



## Independent Auditors' Report

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

### **Report on the Financial Statements**

We have audited the accompanying 2018 Commonwealth of Pennsylvania Municipal Annual Audit and Financial Report (Form DCED-CLGS-30) of the Township of Fairview, York County, Pennsylvania, which is comprised of the financial statements and other financial information (together the financial statements) for the year ended December 31, 2018.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse audit opinion.

## **Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America**

The financial statements were prepared by the Township of Fairview using the accounting practices prescribed by the Department of Community and Economic Development of the Commonwealth of Pennsylvania, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements 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.

## **Adverse Opinion on Accounting Principles Generally Accepted in the United States of America**

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America" section, the financial statements referred to above do not present fairly in accordance 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, 2018, or the changes in its financial position for the year then ended.

## **Opinion on Regulatory Basis of Accounting**

In our opinion, the 2018 Commonwealth of Pennsylvania Municipal Annual Audit and Financial Report (Form DCED-CLGS-30) referred to above presents fairly, in all material respects, the financial statements shown therein of the Township of Fairview, York County, Pennsylvania, in accordance with the requirements prescribed by the Department of Community and Economic Development, on the basis of accounting described herein.



Camp Hill, Pennsylvania  
March 25, 2019

**2018 MUNICIPAL ANNUAL AUDIT  
AND  
FINANCIAL REPORT**

**670425 FAIRVIEW TWP, YORK COUNTY**



## FAIRVIEW TWP, YORK County

## BALANCE SHEET

December 31, 2018

		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	Memorandum Only
<b>Liabilities and Other Credits</b>											
260-269	Long-Term-Liabilities										
240-259	Current Portion of Long-Term Debt and Other Credits										
<b>Total Liabilities and Other Credits</b>		563,370	5,827	2,253		3,519					574,969

<b>Fund and Account Group Equity</b>											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets								18,752,660		18,752,660
270-289	Fund Balance / Retained Earnings on 12/31	2,683,682	916,037	5,698,873		310,436		18,402,447			28,011,475
291-299	Other Equity										
<b>Total Fund and Account Group Equity</b>		2,683,682	916,037	5,698,873		310,436		18,402,447	18,752,660		46,764,135

<b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY</b>											47,339,104
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FAIRVIEW TWP, YORK County  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2018

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

**REVENUES**

**Taxes**

301.00	Real Estate Taxes	2,032,485						2,032,485
305.00	Occupation Taxes (levied under municipal code)							
308.00	Residence Taxes (levied by cities of the 3rd Class)							
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)							
310.00	Per Capita Taxes	1,444						1,444
310.10	Real Estate Transfer Taxes	432,629						432,629
310.20	Earned Income Taxes / Wage Taxes	2,902,420						2,902,420
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **		518,099					518,099
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
<b>Total Taxes</b>		5,368,978	518,099					5,887,077

**Licenses and Permits**

320-322	All Other Licenses and Permits	6,162						6,162
321.80	Cable Television Franchise Fees	291,613						291,613
<b>Total Licenses and Permits</b>		297,775						297,775

**Fines and Forfeits**

330-332	Fines and Forfeits	61,788						61,788
<b>Total Fines and Forfeits</b>		61,788						61,788



FAIRVIEW TWP, YORK County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2018

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

### REVENUES

State								
355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes							
<b>Total State</b>		399,868	847,640					1,247,508

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							
<b>Total Local Government Units</b>								

Charges for Service								
361.00	General Government	123,181						123,181
362.00	Public Safety	44,876						44,876
363.20	Parking							
363.00	All Other Charges for Highway & Street Services	44,168						44,168
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)				36,202			36,202
364.30	Solid Waste Collection and Disposal Charge (trash)				12,551			12,551
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	57,850						57,850
368.00	Airports							
369.00	Bars							

FAIRVIEW TWP, YORK County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2018

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

### REVENUES

Charges for Service								
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							
<b>Total Charges for Service</b>		270,075				48,753		318,828

