Established 1803

FAIRVIEW TOWNSHIP

YEAR ENDED DECEMBER 31, 2025

Brown Plus

ACCOUNTANTS + ADVISORS

FAIRVIEW TOWNSHIP

YEAR ENDED DECEMBER 31, 2025

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FAIRVIEW TOWNSHIP

YEAR ENDED DECEMBER 31, 2025

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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 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, 2025 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 accompanying 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, 2025, 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.

Responsibilities of Management for the Financial Statements

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

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 issuance date, including any currently known information that may raise substantial 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 there is a substantial likelihood that, 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 an opinion on the financial statements that collectively comprise Fairview Township's basic financial statements. 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. The 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
August 26, 2026

FAIRVIEW TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2025

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 $43,025,848 as of December 31, 2025. Net position decreased by $243,705 in 2025.
- During the year, the Township had expenses of $12,211,256, which was $243,705 more than the $11,967,551 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.

Government-wide financial analysis

The following table reflects the condensed statements of net position:

Statements of Net Position

	2025	2024
Assets:		
Current assets	$ 15,311,656	$ 16,025,455
Noncurrent assets	31,588,573	28,384,547
Total assets	**46,900,229**	**44,410,002**
Deferred outflows of resources	1,070,291	1,403,279
Total assets and deferred outflows of resources	**$ 47,970,520**	**$ 45,813,281**
Liabilities:		
Current liabilities	$ 1,550,782	$ 1,275,008
Noncurrent liabilities	1,425,155	1,137,815
Total liabilities	**2,975,937**	**2,412,823**
Deferred inflows of resources	1,968,735	130,905
Total liabilities and deferred inflows of resources	**4,944,672**	**2,543,728**
Net position:		
Net investment in capital assets	28,233,810	27,282,625
Restricted	233,557	458,945
Unrestricted	14,558,481	15,527,983
Total net position	43,025,848	43,269,553
Total liabilities and net position	**$ 47,970,520**	**$ 45,813,281**

For more detailed information on the year ended December 31, 2025, see the statement of net position on pages 9 and 10.

Government-wide financial analysis (continued)

	2025	2024
Revenues:		
Program revenues:		
Charges for services	$ 913,388	$ 702,608
Operating grants and contributions	1,515,652	1,409,431
Capital grants and contributions	325,063	323,977
General revenues:		
Taxes	8,021,377	7,536,012
Cable TV franchise fees	227,553	244,283
Investment earnings	744,112	822,588
Miscellaneous	162,427	289,310
Gain on disposal of assets	57,979	72,997
Total revenues	**11,967,551**	**11,401,206**
Expenses:		
General government	895,204	881,887
Public safety	6,101,421	6,873,552
Health and welfare	17,140	24,066
Public works:		
Highways, roads and streets	4,607,954	2,947,439
Recycling center and leaf collection	239,245	264,793
Culture and recreation	349,815	300,160
Sewer	188	463
Refuse	289	363
Total expenses	**12,211,256**	**11,292,723**
Changes in net position	**(243,705)**	**108,483**
Net position:		
Beginning	43,269,553	43,161,070
Ending	**$ 43,025,848**	**$ 43,269,553**

For more detailed information on the year ended December 31, 2025, see the statement of activities on pages 11 and 12.

The Township's combined net position decreased to $43,025,848 from $43,269,553. The Township's combined unrestricted net position for governmental activities and business-type activities was $14,558,481.

The Township's funds

Governmental funds:

At year end, the governmental funds reported a combined fund balance of $13,683,772.

General fund budgetary highlights:

Over the course of the year, the Township monitors the Township's budget. No budget amendments were required.

Capital asset

The capital assets for governmental activities as of December 31, 2025, amounts to $81,178,839, net of accumulated depreciation of $52,945,029, leaving a net book value of $28,233,810. 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 $2,667,477, and net disposals were $9,849. Depreciation charges for the year totaled $1,706,443. Additional information on the Township's capital assets can be found in Note 4 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 and tax rates. 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 2026 in comparison to 2025.

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.

Defined benefit pensions plans

As of December 31, 2025, the Nonuniformed Pension Plan had net pension assets of $1,599,520, and the Police Pension Plan had net pension assets of $1,755,243. 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, 2025, the Nonuniformed OPEB Plan had a net OPEB liability of $156,532, and the Police OPEB Plan had a net OPEB liability of $685,154.

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, 2025

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Primary government		
	Governmental activities	Business-type activities	Total
Current assets:			
Cash, cash equivalents and equity in pooled cash and investments:			
Unrestricted	$ 12,680,527	$ -	$ 12,680,527
Restricted	1,471,222	-	1,471,222
Receivables:			
Taxes	773,716	-	773,716
Accounts	192,587	-	192,587
Grant	164,369	-	164,369
Prepaid expenses	29,235	-	29,235
Total current assets	**15,311,656**	**-**	**15,311,656**
Noncurrent assets:			
Net pension asset	3,354,763	-	3,354,763
Capital assets, net of depreciation and amortization:			
Land	542,800	-	542,800
Other capital assets	27,691,010	-	27,691,010
Total noncurrent assets	**31,588,573**	**-**	**31,588,573**
Deferred outflows of resources:			
For pensions	378,214	-	378,214
For other postemployment benefits	692,077	-	692,077
Total deferred outflows of resources	**1,070,291**	**-**	**1,070,291**
Total assets and deferred outflows of resources	**$ 47,970,520**	**$ -**	**$ 47,970,520**

See notes to financial statements.

FAIRVIEW TOWNSHIP

STATEMENT OF NET POSITION – DECEMBER 31, 2025

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	Primary government		
	Governmental activities	Business-type activities	Total
Current liabilities:			
Accounts payable and accrued expenses	$ 172,830	$ -	$ 172,830
Escrows payable	1,377,952	-	1,377,952
Total current liabilities	**1,550,782**	**-**	**1,550,782**
Noncurrent liabilities:			
Compensated absences	583,469	-	583,469
Net postemployment benefits liability (other than pensions)	841,686	-	841,686
Total noncurrent liabilities	**1,425,155**	**-**	**1,425,155**
Total liabilities	**2,975,937**	**-**	**2,975,937**
Deferred inflows of resources:			
For pensions	1,678,812	-	1,678,812
For other postemployment benefits	289,923	-	289,923
Total deferred inflows of resources	**1,968,735**	**-**	**1,968,735**
Net position:			
Investment in capital assets	28,233,810	-	28,233,810
Restricted for:			
Eshare fund	458	-	458
Estate fund	92,813	-	92,813
Street light	36,363	-	36,363
Highway aid	89,443	-	89,443
Fire hydrant fund	14,480	-	14,480
Unrestricted	14,558,481	-	14,558,481
Total net position	**43,025,848**	**-**	**43,025,848**
Total liabilities, deferred inflow of resources and net position	**$ 47,970,520**	**$ -**	**$ 47,970,520**

See notes to financial statements.

FAIRVIEW TOWNSHIP

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Functions/programs	Expenses	Program revenues: Charges for services	Program revenues: Operating grants and contributions	Program revenues: Capital grants and contributions	Net (expenses) revenue and changes in net position: Governmental activities	Net (expenses) revenue and changes in net position: Business-type activities	Net (expenses) revenue and changes in net position: Total
Primary government:							
Governmental activities:							
General government	$ 895,204	$ 78,085	$ -	$ 9,465	$ (807,654)	$ -	$ (807,654)
Public safety	6,101,421	772,540	848,019	21,121	(4,459,741)	-	(4,459,741)
Health and welfare	17,140	-	-	-	(17,140)	-	(17,140)
Public works:							
Highways, roads and streets	4,607,954	-	632,767	156,535	(3,818,652)	-	(3,818,652)
Recycling center and leaf collection	239,245	-	34,866	137,942	(66,437)	-	(66,437)
Culture and recreation	349,815	76,150	-	-	(273,665)	-	(273,665)
Total governmental activities	**12,210,779**	**926,775**	**1,515,652**	**325,063**	**(9,443,289)**	**-**	**(9,443,289)**
Business-type activities:							
Sewer	188	(8,458)	-	-	-	(8,646)	(8,646)
Refuse	289	(4,929)	-	-	-	(5,218)	(5,218)
Total business-type activities	**477**	**(13,387)**	**-**	**-**	**-**	**(13,864)**	**(13,864)**
Total primary government	**$ 12,211,256**	**$ 913,388**	**$ 1,515,652**	**$ 325,063**	**(9,443,289)**	**(13,864)**	**(9,457,153)**

(continued)

FAIRVIEW TOWNSHIP

STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

Functions/programs	Expenses	Program revenues: Charges for services	Program revenues: Operating grants and contributions	Program revenues: Capital grants and contributions	Net (expenses) revenue and changes in net position: Governmental activities	Net (expenses) revenue and changes in net position: Business-type activities	Net (expenses) revenue and changes in net position: Total
General revenues:							
Taxes:							
Real estate					$ 3,015,659	$ -	$ 3,015,659
Real estate transfer					712,089	-	712,089
Earned income					3,794,256	-	3,794,256
Emergency services					492,439	-	492,439
Public utility					6,934	-	6,934
Cable TV franchise fees					227,553	-	227,553
Investment earnings					743,476	636	744,112
Miscellaneous					162,427	-	162,427
Gain on disposal of assets					57,979	-	57,979
Total general revenues					**9,212,812**	**636**	**9,213,448**
Interfund transfers					21,852	(21,852)	-
Changes in net position					**(208,625)**	**(35,080)**	**(243,705)**
Net position:							
Beginning					43,234,473	35,080	43,269,553
Ending					**$ 43,025,848**	$ -	**$ 43,025,848**

See notes to financial statements.

