



**YEAR ENDED DECEMBER 31, 2024**



**Brown Plus**

ACCOUNTANTS + ADVISORS

**FAIRVIEW TOWNSHIP**

YEAR ENDED DECEMBER 31, 2024

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# **FAIRVIEW TOWNSHIP**

YEAR ENDED DECEMBER 31, 2024

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## Independent Auditor's Report

Board of Supervisors  
Fairview Township  
New Cumberland, Pennsylvania

### **Report on the Audit of the Financial Statements**

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Fairview Township (the Township) as of and for the year ended December 31, 2024 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Fairview Township as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Fairview Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Emphasis of Matters*

As discussed in Note 16 to the financial statements, the Township made a prior period adjustment to the general fund, other governmental funds and governmental activities to record taxes receivable and accounts receivable relating to the year ended December 31, 2023. Our opinion is not modified with respect to these matters.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Fairview Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantive doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance; and therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Fairview Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Fairview Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules of historical pension and postemployment information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Fairview Township's basic financial statements as a whole. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements of Fairview Township. The combining fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Brown Plus*

Camp Hill, Pennsylvania  
July 7, 2025

# **FAIRVIEW TOWNSHIP**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) YEAR ENDED DECEMBER 31, 2024**

The Township of Fairview, York County (the Township) discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Township's financial activity, (c) identify changes in the Township's financial position, (d) identify any material deviations from the financial plan and (e) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Township's financial statements.

### **Highlights**

#### *Financial highlights:*

- ◆ The Township's net position is stated at \$43,269,553 as of December 31, 2024. Net position increased by \$108,483 in 2024.
- ◆ During the year, the Township had expenses of \$11,292,723, which was \$108,483 less than the \$11,401,206 generated in general revenues and program revenues.

### **Using this annual report**

The annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the Township on a government-wide basis and present a longer term view of the Township's finances. For governmental activities, these statements tell how these services were financed in the short term, as well as what remains for future spending. Fund financial statements report the Township's operations in more detail by providing information about the Township's most significant funds. The remaining statements provide financial information about activities for which the Township acts solely as a trustee or custodian for the benefit of those outside of the government.

### **Government-wide financial statements**

The analysis of the Township as a whole begins on page 9. One of the most important questions asked about the Township's finances is, "Are the taxpayers of the Township, as a whole, better off or worse off as a result of the year's activities?"

The statement of net position and the statement of activities report information about the Township as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used in most private-sector companies. All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Township's net position and changes in net position. You can think of the Township's net position - the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources - as one way to measure the Township's financial health or financial position. Over time, increases or decreases in the Township's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Township's property tax base or the condition of the Township's infrastructure, to assess the overall health of the Township.

## **FAIRVIEW TOWNSHIP**

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) YEAR ENDED DECEMBER 31, 2024

#### **Government-wide financial analysis**

The following table reflects the condensed statements of net position:

Statements of Net Position	2024	2023 (as restated)
	<u>2024</u>	<u>(as restated)</u>
<b>Assets:</b>		
Current assets	\$ 16,025,455	\$ 15,810,059
Noncurrent assets	<u>28,384,547</u>	<u>28,014,652</u>
<b>Total assets</b>	<b>44,410,002</b>	<b>43,824,711</b>
Deferred outflows of resources	<u>1,403,279</u>	<u>2,187,915</u>
<b>Total assets and deferred outflows of resources</b>	<b><u>\$ 45,813,281</u></b>	<b><u>\$ 46,012,626</u></b>
<b>Liabilities:</b>		
Current liabilities	\$ 1,275,008	\$ 1,340,602
Noncurrent liabilities	<u>1,137,815</u>	<u>1,282,491</u>
<b>Total liabilities</b>	<b>2,412,823</b>	<b>2,623,093</b>
Deferred inflows of resources	<u>130,905</u>	<u>228,463</u>
<b>Total liabilities and deferred inflows of resources</b>	<b><u>2,543,728</u></b>	<b><u>2,851,556</u></b>
<b>Net position:</b>		
Net investment in capital assets	27,282,625	27,266,478
Restricted	458,945	588,212
Unrestricted	<u>15,527,983</u>	<u>15,306,380</u>
<b>Total net position</b>	<b><u>43,269,553</u></b>	<b><u>43,161,070</u></b>
<b>Total liabilities and net position</b>	<b><u>\$ 45,813,281</u></b>	<b><u>\$ 46,012,626</u></b>

For more detailed information on the year ended December 31, 2024, see the statement of net position on pages 9 and 10.

## FAIRVIEW TOWNSHIP

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) YEAR ENDED DECEMBER 31, 2024

#### Government-wide financial analysis (continued)

#### Statements of Activities

	2024	2023 (as restated)
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 702,608	\$ 1,002,444
Operating grants and contributions	1,409,431	1,085,478
Capital grants and contributions	323,977	1,399,810
General revenues:		
Taxes	7,536,012	8,062,868
Cable TV franchise fees	244,283	328,724
Investment earnings	822,588	557,392
Miscellaneous	289,310	126,340
Gain (loss) on disposal of assets	72,997	(24,470)
<b>Total revenues</b>	<b>11,401,206</b>	<b>12,538,586</b>
<b>Expenses:</b>		
General government	881,887	799,631
Public safety	6,873,552	6,260,932
Health and welfare	24,066	20,113
Public works:		
Highways, roads and streets	2,947,439	2,529,769
Recycling center and leaf collection	264,793	346,988
Culture and recreation	300,160	439,946
Sewer	463	2,046
Refuse	363	1,033
<b>Total expenses</b>	<b>11,292,723</b>	<b>10,400,458</b>
<b>Changes in net position</b>	<b>108,483</b>	<b>2,138,128</b>
<b>Net position:</b>		
Beginning	43,161,070	41,022,942
<b>Ending</b>	<b>\$ 43,269,553</b>	<b>\$ 43,161,070</b>

For more detailed information on the year ended December 31, 2024, see the statement of activities on pages 11 and 12.

## **FAIRVIEW TOWNSHIP**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) YEAR ENDED DECEMBER 31, 2024**

#### **Government-wide financial analysis (continued)**

The Township's combined net position increased to \$43,269,553 from \$43,161,070, as restated. The Township's combined unrestricted net position for governmental activities and business-type activities was \$15,527,983.

#### **The Township's funds**

##### *Governmental funds:*

At year end, the governmental funds reported a combined fund balance of \$14,625,933.

##### *General fund budgetary highlights:*

Over the course of the year, the Township monitors the Township's budget. No budget amendments were required. During the year, revenues exceeded budgetary estimates by \$1,037,269. Expenditures were less than budgetary estimates by \$144,998.

#### **Capital asset**

The investment in capital assets for governmental activities as of December 31, 2024, amounts to \$79,028,520, net of accumulated depreciation of \$51,745,895, leaving a net book value of \$27,282,625. This investment in capital assets includes land, buildings, improvements, equipment and infrastructure. Infrastructure assets are items that are normally immovable and of value only to the Township, such as roads, bridges, streets, drainage systems, lighting systems and similar items.

Actual expenditures to purchase or construct capital assets were \$1,741,563, and disposals were \$244,660. Depreciation charges for the year totaled \$1,691,031. Additional information on the Township's capital assets can be found in Note 5 to the financial statements of this report.

#### **Economic factors and next year's budgets and rates**

The Township's elected and appointed officials considered many factors when setting the fiscal year 2025 budget, tax rates and fees that will be charged for the business-type enterprises. One of those factors is the economy.

In the budget process, the Township attempts to predict the financial condition of the Township at the end of each fiscal year and in future years. Certain statistical tools are then used to develop a realistic picture of the income and expense for the coming year. Every effort is made to budget appropriate amounts for contingencies; however, no one can totally anticipate all unexpected occurrences that may arise after the formalization and adoption of an operational budget. Municipalities such as Fairview Township consistently monitor revenue and expenses to assure that income received by the Township meets the projections of the budget to ensure those services adopted in the budget are delivered. Minor adjustments, if required, are made during the year to reflect the changes in the income and subsequent expenditures.

#### **Local Services Tax (LST)**

The Local Services Tax is charged to all employees working within the Township with annual incomes in excess of \$12,000. The Township expects annual revenues from this tax to remain relatively stable in 2025 in comparison to 2024.

## **FAIRVIEW TOWNSHIP**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) YEAR ENDED DECEMBER 31, 2024**

#### **Franchise taxes**

The Township currently collects cable television franchise fees from three cable companies operating within the Township. These funds are accounted for in the General Fund and are used for daily operating expenses.

#### **Traffic impact fee**

The Township passed an ordinance requiring that a transportation impact fee be imposed upon residential and non-residential, including commercial and industrial, development in order to assist in the financing of specified major transportation capacity improvements in a transportation service area. The ordinance was established to ensure that the transportation system is available and adequate to support new growth and development. The fees collected will be expended for costs for improvements attributable to new development and designated in the Transportation Capital Improvement Plan for improvements within the transportation service areas in which the new development is located. The transportation impact fees for transportation capital improvements shall be based upon the total costs of the road improvements included in the adopted Transportation Capital Improvements Plan within the transportation service areas. The amount of per-peak-hour-trip fee for Transportation Service Area 1 (TSA #1) shall be \$1,583; Transportation Service Area #2 (TSA #2) shall be \$1,964 and Transportation Service Area #3 (TSA #3) shall be \$0.

#### **Defined benefit pensions plans**

As of December 31, 2024, the Nonuniformed Pension Plan had net pension assets of \$814,031, and the Police Pension Plan had net pension assets of \$287,891. The Township funds the pension plans annually with employee contributions and the minimum municipal obligation consisting of employer contributions and state aid. The Township contributed an amount equal to the minimum municipal obligation for the pension plans.

#### **Postemployment medical benefit plans**

As of December 31, 2024, the Nonuniformed OPEB Plan had a net OPEB liability of \$70,788, and the Police OPEB Plan had a net OPEB liability of \$441,549.

#### **Contacting the Township's financial management**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Township's finances, and to show the Township's accountability for the monies it receives. If you have any questions about this report, or need additional information, contact Fairview Township at 599 Lewisberry Road, New Cumberland, PA 17070.

## FAIRVIEW TOWNSHIP

### STATEMENT OF NET POSITION – DECEMBER 31, 2024

#### ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Primary government		Total
	Governmental activities	Business-type activities	
<b>Current assets:</b>			
Cash, cash equivalents and equity in pooled cash and investments:			
Unrestricted	\$ 13,499,919	\$ 21,542	\$ 13,521,461
Restricted	1,283,386	-	1,283,386
Receivables:			
Taxes	815,689	-	815,689
Accounts	59,650	-	59,650
Grant	169,515	-	169,515
Due from other government	135,000	-	135,000
Other receivables	-	13,621	13,621
Prepaid expenses	27,133	-	27,133
<b>Total current assets</b>	<b>15,990,292</b>	<b>35,163</b>	<b>16,025,455</b>
<b>Noncurrent assets:</b>			
Net pension asset	1,101,922	-	1,101,922
Capital assets, net of depreciation and amortization:			
Land	542,800	-	542,800
Other capital assets	26,739,825	-	26,739,825
<b>Total noncurrent assets</b>	<b>28,384,547</b>	<b>-</b>	<b>28,384,547</b>
<b>Deferred outflows of resources:</b>			
For pensions	1,110,943	-	1,110,943
For other postemployment benefits	292,336	-	292,336
<b>Total deferred outflows of resources</b>	<b>1,403,279</b>	<b>-</b>	<b>1,403,279</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 45,778,118</b>	<b>\$ 35,163</b>	<b>\$ 45,813,281</b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

STATEMENT OF NET POSITION – DECEMBER 31, 2024

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	Primary government		Total
	Governmental activities	Business-type activities	
<b>Current liabilities:</b>			
Accounts payable and accrued expenses	\$ 209,928	\$ 83	\$ 210,011
Escrows payable	1,064,997	-	1,064,997
<b>Total current liabilities</b>	<b>1,274,925</b>	<b>83</b>	<b>1,275,008</b>
<b>Noncurrent liabilities:</b>			
Compensated absences	625,478	-	625,478
Net postemployment benefits liability (other than pensions)	512,337	-	512,337
<b>Total noncurrent liabilities</b>	<b>1,137,815</b>	<b>-</b>	<b>1,137,815</b>
<b>Total liabilities</b>	<b>2,412,740</b>	<b>83</b>	<b>2,412,823</b>
<b>Deferred inflows of resources:</b>			
For pensions	48,728	-	48,728
For other postemployment benefits	82,177	-	82,177
<b>Total deferred inflows of resources</b>	<b>130,905</b>	<b>-</b>	<b>130,905</b>
<b>Net position:</b>			
Investment in capital assets	27,282,625	-	27,282,625
Restricted for:			
Eshare fund	21,776	-	21,776
Estate fund	178,813	-	178,813
Street light	42,678	-	42,678
Highway aid	186,113	-	186,113
Fire hydrant fund	29,565	-	29,565
Unrestricted	15,492,903	35,080	15,527,983
<b>Total net position</b>	<b>43,234,473</b>	<b>35,080</b>	<b>43,269,553</b>
<b>Total liabilities, deferred inflow of resources and net position</b>	<b>\$ 45,778,118</b>	<b>\$ 35,163</b>	<b>\$ 45,813,281</b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2024

Functions/programs	Expenses	Program revenues			Net (expenses) revenue and changes in net position		
		Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities	Total
<b>Primary government:</b>							
<b>Governmental activities:</b>							
General government	\$ 881,887	\$ 224,023	\$ -	\$ 31,090	\$ (626,774)	\$ -	\$ (626,774)
Public safety	6,873,552	421,769	777,684	242,205	(5,431,894)	-	(5,431,894)
Health and welfare	24,066	-	-	-	(24,066)	-	(24,066)
Public works:							
Highways, roads and streets	2,947,439	-	631,747	44,545	(2,271,147)	-	(2,271,147)
Recycling center and leaf collection	264,793	-	-	6,137	(258,656)	-	(258,656)
Culture and recreation	300,160	53,930	-	-	(246,230)	-	(246,230)
<b>Total governmental activities</b>	<b>11,291,897</b>	<b>699,722</b>	<b>1,409,431</b>	<b>323,977</b>	<b>(8,858,767)</b>	<b>-</b>	<b>(8,858,767)</b>
<b>Business-type activities:</b>							
Sewer	463	2,082	-	-	-	1,619	1,619
Refuse	363	804	-	-	-	441	441
<b>Total business-type activities</b>	<b>826</b>	<b>2,886</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,060</b>	<b>2,060</b>
<b>Total primary government</b>	<b>\$ 11,292,723</b>	<b>\$ 702,608</b>	<b>\$ 1,409,431</b>	<b>\$ 323,977</b>	<b>(8,858,767)</b>	<b>2,060</b>	<b>(8,856,707)</b>

(continued)

**FAIRVIEW TOWNSHIP**

STATEMENT OF ACTIVITIES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024

Functions/programs	Expenses	Program revenues			Net (expenses) revenue and changes in net position		
		Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities	Total
<b>General revenues:</b>							
Taxes:							
Real estate					\$ 2,655,388	\$ -	\$ 2,655,388
Real estate transfer					575,015	-	575,015
Earned income					3,807,609	-	3,807,609
Emergency services					490,965	-	490,965
Public utility					7,035	-	7,035
Cable TV franchise fees					244,283	-	244,283
Investment earnings					822,072	516	822,588
Miscellaneous					289,310	-	289,310
Gain on disposal of assets					72,997	-	72,997
<b>Total general revenues</b>					<b>8,964,674</b>	<b>516</b>	<b>8,965,190</b>
<b>Changes in net position</b>					<b>105,907</b>	<b>2,576</b>	<b>108,483</b>
<b>Net position:</b>							
Beginning, as restated					43,128,566	32,504	43,161,070
<b>Ending</b>					<b>\$ 43,234,473</b>	<b>\$ 35,080</b>	<b>\$ 43,269,553</b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