Unclassified Operating Revenues								
383.00	Special Assessments		134,090					134,090
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	67,609	2,202	60,000				129,811
388.00	Fiduciary Fund Pension Contributions						343,697	343,697
389.00	All Other Unclassified Operating Revenues							
<b>Total Unclassified Operating Revenues</b>		67,609	136,292	60,000			343,697	607,598

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	7,226						7,226
392.00	Interfund Operating Transfers			712,416				712,416
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							
395.00	Refunds of Prior Year Expenditures	344,652	3,551					348,203
<b>Total Other Financing Sources</b>		351,878	3,551	712,416				1,067,845

FAIRVIEW TWP, YORK County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2018

	Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only
<b>TOTAL REVENUES</b>	6,851,336	1,532,392	873,358		54,757		409,424	9,721,267

**EXPENDITURES**

General Government								
400.00	Legislative (Governing) Body	17,066						17,066
401.00	Executive (Manager or Mayor)	85,069						85,069
402.00	Auditing Services / Financial Administration	17,121						17,121
403.00	Tax Collection	28,197						28,197
404.00	Solicitor / Legal Services	18,179						18,179
405.00	Secretary / Clerk	123,722						123,722
406.00	Other General Government Administration	283,227		12,323				295,550
407.00	IT-Networking Services-Data Processing	57,444						57,444
408.00	Engineering Services							
409.00	General Government Buildings and Plant	82,336		19,751				102,087
<b>Total General Government</b>		712,361		32,074				744,435

Public Safety								
410.00	Police	2,872,151		996,044				3,868,195
411.00	Fire	102,490	254,768	77,469				434,727
412.00	Ambulance / Rescue		197,111					197,111
413.00	UCC and Code Enforcement							
414.00	Planning and Zoning	430,371						430,371
415.00	Emergency Management and Communications	17,668						17,668
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety							
<b>Total Public Safety</b>		3,422,680	451,879	1,073,513				4,948,072

FAIRVIEW TWP, YORK County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2018

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

**EXPENDITURES**

<b>Health and Human Services</b>								
420.00-425.00	Health and Human Services	13,721						13,721
<b>Total Health and Human Services</b>		13,721						13,721

<b>Public Works - Sanitation</b>								
426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)	162,224			328,007			490,231
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection							
<b>Total Public Works - Sanitation</b>		162,224			328,007			490,231

<b>Public Works - Highways and Streets</b>								
430.00	General Services - Administration	626,681		236,478				863,159
431.00	Cleaning of Streets and Gutters	26,245						26,245
432.00	Winter Maintenance – Snow Removal	250,917						250,917
433.00	Traffic Control Devices	72,863						72,863
434.00	Street Lighting		75,793					75,793
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains							
437.00	Repairs of Tools and Machinery	70,526						70,526
438.00	Maintenance and Repairs of Roads and Bridges	537,634	1,720,597					2,258,231
439.00	Highway Construction and Rebuilding Projects							
<b>Total Public Works - Highways and Streets</b>		1,584,866	1,796,390	236,478				3,617,734

FAIRVIEW TWP, YORK County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2018

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

**EXPENDITURES**

<b>Other Public Works Enterprises</b>								
440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets							
445.00	Parking							
446.00	Storm Water and Flood Control	293,874						293,874
447.00	Transit System							
448.00	Water System		55,753					55,753
449.00	Water Transport and Terminals							
<b>Total Other Public Works Enterprises</b>		293,874	55,753					349,627

<b>Culture and Recreation</b>								
451.00	Culture-Recreation Administration							
452.00	Participant Recreation	157,373						157,373
453.00	Spectator Recreation							
454.00	Parks							
455.00	Shade Trees							
456.00	Libraries	8,000						8,000
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers	33,500						33,500
459.00	All Other Culture and Recreation	2,000						2,000
<b>Total Culture and Recreation</b>		200,873						200,873

<b>Community Development</b>								
461.00	Conservation of Natural Resources							

FAIRVIEW TWP, YORK County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2018

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

### EXPENDITURES

Community Development								
462.00	Community Development and Housing							
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development							
<b>Total Community Development</b>								

