

FRANCE, ANDERSON, BASILE and COMPANY, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

903 Chestnut Street  
Emmaus, Pennsylvania 18049

610-967-1200 Phone  
610-966-6669 Fax  
www.fabandco.com

April 29, 2015

Ms. Ilene M. Eckhart  
Allen Township  
4714 Indian Trail Road  
Northampton, PA 18067-9492

Dear Ilene:

We have mailed DCED-CLGS-30, Annual Audit and Financial Report on April 29, 2015 to the following entity:

- 1) Clerk of Courts  
Northampton County Court House  
Seventh & Washington Streets  
Easton, PA 18042

The enclosed copy is for your files.

If you have any questions in regards to this matter, do not hesitate to contact me.

Sincerely,

FRANCE, ANDERSON, BASILE  
and COMPANY, P.C.

by



W. Mark Anderson  
Certified Public Accountant



# 2014 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

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City of: \_\_\_\_\_ County: \_\_\_\_\_

Borough of: \_\_\_\_\_ County: \_\_\_\_\_

Township of: ALLEN County: NORTHAMPTON

Municipality of: \_\_\_\_\_ County: \_\_\_\_\_

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INDEPENDENT AUDITORS' REPORT

To the Township Supervisors:

We have audited the accompanying Municipal Annual Audit and Financial Report (DCED-CLGS-30), prepared on the cash basis, for Allen Township, Northampton County for the year ended December 31, 2014.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Pennsylvania Department of Community and Economic Development, Governor's Center for Local Government Services. 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 fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements included in the DCED's prescribed form 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 included in the DCED's prescribed form are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk 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 Township'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 Township'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 here, the financial statements are prepared by Allen Township, on the basis of the financial reporting provisions of the Pennsylvania Department of Community and Economic Development, Governor's Center for Local Government Services, 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 Pennsylvania Department of Community and Economic Development. The effects on the financial statements of the variances between the regulatory basis of accounting 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 Allen Township, Northampton County, Pennsylvania as of December 31, 2014, or the changes in its financial position for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of each fund of Allen Township, Northampton County, Pennsylvania, as of December 31, 2014 and their respective cash receipts and disbursements for the year then ended, on the basis of the financial reporting provisions of the Pennsylvania Department of Community and Economic Development, Governor's Center for Local Government Services.

*Francis Anderson, Beale and Company, P.C.*

Emmaus, Pennsylvania  
April 28, 2015

**BALANCE SHEET**  
December 31, 2014

| ASSETS AND OTHER DEBITS                           | GOVERNMENTAL FUNDS  |  |                     |              |
|---|---------------------|--|---------------------|--------------|
|   | General Fund        | Special Revenue<br>(Including State<br>Liquid Fuels) | Capital<br>Projects | Debt Service |
|   |                     |  |                     |              |
| 100-120 Cash and Investments.....                 | \$ 1,994,599        | \$ 266,313   | \$ 132,631          | \$ -         |
| 140-144 Tax Receivable.....                       | -                   | -  | -                   | -            |
| 121-129   |                     |  |                     |              |
| 145-149 Account Receivable (excluding taxes)..... | -                   | -  | -                   | -            |
| 130 Due From Other Funds.....                     | 13,756              | -  | -                   | -            |
| 131-139   |                     |  |                     |              |
| 150-159 Other Current Assets.....                 | -                   | -  | -                   | -            |
| 160-169 Fixed Assets.....                         | -                   | -  | -                   | -            |
| 180-189 Other Debits.....                         | -                   | -  | -                   | -            |
| <b>TOTAL ASSETS AND OTHER DEBITS.....</b>         | <b>\$ 2,008,355</b> | <b>\$ 266,313</b>                                    | <b>\$ 132,631</b>   | <b>\$ -</b>  |

| LIABILITIES AND OTHER CREDITS                                  |                  |             |             |             |
|--|------------------|-------------|-------------|-------------|
| 210-229 Payroll Taxes and Other Payroll Withholdings.....      | \$ 1,649         | \$ -        | \$ -        | \$ -        |
| 200-209  |                  |             |             |             |
| 231-239 All Other Current Liabilities.....                     | 14,853           | -           | -           | -           |
| 230 Due To Other Funds.....                                    | -                | -           | -           | -           |
| 260-269 Long-Term Liabilities.....                             | -                | -           | -           | -           |
| 240-259 Current Portion of Long-Term Debt & Other Credits..... | -                | -           | -           | -           |
| <b>TOTAL LIABILITIES AND OTHER CREDITS.....</b>                | <b>\$ 16,502</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

| FUND AND ACCOUNT GROUP EQUITY                          |                     |                   |                   |             |
|--|---------------------|-------------------|-------------------|-------------|
| 281-284 Contributed Capital.....                       | \$ -                | \$ -              | \$ -              | \$ -        |
| 290 Investment in General Fixed Assets.....            | -                   | -                 | -                 | -           |
| 270-289 Fund Balance / Retained Earnings on 12/31..... | 1,991,853           | 266,313           | 132,631           | -           |
| 291-299 Other Equity.....                              | -                   | -                 | -                 | -           |
| <b>TOTAL FUND AND ACCOUNT GROUP EQUITY.....</b>        | <b>\$ 1,991,853</b> | <b>\$ 266,313</b> | <b>\$ 132,631</b> | <b>\$ -</b> |

## 2014 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | BALANCE SHEET

|   | PROPRIETARY       |                  | FUNDICARY FUND    |                      | ACCOUNT GROUPS         |                 | TOTAL               |
|---|-------------------|------------------|-------------------|----------------------|------------------------|-----------------|---------------------|
|   | Enterprise        | Internal Service | Trust & Agency    | General Fixed Assets | General Long Term Debt | Memorandum Only |                     |
| <b>ASSETS AND OTHER DEBITS</b>                    |                   |                  |                   |                      |                        |                 |                     |
| 100-120 Cash and Investments.....                 | \$ 427,022        | \$ -             | \$ 461,752        | \$ -                 | \$ -                   | \$ -            | \$ 3,282,317        |
| 140-144 Tax Receivable.....                       | -                 | -                | -                 | -                    | -                      | -               | -                   |
| 121-129   |                   |                  |                   |                      |                        |                 |                     |
| 145-149 Account Receivable (excluding taxes)..... | -                 | -                | 20,388            | -                    | -                      | -               | 20,388              |
| 130 Due From Other Funds.....                     | -                 | -                | -                 | -                    | -                      | -               | 13,756              |
| 131-139   |                   |                  |                   |                      |                        |                 |                     |
| 150-159 Other Current Assets.....                 | -                 | -                | -                 | -                    | -                      | -               | -                   |
| 160-169 Fixed Assets.....                         | -                 | -                | -                 | -                    | -                      | -               | -                   |
| 180-189 Other Debits.....                         | -                 | -                | -                 | -                    | -                      | -               | -                   |
| <b>TOTAL ASSETS AND OTHER DEBITS.....</b>         | <b>\$ 427,022</b> | <b>\$ -</b>      | <b>\$ 482,140</b> | <b>\$ -</b>          | <b>\$ -</b>            | <b>\$ -</b>     | <b>\$ 3,316,461</b> |