**BALANCE SHEET – GOVERNMENTAL FUNDS – DECEMBER 31, 2024**

	General	Capital reserve fund	Other governmental funds	Total governmental funds
<b>ASSETS</b>				
Cash, cash equivalents and equity in pooled cash and investments:				
Unrestricted	\$ 4,495,558	\$ 6,750,101	\$ 2,254,260	\$ 13,499,919
Restricted	1,283,386	-	-	1,283,386
Receivables:				
Taxes	755,026	-	60,663	815,689
Accounts	59,650	-	-	59,650
Grant	-	169,515	-	169,515
Due from other governments	-	-	135,000	135,000
Prepaid expenses	27,133	-	-	27,133
<b>Total assets</b>	<b><u>\$ 6,620,753</u></b>	<b><u>\$ 6,919,616</u></b>	<b><u>\$ 2,449,923</u></b>	<b><u>\$ 15,990,292</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable and accrued expenses	\$ 180,688	\$ 19,605	\$ 9,635	\$ 209,928
Escrow deposits	1,064,997	-	-	1,064,997
<b>Total liabilities</b>	<b><u>1,245,685</u></b>	<b><u>19,605</u></b>	<b><u>9,635</u></b>	<b><u>1,274,925</u></b>
Deferred inflows of resources, unavailable revenues	87,237	-	2,197	89,434
<b>Fund balances:</b>				
Nonspendable, prepaid expenses	27,133	-	-	27,133
Restricted:				
Eshare fund	21,776	-	-	21,776
Estate fund	178,813	-	-	178,813
Street light fund	-	-	42,678	42,678
Highway aid fund	-	-	186,113	186,113
Fire hydrant fund	-	-	29,565	29,565
Committed:				
Capital reserve fund	-	6,900,011	-	6,900,011
Fire department	-	-	104,090	104,090
Capital projects fund	-	-	1,300,000	1,300,000
Employee benefits	2,008,334	-	-	2,008,334
LST tax fund	-	-	775,645	775,645
Unassigned	3,051,775	-	-	3,051,775
<b>Total fund balances</b>	<b><u>5,287,831</u></b>	<b><u>6,900,011</u></b>	<b><u>2,438,091</u></b>	<b><u>14,625,933</u></b>
<b>Total liabilities, deferred outflows of resources and fund balances</b>	<b><u>\$ 6,620,753</u></b>	<b><u>\$ 6,919,616</u></b>	<b><u>\$ 2,449,923</u></b>	<b><u>\$ 15,990,292</u></b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
YEAR ENDED DECEMBER 31, 2024

<b>Total governmental fund balances</b>	<b>\$ 14,625,933</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	27,282,625
Net pension assets are not included in the governmental funds.	1,101,922
Net other postemployment benefits liability is not included in governmental funds.	(512,337)
Deferred outflows and deferred inflows of resources are applicable to future periods and, therefore, are not reported in the funds:	
Deferred outflows of resources:	
Related to pensions	1,110,943
Related to other postemployment benefits	292,336
Deferred inflows of resources:	
Related to pensions	(48,728)
Related to other postemployment benefits	(82,177)
Other assets are not available to pay for current period expenditures and, therefore, are unavailable in the funds, taxes revenues, including outstanding delinquent taxes.	89,434
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(625,478)</u>
<b>Net position of governmental activities</b>	<b><u><u>\$ 43,234,473</u></u></b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2024

	General	Capital reserve fund	Other governmental funds	Total governmental funds
<b>Revenues:</b>				
Taxes	\$ 6,878,825	\$ -	\$ 632,947	\$ 7,511,772
Licenses, permits and fees	252,048	-	-	252,048
Fines and penalties	103,888	-	-	103,888
Interest and rents	340,463	411,979	69,632	822,074
Intergovernmental revenue	716,384	182,015	724,973	1,623,372
Service fees	586,225	-	-	586,225
Contributions from private sector	-	-	117,071	117,071
Miscellaneous revenue	275,536	-	15,618	291,154
<b>Total revenues</b>	<b>9,153,369</b>	<b>593,994</b>	<b>1,560,241</b>	<b>11,307,604</b>
<b>Expenditures:</b>				
General government	798,188	34,899	2,550	835,637
Public safety	5,571,330	359,088	814,392	6,744,810
Health and welfare	24,066	-	-	24,066
Public works:				
Highways, roads and streets	1,793,335	236,970	928,528	2,958,833
Recycling center and leaf collection	184,668	-	6,137	190,805
Culture and recreation	250,341	145,152	-	395,493
Miscellaneous	4,131	-	-	4,131
<b>Total expenditures</b>	<b>8,626,059</b>	<b>776,109</b>	<b>1,751,607</b>	<b>11,153,775</b>
<b>Excess (deficit) of revenues over (under) expenditures</b>	<b>527,310</b>	<b>(182,115)</b>	<b>(191,366)</b>	<b>153,829</b>

**FAIRVIEW TOWNSHIP**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024

	General	Capital reserve fund	Other governmental funds	Total governmental funds
<b>Other financing sources (uses):</b>				
Proceeds from sale of assets	\$ 107,382	\$ -	\$ -	\$ 107,382
Interfund transfers:				
Received	-	-	693,760	693,760
Expended	-	-	(693,760)	(693,760)
<b>Total other financing sources (uses)</b>	<b>107,382</b>	<b>-</b>	<b>-</b>	<b>107,382</b>
<b>Excess (deficit) of revenues and other financing sources over (under) expenditures and other uses</b>	<b>634,692</b>	<b>(182,115)</b>	<b>(191,366)</b>	<b>261,211</b>
<b>Fund balances:</b>				
Beginning of year, as restated	4,653,139	7,082,126	2,629,457	14,364,722
End of year	<b>\$ 5,287,831</b>	<b>\$ 6,900,011</b>	<b>\$ 2,438,091</b>	<b>\$ 14,625,933</b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2024

<b>Net changes in fund balances, total governmental funds</b>	<b>\$ 261,211</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Add, capital outlays, net of disposals	1,707,178
Deduct, depreciation expense	(1,691,031)
The change in value of the net pension asset is not reported in governmental funds.	353,748
The change in the deferred outflows and inflows related to pensions is not reported in the governmental funds:	
Deferred outflows related to pensions	(695,606)
Deferred inflows related to pensions	76,876
The change in the deferred outflows and inflows related to OPEB is not reported in the governmental funds:	
Deferred outflows related to OPEB	(89,030)
Deferred inflows related to OPEB	20,682
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, tax revenues. This amount results in an increase from the revenue previously unavailable.	17,203
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds:	
Other postemployment benefits	157,924
Compensated absences	(13,248)
<b>Changes in net position of governmental activities</b>	<b><u><u>\$ 105,907</u></u></b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

STATEMENT OF NET POSITION – PROPRIETARY FUNDS  
DECEMBER 31, 2024

Nonmajor  
proprietary  
funds

ASSETS

**Current assets:**

Cash and investments

\$ 21,542

Accounts receivable

13,621

**Total assets, all current**

**\$ 35,163**

LIABILITIES AND NET POSITION

Current liabilities, accounts payable

\$ 83

Net position, unrestricted

35,080

**Total liabilities and net position**

**\$ 35,163**

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION –  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2024

	<u>Nonmajor proprietary funds</u>
Operating revenues, charges for services	\$ 2,886
Operating expenses, collection, disposal and treatment	<u>826</u>
Excess of operating revenues over expenses	2,060
Nonoperating revenues, earnings on temporary deposits and investments	<u>516</u>
Excess of revenues over expenses and nonoperating revenues	2,576
<b>Net position:</b>	
Beginning of year	<u>32,504</u>
<b>End of year</b>	<b><u><u>\$ 35,080</u></u></b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2024

	<u>Nonmajor proprietary funds</u>
<b>Cash flows from operating activities:</b>	
Receipts from customers and users	\$ 6,820
Payments to suppliers	<u>(833)</u>
<b>Net cash provided by operating activities</b>	<b>5,987</b>
Cash flows provided by investing activities, investment income	<u>516</u>
<b>Net increase in cash and cash equivalents</b>	<b>6,503</b>
<b>Cash and cash equivalents:</b>	
Beginning	<u>15,039</u>
<b>Ending</b>	<b><u><u>\$ 21,542</u></u></b>
<b>Cash flows from operating activities:</b>	
Excess of operating revenues over expenses	<u>\$ 2,060</u>
Adjustments:	
Decrease in:	
Assets, accounts receivable	3,934
Liabilities, accounts payable	<u>(7)</u>
Total adjustments	<u>3,927</u>
<b>Net cash provided by operating activities</b>	<b><u><u>\$ 5,987</u></u></b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUND  
DECEMBER 31, 2024

	<u>Custodial fund, tax collection</u>
<b>Assets, cash and cash equivalents</b>	<b><u>\$ 305,468</u></b>
<b>Liabilities, due to other governments</b>	<b><u>\$ 305,468</u></b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUND  
YEAR ENDED DECEMBER 31, 2024

	<u>Custodial fund, tax collection</u>
Total additions, real estate taxes	\$ 33,057,585
Total deductions, intergovernmental disbursements	<u>33,057,585</u>
<b>Net change</b>	-
<b>Net position:</b>	
Beginning of year	<u>-</u>
<b>End of year</b>	<u><u>\$ -</u></u>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

STATEMENT OF FIDUCIARY NET POSITION – PENSION FUNDS  
DECEMBER 31, 2024

	<u>Nonuniformed pension fund</u>	<u>Police pension fund</u>	<u>Total</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 60,802	\$ 84,701	\$ 145,503
Investments	<u>10,713,359</u>	<u>14,468,357</u>	<u>25,181,716</u>
<b>Total assets</b>	<b><u>\$ 10,774,161</u></b>	<b><u>\$ 14,553,058</u></b>	<b><u>\$ 25,327,219</u></b>
<b>Liabilities and net position:</b>			
Current liabilities, securities payable	\$ 15,000	\$ 30,000	\$ 45,000
Net position restricted for pensions	<u>10,759,161</u>	<u>14,523,058</u>	<u>25,282,219</u>
<b>Total liabilities and net position</b>	<b><u>\$ 10,774,161</u></b>	<b><u>\$ 14,553,058</u></b>	<b><u>\$ 25,327,219</u></b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – PENSION FUNDS  
YEAR ENDED DECEMBER 31, 2024

	<u>Nonuniformed pension fund</u>	<u>Police pension fund</u>	<u>Total</u>
<b>Additions:</b>			
Contributions:			
State aid and employer	\$ 129,520	\$ 350,272	\$ 479,792
Employee	<u>26,219</u>	<u>79,541</u>	<u>105,760</u>
<b>Total contributions</b>	<b>155,739</b>	<b>429,813</b>	<b>585,552</b>
Net investment gain	<u>901,794</u>	<u>1,165,703</u>	<u>2,067,497</u>
<b>Total additions</b>	<b><u>1,057,533</u></b>	<b><u>1,595,516</u></b>	<b><u>2,653,049</u></b>
<b>Deductions:</b>			
Benefit payments	564,356	540,050	1,104,406
Administrative expenses	<u>11,204</u>	<u>11,397</u>	<u>22,601</u>
<b>Total deductions</b>	<b><u>575,560</u></b>	<b><u>551,447</u></b>	<b><u>1,127,007</u></b>
<b>Net increase</b>	<b>481,973</b>	<b>1,044,069</b>	<b>1,526,042</b>
<b>Net position restricted for pensions:</b>			
Beginning of year	<u>10,277,188</u>	<u>13,478,989</u>	<u>23,756,177</u>
<b>End of year</b>	<b><u><u>\$ 10,759,161</u></u></b>	<b><u><u>\$ 14,523,058</u></u></b>	<b><u><u>\$ 25,282,219</u></u></b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

STATEMENT OF FIDUCIARY NET POSITION – POSTEMPLOYMENT FUNDS  
YEAR ENDED DECEMBER 31, 2024

	<u>Nonuniformed benefits fund</u>	<u>Police benefits fund</u>	<u>Total</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 35,324	\$ 67,799	\$ 103,123
Investments	<u>1,165,520</u>	<u>1,747,244</u>	<u>2,912,764</u>
<b>Total assets</b>	<b><u>\$ 1,200,844</u></b>	<b><u>\$ 1,815,043</u></b>	<b><u>\$ 3,015,887</u></b>
<b>Net position restricted for OPEB</b>	<b><u>\$ 1,200,844</u></b>	<b><u>\$ 1,815,043</u></b>	<b><u>\$ 3,015,887</u></b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – POSTEMPLOYMENT FUNDS  
YEAR ENDED DECEMBER 31, 2024

	Nonuniformed benefits fund	Police benefits fund	Total
<b>Additions:</b>			
Contributions, employer	\$ 107,203	\$ 285,831	\$ 393,034
Net investment gain	75,347	99,587	174,934
<b>Total additions</b>	<b>182,550</b>	<b>385,418</b>	<b>567,968</b>
<b>Deductions:</b>			
Benefit payments	107,203	80,087	187,290
Administrative expenses	6,425	8,577	15,002
<b>Total deductions</b>	<b>113,628</b>	<b>88,664</b>	<b>202,292</b>
<b>Net increase</b>	<b>68,922</b>	<b>296,754</b>	<b>365,676</b>
<b>Net position restricted for OPEB:</b>			
Beginning of year	1,131,922	1,518,289	2,650,211
<b>End of year</b>	<b>\$ 1,200,844</b>	<b>\$ 1,815,043</b>	<b>\$ 3,015,887</b>

See notes to financial statements.

# **FAIRVIEW TOWNSHIP**

## **NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024**

### **1. Nature of operations and summary of significant accounting policies:**

The financial statements of Fairview Township (the Township) have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies of Fairview Township are described below.

Fairview Township is located in York County, Pennsylvania. It is a Township of the second class established in 1803 and operates under an elected five-member Board of Supervisors. The Township provides services in many areas to its residents, including building regulation, public safety, maintenance of streets and highways, recycling center and leaf collection, community enrichment programs and various general government services.

#### *Reporting entity:*

The Township defines its reporting entity based upon the criteria established by the GASB standards. The Township includes in its reporting entity organizations for which it is financially accountable and other organizations for which the nature and significance of the relationship with the Township is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. The Township is financially accountable to an organization if it appoints a voting majority of an organization's governing body and either it can impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific burdens on, the Township. The Township would include any organization fiscally dependent upon it.

The Fairview Township Fire Department (Fire Department) is included in these financial statements in other governmental funds based upon the criteria described above. During 2005, the Township acquired control over the operations of the Fire Department and became financially accountable for the financial matters of the organization. The majority of the assets titled to the Fire Department were transferred to the Township in previous years. The Fire Department has been reported as a blended component unit in the other governmental funds.

The Fairview Township Fire Department is an all-volunteer organization, which provides firefighting, education and prevention services to the residents of Fairview Township and surrounding areas. The Fire Department generates support and revenues from donations and fundraising events. A portion of the Local Services Tax, charged to all employees working within the Township, pays for operating expenses of the Fire Department. The Township employs paid drivers to support the firefighting activities of the Fire Department. In 2024, the Township hired a full-time Fire Chief to lead, manage and administer all operations of the Fire Department.

The Fairview Township Emergency Medical Services, Inc. (the EMS) provides advanced and basic life support services, as well as emergency and nonemergency medical transportation primarily to the residents of Fairview Township. The EMS generates support and revenues from billable service fees, membership dues and donations. The assets and liabilities of the EMS are not included in the financial statements.

# FAIRVIEW TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

### 1. Nature of operations and summary of significant accounting policies (continued):

#### *Jointly governed organization:*

The Township is a participant with other municipalities and school districts in the Cumberland County Tax Bureau (the Bureau). It is jointly governed by its participating members and is considered to be an internal service entity established to serve its member governmental units. The Bureau is a regional collector of local earned income tax and local services tax. The Bureau's operations are separated into three funds, two for tax receipts and distribution of such receipts and one for administration of the tax collection operation. The assets and liabilities of the Bureau are not included in the financial statements.

#### *Basis of presentation:*

Government-wide financial statements - The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from services or privileges provided by a given function or segment and 2) grants that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported as general revenues.

Fund financial statements - Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the Township or meets the following criteria:

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of that individual fund are at least 10% of the corresponding element total for all funds of that category or type; and
- b. Same element that met 10% criteria in a. is at least 5% of the corresponding element total for all funds combined.

The following paragraphs describe the fund accounting structure of the Township:

Governmental fund types - Governmental funds are those through which most governmental functions of the Township are financed.

Following are descriptions of the Township's governmental fund types:

**General fund** - The principal fund of the Township which accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the Township are financed through revenues of the general fund.

## FAIRVIEW TOWNSHIP

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

#### 1. Nature of operations and summary of significant accounting policies (continued):

##### *Basis of presentation:*

**Special revenue funds** - Funds used to account for and report the proceeds of specific revenue sources (other than capital projects and debt service) that are restricted or committed for specified purposes.

