

TOWNSHIP OF CRESCENT



FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2007

TOWNSHIP OF CRESCENT
ALLEGHENY COUNTY, PENNSYLVANIA

FINANCIAL STATEMENTS

WITH REPORT OF

CERTIFIED PUBLIC ACCOUNTANT

FOR THE YEAR ENDED DECEMBER 31, 2007

TOWNSHIP OF CRESCENT
ALLEGHENY COUNTY, PENNSYLVANIA
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Mark C. Turnley

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**To the Board of Commissioners
Township of Crescent**

Independent Auditor's Report

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Township of Crescent as of and for the year ended December 31, 2007, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township Commissioners. My responsibility is to express an opinion on these financial statements based on my audit. I did not audit the statements of fiduciary net assets and changes in fiduciary net assets of the Township's pension trust funds (Exhibit F and G). This information is audited by PMRS auditors whose report is forwarded to the Township annually.

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

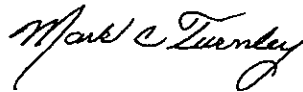
As described in Note 2, the Township prepares its financial statements on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Township of Crescent as of December 31, 2007, and the respective changes in cash basis financial position thereof and the budgetary comparison for the General Fund for the year then ended in conformity with the basis of accounting described in Note 2.

The Township of Crescent has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The defined benefit trust funds' historical pension information on pages 28-29 is not a required part of the financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

My audit was made for the purpose of forming opinions on the financial statements that collectively comprise the Township of Crescent's basic financial statements. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole on the basis of accounting described in Note 2.



Mark C. Turnley, CPA

May 28, 2008
Ambridge, Pennsylvania

TOWNSHIP OF CRESCENT
STATEMENT OF NET ASSETS (CASH BASIS)
DECEMBER 31, 2007

EXHIBIT A

	<u>Governmental Activities</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 314,705
Investments	67,434
Total Current Assets	<u>\$ 382,139</u>
TOTAL ASSETS	<u>\$ 382,139</u>
LIABILITIES	
Current Liabilities:	
Payroll Withholdings	\$ 2,182
Escrow	14,479
Total Current Liabilities	<u>\$ 16,661</u>
TOTAL LIABILITIES	<u>\$ 16,661</u>
NET ASSETS	
Unrestricted	\$ 365,478
TOTAL NET ASSETS	<u>\$ 365,478</u>

The accompanying notes are an integral part of these financial statements

TOWNSHIP OF CRESCENT
STATEMENT OF ACTIVITIES (CASH BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2007

Functions/Programs	Program Receipts		Net (Disbursements) Receipts and Changes in Net Assets
Governmental Activities:	Charges for Services	Operating Grants and Contributions	Governmental Activities
General Government	\$ 341,691	\$ -	(294,663)
Public Safety - Police	275,800	-	(262,926)
Public Safety - Fire	65,855	14,047	(51,808)
Public Safety - Other	8,022	-	(503)
Public Works - Sanitation	131,626	-	14,336
Public Works - Highways	403,118	46,734	(356,384)
Culture and Recreation	59,345	19,405	(38,102)
Debt Service	323,394	-	(323,394)
Insurance and Employee Benefits	205,231	9,623	(181,976)
Miscellaneous	10,551	-	(10,551)
Total Governmental Activities	\$ 1,824,633	\$ 89,809	(1,505,971)
Total Primary Government	\$ 1,824,633	\$ 89,809	\$ (1,505,971)
General Receipts:			
Taxes:			
Property Taxes, Levied for General Purposes (net)			\$ 709,244
Act 511 Taxes			292,131
Public Utility Realty Tax/Alcohol Beverage Tax			1,908
Sales Tax			51,197
Tax Anticipation Loan			250,000
Sale of Assets			6,250
Investment Earnings			37,916
Total General Receipts			\$ 1,348,646
Change in Net Assets			(157,325)
Net Assets — January 1, 2007			522,803
Net Assets — December 31, 2007			\$ 365,478

The accompanying notes are an integral part of these financial statements

**TOWNSHIP OF CRESCENT
BALANCE SHEET (CASH BASIS)
GOVERNMENTAL FUNDS
DECEMBER 31, 2007**

EXHIBIT C

	MAJOR GOVERNMENTAL FUNDS										TOTAL GOVERNMENTAL FUNDS	
	GENERAL FUND	HIGHWAY AID FUND	PARKWOOD FUND	FIRE DEPARTMENT FUND	HUNTRIDGE PARK FUND	CAPITAL RESERVE FUND	NON-MAJOR GOVERNMENTAL FUNDS			TOTAL GOVERNMENTAL FUNDS		
ASSETS:												
Cash and Cash Equivalents	\$ 12,191	\$ -	\$ 89,193	\$ -	\$ -	\$ 212,999	\$ 322			\$ 314,705		
Investments	1,589	20,124	-	39,980	-	5,741	-			67,434		
TOTAL ASSETS	\$ 13,780	\$ 20,124	\$ 89,193	\$ 39,980	\$ -	\$ 218,740	\$ 322			\$ 382,139		
LIABILITIES AND FUND BALANCES												
LIABILITIES:												
Payroll Withholdings	\$ 2,182	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 2,182		
Escrow	-	-	14,479	-	-	-	-			14,479		
TOTAL LIABILITIES	\$ 2,182	\$ -	\$ 14,479	\$ -	\$ -	\$ -	\$ -			\$ 16,661		
FUND BALANCES:												
Undesignated - Unreserved	\$ 11,598	\$ 20,124	\$ 74,714	\$ 39,980	\$ -	\$ 218,740	\$ 322			\$ 355,478		
TOTAL FUND BALANCES	\$ 11,598	\$ 20,124	\$ 74,714	\$ 39,980	\$ -	\$ 218,740	\$ 322			\$ 355,478		
TOTAL LIABILITIES AND FUND BALANCES	\$ 13,780	\$ 20,124	\$ 89,193	\$ 39,980	\$ -	\$ 218,740	\$ 322			\$ 382,139		

TOWNSHIP OF CRESCENT
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES (CASH BASIS)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

