



Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying 2013 Commonwealth of Pennsylvania Municipal Annual Audit and Financial Report (Form DCED-CLGS-30) of the Township of Fairview, York County, Pennsylvania, which is comprised of the financial statements and other financial information (together the financial statements) for the year ended December 31, 2013.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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

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

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

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

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America" section, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Fairview, York County, Pennsylvania, as of December 31, 2013, or the changes in its financial position for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the 2013 Commonwealth of Pennsylvania Municipal Annual Audit and Financial Report (Form DCED-CLGS-30) referred to above presents fairly, in all material respects, the financial statements shown therein of the Township of Fairview, York County, Pennsylvania, in accordance with the requirements prescribed by the Department of Community and Economic Development, on the basis of accounting described herein.

Brown Schultz Steindler & Fritz

Camp Hill, Pennsylvania
March 19, 2014

2013 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

670425 FAIRVIEW TWP, YORK COUNTY



BALANCE SHEET

DCED-CLGS-30 (09-09)

FAIRVIEW TWP, YORK County
BALANCE SHEET
December 31, 2013

December 31, 2018

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		General Fixed Assets	General Long Term Debt	
Assets and Other Debits											
100-120	Cash and Investments	2,267,538	2,321,210	1,900,782		12,070,265		15,996,621			34,556,416
140-144	Tax Receivable	165,497									165,497
121-129, 145-149	Accounts Receivable (excluding taxes)					454,653					454,653
130-00	Due From Other Funds										
131-139, 150-159	Other Current Assets										
160-169	Fixed Assets					13,304,178			12,861,619		26,165,797
180-189	Other Debits									473,980	473,980
Total Assets and Other Debits		2,433,035	2,321,210	1,900,782		25,829,096		15,996,621	12,861,619	473,980	61,816,343

Liabilities and Other Credits

[illegible]

FAIRVIEW TWP, YORK County

BALANCE SHEET

December 31, 2013

	Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		General Fixed Assets	General Long Term Debt	
Liabilities and Other Credits										
260-269 Long-Term-Liabilities					16,152,939				473,980	16,626,919
240-259 Current Portion of Long-Term Debt and Other Credits					1,137,368					1,137,368
Total Liabilities and Other Credits	807,367				18,320,955				473,980	19,602,302
Fund and Account Group Equity										
281-284 Contributed Capital										
290.00 Investment in General Fixed Assets								12,861,619		12,861,619
270-289 Fund Balance / Retained Earnings on 12/31	1,625,668	2,321,210	1,900,782		7,508,141		15,996,621			29,352,422
291-299 Other Equity										
Total Fund and Account Group Equity	1,625,668	2,321,210	1,900,782		7,508,141		15,996,621	12,861,619		42,214,041

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY

61,816,343

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2013

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

REVENUES

Taxes								
301.00	Real Estate Taxes	2,489,617	443,157					2,932,774
305.00	Occupation Taxes (levied under municipal code)							
308.00	Residence Taxes (levied by cities of the 3rd Class)							
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)							
310.00	Per Capita Taxes	62,623						62,623
310.10	Real Estate Transfer Taxes	303,184						303,184
310.20	Earned Income Taxes / Wage Taxes	2,806,212						2,806,212
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **		473,367					473,367
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other Local Tax Enabling Act / Act 511 / Taxes							
	Other: _____							
	Total Taxes	5,661,636	916,524					6,578,160

Licenses and Permits							
320-322	All Other Licenses and Permits	3,591					3,591
321.80	Cable Television Franchise Fees		270,187				270,187
	Total Licenses and Permits	3,591	270,187				273,778

Fines and Forfeits							
330-332	Fines and Forfeits	80,964					80,964
	Total Fines and Forfeits	80,964					80,964

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2013

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

REVENUES

Interest, Rents and Royalties								
341.00	Interest Earnings	4,131	3,039	808		2,808	2,113,327	2,124,113
342.00	Rents and Royalties			8,925		21,286		30,211
	Total Interest, Rents and Royalties	4,131	3,039	9,733		24,094	2,113,327	2,154,324

Federal								
351.03	Highways and Streets	2,422						2,422
351.09	Community Development							
351.00	All Other Federal Capital and Operating Grants							
352.01	National Forest							
352.00	All Other Federal Shared Revenue and Entitlements							
353.00	Federal Payments in Lieu of Taxes							
	Total Federal	2,422						2,422