**Capital projects fund** - Funds used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

Major and nonmajor funds - The funds are further classified as major or nonmajor as follows:

##### Major funds:

**General fund** - The principal fund of the Township which accounts for all financial transactions not accounted for in other funds.

**Capital reserve fund** - The Capital reserve fund has been committed by the Board of Supervisors to provide financial resources to be used for expenditure of capital outlays and the acquisition or construction of capital facilities. This fund is also to be used to subsidize other funds with deficit fund balances.

##### Nonmajor funds:

**American Rescue Plan Act of 2021 (ARPA) fund** - A fund established by the Board of Supervisors to maintain the ARPA funds received by the Township (see Note 15). In accordance with the standard allowance section of the American Rescue Plan Act of 2021, the revenues received by the Township are to be utilized for provisions of governmental services, caused by the reduction in the growth of Township revenues subsequently resulting from the COVID-19 pandemic. The funds have been committed by the Board of Supervisors for ongoing and future provisions of governmental services related to various capital projects.

**Highway aid fund** - The Highway aid fund is used to account for specific revenues that are restricted to the expenditures for the improvement and maintenance of the Township's roads, bridges, curbs and gutters. Restrictions for use of these funds are placed on them by the Commonwealth of Pennsylvania.

**Street light fund** - This fund is used to account for the assessment of fees, based on front footage of served lots, and their expenditure to provide street lighting. These revenues are restricted for the payment of street light costs.

**Local Services Tax (LST) fund** - The Township deposits the collections of LST into this fund. The tax is assessed at \$52 per eligible worker in the Township. The tax has been collected and segregated into this fund and committed by the Board of Supervisors to provide funds for emergency services within the Township.

**Fire hydrant fund** - This fund is used to account for the collections of a tax imposed on residents served by fire hydrants and the expenditure for fire hydrant water service. These revenues are restricted for the payment of hydrant costs.

## **FAIRVIEW TOWNSHIP**

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

#### **1. Nature of operations and summary of significant accounting policies (continued):**

##### *Basis of presentation:*

##### Nonmajor funds:

**Fire service fund** - The Township's Board of Supervisors has committed resources to this fund to assist the volunteer fire company with its capital and operating expenditures. All expenditures from this fund require Township approval. On an annual basis, the Township commissions an audit of the volunteer fire company paid for from this fund. A copy of the audit is available at the Township's office. During the year ended December 31, 2024, the fund was subsidized from revenues received from the LST fund.

**Emergency Medical Services (EMS) fund** - The Township's Board of Supervisors has committed resources to this fund to assist the Township's EMS with its capital and operating expenditures. All expenditures from this fund require Township approval. On an annual basis, the Township commissions an audit of the EMS service paid for from this fund. A copy of the audit is available at the Township's office. During the year ended December 31, 2024, the fund was subsidized from revenues received from the LST fund.

**Capital projects fund** - The Capital projects fund has been committed by the Board of Supervisors to provide financial resources to be used for expenditure of capital outlays and the acquisition or construction of capital facilities. This fund is also to be used to subsidize other funds with deficit fund balances.

**Fairview Township Fire Department** - This is a blended component unit of the Township. The Fire Department provides fire fighting, education and protection services to the residents of Fairview Township. The Fire Department relies on donations from the public and a portion of the Local Services Tax, charged to all employees working within the Township.

Proprietary fund types - Proprietary fund types account for operations that are financed and operated in a manner similar to private business enterprises.

Enterprise funds - Enterprise funds are used to account for operations where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

**Sewer fund** - The Sewer fund is used to account for the financial transactions associated with the administration of the Township's formerly owned sewer system.

**Refuse fund** - The Refuse fund is used to account for the financial transactions associated with the past due balances related to when the Township administered the billing for trash collections.

Fiduciary fund types, trust funds - Fiduciary funds are used to account for assets held by the Township in a trustee capacity or as a custodian. Trust funds of Fairview Township include pension and postemployment benefits trust funds and are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

# FAIRVIEW TOWNSHIP

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

### 1. Nature of operations and summary of significant accounting policies (continued):

#### *Basis of presentation:*

Fiduciary fund types - Fiduciary funds are used to account for assets held by the Township as a trustee or custodian for other funds or governmental entities.

Custodial funds - Trust funds are used to account for assets held by the Township in a trustee capacity or as a custodian for individuals, private organizations, other governments or other funds. The Township is responsible for the appointment and compensation of a tax collection office for the assessment and collection of taxes imposed by the Township. The Township's tax collector collects taxes for the Township, school district and county. The taxes collected, but not yet remitted to the various governments makes up the assets and liabilities of the custodial fund.

Police and Nonuniformed Pension funds - These trust funds are used to account for the retirement contributions of the Township and its employees. Pension trust funds are accounted for in a manner similar to Proprietary funds since capital preservation is critical.

Police and Nonuniformed Postemployment Benefit funds - These trust funds are used to account for postemployment benefit contributions of the Township and its retirees. Postemployment benefits funds are accounted for in a manner similar to Proprietary funds since capital preservation is critical.

#### *Basis of accounting:*

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources generally are included on the balance sheet in the funds' statements. Long-term assets and long-term liabilities are included in the government-wide statements. Operating statements of the governmental funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The government-wide statements of net position and statements of activities and proprietary funds' and fiduciary trust funds' financial statements are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these activities are either included on the statement of net position or on the statement of fiduciary net position. They are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

The fund financial statements of the general, special revenue and capital projects funds are maintained and reported on the modified-accrual basis of accounting using the current financial resources measurement focus. Under this method of accounting, revenues are recognized in the period in which they become measurable and available. All budgets have been adopted on the modified-accrual basis of accounting for all governmental fund types. The material modifications of the modified-accrual method from the accrual method are as follows:

- a. Revenues are recognized in the accounting period in which they become susceptible to accrual; that is, when they become both measurable and available to finance expenditures of the current period.

Licenses, permits and fines, rental income and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

**FAIRVIEW TOWNSHIP**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024**

**1. Nature of operations and summary of significant accounting policies (continued):**

*Basis of accounting:*

Intergovernmental revenues and investment income are recorded when earned since they are measurable and available. For real estate taxes, available means collectible within the current period or within 60 days after year end. Real estate taxes which are uncollected or delinquent are recorded as receivables, net of the allowance for doubtful accounts. Current levies of taxes which are not available to finance current expenditures are recorded as unavailable revenues. Taxpayer assessed revenues are recognized when they become both measurable and available to finance expenditures of the fiscal period. Unavailable revenues at December 31, 2024 consisted of the following:

Unavailable revenues, real estate taxes:	
General fund	\$ 87,237
Street light fund	654
Fire hydrant fund	<u>1,543</u>
 Total unavailable revenues	 <u><u>\$ 89,434</u></u>

- b. Prepaid expenses are not recognized as such.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

*Tax revenue:*

Real estate and delinquent per capita taxes are recorded at gross amounts collected, with expenses and commissions paid recorded as expenditures under general government. Real estate transfer, earned income, local services and delinquent real estate taxes are recorded at the net amount received from the collecting agency after deduction for fees and expenses.

*Cash, cash equivalents and investments:*

Cash and cash equivalents consist of cash on hand, short-term, highly liquid investments with an original maturity of three months or less, when purchased, maintained at a local financial institution and short-term investments held by Pennsylvania Local Government Investment Trust (PLGIT) with original maturities of three months or less. Investments are principally stated at quoted market values or principal stated values which approximate fair value.

Cash deposits and cash equivalents are reported at carrying amounts which reasonably approximate fair value.

*Receivables:*

Accounts receivable and taxes receivable determined as being uncollectible are accounted for via the direct write-off method. As of December 31, 2024, the Township believes all governmental accounts receivable are 100% collectible. Proprietary funds accounts receivable include prior year fees charged for sewer and refuse services and are recorded net of an allowance for uncollectible fees, As of December 31, 2024, the allowance for uncollectible fees was \$9,436 related to sewer fees and \$3,597 related to refuse fees.

**FAIRVIEW TOWNSHIP**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024**

**1. Nature of operations and summary of significant accounting policies (continued):**

*Capital assets:*

Capital assets, which include land, land improvements, buildings, machinery and equipment, sewer systems and infrastructure assets (e.g., roads), are reported in the government-wide financial statements. Infrastructure assets include Township-owned roads, traffic signals and storm sewers. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.

All capital assets are depreciated, except for land. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the Township's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Capital assets estimated lives</u>
Buildings and improvements	40 years
Machinery and equipment	7 - 10 years
Vehicles	7 years
Infrastructure	25 - 50 years

*Unearned revenues:*

Unearned revenues consist of revenues received by the Township, although either the services were not performed or the funds were not spent by the Township, as of the year ended.

*Compensated absences:*

The Township's policies regarding sick and vacation time permit employees to accumulate earned but unused sick and vacation leave. The liability for these compensated absences is recorded as long-term in the government-wide statements. In the fund financial statements, governmental funds report only the compensated absence liability payable in the near-term.

*Use of estimates:*

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows or resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting periods. Actual results could differ from those estimates.

## **FAIRVIEW TOWNSHIP**

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

#### **1. Nature of operations and summary of significant accounting policies (continued):**

*Net position and fund balance classifications:*

Government-wide statements:

Net position is classified and displayed in three components:

- a. Investment in capital assets - Consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "investment in capital assets."

Fund financial statements:

The Township follows GASB standards which provide clearly defined fund balance categories to make the nature and extent of the constraints placed on the Township's fund balances more transparent. The following classifications describe the relative strength of the spending constraints.

- a. Nonspendable fund balances - Resources that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact (such as permanent endowments).
- b. Restricted fund balances - Resources constrained by external parties such as creditors, grantors, contributors or laws or regulations of other governments, or imposed by law through enabling legislation.
- c. Committed fund balances - Resources constrained by the Township's intent to use them for specific purposes such as capital improvement projects. There have been formal actions taken by the Township's Board of Supervisors to commit these funds for specific purposes.
- d. Assigned fund balances - Resources the Township intends to use for specific purposes. Intent can be expressed by the Township's Board of Supervisors or by an official or body to which the Township Board of Supervisors delegates the authority.
- e. Unassigned fund balances - Resources that have not been restricted, committed or assigned for specific purposes. Accounts for funds not reported in other funds.

Proprietary fund balance is classified the same as the net position reported on the government-wide statements.

## **FAIRVIEW TOWNSHIP**

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

#### **1. Nature of operations and summary of significant accounting policies (continued):**

##### *Deferred outflows/inflows of resources:*

The statement of net position reports a separate section for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements represent a consumption (outflows) or acquisition (inflows) of net position or fund balance that applies to future periods, and thus, will not be recognized as an outflow of resources (expense/expenditure) or inflow of resources (revenue) until then. The Township reported both outflows of resources and inflows of resources related to its pensions and other postretirement plans.

The balance sheet - governmental funds reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to future periods and so, will not be recognized as an inflow of resources (revenue) until that time. The Township has one type of item, unavailable tax revenues, which arise only under a modified-accrual basis of accounting, which qualifies for reporting in this category.

##### *Pending GASB statements:*

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The provisions of GASB Statement No. 102 are effective for the Township's December 31, 2025 financial statements.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model used in decision making and assessing a government's accountability. The provisions of this Statement are effective for the Township's 2026 financial statements.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The provisions of this Statement are effective for the Township's 2026 financial statements

The effect of implementation of these Statements on future years has not yet been determined.

#### **2. Adoption of new accounting pronouncement:**

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*. This Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions and assessing accountability.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences.

## **FAIRVIEW TOWNSHIP**

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

#### **2. Adoption of new accounting pronouncement (continued):**

Effective January 1, 2024, the Township adopted GASB Statement 100, *Accounting Changes and Error Corrections* and GASB Statement 101, *Compensated Absences*.

There was no quantitative impact as a result of adopting these Statements to the Township's financial statements.

#### **3. Deposits and investments:**

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including the following:

- United States treasury bills
- Obligations of the United States government and federal agencies
- Insured savings and checking accounts and certificates of deposit in banks, savings and loan associations and credit unions
- General obligation bonds of the federal government, the Commonwealth of Pennsylvania or any state agency or of any Pennsylvania political subdivision
- Shares of mutual funds whose investments are restricted to the above categories
- Repurchase agreements collateralized by United States treasury bills or federal agency securities
- Commercial paper issued by corporations or other business entities organized in accordance with federal and state law, with a maturity not to exceed 270 days and the issuing corporation or business entity is rated in the top short-term category by at least two nationally recognized statistical ratings organizations
- Bankers' acceptances that do not exceed 180 days maturity and the accepting bank is rated in the top short-term category by at least two nationally recognized statistical ratings organizations.
- Negotiable certificates of deposit with a remaining maturity of three years or less, issued by a nationally or state-chartered bank, a federal or state savings and loan association or a state-licensed branch of a foreign bank.

The statutes do not prescribe regulations related to demand deposits; however, they do allow the pooling of governmental funds for investment purposes.

Cash is maintained in either demand deposits or highly liquid money market funds and is captioned as cash in the financial statements. These amounts are stated at fair value. The deposits and investments of the fiduciary funds are administered by trustees and are held separately from those other municipal funds.

#### *Custodial credit risk, deposits and investments:*

For deposits, custodial credit risk is the risk that, in the event of bank failure, the Township's deposits may not be returned to it. For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investment or collateral security that is in the possession of an outside party. The Township's current investment policy requires that securities be held by custodians specified in the Township's investment program, and that there are written custodial agreements and commitments documenting collateral pledges. The policy also requires depository institutions to provide collateral for all deposits according to law.

**FAIRVIEW TOWNSHIP**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024**

**3. Deposits and investments (continued):**

*Custodial credit risk, deposits and investments:*

As of December 31, 2024, \$1,173,491 of the Township's bank balance of \$1,527,581 was not covered by the Federal Deposit Insurance Corporation, but was collateralized in accordance with Act 72. Act 72 requires the institution to pool collateral for all its government deposits and to have the collateral held by an approved custodian in the institution's name.

	<u>Fair value</u>
Reconciliation of cash, cash equivalents and equity in pooled cash and investments to the financial statements:	
Collateral held by the pledging bank under Act 72 but not in the Township's name	\$ 1,173,491
Insured by Federal Deposit Insurance Corporation	354,090
Outstanding checks	(234,155)
Deposits in transit	7,914
Petty cash	<u>450</u>
	1,301,790
Pennsylvania Local Government Investment Trust (PLGIT) AAAM:	
Class	735
Prime	10,357,790
Term	<u>3,450,000</u>
Total cash, cash equivalents and equity in pooled cash and investments per financial statement	<u>15,110,315</u>

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**3. Deposits and investments (continued):**

*Custodial credit risk, deposits and investments:*

As of December 31, 2024, the Township had the following investments:

	Fair value
Investments:	
Cash and cash equivalents:	
Mellon Bank, temporary investments and deposits	\$ 145,502
PNC Institutional Investments, temporary investments and deposits	103,123
Total investments, cash and cash equivalents	248,625
Level 1:	
Mellon Bank:	
Fixed income, mutual funds	8,389,762
Equities, mutual funds	14,834,913
Charles Schwab:	
Equities, mutual funds	1,734,895
Equities, exchange-traded funds	222,147
PNC Institutional Investments:	
Fixed income:	
Treasury bonds	77,860
Agency bonds	169,252
Municipal bonds	19,654
Exchange-traded funds	443,340
Mutual funds	1,219,912
Asset backed	19,054
Equities:	
Exchange-traded funds	657,181
Mutual funds	99,968
Total investments at Level 1	27,887,938
Level 2, PNC Institutional Investments, fixed income, corporate bonds	206,543
Total investments	28,343,106
Total deposits and investments	\$ 43,453,421
Reconciliation with financial statement amounts:	
Governmental funds	\$ 14,783,305
Business-type funds	21,542
Custodial fund	305,468
Postemployment benefit funds	3,015,887
Pension funds	25,327,219
	\$ 43,453,421

## **FAIRVIEW TOWNSHIP**

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

#### **3. Deposits and investments (continued):**

##### *Custodial credit risk, deposits and investments:*

In accordance with GASB standards, the Township categorizes the fair value of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs. The Township does not have any investments that are measured using Level 3 inputs.

##### *External investment pool:*

The Township uses external investment pools to ensure safety and maximize efficiency, liquidity and yield for Township funds. The external investment pools are valued at amortized cost, which approximates fair value. The amortized cost method involves valuing a security at its cost on the date of purchase and recording a constant amortization or accretion to maturity of any discount or premium. The fair value of the securities, held by the external investment pool, are evaluated on at least a weekly basis using prices supplied from an independent pricing service. These values are compared to the amortized cost of the securities.