Debt Service								
471.00	Debt Principal (short-term and long-term)							
472.00	Debt Interest (short-term and long-term)							
475.00	Fiscal Agent Fees							
<b>Total Debt Service</b>								

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation							
482.00	Judgments and Losses			5,589			1,750,426	1,756,015
483.00	Pension / Retirement Fund Contributions							
484.00	Worker Compensation Insurance							
487.00	Other Group Insurance Benefits							
<b>Total Employer Paid Benefits and Withholding Items</b>				5,589			1,750,426	1,756,015

Insurance								
486.00	Insurance, Casualty, and Surety							
<b>Total Insurance</b>								

FAIRVIEW TWP, YORK County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2018

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

**EXPENDITURES**

Unclassified Operating Expenditures									
488.00	Fiduciary Fund Benefits and Refunds Paid							843,587	843,587
489.00	All Other Unclassified Expenditures								
<b>Total Unclassified Operating Expenditures</b>								843,587	843,587

Other Financing Uses									
491.00	Refund of Prior Year Revenues	486							486
492.00	Interfund Operating Transfers		25,000			687,416			712,416
493.00	All Other Financing Uses								
<b>Total Other Financing Uses</b>		486	25,000			687,416			712,902

<b>TOTAL EXPENDITURES</b>	6,391,085	2,329,022	1,347,654		1,015,423		2,594,013	13,677,197
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<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES</b>	460,251	-796,630	-474,296		-960,666		-2,184,589	-3,955,930
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**FAIRVIEW TWP**  
December 31, 2018

**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
<b>General Obligation Bonds and Notes</b>											
<b>Revenue Bonds and Notes</b>											
<b>Lease Rental Debt</b>											
<b>Other</b>											

(1) - excludes unamortized premium/discount

**Total bonds and notes outstanding**

0

**Capitalized lease obligations**

0

**Net debt**

0

**FAIRVIEW TWP, YORK County**  
**STATEMENT OF CAPITAL EXPENDITURES**

December 31, 2018

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire	37,824		37,824
Gas System			
General Government		14,345	14,345
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police	105,822	869,866	975,688
Recreation		19,350	19,350
Sewer			
Solid Waste			
Streets / Highways	176,349	54,185	230,534
Water			
Other: Emergency Management and Commu	3,052		3,052
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>323,047</b>	<b>957,746</b>	<b>1,280,793</b>

**EMPLOYEE COMPENSATION**

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

2,800,165

**ELECTED CONTROLLER'S/AUDITOR'S CERTIFIED OPINION**

To the:           Governing Body of the Municipality  
                    President Judge of the Court of Common Pleas  
                    Secretary of the Department of Community & Economic Development

I/We, the undersigned, the duly elected (or appointed replacement), qualified, and Acting Controller/Auditors of the FAIRVIEW TWP have audited, adjusted and settled the various funds and account groups of the FAIRVIEW TWP for the year ended December 31, 2018. My/Our audit, adjustment and settlement was made in accordance with law rather than with generally accepted auditing standards

(PLEASE CROSS OUT ONLY IF ON MODIFIED ACCRUAL/ACCRUAL BASIS)

This municipality's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenditures or expenses are recognized when paid rather than when a liability is incurred. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations of this municipality in conformity with generally accepted accounting principles.

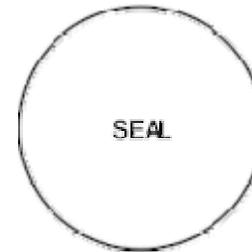
These financial statements do not include all of the disclosures required by generally accepted accounting principles.

In my/our opinion, the aforementioned financial statements present the financial position of the various funds and account groups of the municipality of FAIRVIEW TWP for the year ended December 31, 2018, and the results of operations of such funds in accordance with the law.

**SIGNATURE AND VERIFICATION**

Signed:

Subscribed and sworn to before me this 1 day of January, 1.



Signed: \_\_\_\_\_

Witness (Controller)/Auditor (Auditors)

December 31, 2018

**NOTES / COMMENTS**