

Independent Auditors' Report

Board of Supervisors
Township of Fairview, York County
New Cumberland, Pennsylvania

We have audited the financial statements and other financial information (together the financial information) included in the 2007 Commonwealth of Pennsylvania Municipal Annual Audit and Financial Report (Form DCED-CLGS-30) of the Township of Fairview, York County, Pennsylvania. The financial information is the responsibility of the Township's management. Our responsibility is to express an opinion on this financial information 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 information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial information. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial information presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial information has been prepared in conformity with the accounting practices prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania. These practices differ from accounting principles generally accepted in the United States of America as to the lack of disclosure and the exclusion of budget information and Management's Discussion and Analysis. In addition, the format of the Municipal Annual Audit and Financial Report is not consistent with the requirements of Governmental Accounting Standards Board Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the Township's policy to prepare its financial statements on the basis of accounting discussed in the third paragraph, the financial information referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Fairview, York County, Pennsylvania, as of December 31, 2007, or the results of its operations for the year then ended.

CERTIFIED PUBLIC ACCOUNTANTS
AND
BUSINESS ADVISORS

A PROFESSIONAL CORPORATION

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2007 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

City of: _____ County: _____

Borough of: _____ County: _____

Township of: FAIRVIEW County: YORK

Municipality of: _____ County: _____

Section I - Introduction

Statutory Requirements

- State law, under the provisions of the Borough Code, First Class Township Code and Second Class Township Code, requires that either the borough controller, elected auditors or appointed auditors file an Annual Audit and Financial Report.
- State law, under the provisions of the Third Class City Code, requires a city's Director of Accounts and Finance to file an Annual Audit and Financial Report.
- The state's Administrative Code requires home rule municipalities to file an Annual Audit and Financial Report.
- The Annual Audit and Financial Report forms, supplied by the Pennsylvania Department of Community and Economic Development (DCED), were developed and approved by the Uniform Forms Committee composed of representatives of the respective municipal associations.
- Form DCED-CLGS-30 (See Section III) is the form adopted by a Committee for use by all municipalities in Pennsylvania to fulfill their statutory reporting requirements.

One Form

Only one form is now being provided. This form contains the same categories as in previous years: assets, liabilities, revenues, and expenditures. **Only complete those funds that you use. Leave the remaining columns blank.**

Submitting the Report

- File one copy by the designated date at each of the places listed on page 9.
- Complete the appropriate items, **rounding to the nearest dollar. Do not include cents.** Calculate totals at the foot of each column and the end of every row. The totals are a required part of the report.
- Handwritten reports are acceptable, if legible, but typewritten reports are preferred.
- Computer-generated forms identical to the official form are acceptable.
- Photocopied reports may be submitted, but the appropriate officer must sign each copy and affix municipal seal.
- Appointed independent auditors may submit their own opinion in place of the prepared opinion at the end of the form.
- On the cover of the report, fill in the name of the municipality and the name of the county where it is located on the appropriate line and the date of the fiscal year being reported.
- **DO NOT place the copy of the report you are submitting to DCED in any type of binder or cover.**
- The report may be e-filed. Please see the TIP Sheet for details on how to e-file.

	PROPRIETARY FUNDS		FIDUCIARY FUND	ACCOUNT GROUPS		TOTAL
	Enterprise	Internal Service	Trust & Agency	General Fixed Assets	General Long-Term Debt	Memorandum Only
ASSETS AND OTHER DEBITS						
100-120 Cash and Investments	4,103,941		11,185,374			21,252,155
140-144 Tax Receivable						240,929
121-129						
145-149 Accounts Receivable (excluding taxes)	300,045					389,774
130 Due From Other Funds	1,682					456,699
131-139						
150-159 Other Current Assets	4,722					4,722
160-169 Fixed Assets	11,284,716			8,583,487		19,868,203
180-189 Other Debits					2,023,060	2,023,060
TOTAL ASSETS AND OTHER DEBITS	\$ 15,695,106	\$ -	\$11,185,374	\$8,583,487	\$ 2,023,060	\$ 44,235,542

LIABILITIES AND OTHER CREDITS						
210-229 Payroll Taxes and Other Payroll Withholdings						-
200-209						
231-239 All Other Current Liabilities	1,192,825					2,028,569
230 Due To Other Funds						456,699
260-269 Long-Term Liabilities	10,737,948				2,023,060	12,761,008
240-259 Current Portion of Long-Term Debt & Other Credits	690,000					690,000
TOTAL LIABILITIES AND OTHER CREDITS	\$ 12,620,773	\$ -	\$ -	\$ -	\$ 2,023,060	\$ 15,936,276

