



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 2011 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, 2011, or the results of its operations for the year then ended.

However, in our opinion, the 2011 Commonwealth of Pennsylvania Municipal Annual Audit and Financial Report (DCED-CLGS-30) referred to above presents fairly, in all material respects, the financial information shown therein of the Township of Fairview, York County, Pennsylvania, in accordance with the requirements of the Department of Community and Economic Development, on the basis of accounting described above.

Brown Schultz Sheridan & Fritz

Camp Hill, Pennsylvania
March 13, 2012

**2011 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

670425 FAIRVIEW TWP, YORK COUNTY



BALANCE SHEET

DCED-CLGS-30 (09-09)

FAIRVIEW TWP, YORK County BALANCE SHEET December 31, 2011

	Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		Trust and Agency	General Fixed Assets	
Assets and Other Debits										
100-120 Cash and Investments	2,156,334	1,255,086	1,333,610		4,510,003		11,565,840			20,820,873
140-144 Tax Receivable	292,439									292,439
121-129, 145-149 Accounts Receivable (excluding taxes)					435,570					435,570
130.00 Due From Other Funds		309,857	103,487							413,344
131-139, 150-159 Other Current Assets										
160-169 Fixed Assets					11,223,254			12,198,419		23,421,673
180-189 Other Debits			62,428		21,851				1,322,651	1,406,930
Total Assets and Other Debits	2,448,773	1,564,943	1,499,525		16,190,678		11,565,840	12,198,419	1,322,651	46,790,829

Liabilities and Other Credits	
210-229 Payroll Taxes and Other Payroll Withholdings	
200-209, 231-239 All Other Current Liabilities	787,078
230.00 Due To Other Funds	195,056
	218,288
	1,156,196
	1,943,274
	413,344

FAIRVIEW TWP, YORK County
BALANCE SHEET
 December 31, 2011

	Governmental Funds						Proprietary Funds			Fid. Fund		Account Groups		Total	
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Total					
										787,078	195,056	218,288	10,764,127		11,565,840
Liabilities and Other Credits															
260-269					8,539,554							1,322,651		9,862,205	
240-259					1,068,377									1,068,377	
Total Liabilities and Other Credits	787,078	195,056	218,288		10,764,127					11,565,840	12,198,419	1,322,651		13,287,200	
Fund and Account Group Equity															
281-284															
290.00										12,198,419				12,198,419	
270-289	1,661,695	1,369,887	1,281,237		5,426,551				11,565,840					21,305,210	
291-299															
Total Fund and Account Group Equity	1,661,695	1,369,887	1,281,237		5,426,551				11,565,840	12,198,419				33,503,629	

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY	46,790,829
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FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2011

General Fund	Governmental Funds			Proprietary Funds		Fiduciary Fund	Total
	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		

REVENUES

Interest, Rents and Royalties		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary Fund	Total
341.00	Interest Earnings	12,471	7,709	1,566		4,813		36,104	62,663
342.00	Rents and Royalties			8,025		19,703			27,728
	Total Interest, Rents and Royalties	12,471	7,709	9,591		24,516		36,104	90,391

Federal	
351.03	Highways and Streets
351.09	Community Development
351.00	All Other Federal Capital and Operating Grants
352.01	National Forest
352.00	All Other Federal Shared Revenue and Entitlements
353.00	Federal Payments in Lieu of Taxes
	Total Federal

State	
354.03	Highways and Streets
354.09	Community Development
354.15	Recycling / Act 101
354.00	All Other State Capital and Operating Grants
355.01	Public Utility Realty Tax (PURTA)
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback
355.04	Alcoholic Beverage Licenses
355.05	General Municipal Pension System State Aid
355.07	Foreign Fire Insurance Tax Distribution
355.08	Local Share Assessment/Gaming Proceeds

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2011

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		

REVENUES

State								
355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes							
	Total State	573,336	388,490		93,551			1,055,377

Local Government Units

357.03	Highways and Streets							
357.00	All Other Local Governmental Units Capital and Operating Grants							
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services							
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes				1,498,887			1,498,887
	Total Local Government Units				1,498,887			1,498,887

Charges for Service

361.00	General Government	82,044						82,044
362.00	Public Safety	120,815						120,815
363.20	Parking							
363.00	All Other Charges for Highway & Streets Services							
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)				3,038,181			3,038,181
364.30	Solid Waste Collection and Disposal Charge (trash)				1,259,147			1,259,147
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	8,550						8,550
368.00	Airports							

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2011

General Fund	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only	

REVENUES

Charges for Service		
369.00	Bars	
370.00	Cemeteries	
372.00	Electric System	
373.00	Gas System	
374.00	Housing System	
375.00	Markets	
377.00	Transit Systems	
378.00	Water System	
379.00	All Other Charges for Service	
	Total Charges for Service	211,409

Unclassified Operating Revenues		
383.00	Special Assessments	146,126
386.00	Escheats (sale of personal property)	
387.00	Contributions and Donations from Private Sectors	47,785
388.00	Fiduciary Fund Pension Contributions	856,681
389.00	All Other Unclassified Operating Revenues	6,929
	Total Unclassified Operating Revenues	1,057,521

Other Financing Sources		
391.00	Proceeds of General Fixed Asset Disposition	17,850
392.00	Interfund Operating Transfers	10,000
393.00	Proceeds of General Long-Term Debt	
394.00	Proceeds of Short Term-Debt	

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2011

General Fund	Governmental Funds			Proprietary Funds		Fiduciary Fund	Total
	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		

REVENUES

Other Financing Sources							
395.00	Refunds of Prior Year Expenditures	67,468	22,345	34,531	12,495		136,839
	Total Other Financing Sources	319,458	22,345	315,341	23,355		680,499

