

MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants

791 South Chester Road, Swarthmore, PA 19081

610-544-5100
FAX: 610-544-9767

INDEPENDENT AUDITORS' REPORT

Board of Supervisors
East Fallowfield Township
East Fallowfield, PA 19320

We have audited the accompanying financial statements included in the Municipal Annual Audit and Financial Report (DCED-CLGS-30), a prescribed form, of East Fallowfield Township as of December 31, 2015 and for the year then ended.

Management's Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Fallowfield Township as of December 31, 2015 and the results of its operations for the year then ended on the prescribed form in conformity with the basis of accounting described below.

Basis of Accounting

East Fallowfield Township's policy is to prepare its financial statements for inclusion in the Municipal Annual Audit and Financial Report (DCED-CLGS-30), a prescribed form, on a basis of accounting that demonstrates compliance with accounting principles prescribed or permitted by the Department of Community and Economic Development, which is a special purpose framework other than accounting principles generally accepted in the United States of America. East Fallowfield Township prepares its annual audit and financial report on the modified accrual basis of accounting but, as permitted by DCED, does not include Management's Discussion and Analysis (MD&A), government-wide statements, budget-to-actual comparisons or footnote disclosures. Our opinion is not modified with respect to this matter.

Restriction on Use

This report is intended solely for the information and use of management and the Supervisors of East Fallowfield Township and for filing with the Department of Community and Economic Development and should not be used by anyone other than these specified parties.

Mingis, Gutowski & Company, LLP

Swarthmore, Pennsylvania
May 6, 2016

Governor's Center for Local Government Services
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225
Ph: 888-223-6837 | fax: 717-783-1402

2015 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

150365 EAST FALLOWFIELD TWP, CHESTER COUNTY



BALANCE SHEET

DCED-CLGS-30 (09-09)

EAST FALLOWFIELD TWP, CHESTER County

BALANCE SHEET

December 31, 2015

	Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service		General Fixed Assets	General Long Term Debt	
Assets and Other Debits										
100-120 Cash and Investments	713,370	77,478	346,981				397,178			1,535,007
140-144 Tax Receivable	414,514									414,514
121-129, 145-149 Accounts Receivable (excluding taxes)	61,394						27,212			88,606
130-00 Due From Other Funds	9,505	2,763								12,268
131-139, 150-159 Other Current Assets										
160-169 Fixed Assets								8,137,413		8,137,413
180-189 Other Debits									118,840	118,840
Total Assets and Other Debits	1,198,783	80,241	346,981				424,390	8,137,413	118,840	10,306,648

Liabilities and Other Credits										
210-229 Payroll Taxes and Other Payroll Withholdings	8,817									8,817
200-209, 231-239 All Other Current Liabilities	80,606	6,865					412,122			499,593
230-00 Due To Other Funds							12,268			12,268

BALANCE SHEET

December 31, 2015

Fund and Account Group Equity	
281-284	Contributed Capital
290.00	Investment in General Fixed Assets
270-289	Fund Balance / Retained Earnings on 12/31
291-299	Other Equity
Total Fund and Account Group Equity	

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY	10,306,648
--	-------------------

EAST FALLOWFIELD TWP., CHESTER COUNTY

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

[illegible]

REVENUES

Taxes												
301.00	Real Estate Taxes											
305.00	Occupation Taxes (levied under municipal code)											
308.00	Residence Taxes (levied by cities of the 3rd Class)											
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)											
310.00	Per Capita Taxes											
310.10	Real Estate Transfer Taxes					137,959						137,959
310.20	Earned Income Taxes / Wage Taxes					1,558,383						1,558,383
310.30	Business Gross Receipts Taxes											
310.40	Occupation Taxes (levied under Act 511)											
310.50	Local Services Tax **					20,390						20,390
310.60	Amusement / Admission Taxes											
310.70	Mechanical Device Taxes											
310.90	Other Local Tax Enabling Act / Act 511 / Taxes											
	Other: _____											
Total Taxes						1,716,732						1,716,732

Licenses and Permits

[illegible]

Fines and Forfeits

[illegible]

EAST FALLOWFIELD TWP, CHESTER COUNTY
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2015

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

REVENUES

Interest, Rents and Royalties								
341.00	Interest Earnings	675	47	158				880
342.00	Rents and Royalties	1,050						1,050
	Total Interest, Rents and Royalties	1,725	47	158				1,930

Federal								
351.03	Highways and Streets							
351.09	Community Development							
351.00	All Other Federal Capital and Operating Grants							
352.01	National Forest							
352.00	All Other Federal Shared Revenue and Entitlements	773						773
353.00	Federal Payments in Lieu of Taxes							
	Total Federal	773						773

State								
354.03	Highways and Streets							
354.09	Community Development							
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants							
355.01	Public Utility Realty Tax (PURTA)	1,984						1,984
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		261,509					261,509
355.04	Alcoholic Beverage Licenses							
355.05	General Municipal Pension System State Aid	86,258						86,258
355.07	Foreign Fire Insurance Tax Distribution	51,475						51,475
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution							

December 31, 2015

State	
356.00	State Payments in Lieu of Taxes
355.00	All Other State Shared Revenues and Entitlements
Total State	