	MAJOR GOVERNMENTAL FUNDS							TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	HIGHWAY AID FUND	PARKWOOD FUND	FIRE DEPARTMENT FUND	HUNTRIDGE PARK FUND	CAPITAL RESERVE FUND	NON-MAJOR GOVERNMENTAL FUNDS	
RECEIPTS								
Taxes	\$ 989,527	\$ -	\$ -	\$ 53,337	\$ -	\$ -	\$ -	\$ 1,042,864
Licenses and Permits	41,226	-	-	-	-	-	-	41,226
Fines and Forfeitures	11,247	-	-	-	-	-	-	11,247
Interest and Rents	24,634	1,435	8,631	1,582	-	4,871	-	41,153
Intergovernmental	76,776	46,734	-	-	19,405	-	-	142,915
Charges for Services	159,509	-	-	-	-	-	-	159,509
Total Receipts	\$ 1,302,919	\$ 48,169	\$ 8,631	\$ 54,919	\$ 19,405	\$ 4,871	\$ -	\$ 1,438,914
DISBURSEMENTS								
General Government	\$ 222,134	\$ -	\$ 103,634	\$ -	\$ -	\$ 15,923	\$ -	\$ 341,691
Public Safety - Police	275,800	-	-	-	-	-	-	275,800
Public Safety - Fire	23,922	-	-	41,933	-	-	-	65,855
Public Safety - Other	8,022	-	-	-	-	-	-	8,022
Public Works - Sanitation	131,626	-	-	-	-	-	-	131,626
Public Works - Highways	337,049	43,607	-	-	-	22,462	-	403,118
Culture and Recreation	21,671	-	-	-	35,048	673	1,953	59,345
Debt Service	323,394	-	-	-	-	-	-	323,394
Miscellaneous	205,231	-	-	-	-	-	-	205,231
Total Disbursements	\$ 1,548,849	\$ 43,607	\$ 103,634	\$ 41,933	\$ 35,048	\$ 39,058	\$ 1,953	\$ 1,814,082
Excess (Deficiency) of Receipts over Disbursements	\$ (245,930)	\$ 4,562	\$ (95,003)	\$ 12,986	\$ (15,643)	\$ (34,187)	\$ (1,953)	\$ (375,166)
OTHER FINANCING SOURCES (USES)								
Sale of Township Property	\$ 6,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,250
Refund of Prior Year Expenses	32,010	-	-	-	-	-	-	32,010
Refund of Prior Year Receipts	(17,080)	-	-	-	-	-	-	(17,080)
Tax Anticipation Note	250,000	-	-	-	-	-	-	250,000
Operating Transfers In	177,969	-	(90,929)	-	-	159,481	-	337,450
Operating Transfers Out	(189,858)	-	(90,929)	-	-	(100,000)	-	(390,787)
Total Other Financing Sources (Uses)	\$ 249,291	\$ -	\$ (90,929)	\$ -	\$ -	\$ 59,481	\$ -	\$ 217,843
NET CHANGE IN FUND BALANCES	\$ 3,381	\$ 4,562	\$ (185,932)	\$ 12,986	\$ (15,643)	\$ 25,294	\$ (1,953)	\$ (157,325)
FUND BALANCE - JANUARY 1, 2007	8,237	15,562	260,646	26,994	15,643	193,446	2,275	522,803
FUND BALANCE - DECEMBER 31, 2007	\$ 11,598	\$ 20,124	\$ 74,714	\$ 39,980	\$ -	\$ 218,740	\$ 322	\$ 365,478

The accompanying notes are an integral part of these financial statements

TOWNSHIP OF CRESCENT
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES, BUDGET AND ACTUAL (CASH BASIS)
GOVERNMENTAL FUNDS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
Taxes	\$ 949,505	\$ 949,505	\$ 989,527	\$ 40,022
Licenses and Permits	36,000	36,000	41,226	5,226
Fines and Forfeitures	6,500	6,500	11,247	4,747
Interest and Rents	16,770	16,770	24,634	7,864
Intergovernmental	69,000	69,000	76,776	7,776
Charges for Services	153,800	153,800	159,509	5,709
Total Receipts	\$ 1,231,575	\$ 1,231,575	\$ 1,302,919	\$ 71,344
DISBURSEMENTS				
General Government	\$ 250,645	\$ 250,645	\$ 222,134	\$ 28,511
Public Safety - Police	291,927	291,927	275,800	16,127
Public Safety - Fire	22,300	22,300	23,922	(1,622)
Public Safety - Other	4,900	4,900	8,022	(3,122)
Public Works - Sanitation	134,100	134,100	131,626	2,474
Public Works - Highways	241,900	241,900	337,049	(95,149)
Culture and Recreation	23,500	23,500	21,671	1,829
Debt Service	311,360	311,360	323,394	(12,034)
Miscellaneous	190,470	190,470	205,231	(14,761)
Total Disbursements	\$ 1,471,102	\$ 1,471,102	\$ 1,548,849	\$ (77,747)
Excess (Deficiency) of Receipts over Disbursements	\$ (239,527)	\$ (239,527)	\$ (245,930)	\$ (6,403)
OTHER FINANCING SOURCES (USES)				
Sale of Township Property	\$ -	\$ -	\$ 6,250	\$ 6,250
Refund of Prior Year Expenses	8,000	8,000	32,010	24,010
Refund of Prior Year Receipts	(2,000)	(2,000)	(17,080)	(15,080)
Loan Proceeds	-	-	250,000	250,000
Operating Transfers In	270,000	270,000	177,969	(92,031)
Operating Transfers Out	(56,973)	(56,973)	(199,858)	(142,885)
Total Other Financing Sources (Uses)	\$ 219,027	\$ 219,027	\$ 249,291	\$ 30,264
NET CHANGE IN FUND BALANCES	\$ (20,500)	\$ (20,500)	\$ 3,361	\$ 23,861
FUND BALANCE - JANUARY 1, 2007	-	-	8,237	8,237
FUND BALANCE - DECEMBER 31, 2007	\$ (20,500)	\$ (20,500)	\$ 11,598	\$ 32,098

The accompanying notes are an integral part of these financial statements

TOWNSHIP OF CRESCENT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2007

	<u>POLICE PENSION FUND</u>	<u>NON-UNIFORM PENSION FUND</u>	<u>ESCROW DEVELOPERS FUNDS</u>
ASSETS			
Cash and Cash Equivalents	\$ -	\$ -	\$ 8,075
Investments - PMRS	620,970	348,445	-
TOTAL ASSETS	<u>\$ 620,970</u>	<u>\$ 348,445</u>	<u>\$ 8,075</u>
LIABILITIES			
Other Current Liabilities	\$ -	\$ -	\$ 8,075
TOTAL LIABILITIES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,075</u>
NET ASSETS			
Held in Trust for Pension Benefits	\$ 620,970	\$ 348,445	
TOTAL NET ASSETS	<u>\$ 620,970</u>	<u>\$ 348,445</u>	

The accompanying notes are an integral part of these financial statements

TOWNSHIP OF CRESCENT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007

	POLICE PENSION FUND	NON-UNIFORM PENSION FUND
ADDITIONS		
Contributions		
Employer	\$ -	\$ 9,612
Plan Members	-	4,840
Total Contributions	<u>\$ -</u>	<u>\$ 14,452</u>
Investment Earnings		
Interest	\$ 56,863	\$ 37,628
Total Investment Earnings	\$ 56,863	\$ 37,628
Less investment Expense	-	-
Net Investment Earnings	<u>\$ 56,863</u>	<u>\$ 37,628</u>
TOTAL ADDITIONS	<u>\$ 56,863</u>	<u>\$ 52,080</u>
DEDUCTIONS		
Member Benefits	\$ 4,954	\$ 9,113
Administrative Expenses	80	180
Transfers	-	26
Allocated Insurance Premiums	261	132
TOTAL DEDUCTIONS	<u>\$ 5,295</u>	<u>\$ 9,451</u>
CHANGE IN NET ASSETS	\$ 51,568	\$ 42,629
NET ASSETS - JANUARY 1, 2007	<u>569,402</u>	<u>305,816</u>
NET ASSETS - DECEMBER 31, 2007	<u>\$ 620,970</u>	<u>\$ 348,445</u>

The accompanying notes are an integral part of these financial statements

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 1 – DESCRIPTION OF THE TOWNSHIP AND REPORTING ENTITY

DESCRIPTION

The Township of Crescent was created and organized under the provision governing the creation of municipal corporations by the Commonwealth of Pennsylvania. Members of the Board of Commissioners are elected by the voting public. These board members have complete authority over the operations and administration of the Township's activities. The major functions of the Township include public safety, maintenance of Township infrastructure (roads), sanitation control, maintenance of parks and other general administrative functions to facilitate the needs of the Township residents.