TOTAL REVENUES

5,313,185	1,311,940	570,180	5,944,566	892,785	14,032,656
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EXPENDITURES

General Government							
400.00	Legislative (Governing) Body	17,287					17,287
401.00	Executive (Manager or Mayor)	83,018					83,018
402.00	Auditing Services / Financial Administration	14,565					14,565
403.00	Tax Collection	47,124	2,152				49,276
404.00	Solicitor / Legal Services	14,542					14,542
405.00	Secretary / Clerk	62,042					62,042
406.00	Other General Government Administration	209,646					209,646
407.00	IT-Networking Services-Data Processing	31,327					31,327
408.00	Engineering Services						
409.00	General Government Buildings and Plant	121,774					121,774
	Total General Government	601,325	2,152				603,477

Public Safety

410.00	Police	2,568,959					2,568,959
411.00	Fire	213,604	205,361	63,627			482,592
412.00	Ambulance / Rescue		141,624				141,624
413.00	UCC and Code Enforcement						
414.00	Planning and Zoning	549,357					549,357
415.00	Emergency Management and Communications	18,678					18,678

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2011

General Fund	Governmental Funds			Proprietary Funds		Fiduciary Fund	Total
	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		

EXPENDITURES

Public Safety							
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	3,350,598	63,627				3,761,210

Health and Human Services							
420.00-425.00	Health and Human Services	22,329					22,329
	Total Health and Human Services	22,329					22,329

Public Works - Sanitation							
426.00	Recycling Collection and Disposal						
427.00	Solid Waste Collection and Disposal (garbage)			1,466,467			1,466,467
428.00	Weed Control						
429.00	Wastewater / Sewage Treatment and Collection			2,489,481			2,489,481
	Total Public Works - Sanitation			3,955,948			3,955,948

Public Works - Highways and Streets							
430.00	General Services - Administration	1,115,562					1,115,562
431.00	Cleaning of Streets and Gutters	26,228					26,228
432.00	Winter Maintenance – Snow Removal	276,866					276,866
433.00	Traffic Control Devices	55,835					55,835
434.00	Street Lighting		61,169				61,169
435.00	Sidewalks and Crosswalks						
436.00	Storm Sewers and Drains						

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2011

General Fund	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service			

EXPENDITURES

Public Works - Highways and Streets		77,836						77,836
437.00	Repairs of Tools and Machinery							
438.00	Maintenance and Repairs of Roads and Bridges	599,674	797,448					1,397,122
439.00	Highway Construction and Rebuilding Projects							
Total Public Works - Highways and Streets		2,152,001	858,617					3,010,618

Other Public Works Enterprises

440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets							
445.00	Parking							
446.00	Storm Water and Flood Control							
447.00	Transit System							
448.00	Water System		44,071					44,071
449.00	Water Transport and Terminals							
Total Other Public Works Enterprises			44,071					44,071

Culture and Recreation

451.00	Culture-Recreation Administration							
452.00	Participant Recreation	129,249						129,249
453.00	Spectator Recreation							
454.00	Parks							
455.00	Shade Trees							
456.00	Libraries	7,500						7,500

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2011

General Fund	Governmental Funds			Proprietary Funds		Fiduciary Fund	Total
	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		

EXPENDITURES

Employer Paid Benefits and Withholding Items							
487.00	Other Group Insurance Benefits						
Total Employer Paid Benefits and Withholding Items							

Insurance							
486.00	Insurance, Casualty, and Surety						
Total Insurance							

Unclassified Operating Expenditures							
488.00	Fiduciary Fund Benefits and Refunds Paid					454,300	454,300
489.00	All Other Unclassified Expenditures						
Total Unclassified Operating Expenditures						454,300	454,300

Other Financing Uses							
491.00	Refund of Prior Year Revenues	9,386	130			356	9,872
492.00	Interfund Operating Transfers	170,000	335,810	20,000			525,810
493.00	All Other Financing Uses						
Total Other Financing Uses		179,386	335,940	20,000		356	535,682

TOTAL EXPENDITURES	6,630,535	1,587,765	364,437	4,465,715	454,300	13,502,752
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	-1,317,350	-275,825	205,743	1,478,851	438,485	529,904
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FAIRVIEW TWP
December 31, 2011

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES

Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
General Obligation Note 4	Note	2010	2020	1,000,000	50,000	950,000			1,000,000		1,000,000
General Obligation Note 2	Note	2010	2015	1,240,000	1,240,000		254,033		985,967		985,967
General Obligation Note 3	Note	2010	2019	675,000	675,000		67,069		607,931		607,931
General Obligation Note 1	Note	2010	2013	500,000	500,000		163,316		336,684		336,684
Revenue Bonds and Notes											
Capital Lease	Bond	2007	2011	29,079	5,923		5,923		0		0
Lease Rental Debt											
Sewer Revenue	Bond	2001	2021	15,560,000	9,200,000		9,200,000		0		0
General Obligation Note 5	Note	2011	2019	8,000,000	0	8,000,000			8,000,000		8,000,000
Other											
Total bonds and notes outstanding											
Capitalized lease obligations											
Net debt											

(1) - excludes unamortized premium/discount

10,930,582

0

10,930,582

FAIRVIEW TWP, YORK County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2011

Category	Capital Purchases	Capital Construction	Total
Electric			
Fire			
Gas System			
General Government	14,384	15,975	30,359
Health			
Housing			
Libraries			
Mass Transit			
Parks		21,464	21,464
Police	64,999		64,999
Recreation			
Sewer	147,919	318,057	465,976
Solid Waste			
Streets / Highways	490,104	20,830	510,934
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	717,406	376,326	1,093,732

EMPLOYEE COMPENSATION

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

2,902,521

FAIRVIEW TWP, YORK County
December 31, 2011

NOTES / COMMENTS