|  |             |             |                  |             |             |             |                  |
|--|-------------|-------------|------------------|-------------|-------------|-------------|------------------|
| <b>LIABILITIES AND OTHER CREDITS</b>                           |             |             |                  |             |             |             |                  |
| 210-229 Payroll Taxes and Other Payroll Withholdings.....      | \$ -        | \$ -        | \$ -             | \$ -        | \$ -        | \$ -        | \$ 1,649         |
| 200-209  |             |             |                  |             |             |             |                  |
| 231-239 All Other Current Liabilities.....                     | -           | -           | 15,560           | -           | -           | -           | 30,413           |
| 230 Due To Other Funds.....                                    | -           | -           | 13,756           | -           | -           | -           | 13,756           |
| 260-269 Long Term Liabilities.....                             | -           | -           | -                | -           | -           | -           | -                |
| 240-259 Current Portion of Long-Term Debt & Other Credits..... | -           | -           | -                | -           | -           | -           | -                |
| <b>TOTAL LIABILITIES AND OTHER CREDITS.....</b>                | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 29,316</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 45,818</b> |

|  |                   |             |                   |             |             |             |                     |
|--|-------------------|-------------|-------------------|-------------|-------------|-------------|---------------------|
| <b>FUND AND ACCOUNT GROUP EQUITY</b>                   |                   |             |                   |             |             |             |                     |
| 281-284 Contributed Capital.....                       | \$ -              | \$ -        | \$ -              | \$ -        | \$ -        | \$ -        | \$ -                |
| 290 Investment in General Fixed Assets.....            | -                 | -           | -                 | -           | -           | -           | -                   |
| 270-289 Fund Balance / Retained Earnings on 12/31..... | 427,022           | -           | 452,824           | -           | -           | -           | 3,270,643           |
| 291-299 Other Equity.....                              | -                 | -           | -                 | -           | -           | -           | -                   |
| <b>TOTAL FUND AND ACCOUNT GROUP EQUITY.....</b>        | <b>\$ 427,022</b> | <b>\$ -</b> | <b>\$ 452,824</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 3,270,643</b> |

|   |  |  |  |  |  |  |                     |
|---|--|--|--|--|--|--|---------------------|
| <b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY.....</b> |  |  |  |  |  |  | <b>\$ 3,316,461</b> |
|---|--|--|--|--|--|--|---------------------|

## STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2014

| REVENUES  | GOVERNMENTAL FUNDS   |  |                     |              |
|---|--|--|---------------------|--------------|
| TAXES   | Special Revenue<br><i>(Including State<br/>Liquid Fuels)</i> |  | Capital<br>Projects | Debt Service |
|   | General Fund   | Special Revenue<br><i>(Including State<br/>Liquid Fuels)</i> | Capital<br>Projects | Debt Service |
| 301.00 Real Estate Taxes.....   | \$ 715,132   | \$ -   | \$ -                | \$ -         |
| 305.00 Occupation Taxes (levied under municipal code).....                              | -  | -  | -                   | -            |
| 308.00 Residence Taxes (levied by cities of 3rd Class).....                             | -  | -  | -                   | -            |
| 309.00 Regional Asset District Sales Tax<br>(Allegheny County municipalities only)..... | -  | -  | -                   | -            |
| 310.00 Per Capita Taxes.....  | -  | -  | -                   | -            |
| 310.10 Real Estate Transfer Taxes.....  | 79,243   | -  | -                   | -            |
| 310.20 Earned Income Taxes/Wage Taxes.....  | 614,690  | -  | -                   | -            |
| 310.30 Business Gross Receipts Taxes.....   | -  | -  | -                   | -            |
| 310.40 Occupation Taxes (levied under Act 511).....                                     | -  | -  | -                   | -            |
| 310.50 Local Services Tax**.....  | 37,107   | -  | -                   | -            |
| 310.60 Amusement/Admission Taxes.....   | 10,616   | -  | -                   | -            |
| 310.70 Mechanical Device Taxes.....   | -  | -  | -                   | -            |
| 310.90 Other Local Tax Enabling Act/Act511/Taxes.....                                   | -  | -  | -                   | -            |
| _____   | -  | -  | -                   | -            |
| _____   | -  | -  | -                   | -            |
| _____   | -  | -  | -                   | -            |
| <b>TOTAL TAXES.....</b>   | <b>\$ 1,456,788</b>  | <b>\$ -</b>  | <b>\$ -</b>         | <b>\$ -</b>  |

| LICENSES & PERMITS                          |                  |             |             |             |
|---|------------------|-------------|-------------|-------------|
| 320-322 All Other Licenses and Permits..... | \$ 1,685         | \$ -        | \$ -        | \$ -        |
| 321.80 Cable Television Franchise Fees..... | 60,167           | -           | -           | -           |
| <b>TOTAL LICENSES &amp; PERMITS.....</b>    | <b>\$ 61,852</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

| FINES & FORFEITS                       |               |             |             |             |
|--|---------------|-------------|-------------|-------------|
| 330-332 Fines and Forfeits.....        | \$ 226        | \$ -        | \$ -        | \$ -        |
| <b>TOTAL FINES &amp; FORFEITS.....</b> | <b>\$ 226</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

| INTEREST, RENTS & ROYALTIES                       |               |               |              |             |
|---|---------------|---------------|--------------|-------------|
| 341.00 Interest Earnings.....                     | \$ 964        | \$ 268        | \$ 14        | \$ -        |
| 342.00 Rents and Royalties.....                   | -             | -             | -            | -           |
| <b>TOTAL INTEREST, RENTS &amp; ROYALTIES.....</b> | <b>\$ 964</b> | <b>\$ 268</b> | <b>\$ 14</b> | <b>\$ -</b> |

\*\*Formerly Occupational Privilege Tax (OPT)