The Township uses an external investment pool to ensure safety and maximize efficiency, liquidity and yield for Township funds. The external investment pool is valued at either fair value or amortized cost, which approximates fair value.

The Township categorizes the fair value of its investments based on the hierarchy. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs. The Township does not have any investments that are measured using Level 3 inputs.

The amortized cost method involves valuing a security at its cost on the date of purchase and recording a constant amortization or accretion to maturity of any discount or premium. The fair value of securities held by the external investment pool are evaluated on at least a weekly basis using prices supplied from an independent pricing service. These values are compared to the amortized cost of the securities. The amortized cost, which approximates fair value of the pool, is determined by the pool's share price.

Pennsylvania Local Government Investment Trust (PLGIT) separately issues audited financial statements that are available to the public via their website. The Township has no regulatory oversight for the pool, which is governed by the Board of Trustees and is administered by PFM Asset Management, LLC. Alternatively, the Commonwealth of Pennsylvania provides external regulatory oversight for the external investment pools. The pool is audited annually by Ernst & Young, LLP, an independent accounting firm.

The Township has funds totaling \$13,808,525 invested in PLGIT. PLGIT funds operate similarly to mutual funds and consist of short-term money market instruments and seek to maintain constant net assets value of \$1 per share. The Township is invested in the following PLGIT investment options:

- PLGIT Class Shares - A flexible option which requires no minimum balance, no minimum initial investment and a one-day minimum investment period. Dividends are paid monthly.
- PLGIT Prime - A variable rate investment portfolio rated AAAm by Standard & Poor's. This option requires no minimum balance and no minimum initial investment. This option limits redemptions or exchanges to two per calendar month.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**3. Deposits and investments (continued):**

*External investment pool:*

- PLGIT Term - A fixed term investment portfolio of the Trust with maturity of up to one year, depending upon the termination date of any particular series within the PLGIT/Term portfolio. This option requires a minimum initial investment of \$100,000, a minimum investment period of 60 days and has a premature withdrawal penalty.

PLGIT separately issues audited financial statements which are available to the public via their website. The Commonwealth of Pennsylvania provides external regulatory oversight for the external investment pools. At December 31, 2024, PLGIT investments carry AAAm ratings and have average maturities of less than one year.

*Credit risk:*

According to the Township’s investment policy, the selection of depository institutions, brokers, custodians, investment advisors, local government investment pools and money market mutual funds are based on legality, performance, quality of service, creditworthiness, reputation and integrity. In addition, the investment companies used by the Township must be rated in the highest category by a nationally recognized rating agency.

At December 31, 2024, the Township’s investments in fixed income securities, excluding fixed income mutual funds and exchange-traded funds, were as follows:

	Rating	Fair value
Investments:		
PNC institutional investments,		
fixed income:		
Treasury bonds	AAA	\$ 77,860
Agency bonds	Unrated	169,252
Municipal bonds	A	5,289
Municipal bonds	AA	14,365
Corporate bonds	AAA	6,154
Corporate bonds	AA	14,414
Corporate bonds	A	50,979
Corporate bonds	BAA	126,187
Corporate bonds	Unrated	8,809
 Total investments		 \$ 473,309

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**3. Deposits and investments (continued):**

*Concentration of credit risk:*

The Township places no limit on the amount of the Township may invest in any one issuer. At December 31, 2024, the majority of the Township’s pensions and OPEB investments are held in mutual funds form and, therefore, are not exposed to concentration of credit risk. Of the investments not held in mutual funds, 17% of the nonuniformed OPEB plan and 16% of the police OPEB plan are held in United States Treasury Notes, and 36% of the nonuniformed OPEB plan and 35% of the police OPEB plan are held in Federal Home Loan Mortgage Corporation and Federal National Mortgage Association agency bonds.

*Interest rate risk:*

The Township has a formal investment policy that permits investments as authorized by law and requires that maturities of investments are consistent with cash flow requirements. The policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The following is a schedule of the Township’s investments in fixed income securities, excluding fixed income mutual funds and exchange-traded funds, and their related average maturities:

	<u>Fair value</u>	<u>Maturities</u>		
		<u>1 to 5 years</u>	<u>6 to 10 years</u>	<u>Greater than 10 years</u>
Investments:				
PNC institutional investments, fixed income:				
Treasury bonds	\$ 77,860	\$ 2,866	\$ 24,177	\$ 50,817
Agency bonds	169,252	-	5,535	163,717
Municipal bonds	19,654	5,288	-	14,366
Corporate bonds	<u>206,543</u>	<u>65,699</u>	<u>83,889</u>	<u>56,955</u>
 Total investments	 <u>\$ 473,309</u>	 <u>\$ 73,853</u>	 <u>\$ 113,601</u>	 <u>\$ 285,855</u>

*Foreign currency risk:*

The Township invested in international equities in their pension and OPEB plans, which contains foreign currency risk. The Township’s balance at December 31, 2024 in international equities was \$7,312,952.

**4. Property taxes and assessments:**

*Real estate and fire hydrant taxes:*

The Township’s property and fire hydrant taxes are levied each February 15 on the assessed value as of January 1 as maintained by York County. Real property taxes are assessed on all nonexempt real property located in the Township. The fire hydrant tax is assessed on those residents owning real property in the Township within 780 feet of a fire hydrant. The millage rates for 2024 were: 1.75 mills - real estate for general purposes and .09 mills - fire hydrant.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**4. Property taxes and assessments (continued):**

*Street light assessments:*

The Township's street light assessment is levied each February 15 and is based on the road frontage footage of nonexempt property served by street lights. The assessment rates for the year ended December 31, 2024 were 13.0 cents/foot for unimproved and 47.0 cents/foot for improved road frontage.

Real estate and fire hydrant taxes and street light assessments attach as an enforceable lien on property on January 1 and are collected by an elected tax collector. Taxes paid through April 15 are given a 2% discount. Taxes paid after June 15 are charged a 10% penalty. Delinquent real estate taxes are collected by York County. Delinquent fire hydrant taxes and street light assessments are collected by the Township or elected tax collector.

**5. Capital assets:**

	Balance January 1, 2024	Additions	Deletions	Reclassifications	Balance December 31, 2024
Capital assets not being depreciated:					
Land	\$ 542,800	\$ -	\$ -	\$ -	\$ 542,800
Construction in progress	548,806	200,012	-	(600,572)	148,246
Total capital assets, not being depreciated	<u>1,091,606</u>	<u>200,012</u>	<u>-</u>	<u>(600,572)</u>	<u>691,046</u>
Capital assets being depreciated:					
Vehicles and equipment	8,763,237	727,597	\$ (244,660)	-	9,246,174
Buildings and improvements	10,105,263	50,261	-	600,572	10,756,096
Roads, traffic signals and storm sewers	57,571,511	763,693	-	-	58,335,204
Total capital assets being depreciated	<u>76,440,011</u>	<u>1,541,551</u>	<u>(244,660)</u>	<u>600,572</u>	<u>78,337,474</u>
Less accumulated depreciation:					
Vehicles and equipment	7,052,377	653,601	(210,275)	-	7,495,703
Buildings and improvements	2,215,277	210,185	-	-	2,425,462
Roads, traffic signals and storm sewers	40,997,485	827,245	-	-	41,824,730
Total accumulated depreciation	<u>50,265,139</u>	<u>1,691,031</u>	<u>(210,275)</u>	<u>-</u>	<u>51,745,895</u>
Capital assets, net	<u>\$ 27,266,478</u>	<u>\$ 50,532</u>	<u>\$ (34,385)</u>	<u>\$ -</u>	<u>\$ 27,282,625</u>

**FAIRVIEW TOWNSHIP**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024**

**5. Capital assets (continued):**

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 44,971
Public safety	514,002
Public works:	
Highways and streets	1,013,736
Recycling center and leaf collection	79,761
Recreation	<u>38,561</u>
 Total depreciation expense	 <u>\$ 1,691,031</u>

**6. Compensated absences:**

The Township allows nonuniformed and uniformed employees to accumulate unused sick leave to a maximum of 180 days. The Township allows nonuniformed and police employees to accumulate vested unused vacation time to a maximum of 50 days. Upon retirement, the vested unused vacation time is paid to the stated maximums. Sick leave is vested and paid upon retirement for nonuniformed employees in accordance with Township policy and to police officers at 50% of all accumulated sick leave upon retirement under the collective bargaining agreement.

For nonuniformed employees hired after August 29, 2011, the Township allows those employees to accumulate unused sick leave to a maximum of 120 days and to accumulate unused vacation leave to a maximum of 5 days. Upon retirement, the accumulated unused sick leave is paid out at 50% in accordance with Township policy.

As of December 31, 2024, the liability for vested unused vacation and sick leave is \$625,478. These amounts include payroll related tax liabilities.

**7. Defined benefit pension plans:**

*Plan descriptions:*

Fairview Township employees are covered under one of two defined benefit pension plans administered by the Township as a single-employer public employee retirement system (PERS). The employees are covered according to their occupation in either the Nonuniformed or Police Pension Plans. The plans are controlled by the provisions of the Township ordinances and Collective Bargaining Agreement adopted pursuant to Act 600 as enacted by the Pennsylvania legislature in 1988. The Township has delegated the authority to manage plan assets to Mellon Bank and Charles Schwab as trustees of the Nonuniformed Pension Plan assets and Mellon Bank as trustee of the Police Pension Plan assets. The respective plan assets may be used only for the payment of benefits to members and plan expenses, in accordance with the terms of the plan. The plans provide retirement, disability and death benefits to plan members and their beneficiaries.

The Township, by ordinance, has established a Police Pension Board to administer the Police Pension Plan and a separate Nonuniformed Pension Plan Board to administer the Nonuniformed Pension Plan.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

*Plan descriptions:*

The Police Pension Board shall consist of five members appointed by the Board of Supervisors, at least two of whom shall be duly elected or appointed Supervisors serving in such position, and at least two of whom shall be police officers, excepting the Chief of Police, in the active employment of the Township and duly elected by the police officers of Fairview Township. The fifth person appointed to the Board shall be a person mutually agreeable to the Board of Supervisors and the police officer representatives on the Board.

The Nonuniformed Pension Board shall consist of five members appointed by the Board of Supervisors, at least two of whom shall be duly elected or appointed Supervisors serving in such position, and at least two of whom shall be nonuniform employees, in the active employment of the Township and duly elected by the nonuniform employees of Fairview Township. The fifth person appointed to the Board shall be a person mutually agreeable to the Board of Supervisors and the nonuniform employees' representatives on the Board.

As of December 31, 2024, participation in the respective plans is as follows:

Nonuniformed Pension Plan:

Retirees and beneficiaries currently receiving benefits	22
Terminated employees entitled to deferred benefits	9
Active members	<u>20</u>
Total	<u><u>51</u></u>

Police Pension Plan:

Retirees and beneficiaries currently receiving benefits	15
Terminated employees entitled to deferred benefits	1
Active members	<u>19</u>
Total	<u><u>35</u></u>

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

*Plan descriptions:*

A summary of employee eligibility requirements and benefits as of December 31, 2024 is as follows:

	Nonuniformed	Police
a. Covered employees	All full-time nonuniformed employees	All full-time police
b. Eligibility for benefits	A Class 2 employee is eligible for normal retirement after age 65, or age 60 and completion of 25 years of service. A Class 1 employee is eligible for normal retirement after age 60, or completion of 25 years of service.	After age 50 and completion of 25 years of service
c. Monthly pension benefit	Equal to 2.00% of average monthly pay times the number of years of service completed up to a maximum of 25 years. Those hired prior to January 1, 2001, 1.50% of average monthly pay times the number of years of service. Service increment of \$100 per month for members who complete 25 or more years of service, with maximum of \$300 additional per month.  Average monthly pay is based upon the final plan year preceding retirement for employees hired before July 1, 2014.  Average monthly pay is based upon the last 36 months of employment for employees hired on or after July 1, 2014.	Equal to 50% of average monthly pay, plus a service increment of \$100 per month for members who complete 26 or more years of service, with maximum of \$300 additional per month.  Average monthly pay is based upon the last 36 months of employment.
d. Vesting	Immediate 100% for employees hired before July 1, 2014. Vest upon completion of five years of service if hired after July 1, 2014.	Upon completion of 12 years of service.
e. Disability retirement	If an active member becomes totally and permanently disabled, he is eligible for a disability pension. The monthly disability pension is equal to the benefit accrued to the date of disability.	If an active member is disabled in the line of duty, he is eligible for a disability pension. The monthly disability pension is equal to 75% of the member's monthly salary at the time the disability was incurred.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

*Plan descriptions:*

	Nonuniformed	Police
f. Death benefits	The preretirement death benefit for a member is a refund of his contributions with interest.	If a member is eligible for retirement at the time of death, a monthly death benefit is payable to his surviving spouse, or eligible child, equal to 50% of the monthly benefit the member would have been receiving had he been retired at the time of death.
g. Deferred retirement option program	An active member hired on or before August 29, 2011, who has met the eligibility requirements for normal retirement may elect to participate in the deferred retirement option program for a period of not less than three months, nor more than 24 months. His monthly pension shall be calculated as of his date of participation in the deferred retirement option program and shall be accumulated with 5.0% interest per annum and distributed in a lump sum at retirement.	An active member who has met the eligibility requirements for normal retirement may elect to participate in the deferred retirement option program for a period of not less than three months, nor more than 24 months. His monthly pension shall be calculated as of his date of participation in the deferred retirement option program and shall be accumulated with interest earned on the deferred retirement option program account and distributed in a lump sum at retirement.
h. Purchase of military service credits	N/A	Non-intervening military service credits may be purchased for each year of military service, up to a maximum of five years.

*Funding policy:*

Plan members are required to contribute a percentage of gross wages to the Nonuniformed and Police Pension Plans. These member requirements are reviewed and approved annually by the Township. The Township is required to fund the plans based upon actuarially determined minimum funding standards. The minimum funding standards were mandated by Act 205, enacted by the Pennsylvania legislature on December 18, 1984. The minimum funding requirement includes normal cost and administrative expenses and amortization costs of the unfunded actuarial accrued liability. Act 205 also provides state aid to assist municipalities in meeting their minimum funding requirements. Any remaining minimum funding obligations are paid from the general fund of the Township.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

*Funding policy:*

Funding of the respective plans was provided as follows for 2024:

Description	Nonuniformed Pension Plan	Police Pension Plan
Annual covered payroll	\$ 1,358,446	\$ 1,988,536
Employee contribution rate	2.0% of compensation	4.0% of gross wages
Employee contributions paid in 2024	\$ 26,219	\$ 79,541
State aid and employer contributions paid in 2024	\$ 129,520	\$ 350,272
Total contributions made as a percentage of payroll	11.5%	21.6%

*Net pension assets:*

The net pension assets were measured as of December 31, 2024, and the total pension liabilities were determined by rolling forward the liabilities from an actuarial valuation as of January 1, 2023. No significant events or changes in assumptions occurred between the valuation date and the fiscal year end.