REPORTING ENTITY

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are not misleading. The primary government of the Township of Crescent consists of all funds, departments, boards and agencies that are not legally separate from the Township.

Component units are legally separate organizations for which the Township is financially accountable. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves their budget, the issuance of their debt or the levying of their taxes. The management of the Township of Crescent applies the criteria set forth in the 'Codification of Governmental Accounting and Financial Reporting Standards' for defining the scope of its reporting entity. Based on the application of these criteria, the Township of Crescent has no component units.

The following entities that perform activities within the Township of Crescent boundaries for the benefit of its residents are excluded from the accompanying financial statements because the Township is not financially accountable for these entities nor are they fiscally dependent on the Township:

- Moon Area School District
- Crescent Township Volunteer Fire Department

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the Township's accounting policies are as follows:

BASIS OF ACCOUNTING

The basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements. Governmental activities in the government-wide financial statements and government funds use the cash basis of accounting. Under the cash method, revenue is recognized at the time cash is received rather than when earned, and expenses are recognized when paid rather than when obligations are incurred. Fiduciary funds use the accrual basis of accounting.

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GASB STATEMENT IMPLEMENTATIONS

In June of 1999, the Governmental Accounting Standards Board (GASB) approved Statement No. 34, 'Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments'. Certain of the significant changes in this new statement applicable to local governments include the following:

1. The financial statements should include:
 - A Management Discussion and Analysis (MD&A) section providing an analysis of the Township's overall financial position and results of operations. The Township of Crescent has opted not to present a Management and Discussion Analysis for the year ended December 31, 2007.
 - Government- wide financial statements using the full accrual basis of accounting for all of the Township's activities, including reporting infrastructure assets.
2. A change in the fund financial statements to focus on the major funds

Under GASB Statement No. 34, the focus of the fund financial statements is on major funds. Major funds represent the Township's most important funds and are determined based on percentages of assets, liabilities, receipts, and disbursements. For the Township of Crescent, the General Fund is always considered a major fund.

The provisions of GASB Statement No. 34 were effective January 1, 2004 for the Township of Crescent. The Township adopted certain provisions of GASB Statement No. 34 including, but not limited to, 1) changing its fund financial statements to focus on the major funds and 2) presentation of government-wide financial statements – Statement of Net Assets and Statement of Activities (see Basis of Presentation). The Township of Crescent's financial statements were prepared using the cash basis of accounting. The Governmental Accounting Standards Board requires the government-wide financial statements to be prepared using the economic resources measurement focus (full accrual), and the fund financial statements to be prepared using a flow of current financial resources measurement focus (modified accrual), to be in conformity with general accepted accounting principles. Accordingly, the accompanying financial statements are not intended to present the financial position or results of operations of the Township of Crescent in conformity with accounting principles generally accepted in the United States.

FUND ACCOUNTING

The Township uses funds to report on its financial position and the results of its operations during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Township functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. For the Township of Crescent, funds are classified into two categories: governmental and fiduciary. Fund categories are defined as follows:

Governmental Funds – Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Townships' major and non-major governmental funds:

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FUND ACCOUNTING (Continued)

MAJOR GOVERNMENTAL FUNDS:

GENERAL FUND - Established under 'The First Class Township Code' of the Commonwealth of Pennsylvania and is used for the general operations of the Township. Income in this fund is derived mainly from assessed revenue such as real estate taxes, local taxes established under Act 511, charges for sanitation service, and other miscellaneous revenues not designated for other restricted fund purposes. These revenues are used for general ongoing government services such as public safety, public works, general administration of the Township and other miscellaneous operating expenses.

HIGHWAY AID FUND (SPECIAL REVENUE) - Established and restricted under Act 655 of the Commonwealth of Pennsylvania. Funding is received from the Commonwealth and is restricted in use for the maintenance, repair and construction of roads, streets and bridges for which the Township is responsible.

PARKWOOD FUND (CAPITAL PROJECT) - Established in 2006 from the insurance proceeds received from Kemper Insurance Company on the performance bond of Parkwood Development Company for the construction of the Parkwood slide and pond.

FIRE DEPARTMENT FUND (SPECIAL REVENUE) - Established in 2005 to accumulate monies to assist the Township's volunteer fire department in defraying a portion of its' annual operating costs. Funding is received through transfers from the General Fund through a designation of one-half mill from the overall real estate tax millage assessed to property owners in the Township.

HUNTRIDGE PARK GRANT FUND (SPECIAL REVENUE) - Established in 2006 from a grant received from the Pennsylvania Department of Conservation and Natural Resources to make necessary improvements to Huntsridge Park located in the Township.

CAPITAL RESERVE FUND (CAPITAL PROJECT) - Established to accumulate monies for the purchase of capital equipment. Monies have been received mainly through grants and transfers from the General Fund.

NON-MAJOR GOVERNMENTAL FUNDS:

FIRE DEPARTMENT PROTECTIVE EQUIPMENT GRANT FUND (SPECIAL REVENUE) - Established in 2006 from a \$15,000 grant received from the Department of Community and Economic Development to support the purchase of personal protective equipment for the Township's Volunteer Fire Department.

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FUND ACCOUNTING (Continued)

Fiduciary Funds – Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the Township under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Township's own programs. The Township has two pension trust funds (police pension fund and non-uniform service employees pension fund). Agency funds are custodial in nature and do not involve measuring income or any other results from operations. The Township maintains an agency fund to account for escrow monies received from developers to pay for legal and engineering costs incurred by the Township related to specific development projects within the Township (Schedule 3).

BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS – The statement of net assets (Exhibit A) and the statement of activities (Exhibit B) display information about the Township as a whole. In specific, these financial statements combine all of the financial activity of the Township's major and non-major funds as described herein Note 2. The government-wide financial statements do not include the financial activity of the Township's fiduciary funds, which cannot be used to finance general operations. GASB Statement No. 34 describes and distinguishes the financial activity in any fund as being either governmental or business-type. The Township of Crescent does not currently operate any business-type activities.