FUND AND ACCOUNT GROUP EQUITY						
281-284 Contributed Capital						-
290 Investment in General Fixed Assets				8,583,487		8,583,487
270-289 Fund Balance/Retained Earnings on 12/31	3,074,333		11,185,374			19,715,779
291-299 Other Equity						-
TOTAL FUND AND ACCOUNT GROUP EQUITY	\$ 3,074,333	\$ -	\$11,185,374	\$8,583,487	\$ -	\$ 28,299,266

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY						\$ 44,235,542
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2007 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

INTERGOVERNMENTAL REVENUES		PROPRIETARY FUNDS	FIDUCIARY FUND	TOTAL	
		Enterprise	Internal Service	Trust & Agency	Memorandum Only
FEDERAL					
351.03	Highways and Streets				-
351.09	Community Development				-
351.00*	All Other Federal Capital and Operating Grants				1,039
352.01	National Forest				-
352.00*	All Other Federal Shared Revenue & Entitlements				-
353.00	Federal Payments in Lieu of Taxes				-
TOTAL FEDERAL		\$ -	\$ -	\$ -	\$ 1,039

STATE					
354.03	Highways and Streets				-
354.09	Community Development				-
354.15	Recycling/Act 101				-
354.00*	All Other State Capital and Operating Grants	345,771			355,771
355.01	Public Utility Realty Tax (PURTA)				6,398
355.02 - 355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback				368,039
355.04	Alcoholic Beverage Licenses				2,700
355.05	General Municipal Pension System State Aid				182,764
355.00*	All Other State Shared Revenues and Entitlements				117,120
356.00	State Payments in Lieu of Taxes				-
TOTAL STATE		\$ 345,771	\$ -	\$ -	\$ 1,032,792

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

TOTAL INTERGOVERNMENTAL REVENUES					\$ 1,033,831
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2007 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
CHARGES FOR SERVICE		Enterprise	Internal Service	Trust & Agency	Memorandum Only
361.00	General Government				94,138
362.00	Public Safety				297,316
363.20*	Parking				-
363.00	All Other Charges for Highway & Streets Services				-
364.10*	Wastewater/Sewage Charges	2,777,409			2,777,409
364.30	Solid Waste Collection & Disposal Charge (trash)	1,212,373			1,212,373
364.60	Host Municipality Benefit Fee for Solid Waste Facility				-
364.00*	All Other Charges for Sanitation Services				-
365.00	Health				-
366.00	Human Services				-
367.00	Culture and Recreation				152,512
368.00	Airports				-
369.00	Bars				-
370.00	Cemeteries				-
372.00	Electric System				-
373.00	Gas System				-
374.00	Housing System				-
375.00	Markets				-
377.00	Transit Systems				-
378.00	Water System				-
379.00*	All Other Charges for Service				-
TOTAL CHARGES FOR SERVICES		\$ 3,989,782	\$ -	\$ -	\$ 4,533,748

UNCLASSIFIED OPERATING REVENUES

383.00*	Assessments				51,071
386.00	Escheats (sale of personal property)				-
387.00	Contributions & Donations from Private Sectors				215,000
388.00*	Fiduciary Fund Pension Contributions			423,151	423,151
389.00	All Other Unclassified Operating Revenues				-
TOTAL UNCLASSIFIED OPERATING REVENUES		\$ -	\$ -	\$ 423,151	\$ 689,222

OTHER FINANCING SOURCES

391.00*	Proceeds of General Fixed Asset Disposition				-
392.00*	Interfund Operating Transfer **	12,850			712,554
393.00	Proceeds of General Long-Term Debt				-
394.00*	Proceeds of Short-Term Debt				-
395.00*	Refunds of Prior Year Expenditures	991			77,327
TOTAL OTHER FINANCING SOURCES		\$ 13,841	\$ -	\$ -	\$ 789,881

TOTAL REVENUES	\$ 4,551,479	\$ -	\$ 953,000	\$ 13,160,141
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** Must match the amount listed on line 492.00

2007 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust & Agency	Memorandum Only
GENERAL GOVERNMENT					
400.00	Legislative (Governing) Body				25,545
401.00	Executive (Manager or Mayor)				88,847
402.00	Auditing Services/Financial Administration				14,950
403.00	Tax Collection				49,914
404.00	Solicitor/Legal Services				10,512
405.00	Secretary/Clerk				58,122
406.00	Other General Government Administration				129,647
407.00	IT-Networking Services-Data Processing				38,386
408.00+	Engineering Services				74,556
409.00	General Government Buildings and Plant				104,947
TOTAL GENERAL GOVERNMENT		\$ -	\$ -	\$ -	\$ 595,426