*Actuarial assumption:*

The total pension liabilities in the January 1, 2023 actuarial valuations were determined using the following economic assumptions, applied to all periods included in the measurement:

Inflation	3.00%	
Salary increases	5.00%	(average, including inflation)
Investment rate of return	7.00%	(including inflation)
Postretirement cost of living increase	3.00%	

Mortality rates were based on the PubS-2010 mortality table for the Police Pension Plan and PubG-2010 mortality table for the Nonuniform Pension Plan. Both tables include rates for disabled retirees and contingent survivors. Incorporated into the tables are rates projected generationally using Scale MP-2021 to reflect mortality improvement.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

*Actuarial assumption:*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return</u>
Domestic equity	50%	5.5% - 7.5%
International equity	10%	4.5% - 6.5%
Fixed income	40%	1.0% - 3.0%

Discount rate:

The discount rate used to measure the total pension liability was 7.00%. The pension plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The employer has always met the funding requirements of Pennsylvania Act 205 of 1984. Act 205 requires full funding of the entry age normal cost plus plan expenses, as well as amortization of the unfunded liability.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

*Changes in the nonuniformed net pension asset:*

	Increase (decrease)		
	Total pension liability (a)	Plan fiduciary net position (b)	Net pension asset (a) - (b)
Balances at January 1, 2024	<u>\$ 9,599,535</u>	<u>\$ 10,277,188</u>	<u>\$ (677,653)</u>
Service cost	240,875	-	240,875
Interest cost	669,076	-	669,076
Contributions:			
Employer	-	129,520	(129,520)
Members	-	26,219	(26,219)
Net investment income	-	901,794	(901,794)
Benefit payments, including refund of member contributions	(564,356)	(564,356)	-
Administrative expense	-	(11,204)	11,204
Net changes	<u>345,595</u>	<u>481,973</u>	<u>(136,378)</u>
Balance at December 31, 2024	<u>\$ 9,945,130</u>	<u>\$ 10,759,161</u>	<u>\$ (814,031)</u>

*Sensitivity of the nonuniformed net pension (asset) liability to changes in the discount rate:*

The following presents the net pension (asset) liability of the plan, calculated using the discount rate of 7.00%, as well as what the plan's net pension (asset) liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	1% Decrease (6.00%)	Current discount rate (7.00%)	1% Increase (8.00%)
Plan's net pension (asset) liability	<u>\$ 316,424</u>	<u>\$ (814,031)</u>	<u>\$ (1,770,894)</u>

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

*Changes in the police net pension asset:*

	Increase (decrease)		
	Total pension liability (a)	Plan fiduciary net position (b)	Net pension asset (a) - (b)
Balances at January 1, 2024	\$ 13,408,468	\$ 13,478,989	\$ (70,521)
Service cost	417,811	-	417,811
Interest cost	948,938	-	948,938
Contributions:			
Employer	-	350,272	(350,272)
Members	-	79,541	(79,541)
Net investment income	-	1,165,703	(1,165,703)
Benefit payments, including refund of member contributions	(540,050)	(540,050)	-
Administrative expense	-	(11,397)	11,397
Net changes	826,699	1,044,069	(217,370)
Balance at December 31, 2024	\$ 14,235,167	\$ 14,523,058	\$ (287,891)

*Sensitivity of the police net pension (asset) liability to changes in the discount rate:*

The following presents the net pension (asset) liability of the plan, calculated using the discount rate of 7.00%, as well as what the plan's net pension (asset) liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	1% Decrease (6.00%)	Current discount rate (7.00%)	1% Increase (8.00%)
Plan's net pension (asset) liability	\$ 1,602,765	\$ (287,891)	\$ (1,837,698)

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

*Pension expense – Nonuniformed Pension Plan:*

Service cost	\$ 240,875
Interest on the total pension liability	669,076
Differences between expected and actual experience <sup>1</sup>	(76,876)
Member contributions	(26,219)
Projected earnings on pension plan investments	(704,709)
Difference between projected and actual earnings on investments <sup>2</sup>	134,570
Pension plan administrative expense	<u>11,204</u>
Total pension expense	<u><u>\$ 247,921</u></u>

<sup>1</sup> Each year's gain or loss is recognized over a closed period, using the average of the expected remaining service lives of all active and inactive employees that are provided pensions through this pension plan.

<sup>2</sup> Each year's gain or loss is recognized over a five-year period.

At December 31, 2024, the Township reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred outflows of resources	Deferred inflows of resources	Net total
Difference between expected and actual experience	\$ -	\$ 48,728	\$ (48,728)
Difference between projected and actual investment earnings	<u>398,489</u>	<u>-</u>	<u>398,489</u>
Total	<u><u>\$ 398,489</u></u>	<u><u>\$ 48,728</u></u>	<u><u>\$ 349,761</u></u>

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

*Pension expense – Nonuniformed Pension Plan:*

Amounts reported as deferred outflows and inflows of resources related to pensions will be included in the pensions as follows:

<u>Year ended</u>	<u>Net amortization</u>
2025	\$ 193,212
2026	356,307
2027	(160,341)
2028	(39,417)
	\$ 349,761

*Pension expense – Police Pension Plan:*

Service cost	\$ 417,811
Interest on the total pension liability	948,938
Differences between expected and actual experience <sup>1</sup>	(104,486)
Changes of assumptions <sup>1</sup>	64,052
Member contributions	(79,541)
Projected earnings on pension plan investments	(939,272)
Difference between projected and actual earnings on investments <sup>2</sup>	177,954
Pension plan administrative expense	11,397
Total pension expense	\$ 496,853

<sup>1</sup> Each year's gain or loss is recognized over a closed period, using the average of the expected remaining service lives of all active and inactive employees that are provided pensions through this pension plan.

<sup>2</sup> Each year's gain or loss is recognized over a five-year period.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

*Pension expense – Police Pension Plan:*

At December 31, 2024, the Township reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>	<u>Net total</u>
Difference between expected and actual experience	\$ 142,301		\$ 142,301
Changes of assumptions	59,113		59,113
Difference between projected and actual investment earnings	<u>511,040</u>		<u>511,040</u>
Total	<u>\$ 712,454</u>		<u>\$ 712,454</u>

Amounts reported as deferred outflows and inflows of resources related to pensions will be included in the pensions as follows:

<u>Year ended</u>	<u>Net amortization</u>
2025	\$ 381,478
2026	463,217
2027	(216,513)
2028	(34,226)
2029	59,249
thereafter	<u>59,249</u>
	<u>\$ 712,454</u>

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

*Investments:*

Investments are purchased by the trustee as part of the Pension Trust Funds. The investments are stated at fair value as of December 31, 2024 and consisted of the following:

	Cost	Fair value
Nonuniformed pension:		
Mellon Bank, temporary investments and deposits	\$ 60,802	\$ 60,802
Level 1:		
Mellon Bank:		
Fixed income	2,768,596	3,163,452
Equities	3,595,265	5,592,865
Charles Schwab:		
Mutual funds	1,557,295	1,734,895
Exchange-traded funds	194,424	222,147
	8,176,382	10,774,161
 Police pension:		
Mellon Bank, temporary investments and deposits	84,701	84,701
Level 1:		
Mellon Bank:		
Fixed income	4,622,398	5,226,309
Equities	6,041,140	9,242,048
	10,748,239	14,553,058
Investments, pension	\$ 18,924,621	\$ 25,327,219

The pension trust investments are uninsured, unregistered and uncollateralized. The investments are only as secure as the underlying securities themselves.

*Investment policy:*

The assets of the pension plans will be invested in a manner consistent with the following considerations: a) the safeguards and diversity to which a prudent investor would adhere must be present and b) all transactions undertaken on behalf of the plans must be for the sole benefit of plan participants and their beneficiaries.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

*Investment policy:*

The following characteristics are expected to be associated with the plans and will be viewed as guidelines for management of investments.

Objective:

The investment objective will be to obtain a return commensurate with the level of assumed risk as indicated by these investment guidelines.

Asset mix/investment management:

The following will represent the target allocation of asset classes described. The Bank of New York Mellon will be expected to manage the total Police Pension Plan portfolio and a portion of the Nonuniformed Pension Plan portfolio in accordance with these target allocations. Each asset class will be actively managed to provide incremental returns relative to appropriate market benchmarks.

	<u>Target allocation</u>
Equities:	
Large capitalization stocks	20 %
Small/mid capitalization stocks	16
International equities	<u>24</u>
	60
Fixed income, core bonds	<u>40</u>
Total	<u><u>100 %</u></u>

A portion of the Nonuniformed Pension Plan's assets are managed through Conrad Siegel Investment Advisors, which are being held by Charles Schwab. The investment objectives are the same as stated above. The asset allocation is as follows:

	<u>Target allocation</u>
Fixed income	35 %
Equities	<u>65</u>
Total	<u><u>100 %</u></u>

The investment policy remains in effect until revoked or changed by the respective pension boards. There were no changes in policy for 2024.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**7. Defined benefit pension plans (continued):**

The following is a summary of the Nonuniformed Pension Plan's net dollar-weighted rates of investment return for the past ten calendar years on a market value basis:

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Market value of assets	0.9%	6.8%	16.5%	(7.5)%	19.4%	14.6%	10.9%	(15.2)%	15.2%	9.2%

The following is a summary of the Police Pension Plan's net dollar-weighted rates of investment return for the past ten calendar years on a market value basis:

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Market value of assets	1.1%	6.2%	16.9%	(7.7)%	19.6%	14.9%	10.6%	(15.1)%	15.2%	9.1%

**8. Other postemployment medical benefits:**

The Township applies GASB standards for the measurement, recognition and reporting of expenditures for postemployment benefits (OPEB) other than pensions and the related liabilities in the financial reports of state and local governmental employers. OPEB costs are recognized in the government-wide statements when the employee-related services are received by the employer rather than when the benefits are paid.

*Plan descriptions:*

In addition to the pension benefits described in Note 7, the Township has two single-employer, defined benefit other postemployment benefit (OPEB) plans covering its full-time nonuniformed employees and police officers through its group health insurance plan. The plans do not have separately issued financial reports. The plans are administered by PNC Institutional Investments. The plans' benefit provisions and all other requirements are established through negotiations between the Township and the Union representing the nonuniformed employees and police officers. Collective bargaining agreements, which require Board approval, are the authority under which benefit provisions are established or may be amended. The negotiated benefit provisions are detailed in the following paragraphs.

*Plan membership:*

At December 31, 2024, the Nonuniformed and Police OPEB Plan membership consisted of the following (actual number of plan members):

	Nonuniformed OPEB Plan	Police OPEB Plan
Active members	9	18
Retired participants	6	2
Total	15	20

## **FAIRVIEW TOWNSHIP**

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024

#### **8. Other postemployment medical benefits (continued):**

##### *Contributions and benefits:*

The Township's contribution is based on actuarially determined amounts. For the year ended December 31, 2024, the Township contributed \$107,203 and \$285,831 to the Nonuniformed and Police OPEB Plans, respectively.

Collective bargaining agreements, which require Board approval for establishment or amendments, are the authority which obligates the Township and others to contribute to the plans.

##### Nonuniformed OPEB Plan:

Nonuniformed employees hired prior to August 29, 2011 and their spouses, are eligible for postemployment medical benefits including, medical, prescription drug and dental insurance, upon retirement after attainment of age 65 and completion of 12 years of service or after attainment of age 60 and completion of 25 years of service, if earlier. Benefits shall extend for eight years from the date of the employee's retirement and shall only be provided if the employee certifies in writing, on or before the anniversary date of his/her retirement, that he or she is not eligible for coverage under any other employer-sponsored healthcare plan, including a plan sponsored by the employer of his or her spouse. Further, for spousal coverage, the employee must be legally married to his/her spouse at the time of retirement. An employee must choose and be eligible for this benefit at the time of his or her retirement. Nonuniformed employees hired on or after August 29, 2011 are not eligible for postemployment benefits.

##### Police OPEB Plan:

Police officers and their spouses, are eligible for postemployment medical benefits including, medical, prescription drug and dental insurance, upon retirement after attainment of age 50 and completion of 25 years of service or due to a service related disability. Benefits will be paid for a period of eight years from the date of the officer's retirement. The officer may not be eligible for medical coverage from any other employer-sponsored healthcare plan, including a plan sponsored by the employer of their spouse.

Effective January 1, 2012, all police officers hired in 2012 or later will be required to contribute 20% of medical insurance premiums during retirement. For the year ended December 31, 2024, there were no plan member contributions to the Police OPEB Plan.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**8. Other postemployment medical benefits (continued):**

*Net OPEB liability:*

The net OPEB liability was measured as of December 31, 2024, and the total OPEB liability was determined by rolling forward the liability from an actuarial valuation as of January 1, 2023. Updated procedures were used to roll forward to the plan's year ended December 31, 2024. No other significant events or changes in assumptions occurred between the valuation date and the year end. The components of the net OPEB liability of the Township as of December 31, 2024 were as follows:

	Nonuniformed OPEB Plan	Police OPEB Plan	Total
Total OPEB liability	\$ 1,271,632	\$ 2,256,592	\$ 3,528,224
Plan fiduciary net position	1,200,844	1,815,043	3,015,887
Net OPEB liability	\$ 70,788	\$ 441,549	\$ 512,337
Plan fiduciary net position as a percentage of the total OPEB liability	94.43%	80.43%	85.48%

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**8. Other postemployment medical benefits (continued):**

*Changes in net OPEB liability:*

The changes in the nonuniformed net OPEB liability for the Township for the year ended December 31, 2024 were as follows:

	Increase (decrease)		
	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB liability (a) - (b)
Balances at January 1, 2024	\$ 1,260,210	\$ 1,131,922	\$ 128,288
Service cost	33,922	-	33,922
Interest <sup>2</sup>	71,073	-	71,073
Changes of assumptions <sup>1</sup>	13,630	-	13,630
Contributions, employer	-	107,203	(107,203)
Net investment income	-	75,347	(75,347)
Benefit payments <sup>2</sup>	(107,203)	(107,203)	-
Administrative expense	-	(6,425)	6,425
Net changes	11,422	68,922	(57,500)
Balance at December 31, 2024	<u>\$ 1,271,632</u>	<u>\$ 1,200,844</u>	<u>\$ 70,788</u>

Notes to schedule:

Changes in assumptions:

The trend assumption was updated.

Changes in benefit terms:

<sup>1</sup> Each year's gain or loss is recognized over a closed period, using the average of the expected remaining service lives of all active and inactive employees that are currently receiving a benefit or may be eligible to receive a benefit in the future.

<sup>2</sup> These figures are based on estimated benefit payments. These amounts may be adjusted for actual benefit payments made during the year.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**8. Other postemployment medical benefits (continued):**

*Changes in net OPEB liability:*

The changes in the police net OPEB liability for the Township for the year ended December 31, 2024 were as follows:

	Increase (decrease)		
	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB liability (a) - (b)
Balances at January 1, 2024	\$ 2,060,262	\$ 1,518,289	\$ 541,973
Service cost	116,978	-	116,978
Interest <sup>2</sup>	122,697	-	122,697
Changes of assumptions <sup>1</sup>	36,742	-	36,742
Contributions, employer	-	285,831	(285,831)
Net investment income	-	99,587	(99,587)
Benefit payments <sup>2</sup>	(80,087)	(80,087)	-
Administrative expense	-	(8,577)	8,577
Net changes	196,330	296,754	(100,424)
Balance at December 31, 2024	<u>\$ 2,256,592</u>	<u>\$ 1,815,043</u>	<u>\$ 441,549</u>

Notes to schedule:

Changes in assumptions:

The trend assumption was updated.

Changes in benefit terms:

<sup>1</sup> Each year's gain or loss is recognized over a closed period, using the average of the expected remaining service lives of all active and inactive employees that are currently receiving a benefit or may be eligible to receive a benefit in the future.

<sup>2</sup> These figures are based on estimated benefit payments. These amounts may be adjusted for actual benefit payments made during the year.

**FAIRVIEW TOWNSHIP**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024**

**8. Other postemployment medical benefits (continued):**

*Actuarial assumption:*

Actuarial valuation date	January 1, 2023
Actuarial cost method	Entry age normal
Actuarial value of assets	Market value of assets
Rates:	
Inflation rate	2.50%
Long-term expected rate of return:	
Fixed income	1.00% - 3.00%
Equities	5.50% - 7.50%
Salary increase	5.00%
Discount rate	5.75%
Healthcare costs trend rate	7.0% in 2024 and 2025 with 0.5% decrease per year until 5.5% in 2028. Rates gradually decrease from 5.4% in 2029 to 4.0% in 2075 and later based on the Society of Actuaries Long-Run Medical Cost Trend Model.
Retirement	Police officers are assumed to elect the DROP benefit for 24 months upon the later of attainment of age 50 and completion of 25 years of service. Nonuniformed employees are assumed to retire upon the attainment of age 65, or earlier, elect the DROP benefit for 24 months upon the later of attainment of age 60 and completion of 25 years of service.
Mortality	PubS-2010 Headcount-Weighted mortality table for Police and PubG-2010 Headcount-Weighted mortality table for Nonuniform, including rates for disabled retirees and contingent survivors. Incorporated into the tables are rates project generationally using Scale MP-2021 to reflect morality improvement.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**8. Other postemployment medical benefits (continued):**

*Actuarial assumption:*

Insurance premiums:

Age adjustments (Medical/Rx)

Age	Males	Females
<25	\$ 4,031	\$ 9,075
25-29	4,850	12,103
30-34	5,486	12,276
35-39	6,650	12,750
40-44	8,126	13,731
45-49	10,433	15,067
50-54	13,817	17,028
55-59	16,829	17,818
60-64	21,960	20,469
65+	7,358	7,358

Dental

Coverage	Premium
Single	\$ 345
Family	1,086

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return
Fixed income	75%	1.0% - 3.0%
Equities	25%	5.5% - 7.5%

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**8. Other postemployment medical benefits (continued):**

*Actuarial assumption:*

Discount rate:

The discount rate used to measure the total OPEB liability was 5.75%, based upon the expected rate of return, net of expected investment expenses. The OPEB plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The employer's funding policy is to fund actuarially determined employer contribution each year.