State								
354.03	Highways and Streets							
354.09	Community Development							
354.15	Recycling / Act 101					78,899		78,899
354.00	All Other State Capital and Operating Grants	1,208	10,000					11,208
355.01	Public Utility Realty Tax (PURTA)	7,672						7,672
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		420,654					420,654
355.04	Alcoholic Beverage Licenses	2,400						2,400
355.05	General Municipal Pension System State Aid	221,408						221,408
355.07	Foreign Fire Insurance Tax Distribution	137,398						137,398
355.08	Local Share Assessment/Gaming Proceeds							

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2013

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

REVENUES

State								
355.09	Marcellus Shale Impact Fee Distribution							
355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes							
	Total State	370,086	430,654		78,899			879,639

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

Charges for Service								
361.00	General Government	109,196						109,196
362.00	Public Safety	196,261						196,261
363.20	Parking							
363.00	All Other Charges for Highway & Street Services							
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)			3,583,853				3,583,853
364.30	Solid Waste Collection and Disposal Charge (trash)			1,304,416				1,304,416
364.60	Host Municipality Benefit Fee for Solid Waste Facility							
364.00	All Other Charges for Sanitation Services							
365.00	Health							
366.00	Human Services							
367.00	Culture and Recreation	32,350						32,350

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2013

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

REVENUES

Charges for Service								
368.00	Airports							
369.00	Bars							
370.00	Cemeteries							
372.00	Electric System							
373.00	Gas System							
374.00	Housing System							
375.00	Markets							
377.00	Transit Systems							
378.00	Water System							
379.00	All Other Charges for Service							
	Total Charges for Service	337,807			4,888,269			5,226,076

Unclassified Operating Revenues								
383.00	Special Assessments		117,364	59,677				177,041
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors		47,074	38,143				85,217
388.00	Fiduciary Fund Pension Contributions						1,460,609	1,460,609
389.00	All Other Unclassified Operating Revenues		49		21,590			21,639
	Total Unclassified Operating Revenues		164,487	97,820			1,460,609	1,744,506

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	21,903				1,625		23,528
392.00	Interfund Operating Transfers	167,397	56,649	1,235,291		1,312,813		2,772,150
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2013

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

REVENUES

Other Financing Sources	
395.00	Refunds of Prior Year Expenditures
	230,675
	11,886
	16,257
	1,235,291
	1,330,695
	258,818
	3,054,496

TOTAL REVENUES	6,880,612	1,583,239	1,613,031	6,343,547		3,573,936	19,994,365
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EXPENDITURES

General Government	
400.00	Legislative (Governing) Body
	16,550
401.00	Executive (Manager or Mayor)
	97,770
402.00	Auditing Services / Financial Administration
	11,990
403.00	Tax Collection
	45,444
	2,022
404.00	Solicitor / Legal Services
	14,739
405.00	Secretary / Clerk
	65,085
406.00	Other General Government Administration
	215,352
	10,876
407.00	IT-Networking Services-Data Processing
	36,836
408.00	Engineering Services
409.00	General Government Buildings and Plant
	135,946
	2,022
	18,896
	639,712
	2,022
	18,896
	135,946
	660,630

Public Safety	
410.00	Police
	2,651,758
411.00	Fire
	137,398
	226,545
	80,234
412.00	Ambulance / Rescue
	199,694
413.00	UCC and Code Enforcement
414.00	Planning and Zoning
	487,720
415.00	Emergency Management and Communications
	69,472
	2,651,758
	444,177
	199,694
	487,720
	69,472

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2013

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

EXPENDITURES

Public Safety							
416.00	Militia and Armories						
417.00	Examination of Licensed Occupations						
418.00	Public Scales (weights and measures)						
419.00	Other Public Safety						
Total Public Safety		3,346,348	426,239	80,234			3,852,821

Health and Human Services							
420.00-425.00	Health and Human Services	25,380					25,380
Total Health and Human Services		25,380					25,380

Public Works - Sanitation							
426.00	Recycling Collection and Disposal						
427.00	Solid Waste Collection and Disposal (garbage)			1,488,985			1,488,985
428.00	Weed Control						
429.00	Wastewater / Sewage Treatment and Collection		164,551	2,865,970			3,030,521
Total Public Works - Sanitation			164,551	4,354,955			4,519,506

