MAIDENCREEK TOWNSHIP

DECEMBER 31, 2014

Kosmerl & Company P.C.
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MEMBERS
PA INSTITUTE OF CPA'S

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U.S. TREASURY DEPARTMENT
PA DEPT. OF REVENUE

INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors
Maidencreek Township

We have audited the accompanying Commonwealth of Pennsylvania Audit and Financial Report (Form DCED-CLGS-30) of Maidencreek Township, Berks County, Pennsylvania, which comprise the statement of assets, liabilities and fund equity as of December 31, 2014, and the related statement of revenue collected and expenditures, or expenses paid for the year then ended, which collectively comprise the financial statements as shown in the DCED prescribed form.

Management's Responsibility for the DCED-CLGS-30 (Financial Statement)

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania. The Township's policy is to prepare the Form DCED-CLGS-30 on the cash basis of accounting. Consequently revenues and the related assets are recognized when received rather then when earned and expenditures or expenses are recognized when paid rather then when a liability is incurred. Management is responsible for determining that the cash basis of accounting is an acceptable basis for the preparation of the Form DCED-CLGS-30 in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As described above, the financial statements are prepared by Maidencreek Township on the accounting practices prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the accounting practices prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania. The effects on the financial statements of the variances between the regulatory basis of accounting described above and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Maidencreek Township, as of December 31, 2014, or the results of its operations for the year then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

The financial statements referred to above do not include the General Fixed Assets Account Group which should be included to comply with the requirements of the accounting practices prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion on Regulatory Basis of Accounting, the financial statements referred to in the first paragraph present fairly, in all material respects the assets, liabilities and fund equity of Maidencreek Township as of December 31, 2014, and its revenue collected and expenditures, or expenses paid for the year then ended, on the basis of the accounting practices prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania.

Kosmerl & Company., P.C.

KOSMERL & COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

March 26, 2015

DCED-CLGS-30 (09-09)

BALANCE SHEET

DCED-CLGS-30 (09-09)

MAIDENCREEK TWP, BERKS County

BALANCE SHEET

December 31, 2014

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
Assets and Other Debits											
100-120	Cash and Investments	726,938	83,611					142,533			953,082
140-144	Tax Receivable										
121-129, 145-149	Accounts Receivable (excluding taxes)										
130.00	Due From Other Funds										
131-139, 150-159	Other Current Assets										
160-169	Fixed Assets										
180-189	Other Debits									324,334	324,334
Total Assets and Other Debits		726,938	83,611					142,533		324,334	1,277,416
Liabilities and Other Credits											
210-229	Payroll Taxes and Other Payroll Withholdings										
200-209, 231-239	All Other Current Liabilities							142,533			142,533
230.00	Due To Other Funds										

MAIDENCREEK TWP, BERKS County

BALANCE SHEET

December 31, 2014

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
Liabilities and Other Credits											
260-269	Long-Term-Liabilities									286,746	286,746
240-259	Current Portion of Long-Term Debt and Other Credits									37,588	37,588
Total Liabilities and Other Credits								142,533		324,334	466,867
Fund and Account Group Equity											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets										
270-289	Fund Balance / Retained Earnings on 12/31	726,938	83,611								810,549
291-299	Other Equity										
Total Fund and Account Group Equity		726,938	83,611								810,549
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											1,277,416

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

REVENUES

		Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only
Taxes									
301.00	Real Estate Taxes	595,337	116,300						711,637
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	108,930							108,930
310.20	Earned Income Taxes / Wage Taxes	1,280,176							1,280,176
310.30	Business Gross Receipts Taxes								
310.40	Occupation Taxes (levied under Act 511)								
310.50	Local Services Tax **	157,384							157,384
310.60	Amusement / Admission Taxes	10,210							10,210
310.70	Mechanical Device Taxes								
310.90	Other Local Tax Enabling Act / Act 511 / Taxes								
	Other: _____								
Total Taxes		2,152,037	116,300						2,268,337
Licenses and Permits									
320-322	All Other Licenses and Permits	196,113							196,113
321.80	Cable Television Franchise Fees	100,408							100,408
Total Licenses and Permits		296,521							296,521
Fines and Forfeits									
330-332	Fines and Forfeits	20,195							20,195
Total Fines and Forfeits		20,195							20,195