## 2014 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

| REVENUES  | PROPRIETARY |                  |                  | FIDUCIARY FUND  | TOTAL |
|---|-------------|------------------|------------------|-----------------|-------|
|   | Enterprise  | Internal Service | Trust and Agency | Memorandum Only |       |
| <b>TAXES</b>  |             |                  |                  |                 |       |
| 301.00 Real Estate Taxes.....   | \$ -        | \$ -             | \$ -             | \$ 715,132      |       |
| 305.00 Occupation Taxes (levied under municipal code).....                              | -           | -                | -                | -               |       |
| 308.00 Residence Taxes (levied by cities of 3rd Class).....                             | -           | -                | -                | -               |       |
| 309.00 Regional Asset District Sales Tax<br>(Allegheny County municipalities only)..... | -           | -                | -                | -               |       |
| 310.00 Per Capita Taxes.....  | -           | -                | -                | -               |       |
| 310.10 Real Estate Transfer Taxes.....  | -           | -                | -                | 79,243          |       |
| 310.20 Earned Income Taxes/Wage Taxes.....  | -           | -                | -                | 614,690         |       |
| 310.30 Business Gross Receipts Taxes.....   | -           | -                | -                | -               |       |
| 310.40 Occupation Taxes (levied under Act 511).....                                     | -           | -                | -                | -               |       |
| 310.50 Local Services Tax**.....  | -           | -                | -                | 37,107          |       |
| 310.60 Amusement/Admission Taxes.....   | -           | -                | -                | 10,616          |       |
| 310.70 Mechanical Device Taxes.....   | -           | -                | -                | -               |       |
| 310.90 Other Local Tax Enabling Act/Act511/Taxes.....                                   | -           | -                | -                | -               |       |
|   | -           | -                | -                | -               |       |
|   | -           | -                | -                | -               |       |
| <b>TOTAL TAXES.....</b>   | \$ -        | \$ -             | \$ -             | \$ 1,456,766    |       |

| LICENSES & PERMITS                          |      |      |      |           |
|---|------|------|------|-----------|
| 320-322 All Other Licenses and Permits..... | \$ - | \$ - | \$ - | \$ 1,685  |
| 321.80 Cable Television Franchise Fees..... | -    | -    | -    | 60,167    |
| <b>TOTAL LICENSES &amp; PERMITS.....</b>    | \$ - | \$ - | \$ - | \$ 61,852 |

| FINES & FORFEITS                       |      |      |      |        |
|--|------|------|------|--------|
| 330-332 Fines and Forfeits.....        | \$ - | \$ - | \$ - | \$ 226 |
| <b>TOTAL FINES &amp; FORFEITS.....</b> | \$ - | \$ - | \$ - | \$ 226 |

| INTEREST, RENTS & ROYALTIES                       |      |      |           |           |
|---|------|------|-----------|-----------|
| 341.00 Interest Earnings.....                     | \$ - | \$ - | \$ 28,138 | \$ 29,384 |
| 342.00 Rents and Royalties.....                   | -    | -    | -         | -         |
| <b>TOTAL INTEREST, RENTS &amp; ROYALTIES.....</b> | \$ - | \$ - | \$ 28,138 | \$ 29,384 |

| INTERGOVERNMENTAL REVENUES |  | GOVERNMENTAL FUNDS                                   |             |                     |              |
|----------------------------|--|--|-------------|---------------------|--------------|
|                            |  | Special Revenue<br>(Including State<br>Liquid Fuels) |             | Capital<br>Projects | Debt Service |
| FEDERAL                    |  | General Fund   |             |                     |              |
| 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.....               | -  | -           | -                   | -            |
| <b>TOTAL FEDERAL.....</b>  |  | <b>\$ -</b>  | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ -</b>  |

| STATE                   |   |                   |                   |             |             |
|-------------------------|---|-------------------|-------------------|-------------|-------------|
| 354.03                  | Highway and Streets.....  | \$ 31,300         | \$ -              | \$ -        | \$ -        |
| 354.09                  | Community Development.....  | -                 | -                 | -           | -           |
| 354.15                  | Recycling/Act 101.....  | -                 | -                 | -           | -           |
| 354.00                  | All Other State Capital and Operating Grants.....                         | -                 | -                 | -           | -           |
| 355.01                  | Public Utility Realty Tax (PURTA).....                                    | 1,826             | -                 | -           | -           |
| 355.02 - 355.03         | Motor Vehicle Fuel Tax<br>(Liquid Fuels Tax) and State Road Turnback..... | -                 | 119,585           | -           | -           |
| 355.04                  | Alcoholic Beverage Taxes/Beverage Licenses.....                           | 600               | -                 | -           | -           |
| 355.05                  | General Municipal Pension System State Aid.....                           | 21,878            | -                 | -           | -           |
| 355.07                  | Foreign Fire Insurance Tax Distribution.....                              | 35,278            | -                 | -           | -           |
| 355.08                  | Local Share Assessment/Gaming Proceeds.....                               | -                 | -                 | -           | -           |
| 355.09                  | Marcellus Shale Impact Fee Distribution.....                              | -                 | -                 | -           | -           |
| 355.00                  | All Other Shared Revenues & Entitlements.....                             | 25,000            | -                 | -           | -           |
| 356.00                  | State Payment in Lieu of Taxes.....                                       | -                 | -                 | -           | -           |
| <b>TOTAL STATE.....</b> |   | <b>\$ 115,882</b> | <b>\$ 119,585</b> | <b>\$ -</b> | <b>\$ -</b> |

| LOCAL GOVERNMENT UNITS                   |   |             |             |             |             |
|--|---|-------------|-------------|-------------|-------------|
| 357.03                                   | Highways and Streets.....   | \$ -        | \$ -        | \$ -        | \$ -        |
| 357.00                                   | All Other Local Governmental Units Capital and<br>Operating Grants.....                 | -           | -           | -           | -           |
| 358.00                                   | Local Government Unit Shared Payments for<br>Contracted Intergovernmental Services..... | -           | -           | -           | -           |
| 359.00                                   | Local Governmental Units and Authorities<br>Payments in Lieu of Taxes.....              | -           | -           | -           | -           |
| <b>TOTAL LOCAL GOVERNMENT UNITS.....</b> |   | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

