MAIDENCREEK TOWNSHIP

DECEMBER 31, 2015

Kosmerl & Company P.C.
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MEMBERS
PA INSTITUTE OF CPA'S
ENROLLED TO PRACTICE BEFORE
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 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, 2015, 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, 2015, 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 10, 2016

DCED-CLGS-30 (9-09)

BALANCE SHEET

DCED-CLGS-30 (09-09)

MAIDENCREEK TWP, BERKS County

BALANCE SHEET

December 31, 2015

		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	727,336	94,241					128,401			949,978
140-144	Tax Receivable										
121-129, 145-149	Accounts Receivable (excluding taxes)										
130.00	Due From Other Funds	391									391
131-139, 150-159	Other Current Assets										
160-169	Fixed Assets										
180-189	Other Debits									262,077	262,077
Total Assets and Other Debits		727,727	94,241					128,401		262,077	1,212,446
Liabilities and Other Credits											
210-229	Payroll Taxes and Other Payroll Withholdings	913									913
200-209, 231-239	All Other Current Liabilities							128,401			128,401
230.00	Due To Other Funds										

MAIDENCREEK TWP, BERKS County

BALANCE SHEET

December 31, 2015

		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									207,304	207,304
240-259	Current Portion of Long-Term Debt and Other Credits									54,773	54,773
Total Liabilities and Other Credits		913						128,401		262,077	391,391
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	726,814	94,241								821,055
291-299	Other Equity										
Total Fund and Account Group Equity		726,814	94,241								821,055
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY											1,212,446

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

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	645,394	186,876						832,270
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	136,258							136,258
310.20	Earned Income Taxes / Wage Taxes	1,158,132							1,158,132
310.30	Business Gross Receipts Taxes								
310.40	Occupation Taxes (levied under Act 511)								
310.50	Local Services Tax **	151,147							151,147
310.60	Amusement / Admission Taxes	10,539							10,539
310.70	Mechanical Device Taxes								
310.90	Other Local Tax Enabling Act / Act 511 / Taxes								
	Other: _____								
	Total Taxes	2,101,470	186,876						2,288,346
Licenses and Permits									
320-322	All Other Licenses and Permits	71,961							71,961
321.80	Cable Television Franchise Fees	95,504							95,504
	Total Licenses and Permits	167,465							167,465
Fines and Forfeits									
330-332	Fines and Forfeits	18,828							18,828
	Total Fines and Forfeits	18,828							18,828

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

		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	4,651	451						5,102
342.00	Rents and Royalties	31,139	1,750						32,889
Total Interest, Rents and Royalties		35,790	2,201						37,991
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	18,441							18,441
354.00	All Other State Capital and Operating Grants								
355.01	Public Utility Realty Tax (PURTA)	2,639							2,639
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		254,407						254,407
355.04	Alcoholic Beverage Licenses								
355.05	General Municipal Pension System State Aid	23,525							23,525
355.07	Foreign Fire Insurance Tax Distribution	59,912							59,912
355.08	Local Share Assessment/Gaming Proceeds								
355.09	Marcellus Shale Impact Fee Distribution								

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

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									
356.00	State Payments in Lieu of Taxes								
355.00	All Other State Shared Revenues and Entitlements	67,046							67,046
Total State		171,563	254,407						425,970
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 and Authorities Payments in Lieu of Taxes								
Total Local Government Units									
Charges for Service									
361.00	General Government	656							656
362.00	Public Safety	75							75
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		9,391						9,391
368.00	Airports								

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

		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									
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	731	9,391						10,122
Unclassified Operating Revenues									
383.00	Special Assessments								
386.00	Escheats (sale of personal property)								
387.00	Contributions and Donations from Private Sectors		100						100
388.00	Fiduciary Fund Pension Contributions								
389.00	All Other Unclassified Operating Revenues								
	Total Unclassified Operating Revenues		100						100
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, 2015

		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	157,625							157,625
Total Other Financing Sources		157,625							157,625
TOTAL REVENUES		2,653,472	452,975						3,106,447
EXPENDITURES									
General Government									
400.00	Legislative (Governing) Body	129,573	12,595						142,168
401.00	Executive (Manager or Mayor)								
402.00	Auditing Services / Financial Administration	4,900							4,900
403.00	Tax Collection	8,764							8,764
404.00	Solicitor / Legal Services	31,069							31,069
405.00	Secretary / Clerk	34,044							34,044
406.00	Other General Government Administration	196							196
407.00	IT-Networking Services-Data Processing								
408.00	Engineering Services	62,059							62,059
409.00	General Government Buildings and Plant	26,984							26,984
Total General Government		297,589	12,595						310,184
Public Safety									
410.00	Police	1,142,490							1,142,490
411.00	Fire	59,912	16,959						76,871
412.00	Ambulance / Rescue	2,000							2,000
413.00	UCC and Code Enforcement	88,342							88,342