*Sensitivity of the net OPEB liability to changes in the discount rate:*

The following presents the net OPEB liability of the plan, calculated using the discount rate of 5.75%, as well as what the plan's net OPEB liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	1% Decrease (4.75%)	Current discount rate (5.75%)	1% Increase (6.75%)
Nonuniformed net OPEB (asset) liability	\$ 148,378	\$ 70,788	\$ (2,782)
Police net OPEB liability	635,615	441,549	265,438

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates:*

The following presents the net OPEB liability of the Township, as well as what the Township's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (6.0% decreasing to 3.0%) or 1% higher (8.0% decreasing to 5.0%) than the current healthcare cost trend rates:

	Healthcare cost trend rates		
	1% Decrease 6.0% decreasing to 3.0%	Current healthcare cost trend 7.0% decreasing to 4.0%	1% Increase 8.0% decreasing to 5.0%
Nonuniformed net OPEB (asset) liability	\$ (44,913)	\$ 70,788	\$ 201,572
Police net OPEB liability	180,616	441,549	749,053

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**8. Other postemployment medical benefits (continued):**

*OPEB expense:*

The OPEB expense for the Township for the year ended December 31, 2024 was as follows:

	<u>Nonuniformed OPEB Plan</u>	<u>Police OPEB Plan</u>	<u>Total</u>
Service cost	\$ 33,922	\$ 116,978	\$ 150,900
Interest on the total OPEB liability	71,073	122,697	193,770
Expected investment earnings	(64,901)	(92,970)	(157,871)
Amortization of deferred outflows	69,587	84,164	153,751
Amortization of deferred inflows	(9,815)	(42,279)	(52,094)
OPEB plan administrative expense	<u>6,425</u>	<u>8,577</u>	<u>15,002</u>
Total OPEB expense	<u>\$ 106,291</u>	<u>\$ 197,167</u>	<u>\$ 303,458</u>

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**8. Other postemployment medical benefits (continued):**

*Deferred outflows and inflows of resources:*

At December 31, 2024, deferred outflows and inflows of resources related to the OPEB plans are from the following source:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>	<u>Net total</u>
Nonuniformed:			
Changes of assumptions	\$ -	\$ 1,797	\$ (1,797)
Difference between:			
Expected and actual experience	129,568	-	129,568
Projected and actual investment earnings	<u>53,937</u>	<u>-</u>	<u>53,937</u>
Total nonuniformed	<u>\$ 183,505</u>	<u>\$ 1,797</u>	<u>\$ 181,708</u>
Police:			
Changes of assumptions	\$ 48,835	\$ -	\$ 48,835
Difference between:			
Expected and actual experience	-	80,380	(80,380)
Projected and actual investment earnings	<u>59,996</u>	<u>-</u>	<u>59,996</u>
Total police	<u>\$ 108,831</u>	<u>\$ 80,380</u>	<u>\$ 28,451</u>
Grand total:			
Changes of assumptions	\$ 48,835	\$ 1,797	\$ 47,038
Difference between:			
Expected and actual experience	129,568	80,380	49,188
Projected and actual investment earnings	<u>113,933</u>	<u>-</u>	<u>113,933</u>
Grand total	<u>\$ 292,336</u>	<u>\$ 82,177</u>	<u>\$ 210,159</u>

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**8. Other postemployment medical benefits (continued):**

*Deferred outflows and inflows of resources:*

Amounts reported as deferred outflows of resources related to the OPEB plan are included in the OPEB expenses as follows for the year ended December 31:

<u>Year ended December 31,</u>	<u>Nonuniformed Plan</u>	<u>Police Plan</u>	<u>Total</u>
2025	\$ 53,264	\$ 34,177	\$ 87,441
2026	53,346	34,485	87,831
2027	7,317	(17,455)	(10,138)
2028	17,207	(4,687)	12,520
2029	12,770	(11,399)	1,371
thereafter	<u>37,804</u>	<u>(6,670)</u>	<u>31,134</u>
	<u>\$ 181,708</u>	<u>\$ 28,451</u>	<u>\$ 210,159</u>

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**8. Other postemployment medical benefits (continued):**

*Investments:*

Investments are purchased by the trustee as part of the OPEB Trust Funds. The investments are stated at fair value as of December 31, 2024 and consisted of the following:

	Cost	Fair value
Nonuniformed Plan:		
PNC institutional investments:		
Temporary investments and deposits	\$ 35,326	\$ 35,326
Fixed income:		
Corporate bonds	88,491	84,987
Treasury bonds	36,237	30,500
Agency bonds	76,418	69,684
Municipal bonds	7,551	6,971
Exchange-traded funds	179,097	174,288
Mutual funds	507,337	485,290
Asset backed	7,933	8,026
Equities:		
Exchange-traded funds	195,110	266,712
Mutual funds	53,729	39,060
Total Nonuniformed Plan	1,187,229	1,200,844
Police Plan:		
PNC institutional investments:		
Temporary investments and deposits	67,799	67,799
Fixed income:		
Corporate bonds	127,759	121,555
Treasury bonds	54,104	47,360
Agency bonds	107,589	99,568
Municipal bonds	13,514	12,682
Exchange-traded funds	274,974	269,052
Mutual funds	763,373	734,622
Asset backed	10,899	11,028
Equities:		
Exchange-traded funds	296,079	390,469
Mutual funds	78,128	60,908
Total Police Plan	1,794,218	1,815,043
Investments, OPEB	\$ 2,981,447	\$ 3,015,887

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**9. Deferred compensation plan:**

The Township has a deferred compensation plan authorized under Internal Revenue Code Section 457 which is available to its full-time employees. Participation in the plan is voluntary and it is funded only by employee contributions. The plan permits deferral of a portion of the employees' salaries until future years. The deferred compensation is not available for withdrawal until termination, retirement, death or disability.

The Township follows GASB standards that were adopted in response to amendments of Internal Revenue Code (IRC) 457, which now requires that a 457 deferred compensation plan hold all assets and income of the plan for the exclusive benefit of the participants and their beneficiaries. The Township has amended the plan to comply with the IRC 457 amendments. Accordingly, the plan is not reported as part of these financial statements.

**10. Reservations of fund balances and net position:**

Reservations of fund balances and net position as of December 31, 2024 are not appropriable for expenditure, or are legally segregated for specific purposes as follows:

General fund (listed as committed funds by Board of Supervisors):	
Compensated absences, Township employees	\$ 1,855,328
Pooled sick days, police	<u>153,006</u>
	<u>\$ 2,008,334</u>
Postemployment benefits trust funds, healthcare benefits	<u>\$ 3,015,887</u>
Pension trust funds, employee benefits	<u>\$ 25,282,219</u>

**11. Interfund receivables, payables and transfers:**

Transfers are used to (1) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the appropriate fund as debt service payments come due and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

In the year ended December 31, 2024, the Township made the following transfers:

	Transfers to other funds	Transfers from other funds
LST fund	\$ 633,760	\$ -
Fire service fund	-	463,600
EMS fund	-	230,160
Fairview Township Fire Department	<u>60,000</u>	<u>-</u>
	<u>\$ 693,760</u>	<u>\$ 693,760</u>

There were no interfund receivables and payables as of December 31, 2024.

## **FAIRVIEW TOWNSHIP**

### **NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024**

#### **12. Traffic impact fee:**

The Township passed an ordinance requiring that a transportation impact fee be imposed upon residential and non-residential, including commercial and industrial, development in order to assist in the financing of specified major transportation capacity improvements in a transportation service area. The ordinance was established to ensure that the transportation system is available and adequate to support new growth and development. The fees collected will be expended for costs incurred for improvements attributable to new development and designated in the Transportation Capital Improvement Plan for improvements within the transportation service areas in which the new development is located. The transportation impact fees for transportation capital improvements shall be based upon the total costs of the road improvements included in the adopted Transportation Capital Improvements Plan within the transportation service areas. The amount of per-peak-hour-trip fee for Transportation Service Area 1 (TSA #1) shall be \$1,583; Transportation Service Area #2 (TSA #2) shall be \$1,964 and Transportation Service Area #3 (TSA #3) shall be \$0.

#### **13. Commitments and contingencies:**

During 2022, the Township and the police officers agreed to a new collective bargaining agreement covering January 1, 2023 through December 31, 2027.

The Township requires developers to obtain letters of credit and escrow agreements to provide assurance that projects will be completed according to approved specifications and on a timely basis. Should a default occur, it may be necessary for the Township to take over the defaulted project.

Outstanding escrow deposits at December 31, 2024 were \$1,064,997.

During the normal course of performing its duties to the general public which it serves, the Township is subject to numerous threatened lawsuits and complaints. The Township has notified its insurance carrier and turned these matters over to the insurance carrier. It is the belief of legal counsel that any loss will be covered by insurance.

During 2017, the Township entered into an intergovernmental cooperation agreement for the implementation of the York County regional Chesapeake Bay pollutant reduction plan. This cooperative was formed to comply with the Pennsylvania Department of Environmental Protection MS4 permit regarding stormwater discharges. Participants share in the cost to implement Best Management Practices that are designated to control stormwater and improve water quality. The term of the original agreement began on September 16, 2017 and ended on December 31, 2023. The Township entered into a contract extension which extends the term of the agreement to December 31, 2025. Contributions are due annually based on a cost-sharing formula. The Township was not required to make a contribution in 2024.

#### **14. Risk management:**

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Township maintains commercial insurance covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three years.

The Township participates in a self-funded trust with other municipalities to provide medical benefits to employees and retirees. Under the trust plan, the Township pays reasonable and customary healthcare expenses. For the year ended December 31, 2024, the Township paid premiums of \$892,291. Actual claims paid for the year ended December 31, 2024 were \$1,537,568 less reimbursements of \$680,178. The Township also incurred a shared cost of \$5,806 and is anticipating a refund of \$29,095 in 2025.

**FAIRVIEW TOWNSHIP**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024

**15. American Rescue Plan:**

On March 11, 2021, the American Rescue Plan Act of 2021 (American Rescue Plan), a \$1.9 trillion coronavirus (COVID-19) relief package, was signed into law. The American Rescue Plan provides additional relief to address the continued impact of COVID-19 on the economy, public health, state and local governments, individuals and businesses. The American Rescue Plan provides \$130 billion in emergency funding for local governments to enable them to continue to support the public health response and lay the foundation for a strong and equitable economic recovery. The Township was allocated \$1,848,737 in funding from the American Rescue Plan. The Township will have until December 31, 2024 to spend these funds. Any funds not spent by December 31, 2024 are to be turned back over to the federal treasury.

The Township received the first installment of \$921,455 during 2021, of which \$658,235 was used. The Township received the second installment of \$927,282 during 2022 and used \$370,944. The Township used \$741,923 of ARPA funding during 2023. In 2024, the Township expended the remaining \$77,635 of ARPA funding. No ARPA funds remained at December 31, 2024.

**16. Prior period adjustments:**

Prior period adjustments were made to the general fund, governmental funds and governmental activities to record taxes receivable and accounts receivable relating to the year ended December 31, 2023. The following are the adjustments to the beginning fund balances and net position:

	General fund	Other governmental funds	Governmental funds	Governmental activities
Beginning fund balance/net position as previously reported, December 31, 2023	\$ 4,026,419	\$ 2,570,178	\$ 13,678,723	\$ 42,415,650
Prior period adjustments:				
Record taxes receivable	563,777	59,279	623,056	649,973
Record accounts receivable	62,943		62,943	62,943
Fund balance/net position as restated, January 1, 2024	<u>\$ 4,653,139</u>	<u>\$ 2,629,457</u>	<u>\$ 14,364,722</u>	<u>\$ 43,128,566</u>

**17. Subsequent events:**

The Township has evaluated events through July 7, 2025, the date which the financial statements were available to be issued.

**FAIRVIEW TOWNSHIP**

(REQUIRED SUPPLEMENTARY INFORMATION)  
**SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED PERCENTAGES – NONUNIFORMED PENSION PLAN (unaudited)**  
**FOR THE YEARS ENDED DECEMBER 31**  
 (See independent auditor's report)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability:										
Service cost	\$ 240,875	\$ 229,405	\$ 210,999	\$ 200,951	\$ 196,350	\$ 187,000	\$ 186,569	\$ 177,685	\$ 223,230	\$ 212,600
Interest	669,076	642,385	609,095	583,380	590,994	563,878	525,302	502,411	550,951	523,658
Changes for experience	-	70,369	-	(454,749)	-	(158,554)	-	-	-	6,420
Differences between experience	-	-	-	-	-	-	-	(1,363,350)	-	-
Changes of assumptions	-	-	-	-	-	357,534	-	317,818	-	-
Benefit payments, including refunds of member contributions	(564,356)	(439,565)	(427,034)	(426,998)	(432,635)	(355,179)	(385,332)	(327,074)	(406,585)	(308,415)
Net change in total pension liability	345,595	502,594	393,060	(97,416)	354,709	594,679	326,539	(692,510)	367,596	434,263
Total pension liability:										
Beginning of year	9,599,535	9,096,941	8,703,881	8,801,297	8,446,588	7,851,909	7,525,370	8,217,880	7,850,284	7,416,021
End of year (a)	<u>\$ 9,945,130</u>	<u>\$ 9,599,535</u>	<u>\$ 9,096,941</u>	<u>\$ 8,703,881</u>	<u>\$ 8,801,297</u>	<u>\$ 8,446,588</u>	<u>\$ 7,851,909</u>	<u>\$ 7,525,370</u>	<u>\$ 8,217,880</u>	<u>\$ 7,850,284</u>
Plan fiduciary net position:										
Contributions:										
Employer	\$ 129,520	\$ -	\$ -	\$ 176,473	\$ 91,962	\$ 99,132	\$ 86,761	\$ 70,359	\$ 173,104	\$ 347,807
Member	26,219	-	477	35,836	30,495	29,520	29,643	29,569	24,599	35,205
Net investment income (loss)	901,794	1,317,620	(1,784,892)	1,104,907	1,346,594	1,543,129	(742,372)	1,285,276	510,350	16,381
Benefit payments, including refunds of member contributions	(564,356)	(439,565)	(427,034)	(426,998)	(432,635)	(355,179)	(385,332)	(327,074)	(406,585)	(308,415)
Administrative expense	(11,204)	(2,297)	(10,597)	(10,497)	(9,795)	(8,700)	(15,500)	-	(10,900)	(10,000)
Net change in plan fiduciary net position	481,973	875,758	(2,222,046)	879,721	1,026,621	1,307,902	(1,026,800)	1,058,130	290,568	80,978
Total fiduciary net position:										
Beginning of year	10,277,188	9,401,430	11,623,476	10,743,755	9,717,134	8,409,232	9,436,032	8,377,902	8,087,334	8,006,356
End of year (b)	<u>\$ 10,759,161</u>	<u>\$ 10,277,188</u>	<u>\$ 9,401,430</u>	<u>\$ 11,623,476</u>	<u>\$ 10,743,755</u>	<u>\$ 9,717,134</u>	<u>\$ 8,409,232</u>	<u>\$ 9,436,032</u>	<u>\$ 8,377,902</u>	<u>\$ 8,087,334</u>
Net pension asset, end of year (a) - (b)	<u>\$ (814,031)</u>	<u>\$ (677,653)</u>	<u>\$ (304,489)</u>	<u>\$ (2,919,595)</u>	<u>\$ (1,942,458)</u>	<u>\$ (1,270,546)</u>	<u>\$ (557,323)</u>	<u>\$ (1,910,662)</u>	<u>\$ (160,022)</u>	<u>\$ (237,050)</u>
Plan fiduciary net position as a percentage of the total pension liability	108.2%	107.1%	103.3%	133.5%	122.1%	115.0%	107.1%	125.4%	101.9%	103.0%
Covered payroll	\$ 1,358,446	\$ 1,293,676	\$ 1,208,504	\$ 1,109,814	\$ 1,050,543	\$ 978,547	\$ 1,052,422	\$ 1,056,790	\$ 985,845	\$ 1,192,260
Net pension asset as a percentage of covered payroll	(59.9)%	(52.4)%	(25.2)%	(263.1)%	(184.9)%	(129.8)%	(53.0)%	(180.8)%	(16.2)%	(19.9)%