The government-wide statement of activities (Exhibit B) presents a comparison between direct expenses and program revenues for each function of the Township's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, and grants, subsidies and contributions that are restricted to meeting the operational or capital requirements of a particular program. The Township allocates the following program revenues under the column 'charges for services' to each functional disbursement category as follows:

- General Government – Licenses and permits, rents, lien letters, and miscellaneous sales of reports and maps
- Public Safety (Police) – Fines and forfeitures, police reports, task force receipts
- Public Safety (Other) – Building permits, electrical inspections, use and occupancy permits
- Public Works (Sanitation) – Solid waste collection fees
- Public Works (Highways) – Snow removal fees
- Culture and Recreation – Shouse park rentals

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF PRESENTATION (Continued)

GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

Revenues which are not classified as program revenues are presented as general revenues of the Township. General revenue consists mainly of taxes, unrestricted grants, and other miscellaneous receipts not earmarked for a specific function. The comparison of direct disbursements with program receipts identifies the extent to which the government function is self-financing or draws from the general receipts of the Township.

FUND FINANCIAL STATEMENTS – Fund financial statements report detailed information about the Township. The focus of governmental financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. In Exhibit C, non-major funds are segregated and combined in a single column. Fiduciary funds are reported by fund type.

BUDGETS

On December 13, 2006, the Township of Crescent adopted its annual budget for its general fund in accordance with the provisions of the Township Code. The general fund budget of \$1,530,075 was prepared utilizing the cash basis of accounting. General fund disbursements, including other financing uses, exceeded budget as reflected in Exhibit E. All annual appropriations of the general fund lapse at calendar year end.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposit accounts and all highly liquid short-term investments with original maturity terms of less than three months.

INVESTMENTS

Provisions of Section 1705 of the First Class Township Code authorize the following investments:

- I. U.S. Treasury Bills.
- II. Short-term obligations of the United States Government or its agencies or instrumentalities.
- III. Deposits in savings accounts, time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation (FDIC), Federal Savings and Loan Insurance Corporation and National Credit Union Share Insurance Fund.
- IV. Obligations of the United States of America, the Commonwealth of Pennsylvania or any political subdivision of the Commonwealth of Pennsylvania, or any of their agencies or instrumentalities backed by the full faith and credit of these governmental units.
- V. Shares of an investment company registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933.

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INVESTMENTS (Continued)

The Township of Crescent investment portfolio is in compliance with these statutes at December 31, 2007.

Governmental fund type investments include monies pooled for investment purposes with the Pennsylvania Local Government Investment Trust (PLGIT). Fiduciary fund (pension fund) investments include money funds and mutual funds invested with the Pennsylvania Municipal Retirement System. Investments are stated at fair market value.

SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as 'due from/to other funds' on the governmental funds balance sheet. For the purposes of the government-wide statement of net assets, governmental inter-fund receivables and payables have been eliminated. During the 2007 year, the General Fund transferred \$53,337 to the Fire Department Fund for operating costs and \$146,521 to the Capital Reserve Fund for future capital acquisitions or renovation projects. The Parkwood Fund and Capital Reserve Fund transferred \$77,969 and \$100,000 respectively to the General Fund as reimbursement for previously paid operating costs. The Parkwood Fund transferred \$12,960 to the Capital Reserve Fund as reimbursement for previously paid operating costs.

CAPITAL ASSETS

Capital assets arising from cash transactions acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

LONG-TERM DEBT

Long term debt arising from cash basis transactions of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

NET ASSETS

GASB Statement No. 34 requires equity in the government-wide statement of net assets to be reported as 'Net Assets' rather than 'Fund Balance'. Net assets are classified into four categories according to external donor or legal restrictions or availability of assets to satisfy Township obligations. Net assets are classified as follows:

- Invested in Capital Assets, Net of Related Debt – This component of net assets consists of capital assets net of accumulated depreciation, and reduced by the outstanding balances of debt that is attributable to the acquisition, construction and improvement of the capital assets.
- Restricted-Nonexpendable – Net assets subject to externally imposed restrictions which are required to be maintained in perpetuity.

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

NET ASSETS (Continued)

- Restricted-Expendable – Net assets whose use is subject to externally imposed conditions that can be fulfilled by the actions of the Township or by the passage of time.
- Unrestricted – Consists of net assets that do not meet the definition of 'restricted' or 'invested in capital assets, net of related debt'.

The Township applies restricted resources first, when available, before using unrestricted resources, to pay expenditures that can be paid from either source.

NOTE 3 - CASH DEPOSITS AND INVESTMENTS

At December 31, 2007, the Township of Crescent had the following carrying values on its cash and cash equivalent accounts:

	Bank	(Memo Only)
	Balance	Book
	Balance	Balance
Major Governmental Funds	\$ 375,236	\$ 314,383
Non-Major Governmental Funds	322	322
	<u>\$ 375,558</u>	<u>\$ 314,705</u>
Agency Funds	8,075	8,075
TOTAL	<u>\$ 383,633</u>	<u>\$ 322,780</u>

The difference between the bank and book balance represents reconciling items such as deposits in transit and outstanding checks. The first \$100,000 held at PNC Bank and Citizens Bank is insured through the Federal Deposit Insurance Corporation (FDIC).

Custodial Credit Risk:

Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a policy for custodial credit risk. As of December 31, 2007, \$275,558 of the Township's bank balance total is exposed to custodial credit risk as this amount represents uninsured deposits collateralized with securities held by the pledging financial institution or by its trust department or agent, but not in the Township's name. In accordance with Act number 72-1971 Session of the Commonwealth of Pennsylvania, the above deposits at each depository in excess of \$100,000, if any, are collateralized by securities pledged to a pooled public funds account with the Federal Reserve System.

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 3 - CASH DEPOSITS AND INVESTMENTS (Continued)

The following represents the fair value of the Township's governmental and fiduciary fund investments as of December 31, 2007:

	Fair Value
PLGIT	\$ 67,434
Total Governmental Investments	\$ 67,434
PMRS	\$ 969,415
Total Fiduciary Investments	\$ 969,415

The purpose of the Pennsylvania Local Government Investment Trust (PLGIT) is to enable governmental units to pool their available funds for investments authorized under the Intergovernmental Cooperation Act of 1972. The fund operates in a manner consistent with the SEC's Rule 2(a)7 of the Investment Company Act of 1940. The fund uses amortized cost to report net assets to compute share prices. The fund maintains net asset values of \$1 per share. Accordingly, the fair value of the position in this fund is the same as the value of these shares. These funds are rated by a nationally recognized statistical rating organization and PLGIT annual report can be obtained by accessing the web at www.plgit.com.

Custodial Credit Risk:

For an investment, custodial credit risk is the risk that in the event of the counterparty, the Township will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. PLGIT has the characteristics of open-end mutual funds and are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. The Township does not have a policy that would limit its investment choices to those with certain credit ratings.

Credit Risk:

Section 1705 of the First Class Township Code and the Intergovernmental Cooperation Act limits the Township to certain types of investments. The Township does not have an investment policy that further limits its investment choices.

NOTE 4 - PROPERTY TAXES

The Township of Crescent levies property taxes May 1st of each calendar year. The calendar dates for payment of these taxes is as follows:

PAYMENT PERIOD

May 1 – June 30, 2007	(Discount period)
July 1 – August 31, 2007	(Face period)
September 1 and after	(Penalty period)

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 4 - PROPERTY TAXES (Continued)

Taxpayers are entitled to a 2% discount if taxes are paid prior to July 1st. Collections after August 31st are assessed a 10% penalty. Unpaid taxes for 2007 are sent to the Township's delinquent real estate tax collector for collection and subsequent lien with Allegheny County. The Township had unpaid property taxes for 2007 totaling \$70,670 as of December 31, 2007. This represents 9.6% of the Township's original assessment for the year totaling \$734,323.

