Management & Communications	13,703			
416.00 Militia and Armories				
417.00 Examination of Licensed Occupations				
418.00 Public Scales (weights and measures)				
419.00 Other Public Safety	671			
TOTAL PUBLIC SAFETY	$ 1,177,600	$	$	$
HEALTH AND HUMAN SERVICES				
420.00-425.00 Health and Human Services	900			
PUBLIC WORKS - SANITATION				
426.00 Recycling Collection and Disposal	137,355			
427.00 Solid Waste Collection and Disposal (trash)	7	673		
428.00 Weed Control				
429.00 Wastewater/Sewage Collection & Treatment				
TOTAL PUBLIC WORKS - SANITATION	$ 137,362	$ 673	$	$

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
GENERAL GOVERNMENT	Enterprise	Internal Service	Trust and Agency	Memorandum Only
400.00 Legislative (Governing) Body				94,042
401.00 Executive (Manager or Mayor)				
402.00 Auditing Services/Financial Administration				4,000
403.00 Tax Collection				6,634
404.00 Solicitor/Legal Services				21,798
405.00 Secretary/Clerk				30,372
406.00 Other General Government Administration				169
407.00 IT-Networking Services-Data Processing				
408.00 Engineering Services				50,406
409.00 General Government Buildings and Plant				22,294
TOTAL GENERAL GOVERNMENT	$	$	$	$ 229,715
PUBLIC SAFETY				
410.00 Police				861,528
411.00 Fire				140,991
412.00 Ambulance/Rescue				41,831
413.00 UCC and Code Enforcement				114,295
414.00 Planning and Zoning				4,581
415.00 Emergency Management & Communications				13,703
416.00 Militia and Armories				
417.00 Examination of Licensed Occupations				
418.00 Public Scales (weights and measures)				
419.00 Other Public Safety				671
TOTAL PUBLIC SAFETY	$	$	$	$ 1,177,600
HEALTH AND HUMAN SERVICES				
420.00-425.00 Health and Human Services				900
PUBLIC WORKS - SANITATION				
426.00 Recycling Collection and Disposal				137,355
427.00 Solid Waste Collection and Disposal (garbage)				680
428.00 Weed Control				
429.00 Wastewater/Sewage Collection & Treatment				
TOTAL PUBLIC WORKS - SANITATION	$	$	$	$ 138,035

EXPENDITURES	GOVERNMENTAL FUNDS			
PUBLIC WORKS - HIGHWAYS & STREETS	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
430.00 General Services - Administration	31,243			
431.00 Cleaning of Streets and Gutters				
432.00 Winter Maintenance - Snow Removal	10,949	90,306		
433.00 Traffic Control Devices	7,846	4,024		
434.00 Street Lighting	101	81,554		
435.00 Sidewalks and Crosswalks				
436.00 Storm Sewers and Drains				
437.00 Repairs of Tools and Machinery	32,023	12,634		
438.00 Maintenance & Repairs of Roads & Bridges	112,450	3,593		
439.00 Highway Construction and Rebuilding Projects				
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS	$ 194,612	$ 192,111	$	$
PUBLIC WORKS - OTHER SERVICES				
440.00 Airports				
441.00 Cemeteries				
442.00 Electric System				
443.00 Gas System				
444.00 Markets				
445.00 Parking				
446.00 Storm Water and Flood Control	196			
447.00 Transit System				
448.00 Water System				
449.00 Water Transport and Terminals				
TOTAL PUBLIC WORKS - OTHER SERVICES	$ 196	$	$	$
CULTURE AND RECREATION				
451.00 Culture-Recreation Administration		9,000		
452.00 Participant Recreation				
453.00 Spectator Recreation		78,302		
454.00 Parks				
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		15,848		
TOTAL CULTURE AND RECREATION	$	$ 103,150	$	$
COMMUNITY DEVELOPMENT				
461.00 Conservation of Natural Resources				
462.00 Community Development and Housing	(289)			
463.00 Economic Development				
464.00 Economic Opportunity				
465.00 - 469.00 All Other Community Development				
TOTAL COMMUNITY DEVELOPMENT	$ (289)	$	$	$

