

**NOTICE OF AUDIT  
BOROUGH OF SUGARCREEK, VENANGO COUNTY**

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and Council  
Borough of Sugarcreek

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements included in the Department of Community and Economic Development's prescribed form of the Borough of Sugarcreek, Oversight Unit as of and for the year then ended December 31, 2010 (not presented herein), and in our report dated June 22, 2011 we expressed a qualified opinion on those statements.

As described on the accompanying schedule, this summary financial information of the Borough of Sugarcreek as of December 31, 2010 and for the year then ended is not a presentation in conformity with accounting principles generally accepted in the United States of America. In our opinion, the accompanying summary financial information is fairly stated, in all material respects in relation to the financial statements from which it was derived.

May & Company  
Oil City, PA  
June 22, 2011

**BOROUGH OF SUGARCREEK, VENANGO COUNTY  
CONCISE FINANCIAL STATEMENTS FOR PUBLICATION**

Published in accordance with section 1043 of the Borough Code. The annual audit and financial report for the Borough is available for public inspection at the Borough Building during normal business hours.

CONCISE BALANCE SHEET – COMBINED FUNDS  
DECEMBER 31, 2010

ASSETS	
Cash and equivalents	\$ 1,034,205
Receivables	126,418
Due from other governments	4,973
Amount to be provided for general long-term debt	<u>9,165,838</u>
 Total Assets	 <u>\$ 10,331,434</u>

LIABILITIES AND FUND BALANCES

Payables	\$ 118,462
General long-term debt	9,165,838
Fund balances	<u>1,047,134</u>
 Total Liabilities and Fund Balances	 <u>\$ 10,331,434</u>

CONCISE STATEMENT OF REVENUES RECEIVED AND EXPENSES  
COMBINED FUNDS YEAR ENDED DECEMBER 31, 2010

Fund balances, beginning of year	\$ 1,532,206
Revenues received:	
Taxes – All sources	\$ 1,194,997
Licenses and permits	26,530
Fines and forfeits	49,162
Interest, rents and royalties	6,617
Intergovernmental revenues	766,568
Charges for services	1,371,410
Miscellaneous revenue	600
Other financing sources	<u>710,972</u>
 Total Revenues	 <u>4,126,856</u>

Expenses paid:		
General government	372,079	
Public safety	672,280	
Health and human services	4,684	
Public works:		
Sanitation	817,047	
Highways	1,490,687	
Other services	73,200	
Culture and recreation	9,234	
Community development	4,984	
Debt service	625,372	
Miscellaneous	7,751	
Other financing uses	<u>534,610</u>	
Total Expenses	<u>4,611,928</u>	
Excess of Expenses over Revenues		<u>(485,072)</u>
Fund balances, end of year		<u>\$ 1,047,134</u>