FAIRVIEW TOWNSHIP

BALANCE SHEET – GOVERNMENTAL FUNDS – DECEMBER 31, 2025

	General	Capital reserve fund	Other governmental funds	Total governmental funds
	ASSETS			
Cash, cash equivalents and equity in pooled cash and investments:				
Unrestricted	$ 3,802,236	$ 6,633,229	$ 2,245,062	$ 12,680,527
Restricted	1,471,222	-	-	1,471,222
Receivables:				
Taxes	703,563	-	70,153	773,716
Accounts	192,587	-	-	192,587
Grant	-	164,369	-	164,369
Prepaid expenses	29,235	-	-	29,235
Total assets	**$ 6,198,843**	**$ 6,797,598**	**$ 2,315,215**	**$ 15,311,656**
	LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:				
Accounts payable and accrued expenses	$ 147,487	$ 7,181	$ 18,162	$ 172,830
Escrow deposits	1,377,952	-	-	1,377,952
Total liabilities	**1,525,439**	**7,181**	**18,162**	**1,550,782**
Deferred inflows of resources, unavailable revenues	70,024	-	7,078	77,102
Fund balances:				
Nonspendable, prepaid expenses	29,235	-	-	29,235
Restricted:				
Eshare fund	458	-	-	458
Estate fund	92,813	-	-	92,813
Street light fund	-	-	36,363	36,363
Highway aid fund	-	-	89,443	89,443
Fire hydrant fund	-	-	14,480	14,480
Committed:				
Capital reserve fund	-	6,790,417	-	6,790,417
Fire department	-	-	112,713	112,713
Capital projects fund	-	-	1,300,000	1,300,000
Employee benefits	1,938,997	-	-	1,938,997
LST tax fund	-	-	736,976	736,976
Unassigned	2,541,877	-	-	2,541,877
Total fund balances	**4,603,380**	**6,790,417**	**2,289,975**	**13,683,772**
Total liabilities, deferred outflows of resources and fund balances	**$ 6,198,843**	**$ 6,797,598**	**$ 2,315,215**	**$ 15,311,656**

See notes to financial statements.

FAIRVIEW TOWNSHIP

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Total governmental fund balances	**$ 13,683,772**
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.	28,233,810
Net pension assets are not included in the governmental funds.	3,354,763
Net other postemployment benefits liability is not included in governmental funds.	(841,686)
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	378,214
Related to other postemployment benefits	692,077
Deferred inflows of resources:	
Related to pensions	(1,678,812)
Related to other postemployment benefits	(289,923)
Other assets are not available to pay for current period expenditures and, therefore, are unavailable in the funds, taxes revenues, including outstanding delinquent taxes.	77,102
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.	(583,469)
Net position of governmental activities	**$ 43,025,848**

See notes to financial statements.

FAIRVIEW TOWNSHIP

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Capital reserve fund	Other governmental funds	Total governmental funds
Revenues:				
Taxes	$ 7,068,695	$ -	$ 958,079	$ 8,026,774
Licenses, permits and fees	234,648	-	-	234,648
Fines and penalties	75,903	-	-	75,903
Interest and rents	340,100	347,679	55,698	743,477
Intergovernmental revenue	955,618	164,369	632,767	1,752,754
Service fees	840,552	-	-	840,552
Contributions from private sector	12,400	-	82,495	94,895
Miscellaneous revenue	155,842	-	9,810	165,652
Total revenues	**9,683,758**	**512,048**	**1,738,849**	**11,934,655**
Expenditures:				
General government	880,408	45,154	3,543	929,105
Public safety	5,953,318	1,153	965,950	6,920,421
Health and welfare	17,140	-	-	17,140
Public works:				
Highways, roads and streets	2,229,558	1,375,335	917,472	4,522,365
Recycling center and leaf collection	272,530	-	-	272,530
Culture and recreation	303,286	-	-	303,286
Miscellaneous	1,648	-	-	1,648
Total expenditures	**9,657,888**	**1,421,642**	**1,886,965**	**12,966,495**
Excess (deficit) of revenues over (under) expenditures	**25,870**	**(909,594)**	**(148,116)**	**(1,031,840)**

(continued)

FAIRVIEW TOWNSHIP

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2025

	General	Capital reserve fund	Other governmental funds	Total governmental funds
Other financing sources (uses):				
Proceeds from sale of assets	$ 67,827	$ -	$ -	$ 67,827
Interfund transfers:				
In	21,852	800,000	620,504	1,442,356
Out	(800,000)	-	(620,504)	(1,420,504)
Total other financing sources (uses)	**(710,321)**	**800,000**	**-**	**89,679**
(Deficit) of revenues and other financing sources over (under) expenditures and other uses	**(684,451)**	**(109,594)**	**(148,116)**	**(942,161)**
Fund balances:				
Beginning of year	5,287,831	6,900,011	2,438,091	14,625,933
End of year	**$ 4,603,380**	**$ 6,790,417**	**$ 2,289,975**	**$ 13,683,772**

See notes to financial statements.

FAIRVIEW TOWNSHIP

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITES
YEAR ENDED DECEMBER 31, 2025

Net changes in fund balances, total governmental funds	**$ (942,161)**
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	2,657,628
Deduct, depreciation expense	(1,706,443)
The change in value of the net pension asset is not reported in governmental funds.	2,252,841
The change in the deferred outflows and inflows related to pensions is not reported in the governmental funds:	
Deferred outflows related to pensions	(732,730)
Deferred inflows related to pensions	(1,630,084)
The change in the deferred outflows and inflows related to OPEB is not reported in the governmental funds:	
Deferred outflows related to OPEB	399,741
Deferred inflows related to OPEB	(207,746)
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.	(12,332)
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	(329,349)
Compensated absences	42,010
Changes in net position of governmental activities	**$ (208,625)**

See notes to financial statements.

FAIRVIEW TOWNSHIP

STATEMENT OF NET POSITION – PROPRIETARY FUNDS
DECEMBER 31, 2025

	Nonmajor proprietary funds
ASSETS	
Current assets:	
Cash and investments	$ -
Accounts receivable	-
Total assets, all current	$ -
LIABILITIES AND NET POSITION	
Current liabilities, accounts payable	$ -
Net position, unrestricted	-
Total liabilities and net position	$ -

See notes to financial statements.

FAIRVIEW TOWNSHIP

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION –
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025

	Nonmajor proprietary funds
Operating revenues, charges for services, net of uncollectable accounts	$ (13,387)
Operating expenses, collection, disposal and treatment	477
Excess of operating expenses over revenues	**(13,864)**
Nonoperating revenues, earnings on temporary deposits and investments	636
Net loss	**(13,228)**
Other financing uses, interfund transfers out	(21,852)
Changes in net position	**(35,080)**
Net position:	
Beginning of year	35,080
End of year	$ -

See notes to financial statements.

FAIRVIEW TOWNSHIP

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2025

	Nonmajor proprietary funds
Cash flows from operating activities:	
Receipts from customers and users	$ 235
Payments to suppliers	(561)
Net cash used in operating activities	**(326)**
Cash flows used in noncapital financing activities, interfund transfers out	(21,852)
Cash flows provided by investing activities, investment income	636
Net decrease in cash and cash equivalents	**(21,542)**
Cash and cash equivalents:	
Beginning	21,542
Ending	$ -
Cash flows from operating activities:	
Excess of operating expenses over revenues	$ (13,864)
Adjustments, increase (decrease) in:	
Assets, accounts receivable	13,621
Liabilities, accounts payable	(83)
Total adjustments	13,538
Net cash used in operating activities	**$ (326)**

See notes to financial statements.

FAIRVIEW TOWNSHIP

STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUND
DECEMBER 31, 2025

	Custodial fund, tax collection
Assets, cash and cash equivalents	**$ 629,309**
Liabilities, due to other governments	**$ 629,309**

See notes to financial statements.