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only
REVENUES								
Interest, Rents and Royalties								
341.00 Interest Earnings	4,579	348						4,927
342.00 Rents and Royalties	30,896	1,510						32,406
Total Interest, Rents and Royalties	35,475	1,858						37,333
Federal								
351.03 Highways and Streets								
351.09 Community Development								
351.00 All Other Federal Capital and Operating Grants								
352.01 National Forest								
352.00 All Other Federal Shared Revenue and 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	12,985							12,985
354.00 All Other State Capital and Operating Grants								
355.01 Public Utility Realty Tax (PURTA)	2,685							2,685
355.02-355.03 Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		232,936						232,936
355.04 Alcoholic Beverage Licenses								
355.05 General Municipal Pension System State Aid	19,067							19,067
355.07 Foreign Fire Insurance Tax Distribution	47,828							47,828
355.08 Local Share Assessment/Gaming Proceeds								

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

REVENUES

		Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only
State									
355.09	Marcellus Shale Impact Fee Distribution								
355.00	All Other State Shared Revenues and Entitlements	63,124							63,124
356.00	State Payments in Lieu of Taxes								
Total State		145,689	232,936						378,625
Local Government Units									
357.03	Highways and Streets								
357.00	All Other Local Governmental Units Capital and Operating Grants		28,933						28,933
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services								
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes								
Total Local Government Units			28,933						28,933
Charges for Service									
361.00	General Government	1,491							1,491
362.00	Public Safety								
363.20	Parking								
363.00	All Other Charges for Highway & Street Services								
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)								
364.30	Solid Waste Collection and 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		6,045						6,045

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

		Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only
REVENUES									
Charges for Service									
368.00	Airports								
369.00	Bars								
370.00	Cemeteries								
372.00	Electric System								
373.00	Gas System								
374.00	Housing System								
375.00	Markets								
377.00	Transit Systems								
378.00	Water System								
379.00	All Other Charges for Service								
	Total Charges for Service	1,491	6,045						7,536
Unclassified Operating Revenues									
383.00	Special Assessments								
386.00	Escheats (sale of personal property)								
387.00	Contributions and Donations from Private Sectors		3,666						3,666
388.00	Fiduciary Fund Pension Contributions								
389.00	All Other Unclassified Operating Revenues								
	Total Unclassified Operating Revenues		3,666						3,666
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								

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

		Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only
REVENUES									
Other Financing Sources									
395.00	Refunds of Prior Year Expenditures	56,834							56,834
Total Other Financing Sources		56,834							56,834
TOTAL REVENUES		2,708,242	389,738						3,097,980
EXPENDITURES									
General Government									
400.00	Legislative (Governing) Body	118,377	6,066						124,443
401.00	Executive (Manager or Mayor)								
402.00	Auditing Services / Financial Administration	4,900							4,900
403.00	Tax Collection	8,287							8,287
404.00	Solicitor / Legal Services	14,679							14,679
405.00	Secretary / Clerk	36,721							36,721
406.00	Other General Government Administration	508							508
407.00	IT-Networking Services-Data Processing								
408.00	Engineering Services	32,000	3,456						35,456
409.00	General Government Buildings and Plant	42,630							42,630
Total General Government		258,102	9,522						267,624
Public Safety									
410.00	Police	1,014,563							1,014,563
411.00	Fire	173,124							173,124
412.00	Ambulance / Rescue	9,000							9,000
413.00	UCC and Code Enforcement	171,646							171,646
414.00	Planning and Zoning	3,946							3,946
415.00	Emergency Management and Communications	28,364							28,364