**FAIRVIEW TOWNSHIP**

(REQUIRED SUPPLEMENTARY INFORMATION)  
**SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED PERCENTAGES – POLICE PENSION PLAN (unaudited)**  
**FOR THE YEARS ENDED DECEMBER 31**  
(See independent auditor’s report)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability:										
Service cost	\$ 417,811	\$ 397,915	\$ 383,447	\$ 365,188	\$ 317,281	\$ 302,172	\$ 279,533	\$ 266,222	\$ 243,037	\$ 231,464
Interest	948,938	895,465	802,121	770,321	750,417	706,135	652,536	625,284	621,796	585,739
Changes for experience	-	-	-	-	-	(81,742)	-	-	-	(162,432)
Differences between experience	-	473,992	-	(385,515)	-	-	-	(842,631)	-	-
Changes of assumptions	-	-	-	-	-	236,455	-	275,946	-	-
Benefit payments, including refunds of member contributions	(540,050)	(558,710)	(602,201)	(416,962)	(386,653)	(382,830)	(458,255)	(324,059)	(317,630)	(306,084)
Net change in total pension liability	826,699	1,208,662	583,367	333,032	681,045	780,190	473,814	762	547,203	348,687
Total pension liability:										
Beginning of year	13,408,468	12,199,806	11,616,439	11,283,407	10,602,362	9,822,172	9,348,358	9,347,596	8,800,393	8,451,706
End of year (a)	<u>\$ 14,235,167</u>	<u>\$ 13,408,468</u>	<u>\$ 12,199,806</u>	<u>\$ 11,616,439</u>	<u>\$ 11,283,407</u>	<u>\$ 10,602,362</u>	<u>\$ 9,822,172</u>	<u>\$ 9,348,358</u>	<u>\$ 9,347,596</u>	<u>\$ 8,800,393</u>
Plan fiduciary net position:										
Contributions:										
Employer	\$ 350,272	\$ 151,882	\$ 138,131	\$ 375,020	\$ 276,470	\$ 232,380	\$ 172,259	\$ 167,863	\$ 143,083	\$ 272,974
Member	79,541	77,140	66,078	62,183	65,296	62,480	55,293	51,046	49,899	45,456
Net investment income (loss)	1,165,703	1,744,485	(2,283,128)	1,347,202	1,687,573	1,865,720	(913,726)	1,546,075	546,077	42,160
Benefit payments, including refunds of member contributions	(540,050)	(558,710)	(602,201)	(416,962)	(386,653)	(382,830)	(458,255)	(324,059)	(317,630)	(306,084)
Administrative expense	(11,397)	(2,804)	(11,004)	(11,304)	(8,476)	(8,000)	(13,100)	-	(6,600)	(7,000)
Other changes	-	-	-	-	-	-	-	-	-	1,727
Net change in plan fiduciary net position	1,044,069	1,411,993	(2,692,124)	1,356,139	1,634,210	1,769,750	(1,157,529)	1,440,925	414,829	49,233
Total fiduciary net position:										
Beginning of year	13,478,989	12,066,996	14,759,120	13,402,981	11,768,771	9,999,021	11,156,550	9,715,625	9,300,796	9,251,563
End of year (b)	<u>\$ 14,523,058</u>	<u>\$ 13,478,989</u>	<u>\$ 12,066,996</u>	<u>\$ 14,759,120</u>	<u>\$ 13,402,981</u>	<u>\$ 11,768,771</u>	<u>\$ 9,999,021</u>	<u>\$ 11,156,550</u>	<u>\$ 9,715,625</u>	<u>\$ 9,300,796</u>
Net pension (asset) liability, end of year (a) - (b)	<u>\$ (287,891)</u>	<u>\$ (70,521)</u>	<u>\$ 132,810</u>	<u>\$ (3,142,681)</u>	<u>\$ (2,119,574)</u>	<u>\$ (1,166,409)</u>	<u>\$ (176,849)</u>	<u>\$ (1,808,192)</u>	<u>\$ (368,029)</u>	<u>\$ (500,403)</u>
Plan fiduciary net position as a percentage of the total pension liability	102.0%	100.5%	98.9%	127.1%	118.8%	111.0%	101.8%	119.3%	103.9%	105.7%
Covered payroll	\$ 1,988,536	\$ 1,913,222	\$ 1,691,954	\$ 1,553,220	\$ 1,537,809	\$ 1,576,367	\$ 1,398,195	\$ 1,221,195	\$ 1,158,670	\$ 1,134,341
Net pension (asset) liability as a percentage of covered payroll	(14.5)%	(3.7)%	7.8%	(202.3)%	(137.8)%	(74.0)%	(12.6)%	(148.0)%	(31.8)%	(44.1)%

**FAIRVIEW TOWNSHIP**

(REQUIRED SUPPLEMENTARY INFORMATION)  
SCHEDULE OF INVESTMENT RETURNS  
LAST TEN CALENDAR YEARS ENDED  
DECEMBER 31 (unaudited)  
(See independent auditor's report)

Annual dollar-weighted rate of return on a market value basis:	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Nonuniformed Pension Plan	0.9%	6.8%	16.5%	(7.5)%	19.4%	14.6%	10.9%	(15.2)%	15.2%	9.2%
Police Pension Plan	1.1%	6.2%	16.9%	(7.7)%	19.6%	14.9%	10.6%	(15.1)%	15.2%	9.1%

**FAIRVIEW TOWNSHIP**

(REQUIRED SUPPLEMENTARY INFORMATION)  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS AND NOTES TO SCHEDULE –  
 NONUNIFORMED PENSION PLAN (unaudited)  
 FOR THE YEARS ENDED DECEMBER 31  
 (See independent auditor's report)

<u>Year</u>	Nonuniformed Pension Plan				
	<u>Actuarially determined contribution</u>	<u>Contributions from employer</u>	<u>Contribution deficiency/ (excess)</u>	<u>Covered payroll</u>	<u>Contributions as a % of covered payroll</u>
2015	\$ 347,807	\$ 347,807	\$ -	\$ 1,192,260	29.17%
2016	173,104	173,104	-	985,845	17.56%
2017	70,359	70,359	-	1,056,790	6.66%
2018	86,761	86,761	-	1,052,422	8.24%
2019	99,132	99,132	-	978,547	10.13%
2020	91,962	91,962	-	1,050,543	8.75%
2021	176,473	176,473	-	1,109,814	15.90%
2022	-	-	-	1,208,504	0.00%
2023	-	-	-	1,293,676	0.00%
2024	129,520	129,520	-	1,358,446	9.53%

*Notes to schedule:*

Valuation date: Actuarially determined contribution rates are calculated as of January 1, two to four years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial valuation date, 2024: January 1, 2023

Actuarial cost method: Entry age normal

Amortization method: Level dollar closed

Remaining amortization period: N/A years

Asset valuation method: Market value of assets as determined by the trustee.

Inflation: 3.00%

Salary increases: 5.00%

Investment rate of return: 7.00%

Retirement age: It is assumed that all members hired on or before August 29, 2011 retire upon attainment of age 65 or enter the DROP upon attainment of age 60 and completion of 25 years of service, if earlier. It is assumed that all members hired after August 29, 2011 retire upon attainment of age 65 or upon attainment of age 60 and completion of 25 years or service, if earlier. It is also assumed that, for members who enter the DROP, participation in the DROP continues for 24 months.

Mortality: PubG-2010 mortality table, including rates for disabled retirees and contingent survivors. Incorporated into the table are rates projected generationally using Scale MP-2021 to reflect morality improvement.

Changes in benefit terms: Member contributions increased from 0% to 2% effective January 1, 2024.

**FAIRVIEW TOWNSHIP**

(REQUIRED SUPPLEMENTARY INFORMATION)  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS AND NOTES TO SCHEDULE –  
 POLICE PENSION PLAN (unaudited)  
 FOR THE YEARS ENDED DECEMBER 31  
 (See independent auditor’s report)

Year	Police Pension Plan				
	Actuarially determined contribution	Contributions from employer	Contribution deficiency/ (excess)	Covered payroll	Contributions as a % of covered payroll
2015	\$ 272,974	\$ 272,974	\$ -	\$ 1,134,341	24.06%
2016	143,083	143,083	-	1,158,670	12.35%
2017	167,863	167,863	-	1,221,965	13.74%
2018	172,259	172,259	-	1,398,195	12.32%
2019	232,380	232,380	-	1,576,367	14.74%
2020	276,470	276,470	-	1,537,809	17.98%
2021	375,020	375,020	-	1,553,220	24.14%
2022	138,131	138,131	-	1,691,954	8.16%
2023	151,882	151,882	-	1,913,222	7.94%
2024	350,272	350,272	-	1,988,536	17.61%

*Notes to schedule:*

Valuation date: Actuarially determined contribution rates are calculated as of January 1, two to four years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial valuation date, 2024: January 1, 2023

Actuarial cost method: Entry age normal

Amortization method: Level dollar closed

Remaining amortization period: N/A years

Asset valuation method: Market value of assets as determined by the trustee.

Inflation: 3.00%

Salary increases: 5.00%

Investment rate of return: 7.00%

Retirement age: It is assumed that all members enter the DROP upon meeting the eligibility requirements for normal retirement. It is also assumed that participation in the DROP continues for 24 months.

Mortality: PubS-2010 mortality table, including rates for disabled retirees and contingent survivors. Incorporated into the table are rates projected generationally using Scale MP-2021 to reflect morality improvement.

Changes in benefit terms: None since January 1, 2023

## FAIRVIEW TOWNSHIP

(REQUIRED SUPPLEMENTARY INFORMATION)  
**SCHEDULE OF CHANGES IN NET OPEB (ASSET) LIABILITY AND RELATED PERCENTAGES –  
NONUNIFORMED OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (unaudited)  
FOR THE YEARS ENDED DECEMBER 31  
(See independent auditor's report)**

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability:							
Service cost	\$ 33,922	\$ 37,086	\$ 40,942	\$ 46,479	\$ 44,156	\$ 41,834	\$ 40,268
Interest	71,073	63,434	57,812	53,327	51,386	46,032	44,594
Difference between expected and actual experience	-	46,813	-	101,832	-	66,157	-
Changes of assumptions	13,630	41,950	(76,173)	8,667	3,403	5,501	(6,964)
Benefit payments, including refunds of member contributions	(107,203)	(136,050)	(129,533)	(76,262)	(47,795)	(45,964)	(48,723)
Net change in total OPEB liability	11,422	53,233	(106,952)	134,043	51,150	113,560	29,175
Total OPEB liability:							
Beginning of year	1,260,210	1,206,977	1,313,929	1,179,886	1,128,736	1,015,176	986,001
End of year (a)	<u>\$ 1,271,632</u>	<u>\$ 1,260,210</u>	<u>\$ 1,206,977</u>	<u>\$ 1,313,929</u>	<u>\$ 1,179,886</u>	<u>\$ 1,128,736</u>	<u>\$ 1,015,176</u>
Plan fiduciary net position:							
Contributions, employer	\$ 107,203	\$ 136,050	\$ 129,533	\$ 76,262	\$ 47,795	\$ 45,964	\$ 91,549
Net investment income (loss)	75,347	108,488	(161,510)	52,038	18,253	35,456	14,412
Benefit payments, including refunds of member contributions	(107,203)	(136,050)	(129,533)	(76,262)	(47,795)	(45,964)	(48,723)
Administrative expense	(6,425)	(5,786)	(5,967)	(5,635)	(3,368)	(3,291)	(3,143)
Net change in plan fiduciary net position	68,922	102,702	(167,477)	46,403	14,885	32,165	54,095
Total fiduciary net position:							
Beginning of year	1,131,922	1,029,220	1,196,697	1,150,294	1,135,409	1,103,244	1,049,149
End of year (b)	<u>\$ 1,200,844</u>	<u>\$ 1,131,922</u>	<u>\$ 1,029,220</u>	<u>\$ 1,196,697</u>	<u>\$ 1,150,294</u>	<u>\$ 1,135,409</u>	<u>\$ 1,103,244</u>
Net OPEB (asset) liability, end of year (a) - (b)	<u>\$ 70,788</u>	<u>\$ 128,288</u>	<u>\$ 177,757</u>	<u>\$ 117,232</u>	<u>\$ 29,592</u>	<u>\$ (6,673)</u>	<u>\$ (88,068)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	94.4%	89.8%	85.3%	91.1%	97.5%	100.6%	108.7%
Covered payroll	\$ 672,377	\$ 672,377	\$ 673,857	\$ 674,529	\$ 785,382	\$ 785,382	\$ 805,078
Net OPEB (asset) liability as a percentage of covered payroll	10.5%	19.1%	26.4%	17.4%	3.8%	(0.8)%	(10.9)%

This schedule is intended to illustrate information for ten years. However, until a full ten-year trend is compiled, the Township is presenting information for those years only for which information is available.

## FAIRVIEW TOWNSHIP

(REQUIRED SUPPLEMENTARY INFORMATION)  
**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED PERCENTAGES – POLICE  
 OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (unaudited)  
 FOR THE YEARS ENDED DECEMBER 31  
 (See independent auditor's report)**

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability:							
Service cost	\$ 116,978	\$ 102,191	\$ 114,059	\$ 99,123	\$ 93,841	\$ 80,228	\$ 77,662
Interest	122,697	97,225	80,871	80,388	73,966	63,853	59,718
Changes of benefit terms	-	76,259	-	-	-	-	-
Difference between expected and actual experience	-	(37,834)	-	(140,358)	-	99,742	-
Changes of assumptions	36,742	151,400	(144,962)	2,211	6,765	(7,542)	(13,152)
Benefit payments, including refunds of member contributions	(80,087)	(44,978)	(37,180)	(55,481)	(31,466)	(29,472)	(39,559)
Net change in total OPEB liability	196,330	344,263	12,788	(14,117)	143,106	206,809	84,669
Total OPEB liability:							
Beginning of year	<u>2,060,262</u>	<u>1,715,999</u>	<u>1,703,211</u>	<u>1,717,328</u>	<u>1,574,222</u>	<u>1,367,413</u>	<u>1,282,744</u>
End of year (a)	<u>\$ 2,256,592</u>	<u>\$ 2,060,262</u>	<u>\$ 1,715,999</u>	<u>\$ 1,703,211</u>	<u>\$ 1,717,328</u>	<u>\$ 1,574,222</u>	<u>\$ 1,367,413</u>
Plan fiduciary net position:							
Contributions, employer	\$ 285,831	\$ 309,065	\$ 37,180	\$ 114,511	\$ 90,013	\$ 61,519	\$ 309,859
Net investment income (loss)	99,587	135,891	(184,205)	57,007	13,633	31,071	14,648
Benefit payments, including refunds of member contributions	(80,087)	(44,978)	(37,180)	(55,481)	(31,466)	(29,472)	(39,559)
Administrative expense	(8,577)	(6,926)	(6,576)	(6,052)	(3,363)	(3,217)	(2,839)
Net change in plan fiduciary net position	296,754	393,052	(190,781)	109,985	68,817	59,901	282,109
Total fiduciary net position:							
Beginning of year	<u>1,518,289</u>	<u>1,125,237</u>	<u>1,316,018</u>	<u>1,206,033</u>	<u>1,137,216</u>	<u>1,077,315</u>	<u>795,206</u>
End of year (b)	<u>\$ 1,815,043</u>	<u>\$ 1,518,289</u>	<u>\$ 1,125,237</u>	<u>\$ 1,316,018</u>	<u>\$ 1,206,033</u>	<u>\$ 1,137,216</u>	<u>\$ 1,077,315</u>
Net OPEB liability, end of year (a) - (b)	<u>\$ 441,549</u>	<u>\$ 541,973</u>	<u>\$ 590,762</u>	<u>\$ 387,193</u>	<u>\$ 511,295</u>	<u>\$ 437,006</u>	<u>\$ 290,098</u>
Plan fiduciary net position as a percentage of the total OPEB liability	80.4%	73.7%	65.6%	77.3%	70.2%	72.2%	78.8%
Covered payroll	\$ 1,691,954	\$ 1,691,954	\$ 1,708,133	\$ 1,709,883	\$ 1,398,195	\$ 1,398,195	\$ 1,239,262
Net OPEB liability as a percentage of covered payroll	26.1%	32.0%	34.6%	22.6%	36.6%	31.3%	23.4%

This schedule is intended to illustrate information for ten years. However, until a full ten-year trend is compiled, the Township is presenting information for those years only for which information is available.