FAIRVIEW TOWNSHIP

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUND
YEAR ENDED DECEMBER 31, 2025

	Custodial fund, tax collection
Total additions, real estate taxes	$ 34,388,840
Total deductions, intergovernmental disbursements	34,388,840
Net change	**-**
Net position:	
Beginning of year	-
End of year	**$ -**

See notes to financial statements.

FAIRVIEW TOWNSHIP

STATEMENT OF FIDUCIARY NET POSITION – PENSION FUNDS
DECEMBER 31, 2025

	Nonuniformed pension fund	Police pension fund	Total
Assets:			
Cash and cash equivalents	$ 54,160	$ 64,396	$ 118,556
Investments	11,950,020	16,546,716	28,496,736
Total assets	**$ 12,004,180**	**$ 16,611,112**	**$ 28,615,292**
Net position restricted for pensions	**$ 12,004,180**	**$ 16,611,112**	**$ 28,615,292**

See notes to financial statements.

FAIRVIEW TOWNSHIP

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – PENSION FUNDS
YEAR ENDED DECEMBER 31, 2025

	Nonuniformed pension fund	Police pension fund	Total
Additions:			
Contributions:			
State aid and employer	$ 141,650	$ 375,598	$ 517,248
Employee	30,385	83,361	113,746
Total contributions	**172,035**	**458,959**	**630,994**
Net investment gain	1,603,145	2,196,287	3,799,432
Total additions	**1,775,180**	**2,655,246**	**4,430,426**
Deductions:			
Benefit payments	518,462	554,797	1,073,259
Administrative expenses	11,699	12,395	24,094
Total deductions	**530,161**	**567,192**	**1,097,353**
Net increase	**1,245,019**	**2,088,054**	**3,333,073**
Net position restricted for pensions:			
Beginning of year	10,759,161	14,523,058	25,282,219
End of year	**$ 12,004,180**	**$ 16,611,112**	**$ 28,615,292**

See notes to financial statements.

FAIRVIEW TOWNSHIP

STATEMENT OF FIDUCIARY NET POSITION – POSTEMPLOYMENT FUNDS
YEAR ENDED DECEMBER 31, 2025

	Nonuniformed benefits fund	Police benefits fund	Total
Assets:			
Cash and cash equivalents	$ 26,685	$ 47,226	$ 73,911
Investments	1,281,265	1,952,333	3,233,598
Total assets	**$ 1,307,950**	**$ 1,999,559**	**$ 3,307,509**
Net position restricted for OPEB	**$ 1,307,950**	**$ 1,999,559**	**$ 3,307,509**

See notes to financial statements.

FAIRVIEW TOWNSHIP

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – POSTEMPLOYMENT FUNDS
YEAR ENDED DECEMBER 31, 2025

	Nonuniformed benefits fund	Police benefits fund	Total
Additions:			
Contributions, employer	$ 88,874	$ 85,987	$ 174,861
Net investment gain	121,832	187,281	309,113
Total additions	**210,706**	**273,268**	**483,974**
Deductions:			
Benefit payments	88,874	85,987	174,861
Administrative expenses	14,726	2,765	17,491
Total deductions	**103,600**	**88,752**	**192,352**
Net increase	**107,106**	**184,516**	**291,622**
Net position restricted for OPEB:			
Beginning of year	1,200,844	1,815,043	3,015,887
End of year	**$ 1,307,950**	**$ 1,999,559**	**$ 3,307,509**

See notes to financial statements.

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.

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.

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:

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.

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, 2025, the fund was subsidized from revenues received from the LST fund.

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

Basis of presentation:

Nonmajor funds:

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, 2025, 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.

During the year ended December 31, 2025, the Township closed the sewer and refuse funds and the remaining cash was transferred to the general fund.

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.

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, make 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.

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, 2025 consisted of the following:

Unavailable revenues, real estate taxes:	
General fund	$ 70,024
Street light fund	301
Fire service fund	5,639
Fire hydrant fund	1,138
Total unavailable revenues	$ 77,102

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 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, 2025, 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. During 2025, the Township wrote off the remaining receivables of the Proprietary funds and closed the funds.

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:

Description	Capital assets estimated lives
Buildings and improvements	15 - 40 years
Machinery and equipment	5 - 10 years
Vehicles	7 years
Infrastructure	20 - 40 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.

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.

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 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.

In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. The Statement establishes standards for accounting and financial reporting for events that occur after the date of the financial statements but before the financial statements are available to be issued. The Statement distinguishes events that provide additional evidence about conditions that existed at the date of the financial statements (recognized subsequent events) from events that provide evidence about conditions that did not exist at the date of the financial statements (nonrecognized subsequent events) and provides related disclosure requirements. The provisions of GASB Statement No. 105 are effective for the Township's December 31, 2027 financial statements.

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

Adoption of new accounting pronouncement:

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures.* This Statement requires the Township to disclose risks arising from concentrations or constraints when those risks could have a substantial impact on the government's ability to acquire or control spending. The Township adopted Statement No. 102 for its December 31, 2025 financial statements. The implementation of this Statement enhanced the Township's financial statement disclosures, with no effect on the Township's beginning balances and current year results.

2. 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 statues 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.

2. Deposits and investments (continued):

Custodial credit risk, deposits and investments:

As of December 31, 2025, $1,676,912 of the Township's bank balance of $2,039,625 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.

	Fair value
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	$ 1,676,912
Insured by Federal Deposit Insurance Corporation	362,713
Outstanding checks	(249,149)
Deposits in transit	22,602
Petty cash	450
	1,813,528
Pennsylvania Local Government Investment Trust (PLGIT) AAAm, Prime	12,967,530
Total cash, cash equivalents and equity in pooled cash and investments per financial statement	14,781,058

2. Deposits and investments (continued):

Custodial credit risk, deposits and investments:

As of December 31, 2025, the Township had the following investments:

	Fair value
Investments:	
Cash and cash equivalents:	
Mellon Bank, temporary investments and deposits	$ 118,556
PNC Institutional Investments, temporary investments and deposits	73,912
Total investments, cash and cash equivalents	192,468
Level 1:	
Mellon Bank:	
Fixed income, mutual funds	9,509,435
Equities, mutual funds	16,736,327
Charles Schwab:	
Equities, mutual funds	1,676,674
Equities, exchange-traded funds	574,301
PNC Institutional Investments:	
Fixed income:	
Treasury bonds	28,959
Agency bonds	51,199
Municipal bonds	3,133
Exchage-traded funds	701,843
Mutual funds	1,472,640
Mortgages	993
Asset backed	10,517
Equities, exchange-traded funds	878,502
Total investments at Level 1	31,644,523
Level 2, PNC Institutional Investments, fixed income, corporate bonds	85,810
Total investments	31,922,801
Total deposits and investments	$ 46,703,859
Reconciliation with financial statement amounts:	
Governmental funds	$ 14,151,749
Custodial fund	629,309
Postemployment benefit funds	3,307,509
Pension funds	28,615,292
	$ 46,703,859

2. 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.

At December 31, 2025, the Township had no investment securities that were uninsured, not registered in the Township's name and held by the counterparty or its agent; accordingly, the Township had no investments exposed to custodial credit risk.

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 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 $12,967,530 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 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.

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, 2025, 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.

2. Deposits and investments (continued):

Credit risk:

The Township's fixed income mutual funds and exchange-traded funds (including those held in the pension and OPEB plans) invest in diversified portfolios of fixed-income securities; the funds themselves are not rated by a nationally recognized statistical rating organization and are therefore presented as unrated.

At December 31, 2025, 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	AA	$ 28,959
Agency bonds	Unrated	51,199
Municipal bonds	A	3,133
Corporate bonds	AAA	3,052
Corporate bonds	AA	1,311
Corporate bonds	A	11,563
Corporate bonds	BAA	69,884
Total investments		$ 169,101

Concentration of credit risk:

The Township places no limit on the amount the Township may invest in any one issuer. At December 31, 2025, 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, 16% of the nonuniformed OPEB plan and 18% of the police OPEB plan are held in United States Treasury Notes, and 34% of the nonuniformed OPEB plan and 28% of the police OPEB plan are held in Federal Home Loan Mortgage Corporation and Federal National Mortgage Association agency bonds. At December 31, 2025, no investments in any single issuer, other than U.S. Treasury and U.S. agency securities explicitly guaranteed by the U.S. government, represented 5% or more of total investments or of net position of the individual pension and OPEB plans.

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.

2. Deposits and investments (continued):

Interest rate risk:

The Township discloses interest rate risk using a segmented time distribution (maturity band) approach by investment type. The Township does not hold variable-rate securities or other investments whose fair values are highly sensitive to changes in interest rates beyond the effects of normal market-wide rate changes. 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:

		Maturities		
	Fair value	1 to 5 years	6 to 10 years	Greater then 10 years
Investments:				
PNC institutional investments, fixed income:				
Treasury bonds	$ 28,959	$ 7,541	$ -	$ 21,418
Agency bonds	51,199	-	-	51,199
Municipal bonds	3,133	3,133	-	-
Corporate bonds	85,810	26,865	43,840	15,105
Total investments	$ 169,101	$ 37,539	$ 43,840	$ 87,722

Foreign currency risk:

At December 31, 2025, the Township held no deposits or investments denominated in foreign currencies; accordingly, the Township is not exposed to foreign currency risk.