## 2014 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

|   | INTERGOVERNMENTAL REVENUES |                  | PROPRIETARY      |                 | FIDUCIARY FUND | TOTAL      |
|---|----------------------------|------------------|------------------|-----------------|----------------|------------|
|   | Enterprise                 | Internal Service | Trust and Agency | Memorandum Only |                |            |
| <b>FEDERAL</b>  |                            |                  |                  |                 |                |            |
| 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.....   | -                          | -                | -                | -               |                | -          |
| <b>TOTAL FEDERAL</b> .....  | \$ -                       | \$ -             | \$ -             | \$ -            |                | \$ -       |
| <b>STATE</b>  |                            |                  |                  |                 |                |            |
| 354.03 Highway and Streets.....   | \$ -                       | \$ -             | \$ -             | \$ 31,300       |                | \$ 31,300  |
| 354.09 Community Development.....   | -                          | -                | -                | -               |                | -          |
| 354.15 Recycling/Act 101.....   | -                          | -                | -                | -               |                | -          |
| 354.00 All Other State Capital and Operating Grants.....                                    | -                          | -                | -                | -               |                | -          |
| 355.01 Public Utility Realty Tax (PURTA).....   | -                          | -                | -                | 1,826           |                | 1,826      |
| 355.02 - 355.03 Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback.....      | -                          | -                | -                | 119,585         |                | 119,585    |
| 355.04 Alcoholic Beverage Taxes/Beverage Licenses.....                                      | -                          | -                | -                | 600             |                | 600        |
| 355.05 General Municipal Pension System State Aid.....                                      | -                          | -                | -                | 21,878          |                | 21,878     |
| 355.07 Foreign Fire Insurance Tax Distribution.....   | -                          | -                | -                | 35,278          |                | 35,278     |
| 355.08 Local Share Assessment/Gaming Proceeds.....  | -                          | -                | -                | -               |                | -          |
| 355.09 Marcellus Shale Impact Fee Distribution.....   | -                          | -                | -                | -               |                | -          |
| 355.00 All Other Shared Revenues & Entitlements.....  | -                          | -                | -                | 25,000          |                | 25,000     |
| 356.00 State Payment in Lieu of Taxes.....  | -                          | -                | -                | -               |                | -          |
| <b>TOTAL STATE</b> .....  | \$ -                       | \$ -             | \$ -             | \$ 235,467      |                | \$ 235,467 |
| <b>LOCAL GOVERNMENT UNITS</b>   |                            |                  |                  |                 |                |            |
| 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.....              | -                          | -                | -                | -               |                | -          |
| <b>TOTAL LOCAL GOVERNMENT UNITS</b> .....   | \$ -                       | \$ -             | \$ -             | \$ -            |                | \$ -       |
| <b>TOTAL INTERGOVERNMENTAL REVENUES</b> .....   |                            |                  |                  |                 |                | \$ 235,467 |

| REVENUES                              |   | GOVERNMENTAL FUNDS |  |                     |              |
|---------------------------------------|---|--------------------|--|---------------------|--------------|
|                                       |   | General Fund       | Special Revenue<br>(Including State<br>Liquid Fuels) | Capital<br>Projects | Debt Service |
| <b>CHARGES FOR SERVICE</b>            |   |                    |  |                     |              |
| 361.00                                | General Government.....                               | \$ 6,468           | \$ -   | \$ -                | \$ -         |
| 362.00                                | Public Safety.....                                    | 59,881             | -  | -                   | -            |
| 363.20                                | Parking.....  | -                  | -  | -                   | -            |
| 363.00                                | All Other Charges for Highway & Street Services.....  | -                  | -  | -                   | -            |
| 364.10                                | Wastewater/Sewage Charges.....                        | -                  | -  | -                   | -            |
| 364.30                                | Solid Waste Collection & Disposal Charge (trash)..... | -                  | -  | -                   | -            |
| 364.60                                | Host Municipality 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.....                           | -                  | -  | -                   | -            |
| 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 Services.....                   | -                  | -  | -                   | -            |
| <b>TOTAL CHARGES FOR SERVICE.....</b> |   | <b>\$ 66,349</b>   | <b>\$ -</b>  | <b>\$ -</b>         | <b>\$ -</b>  |

| UNCLASSIFIED OPERATING REVENUES                   |   |             |                  |             |             |
|---|---|-------------|------------------|-------------|-------------|
| 383.00  | Assessments.....                                    | \$ -        | \$ -             | \$ -        | \$ -        |
| 386.00  | Escheats (sale of personal property).....           | -           | -                | -           | -           |
| 387.00  | Contributions & Donations from Private Sectors..... | -           | 20,320           | -           | -           |
| 388.00  | Fiduciary Fund Pension Contributions.....           | -           | -                | -           | -           |
| 389.00  | All Other Unclassified Operating Revenues.....      | -           | -                | -           | -           |
| <b>TOTAL UNCLASSIFIED OPERATING REVENUES.....</b> |   | <b>\$ -</b> | <b>\$ 20,320</b> | <b>\$ -</b> | <b>\$ -</b> |

| OTHER FINANCING SOURCES                   |  |                  |             |                  |             |
|---|--|------------------|-------------|------------------|-------------|
| 391.00                                    | Proceeds of General Fixed Asset Disposition..... | \$ 1,200         | \$ -        | \$ -             | \$ -        |
| 392.00                                    | Interfund Operating Transfers.....               | 42,871           | -           | 55,000           | -           |
| 393.00                                    | Proceeds of General Long-Term Debt.....          | -                | -           | -                | -           |
| 394.00                                    | Proceeds of Short-Term Debt.....                 | -                | -           | -                | -           |
| 395.00                                    | Refunds of Prior Year Expenditures.....          | -                | -           | -                | -           |
| <b>TOTAL OTHER FINANCING SOURCES.....</b> |  | <b>\$ 44,071</b> | <b>\$ -</b> | <b>\$ 55,000</b> | <b>\$ -</b> |

|                            |  |                     |                   |                  |             |
|----------------------------|--|---------------------|-------------------|------------------|-------------|
| <b>TOTAL REVENUES.....</b> |  | <b>\$ 1,146,132</b> | <b>\$ 140,173</b> | <b>\$ 55,014</b> | <b>\$ -</b> |
|----------------------------|--|---------------------|-------------------|------------------|-------------|

2014 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

| REVENUES                              |   | PROPRIETARY FUNDS |                  | FIDUCIARY FUND   | TOTAL             |
|---------------------------------------|---|-------------------|------------------|------------------|-------------------|
|                                       |   | Enterprise        | Internal Service | Trust and Agency | Memorandum Only   |
| 361.00                                | General Government.....                               | \$ -              | \$ -             | \$ -             | \$ 6,468          |
| 362.00                                | Public Safety.....                                    | -                 | -                | -                | 59,881            |
| 363.20*                               | Parking.....  | -                 | -                | -                | -                 |
| 363.00                                | All Other Charges for Highway & Street Services.....  | -                 | -                | -                | -                 |
| 364.10                                | Wastewater/Sewage Charges.....                        | 404,849           | -                | -                | 404,849           |
| 364.30                                | Solid Waste Collection & Disposal Charge (trash)..... | 462,135           | -                | -                | 462,135           |
| 364.60                                | Host Municipality 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.....                           | -                 | -                | -                | -                 |
| 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 Services.....                   | -                 | -                | -                | -                 |
| <b>TOTAL CHARGES FOR SERVICE.....</b> |   | <b>\$ 866,984</b> | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ 931,333</b> |