PUBLIC SAFETY					
410.00	Police				1,967,473
411.00+	Fire				1,177,136
412.00+	Ambulance/Rescue				141,775
413.00+	UCC and Code Enforcement				-
414.00	Planning and Zoning				554,446
415.00	Emergency Management & Communications				22,889
416.00	Militia and Armories				-
417.00	Examination of Licensed Occupations				-
418.00	Public Scales (weights and measures)				-
419.00+	Other Public Safety				-
TOTAL PUBLIC SAFETY		\$ -	\$ -	\$ -	\$ 3,863,719

HEALTH AND HUMAN SERVICES					
420.00-425.00	Health and Human Services				30,960

PUBLIC WORKS - SANITATION					
426.00	Recycling Collection and Disposal				-
427.00+	Solid Waste Collection and Disposal (trash)	1,250,180			1,250,180
428.00	Weed Control				810
429.00+	Wastewater/Sewage Collection & Treatment	2,107,770			2,107,770
TOTAL PUBLIC WORKS - SANITATION		\$ 3,357,950	\$ -	\$ -	\$ 3,358,760

2007 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT | STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
PUBLIC WORKS - HIGHWAYS & STREETS		Enterprise	Internal Service	Trust & Agency	Memorandum Only
430.00	General Services - Administration				593,117
431.00	Cleaning of Streets and Gutters				16,058
432.00	Winter Maintenance - Snow Removal				142,023
433.00	Traffic Control Devices				93,733
434.00	Street Lighting				43,108
435.00	Sidewalks and Crosswalks				-
436.00	Storm Sewers and Drains				-
437.00	Repairs of Tools and Machinery				65,463
438.00	Maintenance & Repairs of Roads & Bridges				241,688
439.00	Highway Construction and Rebuilding Projects				-
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS		\$ -	\$ -	\$ -	\$ 1,195,190

PUBLIC WORKS - OTHER SERVICES					
440.00	Airports				-
441.00	Cemeteries				-
442.00	Electric System				-
443.00	Gas System				-
444.00	Markets				-
445.00	Parking Facilities				-
446.00	Storm Water and Flood Control				-
447.00	Transit System				-
448.00	Water System				40,039
449.00	Water Transport and Terminals				-
TOTAL PUBLIC WORKS - OTHER SERVICES		\$ -	\$ -	\$ -	\$ 40,039

CULTURE AND RECREATION					
451.00	Culture-Recreation Administration				-
452.00+	Participant Recreation				-
453.00+	Spectator Recreation				-
454.00	Parks				132,478
455.00	Shade Trees				-
456.00	Libraries				5,500
457.00+	Civil and Military Celebrations				-
458.00	Senior Citizens' Centers				5,500
450.00	All Other Culture and Recreation				2,000
TOTAL CULTURE AND RECREATION		\$ -	\$ -	\$ -	\$ 145,478

COMMUNITY DEVELOPMENT					
461.00+	Conservation of Natural Resources				-
462.00	Community Development and Housing				-
463.00	Economic Development				-
464.00	Economic Opportunity				-
465.00-469.00	All Other Community Development				-
TOTAL COMMUNITY DEVELOPMENT		\$ -	\$ -	\$ -	\$ -

2007 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT I STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust & Agency	Memorandum Only
DEBT SERVICE				
471.00+ Debt Principal (short-term and long-term)				253,269
472.00+ Debt Interest (short-term and long-term)	571,776			652,265
475.00+ Fiscal Agent Fees				-
TOTAL DEBT SERVICE	\$ 571,776	\$ -	\$ -	\$ 905,534

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS					
481.00	Employer Paid Withholding Taxes and Unemployment Compensation				-
482.00	Judgments and Losses				-
483.00	Pension/Retirement Fund Contributions				-
484.00	Worker Compensation Insurance				-
487.00	Group Insurance and Other Benefits				-
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS		\$ -	\$ -	\$ -	\$ -

INSURANCE					
486.00+	Insurance, Casualty, and Surety				-

UNCLASSIFIED OPERATING EXPENDITURES					
488.00+	Fiduciary Fund Benefits and Refunds Paid			378,637	378,637
489.00+	All Other Unclassified Expenditures			11,555	11,555
TOTAL UNCLASSIFIED OPERATING EXPENDITURES		\$ -	\$ -	\$ 390,192	\$ 390,192

OTHER FINANCING USES					
491.00+	Refund of Prior Year Revenues	4,555			6,481
492.00+	Interfund Operating Transfers **				712,554
493.00	All Other Financing Uses				-
TOTAL OTHER FINANCING USES		\$ 4,555	\$ -	\$ -	\$ 719,035

TOTAL EXPENDITURES	\$ 3,934,281	\$ -	\$ 390,192	\$ 11,244,333
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	\$ 617,198	\$ -	\$ 562,808	\$ 1,915,808
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** Must match the amount listed on line 392.00