3. Property taxes and assessments:

Real estate, fire protection and fire hydrant taxes:

The Township's property, fire protection and fire hydrant taxes are levied each February 15 on the assessed value as of January 1 as maintained by York County. Real property and fire protection 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 2025 were: 1.75 mills - real estate for general purposes, .23 mills – fire protection and .09 mills - fire hydrant.

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, 2025 were 13.0 cents/foot for unimproved and 47.0 cents/foot for improved road frontage.

3. Property taxes and assessments (continued):

Real estate, fire protection 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 protection and fire hydrant taxes and street light assessments are collected by the Township or elected tax collector.

4. Capital assets:

	Balance January 1, 2025	Additions	Deletions	Reclassifications	Balance December 31, 2025
Capital assets not being depreciated:					
Land	$ 542,800	$ -	$ -	$ -	$ 542,800
Construction in progress	148,246	1,375,335	-	(278,531)	1,245,050
Total capital assets, not being depreciated	691,046	1,375,335	-	(278,531)	1,787,850
Capital assets being depreciated:					
Vehicles and equipment	9,246,174	524,315	(517,158)	-	9,253,331
Buildings and improvements	10,756,096	16,525	-	278,531	11,051,152
Roads, traffic signals and storm sewers	58,335,204	751,302	-	-	59,086,506
Total capital assets being depreciated	78,337,474	1,292,142	(517,158)	278,531	79,390,989
Less accumulated depreciation:					
Vehicles and equipment	7,495,703	657,338	(507,309)	-	7,645,732
Buildings and improvements	2,425,462	206,005	-	-	2,631,467
Roads, traffic signals and storm sewers	41,824,730	843,100	-	-	42,667,830
Total accumulated depreciation	51,745,895	1,706,443	(507,309)	-	52,945,029
Capital assets, net	$ 27,282,625	$ 961,034	$ (9,849)	$ -	$ 28,233,810

4. Capital assets (continued):

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	$ 48,078
Public safety	482,658
Public works:	
Highways and streets	1,052,086
Recycling center and leaf collection	81,785
Recreation	41,836
Total depreciation expense	$ 1,706,443

5. 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, 2025, the liability for vested unused vacation and sick leave is $583,469, which is a decrease of $42,009 from the balance at December 31, 2024. These amounts include payroll related tax liabilities.

6. 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.

6. 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, 2025, participation in the respective plans is as follows:

Nonuniformed Pension Plan:	
Inactive members or beneficiaries currently receiving benefits	22
Inactive members entitled to but not yet receiving benefits	8
Active members	20
Total	50

Police Pension Plan:	
Inactive members or beneficiaries currently receiving benefits	16
Inactive members entitled to but not yet receiving benefits	1
Active members	18
Total	35

6. Defined benefit pension plans (continued):

Plan descriptions:

A summary of employee eligibility requirements and benefits as of December 31, 2025 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.	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 final plan year preceding retirement for employees hired before July 1, 2014.	Average monthly pay is based upon the last 36 months of employment.
	Average monthly pay is based upon the last 36 months of employment for employees hired on or after July 1, 2014.	
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 equalto 75% of the member's monthly salary at the time the disability was incurred.

6. 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.

6. Defined benefit pension plans (continued):

Funding policy:

Funding of the respective plans was provided as follows for 2025:

Description	Nonuniformed Pension Plan	Police Pension Plan
Annual covered payroll	$ 1,483,324	$ 2,044,610
Employee contribution rate	2.0% of compensation. Past member contributions are credited with 5.0% annual interest.	4.0% of gross wages
Employee contributions paid in 2025	$ 30,385	$ 83,361
State aid and employer contributions paid in 2025	$ 141,650	$ 375,598
Total contributions made as a percentage of payroll	11.6%	22.4%

Net pension assets:

The net pension assets were measured as of December 31, 2025, and the total pension liabilities were determined by rolling forward the liabilities from an actuarial valuation as of January 1, 2025. 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, 2025 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.

6. 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:

Asset class	Target allocation	Long-term expected real rate of return
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.

6. 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, 2025	$ 9,945,130	$ 10,759,161	$ (814,031)
Service cost	251,235	-	251,235
Interest cost	697,638	-	697,638
Changes for experience	29,119	-	29,119
Contributions:			
Employer	-	141,650	(141,650)
Members	-	30,385	(30,385)
Net investment income	-	1,603,145	(1,603,145)
Benefit payments, including refund of member contributions	(518,462)	(518,462)	-
Administrative expense	-	(11,699)	11,699
Net changes	459,530	1,245,019	(785,489)
Balance at December 31, 2025	$ 10,404,660	$ 12,004,180	$(1,599,520)

Sensitivity of the nonuniformed net pension asset to changes in the discount rate:

The following presents the net pension asset of the plan, calculated using the discount rate of 7.00%, as well as what the plan's net pension asset 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	$ (443,384)	$ (1,599,520)	$ (2,580,402)

6. 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, 2025	$ 14,235,167	$ 14,523,058	$ (287,891)
Service cost	386,914	-	386,914
Interest cost	989,256	-	989,256
Changes for experience	(200,671)		(200,671)
Contributions:			
Employer	-	375,598	(375,598)
Members	-	83,361	(83,361)
Net investment income	-	2,196,287	(2,196,287)
Benefit payments, including refund of member contributions	(554,797)	(554,797)	-
Administrative expense	-	(12,395)	12,395
Net changes	620,702	2,088,054	(1,467,352)
Balance at December 31, 2025	$ 14,855,869	$ 16,611,112	$(1,755,243)

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	$ 247,815	$ (1,755,243)	$ (3,394,979)

6. Defined benefit pension plans (continued):

Pension expense – Nonuniformed Pension Plan:

Service cost	$ 251,235
Interest on the total pension liability	697,638
Differences between expected and actual experience [1]	(72,021)
Member contributions	(30,385)
Projected earnings on pension plan investments	(740,607)
Difference between projected and actual earnings on investments [2]	97,579
Pension plan administrative expense	11,699
Total pension expense	$ 215,138

[1] 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.

[2] Each year's gain or loss is recognized over a five-year period.

At December 31, 2025, 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	$ 52,413	$ -	$ 52,413
Difference between projected and actual investment earnings	-	561,628	(561,628)
Total	$ 52,413	$ 561,628	$ (509,215)

6. 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:

Year ended	Net amortization
2026	$ 188,653
2027	(327,996)
2028	(207,072)
2029	(167,653)
2030	4,853
	$ (509,215)

Pension expense – Police Pension Plan:

Service cost	$ 386,914
Interest on the total pension liability	989,256
Differences between expected and actual experience [1]	(24,242)
Changes of assumptions [1]	29,557
Member contributions	(83,361)
Projected earnings on pension plan investments	(1,012,826)
Difference between projected and actual earnings on investments [2]	114,387
Pension plan administrative expense	12,395
Total pension expense	$ 412,080

[1] 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.

[2] Each year's gain or loss is recognized over a five-year period.

6. Defined benefit pension plans (continued):

Pension expense – Police Pension Plan:

At December 31, 2025, the Township reported deferred outflows and 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	$ 296,245	$ 330,373	$ (34,128)
Changes of assumptions	29,556	-	29,556
Difference between projected and actual investment earnings	-	786,811	(786,811)
Total	$ 325,801	$ 1,117,184	$ (791,383)

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

Year ended	Net amortization
2026	$ 201,439
2027	(478,290)
2028	(296,002)
2029	(202,527)
2030	34,165
thereafter	(50,168)
	$ (791,383)

6. 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, 2025 and consisted of the following:

	Cost	Fair value
Nonuniformed pension:		
Mellon Bank, temporary investments and deposits	$ 54,160	$ 54,160
Level 1:		
Mellon Bank:		
Fixed income	3,307,811	3,514,933
Equities	3,638,588	6,184,113
Charles Schwab:		
Mutual funds	1,371,006	1,676,674
Exchange-traded funds	474,968	574,300
	8,846,533	12,004,180
Police pension:		
Mellon Bank, temporary investments and deposits	64,396	64,396
Level 1:		
Mellon Bank:		
Fixed income	5,651,377	5,994,502
Equities	6,316,018	10,552,214
	12,031,791	16,611,112
Investments, pension	$ 20,878,324	$ 28,615,292

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.

6. 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.

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

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:

	Target allocation
Fixed income	35 %
Equities	65
Total	100 %

The investment policy remains in effect until revoked or changed by the respective pension boards. There were no changes in policy for 2025.