| UNCLASSIFIED OPERATING REVENUES                   |   |             |             |                  |                  |
|---|---|-------------|-------------|------------------|------------------|
| 383.00  | Special Assessments.....                            | \$ -        | \$ -        | \$ -             | \$ -             |
| 386.00  | Escheats (sale of personal property).....           | -           | -           | -                | -                |
| 387.00  | Contributions & Donations from Private Sectors..... | -           | -           | -                | 20,320           |
| 388.00  | Fiduciary Fund Pension Contributions.....           | -           | -           | 22,026           | 22,026           |
| 389.00  | All Other Unclassified Operating Revenues.....      | -           | -           | -                | -                |
| <b>TOTAL UNCLASSIFIED OPERATING REVENUES.....</b> |   | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 22,026</b> | <b>\$ 42,346</b> |

| OTHER FINANCING SOURCES                   |  |             |             |             |                  |
|---|--|-------------|-------------|-------------|------------------|
| 391.00                                    | Proceeds of General Fixed Asset Disposition..... | \$ -        | \$ -        | \$ -        | \$ 1,200         |
| 392.00                                    | Interfund Operating Transfers.....               | -           | -           | -           | 97,871           |
| 393.00                                    | Proceeds of General Long-Term Debt.....          | -           | -           | -           | -                |
| 394.00                                    | Proceeds of Short-Term Debt.....                 | -           | -           | -           | -                |
| 395.00                                    | Refunds of Prior Year Expenditures.....          | -           | -           | -           | -                |
| <b>TOTAL OTHER FINANCING SOURCES.....</b> |  | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 99,071</b> |

|                            |  |                   |             |                  |                     |
|----------------------------|--|-------------------|-------------|------------------|---------------------|
| <b>TOTAL REVENUES.....</b> |  | <b>\$ 866,984</b> | <b>\$ -</b> | <b>\$ 50,164</b> | <b>\$ 2,858,467</b> |
|----------------------------|--|-------------------|-------------|------------------|---------------------|

| EXPENDITURES                         |   | GOVERNMENTAL FUNDS |  |                     |              |
|--------------------------------------|---|--------------------|--|---------------------|--------------|
|                                      |   | General Fund       | Special Revenue<br>(Including State<br>Liquid Fuels) | Capital<br>Projects | Debt Service |
| <b>GENERAL GOVERNMENT</b>            |   |                    |  |                     |              |
| 400.00                               | Legislative (Governing) Body.....               | \$ 12,889          | \$ -   | \$ -                | \$ -         |
| 401.00                               | Executive (Manager or Mayor).....               | -                  | -  | -                   | -            |
| 402.00                               | Auditing Services/Financial Administration..... | 5,700              | -  | -                   | -            |
| 403.00                               | Tax Collection.....                             | 7,128              | -  | -                   | -            |
| 404.00                               | Solicitor/Legal Services.....                   | 68,283             | -  | -                   | -            |
| 405.00                               | Secretary/Clerk.....                            | 151,383            | -  | -                   | -            |
| 406.00                               | Other General Government Administration.....    | 1,950              | 5  | -                   | -            |
| 407.00                               | IT-Networking Services-Data Processing.....     | 7,187              | -  | -                   | -            |
| 408.00                               | Engineering Services.....                       | 34,589             | -  | -                   | -            |
| 409.00                               | General Government Buildings and Plant.....     | 54,527             | -  | -                   | -            |
| <b>TOTAL GENERAL GOVERNMENT.....</b> |   | <b>\$ 343,636</b>  | <b>\$ 5</b>  | <b>\$ -</b>         | <b>\$ -</b>  |

|                                 |  |                   |             |             |             |
|---------------------------------|--|-------------------|-------------|-------------|-------------|
| <b>PUBLIC SAFETY</b>            |  |                   |             |             |             |
| 410.00                          | Police.....                                | \$ -              | \$ -        | \$ -        | \$ -        |
| 411.00                          | Fire.....                                  | 141,482           | -           | -           | -           |
| 412.00                          | Ambulance/Rescue.....                      | -                 | -           | -           | -           |
| 413.00                          | UCC and Code Enforcement.....              | 15,840            | -           | -           | -           |
| 414.00                          | Planning and Zoning.....                   | -                 | -           | -           | -           |
| 415.00                          | Emergency Management & Communications..... | 4,120             | -           | -           | -           |
| 416.00                          | Militia and Armories.....                  | -                 | -           | -           | -           |
| 417.00                          | Examination of Licensed Occupations.....   | -                 | -           | -           | -           |
| 418.00                          | Public Scales (weights and measures).....  | -                 | -           | -           | -           |
| 419.00                          | Other Public Safety.....                   | -                 | -           | -           | -           |
| <b>TOTAL PUBLIC SAFETY.....</b> |  | <b>\$ 161,442</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

|                                  |                                |   |   |   |   |
|----------------------------------|--------------------------------|---|---|---|---|
| <b>HEALTH AND HUMAN SERVICES</b> |                                |   |   |   |   |
| 420.00 - 425.00                  | Health and Human Services..... | - | - | - | - |

|   |  |             |             |             |             |
|---|--|-------------|-------------|-------------|-------------|
| <b>PUBLIC WORKS - SANITATION</b>            |  |             |             |             |             |
| 426.00                                      | Recycling Collection and Disposal.....           | \$ -        | \$ -        | \$ -        | \$ -        |
| 427.00                                      | Solid Waste Collection and Disposal (trash)..... | -           | -           | -           | -           |
| 428.00                                      | Weed Control.....                                | -           | -           | -           | -           |
| 429.00                                      | Wastewater/Sewage Collection & Treatment.....    | -           | -           | -           | -           |
| <b>TOTAL PUBLIC WORKS - SANITATION.....</b> |  | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