Public Works - Highways and Streets							
430.00	General Services - Administration	571,352					571,352
431.00	Cleaning of Streets and Gutters	36,293					36,293
432.00	Winter Maintenance – Snow Removal	151,441					151,441
433.00	Traffic Control Devices	64,029					64,029
434.00	Street Lighting		59,975				59,975
435.00	Sidewalks and Crosswalks						
436.00	Storm Sewers and Drains						

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2013

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

EXPENDITURES

Public Works - Highways and Streets								
437.00	Repairs of Tools and Machinery	79,067						79,067
438.00	Maintenance and Repairs of Roads and Bridges	726,823						726,823
439.00	Highway Construction and Rebuilding Projects							
	Total Public Works - Highways and Streets	1,629,005	59,975					1,688,980

Other Public Works Enterprises								
440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets							
445.00	Parking							
446.00	Storm Water and Flood Control							
447.00	Transit System							
448.00	Water System		44,953					44,953
449.00	Water Transport and Terminals							
	Total Other Public Works Enterprises		44,953					44,953

Culture and Recreation								
451.00	Culture-Recreation Administration							
452.00	Participant Recreation	121,999						121,999
453.00	Spectator Recreation							
454.00	Parks							
455.00	Shade Trees							
456.00	Libraries	7,500						7,500

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2013

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

EXPENDITURES

Culture and Recreation								
457.00								
458.00	18,500							18,500
459.00	2,000							2,000
Total Culture and Recreation	149,999							149,999

Community Development								
461.00								
462.00								
463.00								
464.00								
465-469								
Total Community Development								

Debt Service								
471.00	155,610	266,416						422,026
472.00	1,828	14,394		287,250				303,472
475.00				101,833				101,833
Total Debt Service	157,438	280,810		389,083				827,331

Employer Paid Benefits and Withholding Items								
481.00								
482.00								
483.00	700,888							700,888
484.00								

FAIRVIEW TWP, YORK County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2013

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

EXPENDITURES

Employer Paid Benefits and Withholding Items								
487.00	Other Group Insurance Benefits							
	Total Employer Paid Benefits and Withholding Items	700,888						700,888

Insurance								
486.00	Insurance, Casualty, and Surety							
	Total Insurance							

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid					593,008		593,008
489.00	All Other Unclassified Expenditures							
	Total Unclassified Operating Expenditures					593,008		593,008

Other Financing Uses								
491.00	Refund of Prior Year Revenues	2,700						2,700
492.00	Interfund Operating Transfers	898,527	723,557	427,900		722,166		2,772,150
493.00	All Other Financing Uses							
	Total Other Financing Uses	901,227	723,557	427,900		722,166		2,774,850

TOTAL EXPENDITURES	7,549,997	1,256,746	972,391		5,466,204		593,008	15,838,346
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	-669,385	326,493	640,640		877,343		2,980,928	4,156,019
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FAIRVIEW TWP

December 31, 2013

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES

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

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
General Obligation Note 4	Note	2010	2020	1,000,000	901,144		101,724		799,420		799,420
General Obligation Note 2	Note	2010	2015	1,240,000	725,879		266,416		459,463		459,463
General Obligation Note 3	Note	2010	2019	675,000	539,083		70,766		468,317		468,317
General Obligation Note 1	Note	2010	2013	500,000	170,127		155,610		14,517		14,517
General Obligation Bond 1	Bond	2013	2026	9,990,000	0	9,990,000			9,990,000	-147,254	9,842,746
Revenue Bonds and Notes											
Lease Rental Debt											
General Obligation Note 5	Note	2011	2019	8,000,000	7,103,829		924,004		6,179,825		6,179,825
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding

17,764,288

Capitalized lease obligations

0

Net debt

17,764,288

FAIRVIEW TWP, YORK County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2013

Category	Capital Purchases	Capital Construction	Total
Electric			
Fire	5,666		5,666
Gas System			
General Government	90,595		90,595
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police	175,814		175,814
Recreation	3,880	17,691	21,571
Sewer		151,207	151,207
Solid Waste			
Streets / Highways	53,629		53,629
Water			
Other: Emergency Management and Communications	50,423		50,423
Community Development			
TOTAL CAPITAL EXPENDITURES	380,007	168,898	548,905

EMPLOYEE COMPENSATION

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

2,948,363