6. Defined benefit pension plans (continued):

The following is a summary of the Police and Nonuniformed Pension Plans' money-weighted rates of investment return:

Annual money-weighted rate of return:

Police Pension Plan	15.7%
Nonuniformed Pension Plan	15.7%

7. 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 6, 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, 2025, the Nonuniformed and Police OPEB Plan membership consisted of the following (actual number of plan members):

	Nonuniformed OPEB Plan	Police OPEB Plan
Active members	7	19
Retired participants	6	1
Total	13	20

7. Other postemployment medical benefits (continued):

Contributions and benefits:

The Township's contribution is based on actuarially determined amounts. For the year ended December 31, 2025, the Township contributed $88,874 and $85,987 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, 2025, there were no plan member contributions to the Police OPEB Plan.

7. Other postemployment medical benefits (continued):

Net OPEB liability:

The net OPEB liability was measured as of December 31, 2025, and the total OPEB liability was determined by rolling forward the liability from an actuarial valuation as of January 1, 2025. Updated procedures were used to roll forward to the plan's year ended December 31, 2025. 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, 2025 were as follows:

	Nonuniformed OPEB Plan	Police OPEB Plan	Total
Total OPEB liability	$ 1,464,482	$ 2,684,713	$ 4,149,195
Plan fiduciary net position	1,307,950	1,999,559	3,307,509
Net OPEB liability	$ 156,532	$ 685,154	$ 841,686
Plan fiduciary net position as a percentage of the total OPEB liability	89.31%	74.48%	79.71%

7. Other postemployment medical benefits (continued):

Changes in the nonuniformed net OPEB liability:

The changes in the nonuniformed net OPEB liability for the Township for the year ended December 31, 2025 were as follows:

	Increase (decrease)		
	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB liability (a) - (b)
Balances at January 1, 2025	$ 1,271,632	$ 1,200,844	$ 70,788
Service cost	36,139	-	36,139
Interest [2]	72,429	-	72,429
Differences between expected and actual experience[1]	134,347	-	134,347
Changes of assumptions [1]	38,809	-	38,809
Contributions, employer	-	88,874	(88,874)
Net investment income	-	121,832	(121,832)
Benefit payments [2]	(88,874)	(88,874)	-
Administrative expense	-	(14,726)	14,726
Net changes	192,850	107,106	85,744
Balance at December 31, 2025	$ 1,464,482	$ 1,307,950	$ 156,532

Notes to schedule:

Changes in assumptions:

The trend and mortality assumptions were updated.

Changes in benefit terms:

[1] 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.

[2] These figures are based on estimated benefit payments. These amounts may be adjusted for actual benefit payments made during the year.

7. Other postemployment medical benefits (continued):

Changes in the police net OPEB liability:

The changes in the police net OPEB liability for the Township for the year ended December 31, 2025 were as follows:

	Increase (decrease)		
	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB liability (a) - (b)
Balances at January 1, 2025	$ 2,256,592	$ 1,815,043	$ 441,549
Service cost	125,723	-	125,723
Interest [2]	134,305	-	134,305
Differences between expected and actual experience[1]	170,048	-	170,048
Changes of assumptions [1]	84,032	-	84,032
Contributions, employer	-	85,987	(85,987)
Net investment income	-	187,281	(187,281)
Benefit payments [2]	(85,987)	(85,987)	-
Administrative expense	-	(2,765)	2,765
Net changes	428,121	184,516	243,605
Balance at December 31, 2025	$ 2,684,713	$ 1,999,559	$ 685,154

Notes to schedule:

Changes in assumptions:

The trend and mortality assumptions were updated.

Changes in benefit terms:

[1] 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.

[2] These figures are based on estimated benefit payments. These amounts may be adjusted for actual benefit payments made during the year.

7. Other postemployment medical benefits (continued):

Actuarial assumption:

Actuarial valuation date	January 1, 2025
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	8.0% in 2025, 7.0% in 2026, 6.0% in 2027, 5.5% in 2028 and 5.4% in 2029. Rates gradually decrease from 5.4% in 2030 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-2016 Headcount-Weighted mortality table for Police and PubG-2016 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.

7. Other postemployment medical benefits (continued):

Actuarial assumption:

Insurance premiums:

Age adjustments (Medical/Rx)

Age	Males	Females
<25	$ 5,265	$ 11,853
25-29	6,335	15,809
30-34	7,165	16,034
35-39	8,686	16,653
40-44	10,614	17,934
45-49	13,627	19,680
50-54	18,047	22,242
55-59	21,981	23,273
60-64	28,684	26,735
65+	8,088	8,088

Dental

Coverage	Premium
Single	$ 391
Family	1,232

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%

7. 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 liability	$ 240,208	$ 156,532	$ 76,837
Police net OPEB liability	933,380	685,154	460,625

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 (7.0% decreasing to 3.0%) or 1% higher (9.0% decreasing to 5.0%) than the current healthcare cost trend rates:

	Healthcare cost trend rates		
	1% Decrease	Current healthcare cost trend	1% Increase
Nonuniformed net OPEB liability	$ 43,178	$ 156,532	$ 283,170
Police net OPEB liability	375,658	685,154	1,050,067

7. Other postemployment medical benefits (continued):

OPEB expense:

The OPEB expense for the Township for the year ended December 31, 2025 was as follows:

	Nonuniformed OPEB Plan	Police OPEB Plan	Total
Service cost	$ 36,139	$ 125,723	$ 161,862
Interest on the total OPEB liability	72,429	134,305	206,734
Expected investment earnings	(68,625)	(104,285)	(172,910)
Amortization of deferred outflows	78,822	99,552	178,374
Amortization of deferred inflows	(20,458)	(58,877)	(79,335)
OPEB plan administrative expense	14,726	2,765	17,491
Total OPEB expense	$ 113,033	$ 199,183	$ 312,216

7. Other postemployment medical benefits (continued):

Deferred outflows and inflows of resources:

At December 31, 2025, deferred outflows and inflows of resources related to the OPEB plans are from the following source:

	Deferred outflows of resources	Deferred inflows of resources	Net total
Nonuniformed:			
Changes of assumptions	$ 83,034	$ 48,722	$ 34,312
Differences between expected and actual experience	231,575	-	231,575
Net difference between projected and actual earnings	-	22,593	(22,593)
Total nonuniformed	$ 314,609	$ 71,315	$ 243,294
Police:			
Changes of assumptions	$ 220,472	$ 98,098	$ 122,374
Differences between expected and actual experience	156,996	76,563	80,433
Net difference between projected and actual earnings	-	43,947	(43,947)
Total police	$ 377,468	$ 218,608	$ 158,860
Grand total:			
Changes of assumptions	$ 303,506	$ 146,820	$ 156,686
Differences between expected and actual experience	388,571	76,563	312,008
Net difference between projected and actual earnings	-	66,540	(66,540)
Grand total	$ 692,077	$ 289,923	$ 402,154

7. 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:

Year ended December 31,	Nonuniformed Plan	Police Plan	Total
2026	$ 58,446	$ 40,983	$ 99,429
2027	12,417	(10,957)	1,460
2028	22,307	1,811	24,118
2029	17,868	(4,897)	12,971
2030	28,168	11,027	39,195
thereafter	104,088	120,893	224,981
	$ 243,294	$ 158,860	$ 402,154

7. 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, 2025 and consisted of the following:

	Cost	Fair value
Nonuniformed plan:		
PNC institutional investments:		
Temporary investments and deposits	$ 26,685	$ 26,685
Fixed income:		
Corporate bonds	33,397	33,091
Treasury bonds	12,227	11,214
Agency bonds	24,296	23,672
Municipal bonds	1,281	1,044
Exchange-traded funds	274,515	272,403
Mutual funds	588,134	585,660
Asset backed	1,998	2,012
Equities, exchange-traded funds	252,326	352,169
Total nonuniformed plan	1,214,859	1,307,950
Police plan:		
PNC institutional investments:		
Temporary investments and deposits	47,226	47,226
Fixed income:		
Corporate bonds	52,853	52,719
Treasury bonds	18,913	17,745
Agency bonds	27,531	27,528
Municipal bonds	2,514	2,089
Exchange-traded funds	431,832	429,440
Mutual funds	889,133	886,980
Mortgages	986	993
Asset backed	8,479	8,506
Equities, exchange-traded funds	380,856	526,333
Total police plan	1,860,323	1,999,559
Investments, OPEB	$ 3,075,182	$ 3,307,509

8. 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 the 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.

9. Reservations of fund balances and net position:

Reservations of fund balances and net position as of December 31, 2025 are not appropriable for expenditures, or are legally segregated for specific purposes as follows:

General fund (listed as committed funds by Board of Supervisors):	
Compensated absences, Township employees	$ 1,764,418
Pooled sick days:	
Nonuniform	15,525
Police	159,054
	$ 1,938,997
Postemployment benefits trust funds, healthcare benefits	$ 3,307,509
Pension trust funds, employee benefits	$ 28,615,292

10. 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.