2014 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

| EXPENDITURES   | PROPRIETARY FUNDS |                  |                  | PUBLIC SAFETY FUND | TOTAL          |
|--|-------------------|------------------|------------------|--------------------|----------------|
|  | Enterprise        | Internal Service | Trust and Agency | Memorandum Only    |                |
| <b>GENERAL GOVERNMENT</b>                              |                   |                  |                  |                    |                |
| 400.00 Legislative (Governing) Body.....               | \$ -              | \$ -             | \$ -             | \$ -               | 12,889         |
| 401.00 Executive (Manager or Mayor).....               | -                 | -                | -                | -                  | -              |
| 402.00 Auditing Services/Financial Administration..... | -                 | -                | -                | -                  | 5,700          |
| 403.00 Tax Collection.....                             | -                 | -                | -                | -                  | 7,128          |
| 404.00 Solicitor/Legal Services.....                   | -                 | -                | -                | -                  | 68,283         |
| 405.00 Secretary/Clerk.....                            | -                 | -                | -                | -                  | 151,383        |
| 406.00 Other General Government Administration.....    | -                 | -                | -                | -                  | 1,955          |
| 407.00 IT-Networking Services-Data Processing.....     | -                 | -                | -                | -                  | 7,187          |
| 408.00 Engineering Services.....                       | -                 | -                | -                | -                  | 34,589         |
| 409.00 General Government Buildings and Plant.....     | -                 | -                | -                | -                  | 54,527         |
| <b>TOTAL GENERAL GOVERNMENT.....</b>                   | <b>\$ -</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>        | <b>343,641</b> |

|   |             |             |             |             |                |
|---|-------------|-------------|-------------|-------------|----------------|
| <b>PUBLIC SAFETY</b>                              |             |             |             |             |                |
| 410.00 Police.....                                | \$ -        | \$ -        | \$ -        | \$ -        | -              |
| 411.00 Fire.....                                  | -           | -           | -           | -           | 141,482        |
| 412.00 Ambulance/Rescue.....                      | -           | -           | -           | -           | -              |
| 413.00 UCC and Code Enforcement.....              | -           | -           | -           | -           | 15,840         |
| 414.00 Planning and Zoning.....                   | -           | -           | -           | -           | -              |
| 415.00 Emergency Management & Communications..... | -           | -           | -           | -           | 4,120          |
| 416.00 Militia and Armories.....                  | -           | -           | -           | -           | -              |
| 417.00 Examination of Licensed Occupations.....   | -           | -           | -           | -           | -              |
| 418.00 Public Scales (weights and measures).....  | -           | -           | -           | -           | -              |
| 419.00 Other Public Safety.....                   | -           | -           | -           | -           | -              |
| <b>TOTAL PUBLIC SAFETY.....</b>                   | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>161,442</b> |

|  |   |   |   |   |   |
|--|---|---|---|---|---|
| <b>HEALTH AND HUMAN SERVICES</b>               |   |   |   |   |   |
| 420.00 - 425.00 Health and Human Services..... | - | - | - | - | - |

|   |                   |             |             |             |                |
|---|-------------------|-------------|-------------|-------------|----------------|
| <b>PUBLIC WORKS - SANITATION</b>                        |                   |             |             |             |                |
| 426.00 Recycling Collection and Disposal.....           | \$ -              | \$ -        | \$ -        | \$ -        | -              |
| 427.00 Solid Waste Collection and Disposal (trash)..... | 446,075           | -           | -           | -           | 446,075        |
| 428.00 Weed Control.....                                | -                 | -           | -           | -           | -              |
| 429.00 Wastewater/Sewage Collection & Treatment.....    | 229,696           | -           | -           | -           | 229,696        |
| <b>TOTAL PUBLIC WORKS - SANITATION.....</b>             | <b>\$ 675,771</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>675,771</b> |

| EXPENDITURES  |   | GOVERNMENTAL FUNDS |  |                     |              |
|---|---|--------------------|--|---------------------|--------------|
|   |   | General Fund       | Special Revenue<br>(Including State<br>Liquid Fuels) | Capital<br>Projects | Debt Service |
| <b>PUBLIC WORKS - HIGHWAYS &amp; STREETS</b>            |   |                    |  |                     |              |
| 430.00  | General Services - Administration.....            | \$ 356,711         | \$ -   | \$ -                | \$ -         |
| 431.00  | Cleaning of Streets and Gutters.....              | -                  | -  | -                   | -            |
| 432.00  | Winter Maintenance - Snow Removal.....            | 79,766             | -  | -                   | -            |
| 433.00  | Traffic Control Devices.....                      | 4,633              | -  | -                   | -            |
| 434.00  | Street Lighting.....                              | -                  | 23,271   | -                   | -            |
| 435.00  | Sidewalks and Crosswalks.....                     | -                  | -  | -                   | -            |
| 436.00  | Storm Sewers and Drains.....                      | -                  | -  | -                   | -            |
| 437.00  | Repairs of Tools and Machinery.....               | 64,909             | -  | -                   | -            |
| 438.00  | Maintenance & Repairs of Roads & Bridges.....     | 40,945             | -  | -                   | -            |
| 439.00  | Highway Construction and Rebuilding Projects..... | -                  | -  | -                   | -            |
| <b>TOTAL PUBLIC WORKS - HIGHWAYS &amp; STREETS.....</b> |   | <b>\$ 546,954</b>  | <b>\$ 23,271</b>                                     | <b>\$ -</b>         | <b>\$ -</b>  |

|   |                                    |             |             |             |             |
|---|------------------------------------|-------------|-------------|-------------|-------------|
| <b>PUBLIC WORKS - OTHER SERVICES</b>            |                                    |             |             |             |             |
| 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..... | -           | -           | -           | -           |
| <b>TOTAL PUBLIC WORKS - OTHER SERVICES.....</b> |                                    | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

|  |  |                  |             |             |             |
|--|--|------------------|-------------|-------------|-------------|
| <b>CULTURE AND RECREATION</b>            |  |                  |             |             |             |
| 451.00                                   | Culture - Recreation Administration..... | \$ -             | \$ -        | \$ -        | \$ -        |
| 452.00                                   | Participant Recreation.....              | 3,000            | -           | -           | -           |
| 453.00                                   | Spectator Recreation.....                | -                | -           | -           | -           |
| 454.00                                   | Parks.....                               | 58,988           | -           | -           | -           |
| 455.00                                   | Shade Trees.....                         | -                | -           | -           | -           |
| 456.00                                   | Libraries.....                           | 5,000            | -           | -           | -           |
| 457.00                                   | Civil and Military Celebrations.....     | -                | -           | -           | -           |
| 458.00                                   | Senior Citizens' Centers.....            | -                | -           | -           | -           |
| 459.00                                   | All Other Culture and Recreation.....    | -                | -           | -           | -           |
| <b>TOTAL CULTURE AND RECREATION.....</b> |  | <b>\$ 66,988</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

|   |  |             |             |             |             |
|---|--|-------------|-------------|-------------|-------------|
| <b>COMMUNITY DEVELOPMENT</b>            |  |             |             |             |             |
| 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.....   | -           | -           | -           | -           |
| <b>TOTAL COMMUNITY DEVELOPMENT.....</b> |  | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