## FAIRVIEW TOWNSHIP

(REQUIRED SUPPLEMENTARY INFORMATION)  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS IN NONUNIFORMED  
 OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS AND NOTES  
 TO SCHEDULE (unaudited)  
 FOR THE YEARS ENDED DECEMBER 31  
 (See independent auditor's report)

Year	Nonuniformed OPEB Plan				
	Actuarially determined contribution	Contributions from employer	Contribution deficiency/ (excess)	Covered payroll	Contributions as a % of covered payroll
2015	\$ 33,579	\$ -	\$ 33,579	\$ 1,502,448	0.00%
2016	33,579	-	33,579	1,502,448	0.00%
2017	31,395	-	31,395	805,078	0.00%
2018	31,395	91,549	(60,154)	805,078	11.37%
2019	31,395	45,964	(14,569)	785,382	5.85%
2020	31,395	47,795	(16,400)	785,382	6.09%
2021	31,395	76,262	(44,867)	674,529	11.31%
2022	31,395	129,533	(98,138)	673,857	19.22%
2023	31,395	136,050	(104,655)	672,377	20.23%
2024	31,395	107,203	(75,808)	672,377	15.94%

*Notes to schedule:*

Methods and assumptions used to determine contribution rates:

Actuarial valuation date, 2024: January 1, 2023

Actuarial cost method: Entry age normal

Asset valuation method: Market value of assets as determined by the trustee

Inflation: 2.50%

Salary increases: 5.00%

Discount rate: 5.75%

Retirement contributions: Increase at same rate as the healthcare cost trend rate

Healthcare cost trend rate: 7.0% in 2024 and 2025 with a 0.5% decrease per year until 5.5% in 2028. Rates gradually decrease from 5.4% in 2029 to 4.0% in 2075 and later based on Society of Actuaries Long-Run Medical Cost Trend Model.

Premium rates: Combined experience of active and retired lives

Retirement: Age 65 or, if earlier, age 60 with completion of 25 years

**FAIRVIEW TOWNSHIP**

(REQUIRED SUPPLEMENTARY INFORMATION)  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS IN POLICE OTHER  
 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS AND NOTES  
 TO SCHEDULE (unaudited)  
 FOR THE YEARS ENDED DECEMBER 31  
 (See independent auditor's report)

Year	Police OPEB Plan				
	Actuarially determined contribution	Contributions from employer	Contribution deficiency/ (excess)	Covered payroll	Contributions as a % of covered payroll
2015	\$ 63,012	\$ -	\$ 63,012	\$ 1,043,932	0.00%
2016	63,012	63,012	-	1,043,932	6.04%
2017	88,142	-	88,142	1,236,631	0.00%
2018	88,142	309,859	(221,717)	1,239,262	25.00%
2019	88,142	61,519	26,623	1,398,195	4.40%
2020	88,142	90,013	(1,871)	1,398,195	6.44%
2021	88,142	114,511	(26,369)	1,709,883	6.70%
2022	88,142	37,180	50,962	1,708,133	2.18%
2023	88,142	309,065	(220,923)	1,691,954	18.27%
2024	88,142	285,831	(197,689)	1,691,954	16.89%

*Notes to schedule:*

Methods and assumptions used to determine contribution rates:

Actuarial valuation date, 2024: January 1, 2023

Actuarial cost method: Entry age normal

Asset valuation method: Market value of assets as determined by the trustee

Inflation: 2.50%

Salary increases: 5.00%

Discount rate: 5.75%

Retirement contributions: Increase at same rate as the healthcare cost trend rate

Healthcare cost trend rate: 7.0% in 2024 and 2025 with a 0.5% decrease per year until 5.5% in 2028. Rates gradually decrease from 5.4% in 2029 to 4.0% in 2075 and later based on Society of Actuaries Long-Run Medical Cost Trend Model.

Premium rates: Combined experience of active and retired lives

Retirement: Age 50 with completion of 25 years

**FAIRVIEW TOWNSHIP**

(REQUIRED SUPPLEMENTARY INFORMATION)  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET COMPARED TO ACTUAL (unaudited)  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2024  
 (See independent auditor's report)

	Original budget	Final budget	Actual	Variance favorable (unfavorable)
<b>Revenues:</b>				
Taxes	\$ 6,441,000	\$ 6,441,000	\$ 6,878,825	\$ 437,825
Licenses, permits and fees	274,000	274,000	252,048	(21,952)
Fines and penalties	81,000	81,000	103,888	22,888
Interest and rents	60,000	60,000	340,463	280,463
Intergovernmental revenue	653,400	653,400	716,384	62,984
Service fees	451,700	451,700	586,225	134,525
Contributions from private sector	75,000	75,000	-	(75,000)
Miscellaneous	80,000	80,000	275,536	195,536
<b>Total revenues</b>	<b>8,116,100</b>	<b>8,116,100</b>	<b>9,153,369</b>	<b>1,037,269</b>
<b>Expenditures:</b>				
General government	788,866	788,866	798,188	9,322
Public safety	5,246,404	5,246,404	5,571,330	324,926
Health and welfare	30,000	30,000	24,066	(5,934)
Public works:				
Highways, roads and streets	1,950,011	1,950,011	1,793,335	(156,676)
Recycling center and leaf collection	238,221	238,221	184,668	(53,553)
Culture and recreation	224,559	224,559	250,341	25,782
Miscellaneous revenue	3,000	3,000	4,131	1,131
<b>Total expenditures</b>	<b>8,481,061</b>	<b>8,481,061</b>	<b>8,626,059</b>	<b>144,998</b>
<b>Excess (deficit) of revenues over (under) expenditures</b>	<b>(364,961)</b>	<b>(364,961)</b>	<b>527,310</b>	<b>892,271</b>
<b>Other financing sources (uses):</b>				
Proceeds from sale of assets	20,000	20,000	107,382	87,382
Interfund transfers received	350,000	350,000	-	(350,000)
<b>Total other financing sources (uses)</b>	<b>370,000</b>	<b>370,000</b>	<b>107,382</b>	<b>(262,618)</b>

**FAIRVIEW TOWNSHIP**

(REQUIRED SUPPLEMENTARY INFORMATION)  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET COMPARED TO ACTUAL (unaudited) (CONTINUED)  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2024  
 (See independent auditor’s report)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
<b>Excess of revenues and other financing sources over expenditures and other uses</b>	<b><u>\$ 5,039</u></b>	<b><u>\$ 5,039</u></b>	<b><u>\$ 634,692</u></b>	<b><u>\$ 629,653</u></b>
<b>Fund balance:</b>				
Beginning of year, as restated			<u>4,653,139</u>	
<b>End of year</b>			<b><u>\$ 5,287,831</u></b>	

**Budgets:**

Prior to the beginning of each fiscal year, an annual budget is adopted for the General fund, ARPA fund, Highway aid fund, Capital reserve fund, Capital projects fund, Fire hydrant fund, Fire service fund, EMS Service fund, LST fund and Street light fund. Encumbrances and appropriations outstanding at December 31 are reported as reservations of fund balances and do not constitute expenditures, expenses or liabilities of the present year because the commitments will be honored in the subsequent year.

Actual expenditures exceeded budget appropriations in 2024 for the following funds and functions:

<b>General fund:</b>	
General government	\$ 9,322
Public safety	324,926
Culture and recreation	25,782
Miscellaneous	1,131

**FAIRVIEW TOWNSHIP**

SCHEDULE OF NONMAJOR GOVERNMENTAL FUNDS – COMBINING BALANCE SHEETS

DECEMBER 31, 2024

(See independent auditor's report)

	Highway aid fund	LST fund	Street light fund	Fire service fund	Fire hydrant fund	Capital projects fund	Fairview Township Fire Department	Total
ASSETS								
Cash, cash equivalents and equity in pooled cash and investments	\$ 186,113	\$ 583,172	\$ 44,498	\$ 7,451	\$ 28,936	\$ 1,300,000	\$ 104,090	\$ 2,254,260
Taxes receivable	-	57,473	1,018	-	2,172	-	-	60,663
Due from other governments	-	135,000	-	-	-	-	-	135,000
<b>Total assets</b>	<b><u>\$ 186,113</u></b>	<b><u>\$ 775,645</u></b>	<b><u>\$ 45,516</u></b>	<b><u>\$ 7,451</u></b>	<b><u>\$ 31,108</u></b>	<b><u>\$ 1,300,000</u></b>	<b><u>\$ 104,090</u></b>	<b><u>\$ 2,449,923</u></b>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities, accounts payable and accrued expenses	\$ -	\$ -	\$ 2,184	\$ 7,451	\$ -	\$ -	\$ -	\$ 9,635
Deferred inflows of resources, unavailable revenues	-	-	654	-	1,543	-	-	2,197
Fund balances	186,113	775,645	42,678	-	29,565	1,300,000	104,090	2,438,091
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 186,113</u></b>	<b><u>\$ 775,645</u></b>	<b><u>\$ 45,516</u></b>	<b><u>\$ 7,451</u></b>	<b><u>\$ 31,108</u></b>	<b><u>\$ 1,300,000</u></b>	<b><u>\$ 104,090</u></b>	<b><u>\$ 2,449,923</u></b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

SCHEDULE OF NONMAJOR GOVERNMENTAL FUNDS – COMBINING STATEMENTS OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2024  
(See independent auditor’s report)

	Highway aid fund	LST fund	Street light fund	Fire service fund	Fire hydrant fund	EMS fund	Capital projects fund	ARPA fund	Fairview Township Fire Department	Total
<b>Revenues:</b>										
Taxes	\$ -	\$ 490,964	\$ 78,391	\$ -	\$ 63,592	\$ -	\$ -	\$ -	\$ -	\$ 632,947
Interest and rents	34,029	31,980	1,776	-	1,324	-	-	-	523	69,632
Intergovernmental revenue	631,747	-	-	-	-	-	-	77,636	15,590	724,973
Contributions from private sector	-	-	-	3,397	-	-	-	-	113,674	117,071
Miscellaneous revenue	-	-	-	1,812	-	32	-	-	13,774	15,618
<b>Total revenues</b>	<b>665,776</b>	<b>522,944</b>	<b>80,167</b>	<b>5,209</b>	<b>64,916</b>	<b>32</b>	<b>-</b>	<b>77,636</b>	<b>143,561</b>	<b>1,560,241</b>
<b>Expenditures:</b>										
General government	-	-	-	2,550	-	-	-	-	-	2,550
Public safety	-	-	-	466,259	-	230,192	-	59,902	58,039	814,392
Public works:										
Highways, roads and streets	763,693	-	80,887	-	72,322	-	-	11,626	-	928,528
Recycling center and leaf collection	-	-	-	-	-	-	-	6,137	-	6,137
<b>Total expenditures</b>	<b>763,693</b>	<b>-</b>	<b>80,887</b>	<b>468,809</b>	<b>72,322</b>	<b>230,192</b>	<b>-</b>	<b>77,665</b>	<b>58,039</b>	<b>1,751,607</b>
<b>Excess (deficit) of revenues over (under) expenditures before other financing sources (uses)</b>	<b>(97,917)</b>	<b>522,944</b>	<b>(720)</b>	<b>(463,600)</b>	<b>(7,406)</b>	<b>(230,160)</b>	<b>-</b>	<b>(29)</b>	<b>85,522</b>	<b>(191,366)</b>

**FAIRVIEW TOWNSHIP**

SCHEDULE OF NONMAJOR GOVERNMENTAL FUNDS – COMBINING STATEMENTS OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024  
(See independent auditor’s report)

	Highway aid fund	LST fund	Street light fund	Fire service fund	Fire hydrant fund	EMS fund	Capital projects fund	ARPA fund	Township Fire Department	Total
<b>Other financing sources (uses):</b>										
Interfund transfers:										
Received	\$ -	\$ -	\$ -	\$ 463,600	\$ -	\$ 230,160	\$ -	\$ -	\$ -	\$ 693,760
Expended	-	(633,760)	-	-	-	-	-	-	(60,000)	(693,760)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(633,760)</b>	<b>-</b>	<b>463,600</b>	<b>-</b>	<b>230,160</b>	<b>-</b>	<b>-</b>	<b>(60,000)</b>	<b>-</b>
<b>Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(97,917)</b>	<b>(110,816)</b>	<b>(720)</b>	<b>-</b>	<b>(7,406)</b>	<b>-</b>	<b>-</b>	<b>(29)</b>	<b>25,522</b>	<b>(191,366)</b>
<b>Fund balances:</b>										
Beginning of year, as restated	284,030	886,461	43,398	-	36,971	-	1,300,000	29	78,568	2,629,457
<b>End of year</b>	<b>\$ 186,113</b>	<b>\$ 775,645</b>	<b>\$ 42,678</b>	<b>\$ -</b>	<b>\$ 29,565</b>	<b>\$ -</b>	<b>\$ 1,300,000</b>	<b>\$ -</b>	<b>\$ 104,090</b>	<b>\$ 2,438,091</b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

SCHEDULE OF NONMAJOR PROPRIETARY FUNDS – COMBINING  
STATEMENT OF NET POSITION  
DECEMBER 31, 2024  
(See independent auditor’s report)

	Sewer fund	Refuse fund	Total
ASSETS			
<b>Current assets:</b>			
Cash and investments	\$ 14,565	\$ 6,977	\$ 21,542
Accounts receivable	8,458	5,163	13,621
<b>Total assets, all current</b>	<b>\$ 23,023</b>	<b>\$ 12,140</b>	<b>\$ 35,163</b>
LIABILITIES AND NET POSITION			
Current liabilities, accounts payable	\$ -	\$ 83	\$ 83
Net position, unrestricted	23,023	12,057	35,080
<b>Total liabilities and net position</b>	<b>\$ 23,023</b>	<b>\$ 12,140</b>	<b>\$ 35,163</b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

SCHEDULE OF NONMAJOR PROPRIETARY FUNDS - COMBINING STATEMENT  
OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
YEAR ENDED DECEMBER 31, 2024  
(See independent auditor's report)

	Sewer fund	Refuse fund	Total
Operating revenues, charges for services	\$ 2,082	\$ 804	\$ 2,886
Operating expenses, collection, disposal and treatment	463	363	826
<b>Excess of operating revenues over expenses</b>	<b>1,619</b>	<b>441</b>	<b>2,060</b>
Nonoperating revenues, earnings on temporary deposits and investments	337	179	516
<b>Excess of revenues over expenses and nonoperating revenues</b>	<b>1,956</b>	<b>620</b>	<b>2,576</b>
<b>Net position:</b>			
Beginning of year	21,067	11,437	32,504
<b>End of year</b>	<b>\$ 23,023</b>	<b>\$ 12,057</b>	<b>\$ 35,080</b>

See notes to financial statements.

**FAIRVIEW TOWNSHIP**

SCHEDULE OF NONMAJOR PROPRIETARY FUNDS - COMBINING  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2024  
(See independent auditor's report)

	Sewer fund	Refuse fund	Total
<b>Cash flows from operating activities:</b>			
Receipts from customers and users	\$ 4,665	\$ 2,155	\$ 6,820
Payments to suppliers	(463)	(370)	(833)
<b>Net cash provided by operating activities</b>	<b>4,202</b>	<b>1,785</b>	<b>5,987</b>
<b>Cash flows provided by investing activities, investment income</b>	<b>337</b>	<b>179</b>	<b>516</b>
<b>Net increase in cash and cash equivalents</b>	<b>4,539</b>	<b>1,964</b>	<b>6,503</b>
<b>Cash and cash equivalents:</b>			
Beginning	10,026	5,013	15,039
<b>Ending</b>	<b>\$ 14,565</b>	<b>\$ 6,977</b>	<b>\$ 21,542</b>
<b>Cash flows from operating activities:</b>			
Excess of operating revenues over expenses	\$ 1,619	\$ 441	\$ 2,060
<b>Adjustments:</b>			
Decrease in assets, accounts receivable	2,583	1,351	3,934
(Decrease) in liabilities, accounts payable	(7)	(7)	(7)
<b>Total adjustments</b>	<b>2,583</b>	<b>1,344</b>	<b>3,927</b>
<b>Net cash provided by operating activities</b>	<b>\$ 4,202</b>	<b>\$ 1,785</b>	<b>\$ 5,987</b>

See notes to financial statements.