The tax millage assessment for the 2007 calendar year is 6.5 mills on the assessed value of land and buildings (\$112,972,841), which represents \$6.50 of revenue for every \$1,000 of assessed value. The Township recognized property tax revenue when received during the fiscal year. Accordingly, no provision has been made for amounts estimated to be uncollectable.

NOTE 5 - LONG TERM DEBT

NOTES PAYABLE

During 2002, The Township of Crescent entered into two (2) general obligation loan agreements to obtain funding for the enhancement of the Township Municipal Building. The first loan agreement was entered into on June 25, 2002, with The Authority for Improvements in Municipalities (AIM) in the amount of \$150,000. The terms of the loan call for five (5) annual payments of \$30,000, plus interest, at the rate of 3.59 percent. The second loan agreement was entered into on August 20, 2002, with The Commonwealth of Pennsylvania Department of Community and Economic Development in the amount of \$50,000. The terms of this loan call for forty (40) quarterly payments of \$1,377.69 at the rate of 2.015 percent.

A summary of the debt service requirements on the notes payable is as follows:

<u>Year End</u>	<u>AIM</u>	<u>DCED</u>		<u>Total</u>
<u>Dec 31</u>	<u>Principal</u>	<u>Principal</u>	<u>Interest</u>	
2008	\$ 30,000	\$ 4,805	\$ 1,783	\$ 36,588
2009	-	4,909	602	5,511
2010	-	5,016	495	5,511
2011	-	5,253	258	5,511
2012	-	5,363	147	5,510
2013-2014	-	9,276	106	9,382
	<u>\$ 30,000</u>	<u>\$ 34,622</u>	<u>\$ 3,391</u>	<u>\$ 68,013</u>

TAX ANTICIPATION NOTE

In January of 2007, the Township received a tax anticipation note in the amount of \$250,000 from Citizens Bank at an interest rate of 4.35% which was repaid by the Township in December of 2007.

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 5 - LONG TERM DEBT (Continued)

LEASE PAYABLE

In February of 2005, the Township of Crescent entered into a lease agreement for the purchase of a 2005 Ford F-550 in the amount of \$53,329. The lease calls for two initial payments of \$6,000 in 2005 followed by four (4) annual principal and interest payments of \$12,259.84 at an interest rate of 5.9% beginning in July of 2006.

In March of 2007, the Township of Crescent entered into a lease agreement for the purchase of a 2007 Peterbilt 340 10 Ton Dump Truck in the amount of 74,223. The lease calls for four annual payments of \$12,309 beginning July of 2007 followed by one payment of \$35,316 in July of 2011 at an interest rate of 4.58%.

A summary of the minimum lease payments due on this obligation is as follows:

Year End	2005	2007	
Dec 31	F-550	DUMP	Interest
2008	\$ 10,928	\$ 9,374	\$ 4,266
2009	11,577	9,810	3,182
2010	-	10,265	2,044
2011	-	33,749	1,567
	<u>\$ 22,505</u>	<u>\$ 63,198</u>	<u>\$ 11,059</u>

The following represents the changes in the Township's long-term liabilities during 2007:

	Balance			Balance	Due Within
	1/1/2007	Additions	Reductions	12/31/2007	One Year
General Obligation Notes	\$ 99,366	\$ -	\$ 34,744	\$ 64,622	\$ 34,805
Lease Obligations	32,828	74,223	21,348	85,703	20,302
	<u>\$ 132,194</u>	<u>\$ 74,223</u>	<u>\$ 56,092</u>	<u>\$ 150,325</u>	<u>\$ 55,107</u>

NOTE 6 – TOWNSHIP PENSION PLANS

POLICE PENSION PLAN - The police pension plan is a single-employer defined benefit pension plan, established December 1, 1979, to provide retirement and death benefits to qualified police department employees under the provisions governing police pension plans in the Commonwealth of Pennsylvania and Local Township ordinances. The plan is governed by the Crescent Township Board of Commissioners who are responsible for the management of plan assets. The Board of Commissioners has delegated the authority to manage plan assets to the Pennsylvania Municipal Retirement System (PMRS), an agent multiple-employer public employee retirement system.

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 6 – TOWNSHIP PENSION PLANS (Continued)

POLICE PENSION PLAN (Continued)

Plan membership as of December 31, 2007 was comprised of:

Active employees	3
Retirees and beneficiaries currently receiving benefits	1
Terminated employees entitled to benefits but not yet receiving them	-
Total	<u><u>4</u></u>

The summary of the plans provisions are as follows:

- PARTICIPANTS** - All full-time policemen of the Township of Crescent shall be participants in the plan.
- ELIGIBILITY** - All participants are eligible for retirement benefits provided that they have completed twelve (12) years of credited service as a Township employee and have attained the age of fifty-five.
- BENEFITS** - Based on 2.5% of the participant's average monthly salary earned during the 36 month period preceding retirement.
- TERMINATION** - The plan provides terminated employees with a return of their contributions, if any, plus 6.0% interest.
- FUNDING** - Employee contributions are equal to 5% of monthly earnings. Township contributions are to be determined by the actuary.
- VESTING** - Participants are 100% vested after twelve (12) years of service.

NON-UNIFORM EMPLOYEES PENSION FUND - The non-uniform employees pension plan is a single-employer defined benefit pension plan controlled by the provisions of Ordinance No. 389 adopted pursuant to Act 15, established August 1, 1978, to provide retirement benefits for all qualified non-uniform employees. The plan is governed by the Crescent Township Board of Commissioners who are responsible for the management of plan assets. The Board of Commissioners has delegated the authority to manage plan assets to the Pennsylvania Municipal Retirement System (PMRS), an agent multiple-employer public employee retirement system.

Plan membership as of December 31, 2007 was comprised of:

Active employees	5
Retirees and beneficiaries currently receiving benefits	3
Terminated employees entitled to benefits but not yet receiving them	-
Total	<u><u>8</u></u>

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 6 – TOWNSHIP PENSION PLANS (Continued)

NON-UNIFORM EMPLOYEES PENSION FUND (Continued)

The summary of the plans provisions are as follows:

- PARTICIPANTS** - All full-time non-uniformed employees of the Township of Crescent.
- ELIGIBILITY** - All participants are eligible for retirement benefits provided that they have attained the normal retirement age of sixty-two.
- BENEFITS** - The plan provides for a monthly benefit equal to 1.5% of average monthly compensation earned during the sixty month period preceding retirement.
- TERMINATION** - The plan provides terminated employees with a return of their contributions, if any, plus 6.0% interest.
- FUNDING** - Employee contributions are equal to 3% of total compensation. Township contributions are to be determined by the actuary. Annual contributions are received from the Commonwealth of Pennsylvania as provided by Act 205, the General Municipal Pension State Aid Program.
- VESTING** - Participants are 100% vested after twelve (12) years of service.