2014 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

| EXPENDITURES   | PROPRIETARY FUNDS |                  |                  | FIDUCIARY FUND  | TOTAL          |
|--|-------------------|------------------|------------------|-----------------|----------------|
|  | Enterprise        | Internal Service | Trust and Agency | Memorandum Only |                |
| <b>PUBLIC WORKS - HIGHWAYS &amp; STREETS</b>             |                   |                  |                  |                 |                |
| 430.00 General Services - Administration.....            | \$ -              | \$ -             | \$ -             | \$ -            | 356,711        |
| 431.00 Cleaning of Streets and Gutters.....              | -                 | -                | -                | -               | -              |
| 432.00 Winter Maintenance - Snow Removal.....            | -                 | -                | -                | -               | 79,756         |
| 433.00 Traffic Control Devices.....                      | -                 | -                | -                | -               | 4,633          |
| 434.00 Street Lighting.....                              | -                 | -                | -                | -               | 23,271         |
| 435.00 Sidewalks and Crosswalks.....                     | -                 | -                | -                | -               | -              |
| 436.00 Storm Sewers and Drains.....                      | -                 | -                | -                | -               | -              |
| 437.00 Repairs of Tools and Machinery.....               | -                 | -                | -                | -               | 64,909         |
| 438.00 Maintenance & Repairs of Roads & Bridges.....     | -                 | -                | -                | -               | 40,945         |
| 439.00 Highway Construction and Rebuilding Projects..... | -                 | -                | -                | -               | -              |
| <b>TOTAL PUBLIC WORKS - HIGHWAYS &amp; STREETS.....</b>  | <b>\$ -</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>     | <b>670,225</b> |

|   |             |             |             |             |          |
|---|-------------|-------------|-------------|-------------|----------|
| <b>PUBLIC WORKS - OTHER SERVICES</b>            |             |             |             |             |          |
| 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.....       | -           | -           | -           | -           | -        |
| <b>TOTAL PUBLIC WORKS - OTHER SERVICES.....</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>-</b> |

|   |             |             |             |             |               |
|---|-------------|-------------|-------------|-------------|---------------|
| <b>CULTURE AND RECREATION</b>                   |             |             |             |             |               |
| 451.00 Culture - Recreation Administration..... | \$ -        | \$ -        | \$ -        | \$ -        | -             |
| 452.00 Participant Recreation.....              | -           | -           | -           | -           | 3,000         |
| 453.00 Spectator Recreation.....                | -           | -           | -           | -           | -             |
| 454.00 Parks.....                               | -           | -           | -           | -           | 58,968        |
| 455.00 Shade Trees.....                         | -           | -           | -           | -           | -             |
| 456.00 Libraries.....                           | -           | -           | -           | -           | 5,000         |
| 457.00 Civil and Military Celebrations.....     | -           | -           | -           | -           | -             |
| 458.00 Senior Citizens' Centers.....            | -           | -           | -           | -           | -             |
| 459.00 All Other Culture and Recreation.....    | -           | -           | -           | -           | -             |
| <b>TOTAL CULTURE AND RECREATION.....</b>        | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>66,968</b> |

|   |             |             |             |             |          |
|---|-------------|-------------|-------------|-------------|----------|
| <b>COMMUNITY DEVELOPMENT</b>                  |             |             |             |             |          |
| 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.....  | -           | -           | -           | -           | -        |
| <b>TOTAL COMMUNITY DEVELOPMENT.....</b>       | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>-</b> |

2014 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

| EXPENDITURES  | GOVERNMENTAL FUNDS |  |                     |              |
|---|--------------------|--|---------------------|--------------|
|   | General Fund       | Special Revenue<br>(Including State<br>Liquid Fuels) | Capital<br>Projects | Debt Service |
| <b>DEBT SERVICE</b>                                   |                    |  |                     |              |
| 471.00 Debt Principal (short-term and long-term)..... | \$ -               | \$ -   | \$ -                | \$ -         |
| 472.00 Debt Interest (short-term and long-term).....  | -                  | -  | -                   | -            |
| 475.00 Fiscal Agent Fees.....                         | -                  | -  | -                   | -            |
| <b>TOTAL DEBT SERVICE.....</b>                        | <b>\$ -</b>        | <b>\$ -</b>  | <b>\$ -</b>         | <b>\$ -</b>  |

| EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS |  |                   |             |             |             |
|--|--|-------------------|-------------|-------------|-------------|
| 481.00                                     | Employer Paid Withholding Taxes and Unemployment Co              | \$ 34,131         | \$ -        | \$ -        | \$ -        |
| 482.00                                     | Judgments and Losses.....  | -                 | -           | -           | -           |
| 483.00                                     | Pension/Retirement Fund Contributions.....                       | 22,026            | -           | -           | -           |
| 484.00                                     | Workers Compensation Insurance.....                              | 35,003            | -           | -           | -           |
| 487.00                                     | Group Insurance and Other Benefits.....                          | 81,394            | -           | -           | -           |
|  | <b>TOTAL EMPLOYER PAID BENEFITS &amp; WITHHOLDING ITEMS.....</b> | <b>\$ 172,554</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

| INSURANCE |                                      |        |   |   |   |
|-----------|--------------------------------------|--------|---|---|---|
| 486.00    | Insurance, Casualty, and Surety..... | 51,483 | - | - | - |

| UNCLASSIFIED OPERATING EXPENDITURES |   |             |             |             |             |
|-------------------------------------|---|-------------|-------------|-------------|-------------|
| 488.00                              | Fiduciary Fund Benefits and Refunds Paid.....         | \$ -        | \$ -        | \$ -        | \$ -        |
| 489.00                              | All Other Unclassified Expenditures.....              | -           | -           | -           | -           |
|                                     | <b>TOTAL UNCLASSIFIED OPERATING EXPENDITURES.....</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

| OTHER FINANCING USES |  |                  |                  |             |             |
|----------------------|--|------------------|------------------|-------------|-------------|
| 491.00               | Refund of Prior Year Revenues.....     | \$ -             | \$ -             | \$ -        | \$ -        |
| 492.00               | Interfund Operating Transfers.....     | 55,000           | 42,871           | -           | -           |
| 493.00               | All Other Financing Uses.....          | -                | -                | -           | -           |
|                      | <b>TOTAL OTHER FINANCING USES.....</b> | <b>\$ 55,000</b> | <b>\$ 42,871</b> | <b>\$ -</b> | <b>\$ -</b> |

|                                |                     |                  |             |             |
|--------------------------------|---------------------|------------------|-------------|-------------|
| <b>TOTAL EXPENDITURES.....</b> | <b>\$ 1,393,037</b> | <b>\$ 66,147</b> | <b>\$ -</b> | <b>\$ -</b> |
|--------------------------------|---------------------|------------------|-------------|-------------|

|   |                   |                  |                  |             |
|---|-------------------|------------------|------------------|-------------|
| <b>EXCESS/DEFICIT REVENUES<br/>OVER EXPENDITURES.....</b> | <b>\$ 348,085</b> | <b>\$ 74,626</b> | <b>\$ 55,014</b> | <b>\$ -</b> |
|---|-------------------|------------------|------------------|-------------|