10. Interfund receivables, payables and transfers (continued):

In the year ended December 31, 2025, the Township made the following transfers:

	Transfers to other funds	Transfers from other funds
General fund	$ 800,000	$ 21,852
Capital reserve fund	-	800,000
Nonmajor funds:		
LST fund	560,504	-
Fire service fund	-	374,682
EMS fund	-	245,822
Fairview Township Fire Department	60,000	-
Sewer fund	14,811	-
Refuse fund	7,041	-
	$ 1,442,356	$ 1,442,356

There were no interfund receivables and payables as of December 31, 2025.

11. 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.

12. 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, 2025 were $1,369,393.

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.

12. Commitments and contingencies (continued):

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 2025.

13. 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, 2025, the Township paid premiums of $1,087,246. Actual claims paid for the year ended December 31, 2025 were $2,070,659 less reimbursements of $1,084,148. The Township also incurred a shared cost of $7,768 and is anticipating a refund of $92,967 in 2026.

14. Constraints:

Constraints on raising revenue and spending:

The Township is subject to certain legal and formal constraints that limit its ability to raise revenue and to incur expenditures. These constraints are imposed by statutes of the Commonwealth of Pennsylvania and by formal actions of the Township's highest level of decision-making authority.

Revenue-raising constraints:

Under applicable Pennsylvania statutes and local ordinances, the Township's authority to increase certain taxes, including real estate taxes and Act 511 taxes, is subject to millage limits, rate caps and, in some cases, requirements for voter or state approval. These provisions limit the Township's ability to increase tax revenues in response to adverse economic or other conditions, and therefore, represent a limitation on raising revenue.

Spending and budgetary constraints:

The Township operates under a legally adopted budget, and expenditures in governmental funds are limited by state law and by formal action of the governing body to the amounts appropriated in the annual budget, as amended. These requirements, along with mandates that certain expenditures (such as debt service and specific programmatic spending) be funded before other discretionary activities, represent limitations on spending and mandated spending that reduce the Township's flexibility to adjust expenditures in response to changing conditions.

15. Subsequent events:

The Township has evaluated events through August 26, 2026, 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)
LAST 10 YEARS
(See independent auditor's report on required supplementary information)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability:										
Service cost	$ 251,235	$ 240,875	$ 229,405	$ 210,999	$ 200,951	$ 196,350	$ 187,000	$ 186,569	$ 177,685	$ 223,230
Interest	697,638	669,076	642,385	609,095	583,380	590,994	563,878	525,302	502,411	550,951
Changes for experience	29,119	-	70,369	-	(454,749)	-	(158,554)	-	-	-
Differences between experience	-	-	-	-	-	-	-	-	(1,363,350)	-
Changes of assumptions	-	-	-	-	-	-	357,534	-	317,818	-
Benefit payments, including refunds of member contributions	(518,462)	(564,356)	(439,565)	(427,034)	(426,998)	(432,635)	(355,179)	(385,332)	(327,074)	(406,585)
Net change in total pension liability	459,530	345,595	502,594	393,060	(97,416)	354,709	594,679	326,539	(692,510)	367,596
Total pension liability:										
Beginning of year	9,945,130	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
End of year (a)	$ 10,404,660	$ 9,945,130	$ 9,599,535	$ 9,096,941	$ 8,703,881	$ 8,801,297	$ 8,446,588	$ 7,851,909	$ 7,525,370	$ 8,217,880
Plan fiduciary net position:										
Contributions:										
Employer	$ 141,650	$ 129,520	$ -	$ -	$ 176,473	$ 91,962	$ 99,132	$ 86,761	$ 70,359	$ 173,104
Member	30,385	26,219	-	477	35,836	30,495	29,520	29,643	29,569	24,599
Net investment income (loss)	1,603,145	901,794	1,317,620	(1,784,892)	1,104,907	1,346,594	1,543,129	(742,372)	1,285,276	510,350
Benefit payments, including refunds of member contributions	(518,462)	(564,356)	(439,565)	(427,034)	(426,998)	(432,635)	(355,179)	(385,332)	(327,074)	(406,585)
Administrative expense	(11,699)	(11,204)	(2,297)	(10,597)	(10,497)	(9,795)	(8,700)	(15,500)	-	(10,900)
Net change in plan fiduciary net position	1,245,019	481,973	875,758	(2,222,046)	879,721	1,026,621	1,307,902	(1,026,800)	1,058,130	290,568
Total fiduciary net position:										
Beginning of year	10,759,161	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
End of year (b)	$ 12,004,180	$ 10,759,161	$ 10,277,188	$ 9,401,430	$ 11,623,476	$ 10,743,755	$ 9,717,134	$ 8,409,232	$ 9,436,032	$ 8,377,902
Net pension asset, end of year (a) - (b)	$ (1,599,520)	$ (814,031)	$ (677,653)	$ (304,489)	$ (2,919,595)	$ (1,942,458)	$(1,270,546)	$ (557,323)	$(1,910,662)	$ (160,022)
Plan fiduciary net position as a percentage of the total pension liability	115.4%	108.2%	107.1%	103.3%	133.5%	122.1%	115.0%	107.1%	125.4%	101.9%
Covered payroll	$ 1,483,324	$ 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
Net pension asset as a percentage of covered payroll	(107.8)%	(59.9)%	(52.4)%	(25.2)%	(263.1)%	(184.9)%	(129.8)%	(53.0)%	(180.8)%	(16.2)%

FAIRVIEW TOWNSHIP

(REQUIRED SUPPLEMENTARY INFORMATION)
SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED PERCENTAGES – POLICE PENSION PLAN (unaudited)
LAST 10 YEARS
(See independent auditor's report on required supplementary information)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability:										
Service cost	$ 386,914	$ 417,811	$ 397,915	$ 383,447	$ 365,188	$ 317,281	$ 302,172	$ 279,533	$ 266,222	$ 243,037
Interest	989,256	948,938	895,465	802,121	770,321	750,417	706,135	652,536	625,284	621,796
Changes for experience	(200,671)	-	-	-	-	-	(81,742)	-	-	-
Differences between experience	-	-	473,992	-	(385,515)	-	-	-	(842,631)	-
Changes of assumptions	-	-	-	-	-	-	236,455	-	275,946	-
Benefit payments, including refunds of member contributions	(554,797)	(540,050)	(558,710)	(602,201)	(416,962)	(386,653)	(382,830)	(458,255)	(324,059)	(317,630)
Net change in total pension liability	620,702	826,699	1,208,662	583,367	333,032	681,045	780,190	473,814	762	547,203
Total pension liability:										
Beginning of year	14,235,167	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
End of year (a)	$ 14,855,869	$ 14,235,167	$ 13,408,468	$ 12,199,806	$ 11,616,439	$ 11,283,407	$ 10,602,362	$ 9,822,172	$ 9,348,358	$ 9,347,596
Plan fiduciary net position:										
Contributions:										
Employer	$ 375,598	$ 350,272	$ 151,882	$ 138,131	$ 375,020	$ 276,470	$ 232,380	$ 172,259	$ 167,863	$ 143,083
Member	83,361	79,541	77,140	66,078	62,183	65,296	62,480	55,293	51,046	49,899
Net investment income (loss)	2,196,287	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
Benefit payments, including refunds of member contributions	(554,797)	(540,050)	(558,710)	(602,201)	(416,962)	(386,653)	(382,830)	(458,255)	(324,059)	(317,630)
Administrative expense	(12,395)	(11,397)	(2,804)	(11,004)	(11,304)	(8,476)	(8,000)	(13,100)	-	(6,600)
Net change in plan fiduciary net position	2,088,054	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
Total fiduciary net position:										
Beginning of year	14,523,058	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
End of year (b)	$ 16,611,112	$ 14,523,058	$ 13,478,989	$ 12,066,996	$ 14,759,120	$ 13,402,981	$ 11,768,771	$ 9,999,021	$ 11,156,550	$ 9,715,625
Net pension (asset) liability, end of year (a) - (b)	$ (1,755,243)	$ (287,891)	$ (70,521)	$ 132,810	$ (3,142,681)	$ (2,119,574)	$ (1,166,409)	$ (176,849)	$ (1,808,192)	$ (368,029)
Plan fiduciary net position as a percentage of the total pension liability	111.8%	102.0%	100.5%	98.9%	127.1%	118.8%	111.0%	101.8%	119.3%	103.9%
	$ 2,044,610	$ 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
Net pension (asset) liability as a percentage of covered payroll	(85.8)%	(14.5)%	(3.7)%	7.8%	(202.3)%	(137.8)%	(74.0)%	(12.6)%	(148.0)%	(31.8)%