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

EXPENDITURES

		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
Public Safety									
414.00	Planning and Zoning	4,362							4,362
415.00	Emergency Management and Communications	7,268	16,519						23,787
416.00	Militia and Armories								
417.00	Examination of Licensed Occupations								
418.00	Public Scales (weights and measures)								
419.00	Other Public Safety								
	Total Public Safety	1,304,374	33,478						1,337,852
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	108,917							108,917
427.00	Solid Waste Collection and Disposal (garbage)	4,492							4,492
428.00	Weed Control								
429.00	Wastewater / Sewage Treatment and Collection								
	Total Public Works - Sanitation	113,409							113,409
Public Works - Highways and Streets									
430.00	General Services - Administration	46,926	69,966						116,892
431.00	Cleaning of Streets and Gutters								
432.00	Winter Maintenance – Snow Removal	22,634	52,365						74,999
433.00	Traffic Control Devices	9,604							9,604
434.00	Street Lighting	81,267							81,267

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

		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									
435.00	Sidewalks and Crosswalks								
436.00	Storm Sewers and Drains	21,815							21,815
437.00	Repairs of Tools and Machinery	47,124	10,957						58,081
438.00	Maintenance and Repairs of Roads and Bridges	254,148							254,148
439.00	Highway Construction and Rebuilding Projects		200,000						200,000
Total Public Works - Highways and Streets		483,518	333,288						816,806
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								
447.00	Transit System								
448.00	Water System								
449.00	Water Transport and Terminals								
Total Other Public Works Enterprises									
Culture and Recreation									
451.00	Culture-Recreation Administration		27,535						27,535
452.00	Participant Recreation								
453.00	Spectator Recreation								
454.00	Parks	85,615	1,739						87,354

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

EXPENDITURES

		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
Culture and Recreation									
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	9,500	8,617						18,117
	Total Culture and Recreation	95,115	37,891						133,006
Community Development									
461.00	Conservation of Natural Resources								
462.00	Community Development and Housing	291							291
463.00	Economic Development								
464.00	Economic Opportunity								
465-469	All Other Community Development								
	Total Community Development	291							291
Debt Service									
471.00	Debt Principal (short-term and long-term)	62,257							62,257
472.00	Debt Interest (short-term and long-term)	7,742							7,742
475.00	Fiscal Agent Fees								
	Total Debt Service	69,999							69,999
Employer Paid Benefits and Withholding Items									
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	38,190							38,190
482.00	Judgments and Losses								
483.00	Pension / Retirement Fund Contributions	34,030							34,030

MAIDENCREEK TWP, BERKS County

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

		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									
484.00	Worker Compensation Insurance	37,518	18,707						56,225
487.00	Other Group Insurance Benefits	925							925
Total Employer Paid Benefits and Withholding Items		110,663	18,707						129,370
Insurance									
486.00	Insurance, Casualty, and Surety	175,812	6,386						182,198
Total Insurance		175,812	6,386						182,198
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		2,651,770	442,345						3,094,115
EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES		1,702	10,630						12,332

MAIDENCREEK TWP

December 31, 2015

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	98,447		23,054		75,393		75,393
Susquehanna Commercial Finance	Captial Leases	2014	2019	79,250	79,250		14,534		64,716		64,716
County Radio	Note	2014	2017	62,182	46,637		15,545		31,092		31,092
Commonwealth of PA/PA Emergency Management Agency	Note	2014	2024	100,000	100,000		9,124		90,876		90,876
Revenue Bonds and Notes											
Lease Rental Debt											
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding	262,077
Capitalized lease obligations	0
Net debt	262,077

MAIDENCREEK TWP, BERKS County

STATEMENT OF CAPITAL EXPENDITURES

December 31, 2015

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government		43,424	43,424
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer			
Solid Waste			
Streets / Highways		200,000	200,000
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES		243,424	243,424

EMPLOYEE COMPENSATION

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)	413,566