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

		Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only
EXPENDITURES									
Public Safety									
416.00	Militia and Armories								
417.00	Examination of Licensed Occupations								
418.00	Public Scales (weights and measures)								
419.00	Other Public Safety	2,361							2,361
	Total Public Safety	1,403,004							1,403,004
Health and Human Services									
420.00-425.00	Health and Human Services	1,000							1,000
	Total Health and Human Services	1,000							1,000
Public Works - Sanitation									
426.00	Recycling Collection and Disposal	135,541							135,541
427.00	Solid Waste Collection and Disposal (garbage)	2,500	459						2,959
428.00	Weed Control								
429.00	Wastewater / Sewage Treatment and Collection								
	Total Public Works - Sanitation	138,041	459						138,500
Public Works - Highways and Streets									
430.00	General Services - Administration	60,817	12,216						73,033
431.00	Cleaning of Streets and Gutters								
432.00	Winter Maintenance – Snow Removal	43,141	39,390						82,531
433.00	Traffic Control Devices	33,750							33,750
434.00	Street Lighting	79,318							79,318
435.00	Sidewalks and Crosswalks								
436.00	Storm Sewers and Drains	21,566	3,126						24,692

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

		Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only
EXPENDITURES									
Public Works - Highways and Streets									
437.00	Repairs of Tools and Machinery	58,721	4,899						63,620
438.00	Maintenance and Repairs of Roads and Bridges	165,572							165,572
439.00	Highway Construction and Rebuilding Projects		175,891						175,891
Total Public Works - Highways and Streets		462,885	235,522						698,407
Other Public Works Enterprises									
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	1,888							1,888
447.00	Transit System								
448.00	Water System								
449.00	Water Transport and Terminals								
Total Other Public Works Enterprises		1,888							1,888
Culture and Recreation									
451.00	Culture-Recreation Administration								
452.00	Participant Recreation								
453.00	Spectator Recreation								
454.00	Parks		75,690						75,690
455.00	Shade Trees								
456.00	Libraries								

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

		Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only
EXPENDITURES									
Culture and Recreation									
457.00	Civil and Military Celebrations								
458.00	Senior Citizens' Centers								
459.00	All Other Culture and Recreation		19,504						19,504
Total Culture and Recreation			95,194						95,194
Community Development									
461.00	Conservation of Natural Resources								
462.00	Community Development and Housing								
463.00	Economic Development								
464.00	Economic Opportunity								
465-469	All Other Community Development								
Total Community Development									
Debt Service									
471.00	Debt Principal (short-term and long-term)	56,882	22,088						78,970
472.00	Debt Interest (short-term and long-term)		5,274						5,274
475.00	Fiscal Agent Fees								
Total Debt Service		56,882	27,362						84,244
Employer Paid Benefits and Withholding Items									
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	39,783							39,783
482.00	Judgments and Losses								
483.00	Pension / Retirement Fund Contributions	19,067							19,067
484.00	Worker Compensation Insurance	60,917							60,917

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

		Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only
EXPENDITURES									
Employer Paid Benefits and Withholding Items									
487.00	Other Group Insurance Benefits	7,704							7,704
Total Employer Paid Benefits and Withholding Items		127,471							127,471
Insurance									
486.00	Insurance, Casualty, and Surety	177,500							177,500
Total Insurance		177,500							177,500
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		2,626,773	368,059						2,994,832
EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES		81,469	21,679						103,148

MAIDENCREEK TWP

December 31, 2014

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES
Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
Susquehanna Commercial Finance	Captial Leases	2013	2018	120,535	120,535		22,088		98,447		98,447
Powerco, Inc	Captial Leases	2013	2015	45,095	41,337		41,337		0		0
Susquehanna Commercial Finance	Captial Leases	2014	2019	79,250	79,250				79,250		79,250
County Radio	Captial Leases	2014	2017	62,182	62,182		15,545		46,637		46,637
Commonwealth of PA/PA Emergency Management Agency	Captial Leases	2014	2024	100,000	100,000				100,000		100,000
Revenue Bonds and Notes											
Lease Rental Debt											
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding	324,334
Capitalized lease obligations	
Net debt	324,334

MAIDENCREEK TWP, BERKS County

STATEMENT OF CAPITAL EXPENDITURES

December 31, 2014

Category	Capital Purchases	Capital Construction	Total
Electric			
Fire			
Gas System			
General Government	87,705		87,705
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer			
Solid Waste			
Streets / Highways			
Water			
Other: _____			
Community Development			
TOTAL CAPITAL EXPENDITURES	87,705		87,705

EMPLOYEE COMPENSATION

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials) 410,072