FAIRVIEW TOWNSHIP

(REQUIRED SUPPLEMENTARY INFORMATION)
SCHEDULE OF INVESTMENT RETURNS (unaudited)
LAST 10 YEARS
(See independent auditor's report on required supplementary information)

Annual dollar-weighted rate of return on a market value basis:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Nonuniformed Pension Plan	6.8%	16.5%	(7.5)%	19.4%	14.6%	10.9%	(15.2)%	15.2%	9.2%	15.7%
Police Pension Plan	6.2%	16.9%	(7.7)%	19.6%	14.9%	10.6%	(15.1)%	15.2%	9.1%	15.7%

FAIRVIEW TOWNSHIP

(REQUIRED SUPPLEMENTARY INFORMATION)
SCHEDULE OF EMPLOYER CONTRIBUTIONS AND NOTES TO SCHEDULE –
NONUNIFORMED PENSION PLAN (unaudited)
LAST 10 YEARS
(See independent auditor's report on required supplementary information)

	Nonuniformed Pension Plan				
Year	Actuarially determined contribution	Contributions from employer	Contribution deficiency/ (excess)	Covered payroll	Contributions as a % of covered payroll
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%
2025	141,650	141,650	-	1,483,324	9.55%

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, 2025: 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)
LAST 10 YEARS
(See independent auditor's report on required supplementary information)

	Police Pension Plan				
Year	Actuarially determined contribution	Contributions from employer	Contribution deficiency/ (excess)	Covered payroll	Contributions as a % of covered payroll
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%
2025	375,598	375,598	-	2,044,610	18.37%

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, 2025: 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)
LAST 8 YEARS
(See independent auditor's report on required supplementary information)

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability:								
Service cost	$ 36,139	$ 33,922	$ 37,086	$ 40,942	$ 46,479	$ 44,156	$ 41,834	$ 40,268
Interest	72,429	71,073	63,434	57,812	53,327	51,386	46,032	44,594
Difference between expected and actual experience	134,347	-	46,813	-	101,832	-	66,157	-
Changes of assumptions	38,809	13,630	41,950	(76,173)	8,667	3,403	5,501	(6,964)
Benefit payments, including refunds of member contributions	(88,874)	(107,203)	(136,050)	(129,533)	(76,262)	(47,795)	(45,964)	(48,723)
Net change in total OPEB liability	192,850	11,422	53,233	(106,952)	134,043	51,150	113,560	29,175
Total OPEB liability:								
Beginning of year	1,271,632	1,260,210	1,206,977	1,313,929	1,179,886	1,128,736	1,015,176	986,001
End of year (a)	$ 1,464,482	$ 1,271,632	$ 1,260,210	$ 1,206,977	$ 1,313,929	$ 1,179,886	$ 1,128,736	$ 1,015,176
Plan fiduciary net position:								
Contributions, employer	$ 88,874	$ 107,203	$ 136,050	$ 129,533	$ 76,262	$ 47,795	$ 45,964	$ 91,549
Net investment income (loss)	121,832	75,347	108,488	(161,510)	52,038	18,253	35,456	14,412
Benefit payments, including refunds of member contributions	(88,874)	(107,203)	(136,050)	(129,533)	(76,262)	(47,795)	(45,964)	(48,723)
Administrative expense	(14,726)	(6,425)	(5,786)	(5,967)	(5,635)	(3,368)	(3,291)	(3,143)
Net change in plan fiduciary net position	107,106	68,922	102,702	(167,477)	46,403	14,885	32,165	54,095
Total fiduciary net position:								
Beginning of year	1,200,844	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)	$ 1,307,950	$ 1,200,844	$ 1,131,922	$ 1,029,220	$ 1,196,697	$ 1,150,294	$ 1,135,409	$ 1,103,244
Net OPEB (asset) liability, end of year (a) - (b)	$ 156,532	$ 70,788	$ 128,288	$ 177,757	$ 117,232	$ 29,592	$ (6,673)	$ (88,068)
Plan fiduciary net position as a percentage of the total OPEB liability	89.3%	94.4%	89.8%	85.3%	91.1%	97.5%	100.6%	108.7%
Covered payroll	$ 605,997	$ 672,377	$ 672,377	$ 673,857	$ 674,529	$ 785,382	$ 785,382	$ 805,078
Net OPEB (asset) liability as a percentage of covered payroll	25.8%	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)
LAST 8 YEARS
(See independent auditor's report on required supplementary information)

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability:								
Service cost	$ 125,723	$ 116,978	$ 102,191	$ 114,059	$ 99,123	$ 93,841	$ 80,228	$ 77,662
Interest	134,305	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	170,048	-	(37,834)	-	(140,358)	-	99,742	-
Changes of assumptions	84,032	36,742	151,400	(144,962)	2,211	6,765	(7,542)	(13,152)
Benefit payments, including refunds of member contributions	(85,987)	(80,087)	(44,978)	(37,180)	(55,481)	(31,466)	(29,472)	(39,559)
Net change in total OPEB liability	428,121	196,330	344,263	12,788	(14,117)	143,106	206,809	84,669
Total OPEB liability:								
Beginning of year	2,256,592	2,060,262	1,715,999	1,703,211	1,717,328	1,574,222	1,367,413	1,282,744
End of year (a)	$ 2,684,713	$ 2,256,592	$ 2,060,262	$ 1,715,999	$ 1,703,211	$ 1,717,328	$ 1,574,222	$ 1,367,413
Plan fiduciary net position:								
Contributions, employer	$ 85,987	$ 285,831	$ 309,065	$ 37,180	$ 114,511	$ 90,013	$ 61,519	$ 309,859
Net investment income (loss)	187,281	99,587	135,891	(184,205)	57,007	13,633	31,071	14,648
Benefit payments, including refunds of member contributions	(85,987)	(80,087)	(44,978)	(37,180)	(55,481)	(31,466)	(29,472)	(39,559)
Administrative expense	(2,765)	(8,577)	(6,926)	(6,576)	(6,052)	(3,363)	(3,217)	(2,839)
Net change in plan fiduciary net position	184,516	296,754	393,052	(190,781)	109,985	68,817	59,901	282,109
Total fiduciary net position:								
Beginning of year	1,815,043	1,518,289	1,125,237	1,316,018	1,206,033	1,137,216	1,077,315	795,206
End of year (b)	$ 1,999,559	$ 1,815,043	$ 1,518,289	$ 1,125,237	$ 1,316,018	$ 1,206,033	$ 1,137,216	$ 1,077,315
Net OPEB liability, end of year (a) - (b)	$ 685,154	$ 441,549	$ 541,973	$ 590,762	$ 387,193	$ 511,295	$ 437,006	$ 290,098
Plan fiduciary net position as a percentage of the total OPEB liability	74.5%	80.4%	73.7%	65.6%	77.3%	70.2%	72.2%	78.8%
Covered payroll	$ 1,988,537	$ 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	34.5%	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)
LAST 10 YEARS
(See independent auditor's report on required supplementary information)

	Nonuniformed OPEB Plan				
Year	Actuarially determined contribution	Contributions from employer	Contribution deficiency/ (excess)	Covered payroll	Contributions as a % of covered payroll
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%
2025	31,395	88,874	(57,479)	605,997	14.67%

Notes to schedule:

Methods and assumptions used to determine contribution rates:

Actuarial valuation date, 2025: January 1, 2025
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: 8.0% in 2025, 7.0% in 2026, 6.0% in 2027, 5.5% in 2028 and 5.4% in 2029. Rates gradually decrease from 5.4% in 2030 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)
LAST 10 YEARS
(See independent auditor's report on required supplementary information)

	Police OPEB Plan				
Year	Actuarially determined contribution	Contributions from employer	Contribution deficiency/ (excess)	Covered payroll	Contributions as a % of covered payroll
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%
2025	88,142	85,987	2,155	1,988,537	4.32%

Notes to schedule:

Methods and assumptions used to determine contribution rates:

Actuarial valuation date, 2025: January 1, 2025
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: 8.0% in 2025, 7.0% in 2026, 6.0% in 2027, 5.5% in 2028 and 5.4% in 2029. Rates gradually decrease from 5.4% in 2030 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, 2025
(See independent auditor's report on required supplementary information)