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
PUBLIC WORKS - HIGHWAYS AND STREETS	Enterprise	Internal Service	Trust and Agency	Memorandum Only
430.00 General Services - Administration				31,243
431.00 Cleaning of Streets and Gutters				
432.00 Winter Maintenance - Snow Removal				101,255
433.00 Traffic Control Devices				11,870
434.00 Street Lighting				81,655
435.00 Sidewalks and Crosswalks				
436.00 Storm Sewers and Drains				
437.00 Repairs of Tools and Machinery				44,657
438.00 Maintenance & Repairs of Roads & Bridges				116,043
439.00 Highway Construction and Rebuilding Projects				
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS	$	$	$	$ 386,723
PUBLIC WORKS - OTHER SERVICES				
440.00 Airports				
441.00 Cemeteries				
442.00 Electric System				
443.00 Gas System				
444.00 Markets				
445.00 Parking				
446.00 Storm Water and Flood Control				196
447.00 Transit System				
448.00 Water System				
449.00 Water Transport and Terminals				
TOTAL PUBLIC WORKS - OTHER SERVICES	$	$	$	$ 196
CULTURE AND RECREATION				
451.00 Culture-Recreation Administration				9,000
452.00 Participant Recreation				
453.00 Spectator Recreation				78,302
454.00 Parks				
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				15,848
TOTAL CULTURE AND RECREATION	$	$	$	$ 103,150
COMMUNITY DEVELOPMENT				
461.00 Conservation of Natural Resources				
462.00 Community Development and Housing				(289)
463.00 Economic Development				
464.00 Economic Opportunity				
465.00 - 469.00 All Other Community Development				
TOTAL COMMUNITY DEVELOPMENT	$	$	$	$ (289)

EXPENDITURES		GOVERNMENTAL FUNDS			
			Special Revenue (Including State Liquid Fuels)	Capital Projects	
DEBT SERVICE		General Fund			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	28,125			
482.00	Judgments and Losses				
483.00	Pension/Retirement Fund Contributions	38,386			
484.00	Worker Compensation Insurance	35,239			
487.00	Group Insurance and Other Benefits	7,722			
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS		$ 109,472	$	$	$
INSURANCE					
486.00	Insurance, Casualty, and Surety	125,978			
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		$ 1,965,115	$ 306,365	$	$
EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES		$ 73,191	$ 103,292	$	$

** *The total of line 492.00 must match the total of line 392.00*

*** *This amount cannot be greater than 1% of the total expenditures within the same fund*

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				28,125
482.00 Judgments and Losses				
483.00 Pension/Retirement Fund Contributions				38,386
484.00 Worker Compensation Insurance				35,239
487.00 Group Insurance and Other Benefits				7,722
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS	$	$	$	$ 109,472
INSURANCE				
486.00 Insurance, Casualty, and Surety				125,978
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	$	$	$	$ 2,271,480
EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	$	$	$	$ 176,483

** *The total of line 492.00 must match the total of line 392.00*

*** *This amount cannot be greater than 1% of the total expenditures within the same fund*

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 2009 was 1.125 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, 2008 and the cash received for the year ended December 31, 2009.

4. CASH

As of December 31, 2009 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	$ 38,386
Interest on net pension obligation	--
Adjustment to annual required contribution	--
Annual pension cost	$ 38,386
Contributions made	38,386
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, 2009 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
12/31/07	$ 37,256	100%	$ --
12/31/08	$ 37,613	100%	$ --
12/31/09	$ 38,386	100%	$ --

6. COMMITMENTS AND CONTINGENCIES

Maidencreek Township Authority:

The Authority's 1999 Sewer Revenue Note which the Township guaranteed, was paid in full during 2009.

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, 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%
January 1, 2009	242,048	383,088	141,040	63.2%

	Covered Payroll (c)	UAAL As A % of Covered Payroll ((b-a)/c)
January 1, 2003	$ 166,829	(2.6%)
January 1, 2005	176,863	22.7%
January 1, 2007	260,915	(7.0%)
January 1, 2009	285,357	49.4%

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) Unamortized 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			
Streets/Highways			
Water			
Other (Please specify)			
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			
_____			

TOTAL CAPITAL EXPENDITURES* ..... $ 0

**Capital expenditures are generally considered to be those which result in additions to the value of fixed assets (land, buildings and other structures, machinery and equipment).*

EMPLOYEE COMPENSATION

Total salaries, wages, commissions, etc. paid this year
*(including all employees and elected officials)*** ..... $ 319,463

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