FUNDING REQUIREMENTS

On December 18, 1984, act 205 was passed into law, and is known as the "Municipal Pension Plan Funding Standard and Recovery Act." The act mandates actuarial funding standards, establishes a recovery program for financially distressed pension plans and provides for the distribution of the tax on the premiums of foreign fire insurance companies.

The act requires minimum funding standards based on the most recent actuarial valuation report, including normal cost and administrative expense requirements and an amortization contribution of the unfunded actuarial accrued liability. For financially distressed pension plans, the act provides for delayed implementation of this funding standard over either 10 or 15 years. In addition, supplemental state aid is available to all eligible municipalities and will be paid from the supplemental state assistance account.

In addition to member contributions, the pension plan may also receive an annual allocation from the General Municipal Pension System State Aid Program. The entire proceeds of the insurance premium tax on foreign casualty insurance companies and any investment income earned on those proceeds, and the portion of the proceeds of the insurance premium tax on foreign fire insurance companies which represents the amount of the distributions applicable to paid firefighters, and any investment income earned on the amount of those distributions are specifically designated for municipal pension plans. Any remaining obligation with respect to the pension plan shall be paid by the municipality.

The plan's investment income was used to fund administrative costs. There are no long-term contracts for contributions as of December 31, 2007. In addition, there are no assets legally reserved for purposes other than the payment of plan member benefits.

TOWNSHIP OF CRESCENT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 7 - COMMITMENTS AND CONTINGENT LIABILITIES

LEGAL MATTERS

The Township of Crescent on occasion is a party to various legal actions normally associated with municipalities, the aggregate effect of which, in management's opinion, would not be material to the financial position of the Township of Crescent. Legal services in the amount of \$121,576 were accrued and unbilled to the Township as of December 31, 2007.

STATE FUNDING

The Township of Crescent's state funded programs are subject to audit by various governmental agencies. The Township is potentially liable for any expenditures disallowed by the results of these audits. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

NOTE 8 - RISK MANAGEMENT

The Township of Crescent is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims for these risks have not exceeded commercial insurance coverage for the past three years.

***SUPPLEMENTAL
SCHEDULES***

TOWNSHIP OF CRESCENT
DETAIL SCHEDULE OF BUDGETED AND ACTUAL RECEIPTS - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	BUDGET	ACTUAL	(MEMORANDUM ONLY) 2006
<u>TAXES:</u>			
Real estate tax - current	\$ 670,605	\$ 660,943	\$ 667,287
Real estate tax - prior	40,000	31,353	27,953
Real estate tax - liened	20,000	20,247	28,214
Real estate tax - penalties/interest	3,000	3,061	2,795
Real estate transfer tax	32,900	43,968	37,909
Earned income tax - current	160,000	200,087	169,800
Earned income tax - prior	-	-	3,846
Earned income tax - liened	-	1,212	-
Earned income tax - penalties/interest	15,000	18,186	29,866
EMS tax	8,000	10,469	14,519
TOTAL TAXES	\$ 949,505	\$ 989,527	\$ 982,188
<u>LICENSES AND PERMITS:</u>			
Vending and amusement	\$ 5,000	\$ 4,080	\$ 4,050
Cable franchise fees	30,000	34,006	31,319
Street and curb permits	1,000	3,120	1,720
Solicitation Permit	-	20	10
TOTAL LICENSES AND PERMITS	\$ 36,000	\$ 41,226	\$ 37,099
<u>FINES AND FORFEITURES:</u>			
Vehicle code violations	\$ 5,000	\$ 8,992	\$ 7,419
State police fines	1,500	2,255	2,107
TOTAL FINES AND FORFEITURES	\$ 6,500	\$ 11,247	\$ 9,526
<u>INTEREST AND RENTS:</u>			
Interest	\$ 12,770	\$ 21,397	\$ 17,354
Multi-purpose room rental	2,000	1,400	2,850
Shouse Park rentals (net)	2,000	1,838	1,825
TOTAL INTEREST AND RENTS	\$ 16,770	\$ 24,634	\$ 22,029
<u>INTERGOVERNMENTAL:</u>			
Public utility realty tax	\$ 1,000	\$ 1,508	\$ 1,624
Alcoholic beverage licenses	400	400	400
COPS Grant	-	-	4,063
Pension state aid	8,800	9,624	8,788
Foreign fire insurance tax	13,800	14,047	13,797
Regional sales tax allocation	45,000	51,197	40,663
TOTAL INTERGOVERNMENTAL	\$ 69,000	\$ 76,776	\$ 69,335

The accompanying notes are an integral part of these financial statements

TOWNSHIP OF CRESCENT
DETAIL SCHEDULE OF BUDGETED AND ACTUAL RECEIPTS - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>(MEMORANDUM ONLY)</u> <u>2006</u>
<u>CHARGES FOR SERVICES:</u>			
Zoning and subdivision	\$ 300	\$ 380	\$ 670
Building permits	5,000	6,914	12,358
Use and occupancy permits	-	-	496
Electrical inspections	-	225	547
Civil Service Exams	500	250	-
Snow removal	9,000	-	18,620
Solid waste collection and disposal	128,200	133,508	123,799
Portnoff/Creditech delinquent garbage fees	7,000	12,454	9,010
Misc receipts - reports, maps, etc.	100	3,112	5,369
Lien letters	1,000	1,289	965
Task Force RMB	1,500	1,167	2,094
Police reports	200	210	270
TOTAL CHARGES FOR SERVICES	<u>\$ 152,800</u>	<u>\$ 159,509</u>	<u>\$ 174,198</u>
<u>OTHER FINANCIAL SOURCES:</u>			
Transfer from Capital Reserve Fund	\$ 20,000	\$ 100,000	\$ 7,500
Transfer from Parkwood Fund	-	77,969	16,053
Tax anticipation loan	250,000	250,000	250,000
Sale of Assets	1,000	6,250	3,865
Refund prior year expenses	8,000	13,632	9,015
Tax Refund	-	18,378	-
TOTAL FINANCIAL SOURCES	<u>\$ 279,000</u>	<u>\$ 466,229</u>	<u>\$ 286,433</u>
TOTAL RECEIPTS	<u>\$ 1,509,575</u>	<u>\$ 1,769,148</u>	<u>\$ 1,580,809</u>

The accompanying notes are an integral part of these financial statements

TOWNSHIP OF CRESCENT
DETAIL SCHEDULE OF BUDGETED AND ACTUAL DISBURSEMENTS - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