## 2014 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

| EXPENDITURES   | PROPRIETARY       |                  | FIDUCIARY FUND   | TOTAL               |
|--|-------------------|------------------|------------------|---------------------|
|  | Enterprise        | Internal Service | Trust and Agency | Memorandum Only     |
| <b>DEBT SERVICE</b>  |                   |                  |                  |                     |
| 471.00 Debt Principal (short-term and long-term).....            | \$ -              | \$ -             | \$ -             | \$ -                |
| 472.00 Debt Interest (short-term and long-term).....             | -                 | -                | -                | -                   |
| 475.00 Fiscal Agent Fees.....                                    | -                 | -                | -                | -                   |
| <b>TOTAL DEBT SERVICE.....</b>                                   | <b>\$ -</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         |
| <b>EMPLOYER PAID BENEFITS &amp; WITHHOLDING ITEMS</b>            |                   |                  |                  |                     |
| 481.00 Employer Paid Withholding Taxes and Unemployment Co       | \$ -              | \$ -             | \$ -             | \$ 34,131           |
| 482.00 Judgments and Losses.....                                 | -                 | -                | -                | -                   |
| 483.00 Pension/Retirement Fund Contributions.....                | -                 | -                | -                | 22,026              |
| 484.00 Workers Compensation Insurance.....                       | -                 | -                | -                | 35,003              |
| 487.00 Other Group Insurance Benefits.....                       | -                 | -                | -                | 81,394              |
| <b>TOTAL EMPLOYER PAID BENEFITS &amp; WITHHOLDING ITEMS.....</b> | <b>\$ -</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ 172,554</b>   |
| <b>INSURANCE</b>   |                   |                  |                  |                     |
| 486.00 Insurance, Casualty, and Surety.....                      | -                 | -                | -                | 51,483              |
| <b>UNCLASSIFIED OPERATING EXPENDITURES</b>                       |                   |                  |                  |                     |
| 488.00 Fiduciary Fund Benefits and Refunds Paid.....             | \$ -              | \$ -             | \$ 13,197        | \$ 13,197           |
| 489.00 All Other Unclassified Expenditures.....                  | -                 | -                | 5,407            | 5,407               |
| <b>TOTAL UNCLASSIFIED OPERATING EXPENDITURES.....</b>            | <b>\$ -</b>       | <b>\$ -</b>      | <b>\$ 18,604</b> | <b>\$ 18,604</b>    |
| <b>OTHER FINANCING USES</b>                                      |                   |                  |                  |                     |
| 491.00 Refund of Prior Year Revenues.....                        | \$ -              | \$ -             | \$ -             | \$ -                |
| 492.00 Interfund Operating Transfers.....                        | -                 | -                | -                | 97,871              |
| 493.00 All Other Financing Uses.....                             | -                 | -                | -                | -                   |
| <b>TOTAL OTHER FINANCING USES.....</b>                           | <b>\$ -</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ 97,871</b>    |
| <b>TOTAL EXPENDITURES.....</b>                                   | <b>\$ 675,771</b> | <b>\$ -</b>      | <b>\$ 18,604</b> | <b>\$ 2,153,659</b> |
| <b>EXCESS/DEFICIT REVENUES OVER EXPENDITURES.....</b>            | <b>\$ 191,213</b> | <b>\$ -</b>      | <b>\$ 31,560</b> | <b>\$ 659,908</b>   |





FRANCE, ANDERSON, BASILE and COMPANY, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

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To the Board of Supervisors  
Allen Township  
Northampton, Pennsylvania

In planning and performing our audit of the financial statements of Allen Township for the year ended December 31, 2014, we considered the Township's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. However, during our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated April 28, 2015 on the financial statements of Allen Township. Our comments and recommendations, all of which have been discussed with management, are intended to improve internal control or result in operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional studies of these matters, or to assist you in implementing recommendations. Our comments are summarized as follows:

**1. Segregation of Accounting Duties**

Proper accounting controls provide for the segregation of accounting functions. The Township Treasurer and Manager are currently involved in all aspects of the accounting functions of the Township. Inadequate segregation of accounting duties increases the possibility that the misstatement of the Township's financial statements will not be prevented or detected by the Township's internal control systems. We understand that it is impractical to have an accounting staff large enough to provide for proper segregation of all duties but the Board and management should work to provide as much segregation as possible with its limited resources.

**2. Financial Statement Preparation**

Our firm currently assists the Township's accounting staff in preparing the Municipal Annual Audit and Financial Report required by the Pennsylvania Department of Community & Economic Development. These financial statements are the responsibility of management and management should continue to maintain accounting records in a format that is compliant with the Pennsylvania Department of Community & Economic Development regulations.

**3. Affordable Care Act**

Although this observation is outside the scope of the audit function, we strongly suggest that the Township reviews their compliance with the Affordable Care Act (ACA). There are significant penalties for noncompliance that you should consider having your plan provider or solicitor review to ensure compliance with the Act.

This report is intended solely for the information and use of the Board of Supervisors, management, and others within Allen Township, and is not intended to be and should not be used by anyone other than these specified parties.

*France, Anderson, Basile and Company, P.C.*

Emmaus, Pennsylvania

April 28, 2015

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COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

April 28, 2015

To the Board of Supervisors  
Allen Township  
Northampton, Pennsylvania

We have audited the financial statements of Allen Township for the year ended December 31, 2014, and have issued our report thereon dated April 28, 2015. Professional standards require that we communicate to you the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated December 24, 2014, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements are fairly presented, in all material respects, in conformity with accounting principles used to complete the Pennsylvania Municipal Annual Audit and Financial Report. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control of Allen Township. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our discussion prior to commencement of the audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. We noted no transactions entered into by the Township during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

### Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

### Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during our course of the audit.

### Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 28, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Township’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Township’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We strongly suggest that the Township reviews their compliance with the Affordable Care Act (ACA). There are significant penalties for noncompliance with the ACA. Employers offering noncompliant plans subject themselves to a possible excise tax of \$100 per day, per employee, per violation. These violations could prove to be substantial. We recommend that the Township has their plan provider review your plan(s) to ensure compliance with the ACA. Additionally, you may wish to have your solicitor review your compliance with ACA provisions.

This information is intended solely for the use of the Board of Supervisors and management of Allen Township and is not intended to be and should not be used by anyone other than these specified parties.

*France Anderson, Bosche and Company, P.C.*

Emmaus, Pennsylvania  
April 28, 2015