	Original budget	Final budget	Actual	Variance favorable (unfavorable)
Revenues:				
Taxes	$ 6,608,000	$ 6,608,000	$ 7,068,695	$ 460,695
Licenses, permits and fees	254,000	254,000	234,648	(19,352)
Fines and penalties	76,000	76,000	75,903	(97)
Interest and rents	160,000	160,000	340,100	180,100
Intergovernmental revenue	718,400	718,400	955,618	237,218
Service fees	493,000	493,000	840,552	347,552
Contributions from private sector	140,000	140,000	-	(140,000)
Miscellaneous	83,000	83,000	155,842	72,842
Total revenues	**8,532,400**	**8,532,400**	**9,671,358**	**1,138,958**
Expenditures:				
General government	854,946	854,946	880,408	25,462
Public safety	5,601,684	5,601,684	5,953,318	351,634
Health and welfare	26,710	26,710	17,140	(9,570)
Public works:				
Highways, roads and streets	1,945,427	1,945,427	2,229,558	284,131
Recycling center and leaf collection	221,890	221,890	272,530	50,640
Culture and recreation	241,464	241,464	303,286	61,822
Miscellaneous	3,000	3,000	1,648	(1,352)
Total expenditures	**8,895,121**	**8,895,121**	**9,657,888**	**762,767**
Excess (deficit) of revenues over (under) expenditures	**(362,721)**	**(362,721)**	**13,470**	**376,191**
Other financing sources (uses):				
Proceeds from sale of assets	15,000	15,000	67,827	52,827
Interfund transfers received	350,000	350,000	21,852	(328,148)
Interfund transfers expended	-	-	(800,000)	(800,000)
Total other financing sources (uses)	**365,000**	**365,000**	**(710,321)**	**(1,075,321)**

(continued)

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, 2025
(See independent auditor's report on required supplementary information)

	Original budget	Final budget	Actual	Variance favorable (unfavorable)
Excess of revenues and other financing sources over expenditures and other uses	**$ 2,279**	**$ 2,279**	**$ (696,851)**	**$ (699,130)**
Fund balance:				
Beginning of year			5,287,831	
End of year			**$ 4,590,980**	

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 2025 for the following funds and functions:

General fund:	
General government	$ 25,462
Public safety	351,634
Public works:	
Highways, roads and streets	284,131
Recycling center and leaf collection	50,640
Culture and recreation	61,822

FAIRVIEW TOWNSHIP

SCHEDULE OF NONMAJOR GOVERNMENTAL FUNDS – COMBINING BALANCE SHEETS
DECEMBER 31, 2025
(See independent auditor's report on supplementary information)

	Highway aid fund	LST fund	Street light fund	Fire service fund	Fire hydrant fund	EMS fund	Capital projects fund	Fairview Township Fire Department	Total
				ASSETS					
Cash, cash equivalents and equity in pooled cash and investments	$ 89,443	$ 681,054	$ 38,041	$ 8,872	$ 13,363	$ 1,576	$ 1,300,000	$ 112,713	$ 2,245,062
Taxes receivable	-	55,922	1,088	10,888	2,255	-	-	-	70,153
Due from other governments	-	-	-	-	-	-	-	-	-
Total assets	**$ 89,443**	**$ 736,976**	**$ 39,129**	**$ 19,760**	**$ 15,618**	**$ 1,576**	**$ 1,300,000**	**$ 112,713**	**$ 2,315,215**
				LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities, accounts payable and accrued expenses	$ -	$ -	$ 2,465	$ 14,121	$ -	$ 1,576	$ -	$ -	$ 18,162
Deferred inflows of resources, unavailable revenues	-	-	301	5,639	1,138	-	-	-	7,078
Fund balances	89,443	736,976	36,363	-	14,480	-	1,300,000	112,713	2,289,975
Total liabilities, deferred inflows of resources and fund balances	**$ 89,443**	**$ 736,976**	**$ 39,129**	**$ 19,760**	**$ 15,618**	**$ 1,576**	**$ 1,300,000**	**$ 112,713**	**$ 2,315,215**

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, 2025
(See independent auditor's report on supplementary information)

	Highway aid fund	LST fund	Street light fund	Fire service fund	Fire hydrant fund	EMS fund	Capital projects fund	Fairview Township Fire Department	Total
Revenues:									
Taxes	$ -	$ 492,440	$ 79,220	$ 323,529	$ 62,890	$ -	$ -	$ -	$ 958,079
Interest and rents	21,865	29,395	1,690	836	970	-	-	942	55,698
Intergovernmental revenue	632,767	-	-	-	-	-	-	-	632,767
Contributions from private sector	-	-	-	3,205	-	-	-	79,290	82,495
Miscellaneous revenue	-	-	-	3,220	-	5	-	6,585	9,810
Total revenues	**654,632**	**521,835**	**80,910**	**330,790**	**63,860**	**5**	**-**	**86,817**	**1,738,849**
Expenditures:									
General government	-	-	-	3,543	-	-	-	-	3,543
Public safety	-	-	-	701,929	-	245,827	-	18,194	965,950
Public works, highways, roads and streets	751,302	-	87,225	-	78,945	-	-	-	917,472
Total expenditures	**751,302**	**-**	**87,225**	**705,472**	**78,945**	**245,827**	**-**	**18,194**	**1,886,965**
Excess (deficit) of revenues over (under) expenditures before other financing sources (uses)	**(96,670)**	**521,835**	**(6,315)**	**(374,682)**	**(15,085)**	**(245,822)**	**-**	**68,623**	**(148,116)**

(continued)

FAIRVIEW TOWNSHIP

SCHEDULE OF NONMAJOR GOVERNMENTAL FUNDS – COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED DECEMBER 31, 2025
(See independent auditor's report on supplementary information)

	Highway aid fund	LST fund	Street light fund	Fire service fund	Fire hydrant fund	EMS fund	Capital projects fund	Township Fire Department	Total
Other financing sources (uses):									
Interfund transfers:									
Received	$ -	$ -	$ -	$ 374,682	$ -	$ 245,822	$ -	$ -	$ 620,504
Expended	-	(560,504)	-	-	-	-	-	(60,000)	(620,504)
Total other financing sources (uses)	**-**	**(560,504)**	**-**	**374,682**	**-**	**245,822**	**-**	**(60,000)**	**-**
Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses	**(96,670)**	**(38,669)**	**(6,315)**	**-**	**(15,085)**	**-**	**-**	**8,623**	**(148,116)**
Fund balances:									
Beginning of year	186,113	775,645	42,678	-	29,565	-	1,300,000	104,090	2,438,091
End of year	**$ 89,443**	**$ 736,976**	**$ 36,363**	**$ -**	**$ 14,480**	**$ -**	**$ 1,300,000**	**$ 112,713**	**$ 2,289,975**

See notes to financial statements.

FAIRVIEW TOWNSHIP

SCHEDULE OF NONMAJOR PROPRIETARY FUNDS – COMBINING
STATEMENT OF NET POSITION
DECEMBER 31, 2025
(See independent auditor's report on supplementary information)

	Sewer fund	Refuse fund	Total
ASSETS			
Current assets:			
Cash and investments	$ -	$ -	$ -
Accounts receivable	-	-	-
Total assets, all current	$ -	$ -	$ -
LIABILITIES AND NET POSITION			
Current liabilities, accounts payable	$ -	$ -	$ -
Net position, unrestricted	-	-	-
Total liabilities and net position	$ -	$ -	$ -

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, 2025
(See independent auditor's report on supplementary information)

	Sewer fund	Refuse fund	Total
Operating revenues, charges for services, net of uncollectable accounts	$ (8,458)	$ (4,929)	$ (13,387)
Operating expenses, collection, disposal and treatment	188	289	477
Excess of operating expenses over revenues	**(8,646)**	**(5,218)**	**(13,864)**
Nonoperating revenues, earnings on temporary deposits and investments	434	202	636
Net loss	**(8,212)**	**(5,016)**	**(13,228)**
Other financing uses, interfund transfers out	(14,811)	(7,041)	(21,852)
Changes in net position	**(23,023)**	**(12,057)**	**(35,080)**
Net position:			
Beginning of year	23,023	12,057	35,080
End of year	$ -	$ -	$ -

See notes to financial statements.

FAIRVIEW TOWNSHIP

SCHEDULE OF NONMAJOR PROPRIETARY FUNDS – COMBINING
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025
(See independent auditor's report on supplementary information)

	Sewer fund	Refuse fund	Total
Cash flows from operating activities:			
Receipts from customers and users	$ -	$ 235	$ 235
Payments to suppliers	(188)	(373)	(561)
Net cash used in operating activities	**(188)**	**(138)**	**(326)**
Cash flows used in noncapital financing activities, interfund transfers out	(14,811)	(7,041)	(21,852)
Cash flows provided by investing activities, investment income	434	202	636
Net decrease in cash and cash equivalents	**(14,565)**	**(6,977)**	**(21,542)**
Cash and cash equivalents:			
Beginning	14,565	6,977	21,542
Ending	$ -	$ -	$ -
Cash flows from operating activities:			
Excess of operating expenses over revenues	$ (8,646)	$ (5,218)	$ (13,864)
Adjustments, decrease in:			
Assets, accounts receivable	8,458	5,163	13,621
Liabilities, accounts payable	-	(83)	(83)
Total adjustments	**8,458**	**5,080**	**13,538**
Net cash used in operating activities	**$ (188)**	**$ (138)**	**$ (326)**

See notes to financial statements.