GENERAL GOVERNMENT:	BUDGET	ACTUAL	(MEMORANDUM ONLY) 2006
LEGISLATIVE BODY:			
Personal services	\$ 300	\$ 80	\$ 317
Commissioners	7,500	4,500	4,500
Advertising	1,500	7,798	2,752
Association dues and expense	10,000	8,844	3,299
TOTAL LEGISLATIVE BODY	\$ 19,300	\$ 21,221	\$ 10,868
EXECUTIVE:			
Salary - secretary	\$ 39,000	\$ 28,539	\$ 33,784
Salary - assistant	27,000	20,316	23,704
Office - Clerk	-	268	5,840
Office supplies	3,000	1,936	2,738
Vehicle Maint	-	23	180
Cell phone	-	486	-
PA one call fax charges	300	46	79
Maintenance and repair	3,000	1,116	5,912
Association dues	2,000	2,083	1,107
Misc	500	640	-
Copier Expenses	1,300	1,082	-
Education expense	1,244	3,256	707
TOTAL EXECUTIVE:	\$ 77,344	\$ 59,791	\$ 74,050
FINANCIAL ADMINISTRATION:			
Rodan	\$ -	\$ 985	\$ 945
Realstats	1,600	1,600	2,400
Comcast	1,000	1,140	1,372
Bank Service Charges	-	-	111
Professional auditors	3,200	2,355	3,045
TOTAL FINANCIAL ADMINISTRATION	\$ 5,800	\$ 6,080	\$ 7,873
TAX COLLECTION:			
Salary - treasurer and tax collector	\$ 10,000	\$ 10,000	\$ 10,000
Delinquent property tax	3,500	4,872	4,232
Treasurer	2,500	2,216	2,358
Wage tax - PMS expense	3,500	3,711	3,667
Computer maintenance	2,000	-	4,811
EMST - Keystone Commission	500	625	1,752
Computer forms	1,200	2,471	1,155
Liened property	2,500	2,685	2,841
Association dues and expenses	1,000	134	535
TOTAL TAX COLLECTION	\$ 26,700	\$ 26,714	\$ 31,351
LEGAL SERVICES:			
Solicitor quarterly compensation	\$ 41,500	\$ 41,770	\$ 41,500
Other legal fees	10,000	142	1,827
Labor Counsel	5,000	10,783	7,241
Association and Dues	2,200	1,047	1,005
TOTAL LEGAL SERVICES	\$ 58,700	\$ 53,742	\$ 51,573

The accompanying notes are an integral part of these financial statements

TOWNSHIP OF CRESCENT
DETAIL SCHEDULE OF BUDGETED AND ACTUAL DISBURSEMENTS - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	BUDGET	ACTUAL	(MEMORANDUM ONLY) 2006
ENGINEER:			
Engineer/architect fees	\$ 12,000	\$ 17,648	\$ 15,809
TOTAL ENGINEER	\$ 12,000	\$ 17,648	\$ 15,809
GOVERNMENT BUILDING & PLANT:			
Cleaning services	\$ 7,980	\$ 7,720	\$ 7,200
Supplies	2,500	4,419	2,899
Phones	5,000	4,551	3,189
Utilities	17,500	13,515	16,963
Capital Projects	10,321	610	-
Building maintenance and repair	7,500	6,123	7,490
TOTAL GOVERNMENT BUILDING & PLANT	\$ 50,801	\$ 36,938	\$ 37,741
TOTAL GENERAL GOVERNMENT	\$ 250,645	\$ 222,134	\$ 229,266
PUBLIC SAFETY:			
POLICE PROTECTION:			
Salary - chief	\$ 55,827	\$ 55,704	\$ 52,704
Wages - patrolmen	85,500.00	66,471.80	67,082.02
Wages - sergeants	69,900.00	69,232.80	63,028.35
Task Force Wages	1,500	832	2,272
Overtime	21,000	36,340	31,113
Uniform allowance	3,800	3,759	3,718
Supplies	4,000	4,710	5,104
Gasoline and oil	11,000	9,718	10,115
Vehicle maintenance - old car	5,000	3,860	13,510
Vehicle Wireless Computer Fee	3,000	2,966	2,176
Pre-Employment Physicals	500	-	-
S-1 region	1,100	1,100	1,100
Cell phone	3,000	3,377	3,507
Radio equipment maintenance	750	412	353
Purchase police radio	500	500	-
Computer maintenance	2,500	2,706	3,746
Investigation fund	100	100	-
Lock-up fees	600	800	1,400
Association dues and expenses	1,400	1,471	1,320
Education expense	250	-	225
Moon - dispatch	4,200	2,497	2,865
Civil Service Exams	500	193	-
Ammunition	1,000	-	373
Capital purchases	15,000	9,051	4,928
TOTAL POLICE PROTECTION	\$ 291,927	\$ 275,800	\$ 270,640
FIRE PROTECTION:			
Fire hydrant rental	\$ 7,000	\$ 8,375	\$ 8,375
Fire department contribution	1,500	1,500	1,500
Foreign fire insurance	13,800	14,047	13,797
TOTAL FIRE PROTECTION	\$ 22,300	\$ 23,922	\$ 23,672

The accompanying notes are an integral part of these financial statements

TOWNSHIP OF CRESCENT
DETAIL SCHEDULE OF BUDGETED AND ACTUAL DISBURSEMENTS - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>(MEMORANDUM ONLY)</u> <u>2006</u>
<u>AMBULANCE SERVICE:</u>			
General expense	\$ 600	\$ 600	\$ 600
TOTAL AMBULANCE SERVICE	\$ 600	\$ 600	\$ 600
<u>PLANNING AND ZONING:</u>			
Building inspector wages	\$ 3,000	\$ 7,183	\$ 8,012
Zoning hearing board	100	-	-
Zoning hearing board - solicitor	600	-	-
Planning and zoning expenses	400	239	589
Dues, memberships, and subscriptions	100	-	-
Education expense	100	-	-
TOTAL PLANNING AND ZONING	\$ 4,300	\$ 7,422	\$ 8,601
TOTAL PUBLIC SAFETY	\$ 319,127	\$ 307,744	\$ 303,513
<u>PUBLIC WORKS:</u>			
<u>SANITATION:</u>			
Contracted services	\$ 128,100	\$ 125,689	\$ 120,819
Billing service	3,000	2,437	2,212
Portnoff Assoc. delinquent collector	3,000	3,500	2,833
TOTAL SANITATION	\$ 134,100	\$ 131,626	\$ 125,864
<u>HIGHWAYS:</u>			
Road wages	\$ 114,500	\$ 105,237	\$ 107,763
Overtime	8,000	4,730	890
Uniform allowance	4,000	595	2,876
Materials and supplies	7,000	9,334	6,715
Vehicle fuel	6,000	5,341	4,383
Highway materials	42,000	44,399	19,840
Equipment Rental/Purchase	3,000	3,363	1,299
Vehicle repair and maintenance	8,500	11,810	13,719
Tires	2,000	2,240	1,275
CDL testing expenses	100	268	98
Cell phone	1,400	1,118	1,302
Education/training	400	-	75
Capital construction-roads	40,000	144,676	19,755
Capital purchases	5,000	3,935	18,000
TOTAL HIGHWAYS	\$ 241,900	\$ 337,049	\$ 197,990
TOTAL PUBLIC WORKS	\$ 376,000	\$ 468,675	\$ 323,854

The accompanying notes are an integral part of these financial statements

TOWNSHIP OF CRESCENT
DETAIL SCHEDULE OF BUDGETED AND ACTUAL DISBURSEMENTS - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

	BUDGET	ACTUAL	(MEMORANDUM ONLY) 2006
<u>CULTURE AND RECREATION:</u>			
<u>RECREATION:</u>			
Materials and supplies	\$ 3,000	\$ 3,008	\$ 1,511
Park board events	3,000	2,954	2,860
Professional services	1,000	-	575
Grass maintenance	10,000	9,120	11,008
Utilities	1,500	1,771	1,187
Parks Board	3,000	2,817	3,000
Civic Club donation	1,000	1,000	1,000
TOTAL RECREATION	\$ 22,500	\$ 20,671	\$ 21,141
<u>SENIOR CITIZEN'S CENTER:</u>			
General expense	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL SENIOR CITIZEN'S CENTER	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL CULTURE AND RECREATION	\$ 23,500	\$ 21,671	\$ 22,141
<u>DEBT SERVICE:</u>			
10 Ton Truck	\$ 6,400	\$ 12,519	\$ -
DCED Loan Police	5,500	5,496	5,496
AIM Loan Police	32,200	32,154	33,231
Truck loan	12,260	12,260	12,260
TAN interest	5,000	10,966	9,450
TAN Principal	250,000	250,000	250,000
TOTAL DEBT SERVICE	\$ 311,360	\$ 323,394	\$ 310,437
<u>MISCELLANEOUS:</u>			
Intergovernmental	\$ 2,330	\$ 2,323	\$ 4,840
Health and disability insurance	80,400	90,830	77,716
Non-uniform pension contribution	18,040	9,612	11,782
Social security taxes - township share	25,500	25,781	25,590
Medicare - township share	6,000	6,029	5,985
Unemployment compensation insurance	2,000	1,653	1,502
Workmens compensation insurance	13,000	29,850	16,951
Package insurance	33,000	30,201	33,253
Public official insurance	5,000	2,246	5,392
Payroll Expense	-	3,428	84
Police professional insurance	3,200	2,794	(296)
Bonds	2,000	485	1,893
TOTAL MISCELLANEOUS	\$ 190,470	\$ 205,231	\$ 184,692
<u>OTHER FINANCING USES:</u>			
Transfer to capital reserve fund	\$ 8,973	\$ 146,521	\$ 152,304
Transfer to Firemens Referendum	48,000	53,337	53,818
Refund prior year revenues	-	10,551	750
Refund property taxes	1,000	6,360	973
Refund wage taxes	1,000	169	397
TOTAL OTHER FINANCING USES	\$ 58,973	\$ 216,939	\$ 208,242
TOTAL DISBURSEMENTS AND OTHER FINANCING USES	\$ 1,530,075	\$ 1,765,787	\$ 1,582,144

The accompanying notes are an integral part of these financial statements

TOWNSHIP OF CRESCENT
COMBINING STATEMENT OF FIDUCIARY NET ASSETS - CASH BASIS
DEVELOPER ESCROWS
DECEMBER 31, 2007

ASSETS:	<u>M SQUARED ENGINEERING</u>	<u>PARKWOOD DEVELOPMENT LEGAL</u>	<u>TOTAL</u>
Cash and Cash Equivalents	\$ 4,953	\$ 3,122	\$ 8,075
TOTAL ASSETS	<u>\$ 4,953</u>	<u>\$ 3,122</u>	<u>\$ 8,075</u>
 LIABILITIES:			
Due to Developers	\$ 4,953	\$ 3,122	\$ 8,075
TOTAL LIABILITIES	<u>\$ 4,953</u>	<u>\$ 3,122</u>	<u>\$ 8,075</u>

The accompanying notes are an integral part of these financial statements

***REQUIRED
SUPPLEMENTARY
INFORMATION***

TOWNSHIP OF CRESCENT
REQUIRED SUPPLEMENTARY INFORMATION
DEFINED BENEFIT PENSION PLANS
DECEMBER 31, 2007

SCHEDULES OF FUNDING PROGRESS:

	(A)	(B)	(B-A) (UAAL)	(A/B)	(C)	(B-A)/C
ACTUARIAL VALUATION DATE	ACTUARIAL VALUE OF ASSETS	ACTUARIAL ACCRUED LIABILITY	UNFUNDED ACTUARIAL ACCRUED LIABILITY	FUNDED RATIO	COVERED PAYROLL	UAAL AS A % OF COVERED PAYROLL
POLICE:						
1/1/97	\$ 374,216	\$ 222,172	\$ (152,044)	168%	\$ 28,648	-530.7%
1/1/99	457,548	290,434	(167,114)	158%	33,800	-494.4%
1/1/01	574,049	354,631	(219,418)	162%	38,245	-573.7%
1/1/03	613,332	374,149	(239,183)	164%	98,289	-243.3%
1/1/05	672,400	438,420	(233,980)	153%	122,700	-190.7%
1/1/07	728,174	504,851	(223,323)	144%	145,418	-153.6%
NON-UNIFORM:						
1/1/97	\$ 307,849	\$ 317,292	\$ 9,443	97%	\$ 84,670	11.2%
1/1/99	408,515	383,755	(24,760)	106%	90,405	-27.4%
1/1/01	522,092	448,482	(73,610)	116%	100,369	-73.3%
1/1/03	575,565	524,991	(50,574)	110%	159,797	-31.6%
1/1/05	628,548	593,494	(35,054)	106%	178,630	-19.6%
1/1/07	597,869	497,347	(100,522)	120%	138,552	-72.6%

SCHEDULES OF EMPLOYER'S CONTRIBUTIONS:

	YEAR ENDED DECEMBER 31	ANNUAL REQ. CONTRIBUTION	PERCENTAGE CONTRIBUTED
POLICE:			
	2001	\$ -	N/A
	2002	-	N/A
	2003	-	N/A
	2004	-	N/A
	2005	-	N/A
	2006	-	N/A
	2007	-	N/A
NON-UNIFORM			
	2001	\$ 4,543	100%
	2002	5,510	100%
	2003	-	100%
	2004	3,497	100%
	2005	4,744	100%
	2006	2,954	100%
	2007	9,592	100%

TOWNSHIP OF CRESCENT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2007

NOTE 1 - TREND INFORMATION

The comparability of trend information is affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, accounting policies, and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the actuarial accrued liability as a factor.

Analysis of the dollar amount of the actuarial value of assets, actuarial accrued liability, and unfunded (assets in excess of) actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the plan's funding status on a going-concern basis. Analysis of this percentage, over time, indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan.

Trends in unfunded (assets in excess of) actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded (assets in excess of) actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the plan's progress made in accumulating sufficient assets to pay benefits when due. Generally, where there is an unfunded actuarial accrued liability, the smaller this percentage, the stronger the plan. However, when assets are in excess of the actuarial accrued liability, the higher the bracketed percentage, the stronger the plan.

NOTE 2 - ACTUARIAL ASSUMPTIONS AND METHODS

The information presented in the preceding required supplementary information section was determined as part of the actuarial valuations dated January 1, 2007 per PMRS. Additional information included as part of this valuation dated January 1, 2005 is as follows:

Actuarial Cost Method - Entry Age Normal

Amortization Method - Level Dollar Closed

Remaining Amortization Period – Weighted Average – 14.33 Years

Asset Valuation Method – Fair Value

Investment Rate of return - 6.0% per annum

Salary Increase – 5.2% per annum