[illegible]

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

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

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

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

EAST FALLOWFIELD TWP, CHESTER COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2015

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

REVENUES

Charges for Service								
369.00	Bars							
370.00	Cemeteries							
372.00	Electric System							
373.00	Gas System							
374.00	Housing System							
375.00	Markets							
377.00	Transit Systems							
378.00	Water System							
379.00	All Other Charges for Service							
	Total Charges for Service	658,201						658,201

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	13,320						13,320
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues	5,914						5,914
	Total Unclassified Operating Revenues	19,234						19,234

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

EAST FALLOWFIELD TWP, CHESTER COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2015

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

REVENUES

Other Financing Sources							
395.00	Refunds of Prior Year Expenditures						
	Total Other Financing Sources						

TOTAL REVENUES	2,778,100	305,336	40,758				3,124,194
-----------------------	-----------	---------	--------	--	--	--	-----------

EXPENDITURES

General Government							
400.00	Legislative (Governing) Body	12,500					12,500
401.00	Executive (Manager or Mayor)						
402.00	Auditing Services / Financial Administration	15,100					15,100
403.00	Tax Collection	217					217
404.00	Solicitor / Legal Services	54,500					54,500
405.00	Secretary / Clerk	21,623					21,623
406.00	Other General Government Administration	118,917	9,487				128,404
407.00	IT-Networking Services-Data Processing	7,627					7,627
408.00	Engineering Services	45,863					45,863
409.00	General Government Buildings and Plant	15,859					15,859
	Total General Government	292,206	9,487				301,693

Public Safety							
410.00	Police	764,993					764,993
411.00	Fire	153,826					153,826
412.00	Ambulance / Rescue						
413.00	UCC and Code Enforcement	19,280					19,280

EAST FALLOWFIELD TWP, CHESTER COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2015

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

EXPENDITURES

Public Safety	
414.00	Planning and Zoning
415.00	Emergency Management and Communications
416.00	Militia and Armories
417.00	Examination of Licensed Occupations
418.00	Public Scales (weights and measures)
419.00	Other Public Safety
Total Public Safety	

2,807							2,807
941,661							941,661

Health and Human Services	
420.00-425.00	Health and Human Services
Total Health and Human Services	

6,570							6,570
6,570							6,570

Public Works - Sanitation	
426.00	Recycling Collection and Disposal
427.00	Solid Waste Collection and Disposal (garbage)
428.00	Weed Control
429.00	Wastewater / Sewage Treatment and Collection
Total Public Works - Sanitation	

580,308							580,308
580,308							580,308

Public Works - Highways and Streets	
430.00	General Services - Administration
431.00	Cleaning of Streets and Gutters
432.00	Winter Maintenance - Snow Removal
433.00	Traffic Control Devices
434.00	Street Lighting

289,832							289,832
	70,654						70,654
	2,544						2,544
	1,153						1,153

December 31, 2015

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

EXPENDITURES

Public Works - Highways and Streets										
435.00	Sidewalks and Crosswalks									
436.00	Storm Sewers and Drains									
437.00	Repairs of Tools and Machinery	1,936	63,918							65,854
438.00	Maintenance and Repairs of Roads and Bridges	25,167	41,509							66,676
439.00	Highway Construction and Rebuilding Projects		135,050							135,050
Total Public Works - Highways and Streets		316,935	314,828							631,763

Other Public Works Enterprises

[illegible]

Culture and Recreation

Culture and Recreation									
451.00	Culture-Recreation Administration								
452.00	Participant Recreation								
453.00	Spectator Recreation								
454.00	Parks		46,021						46,021

EAST FALLOWFIELD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2015

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

EXPENDITURES

Culture and Recreation								
455.00	Shade Trees							
456.00	Libraries							
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
	Total Culture and Recreation	46,021						46,021

Community Development								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing							
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development							
	Total Community Development							

Debt Service								
471.00	Debt Principal (short-term and long-term)	7,710	22,718	16,919				47,347
472.00	Debt Interest (short-term and long-term)	755		1,404				2,159
475.00	Fiscal Agent Fees							
	Total Debt Service	8,465	22,718	18,323				49,506

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	84,705						84,705
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions	103,615						103,615

EAST FALLOWFIELD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2015

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

EXPENDITURES

Employer Paid Benefits and Withholding Items

484.00	Worker Compensation Insurance	112,573						112,573
487.00	Other Group Insurance Benefits	266,657						266,657
Total Employer Paid Benefits and Withholding Items		567,550						567,550

Insurance

486.00	Insurance, Casualty, and Surety	41,473						41,473
Total Insurance		41,473						41,473

Unclassified Operating Expenditures

488.00	Fiduciary Fund Benefits and Refunds Paid							
489.00	All Other Unclassified Expenditures		145					145
Total Unclassified Operating Expenditures			145					145

Other Financing Uses

491.00	Refund of Prior Year Revenues							
492.00	Interfund Operating Transfers							
493.00	All Other Financing Uses							
Total Other Financing Uses								

TOTAL EXPENDITURES

2,800,434	337,691	27,810						3,165,935
-----------	---------	--------	--	--	--	--	--	-----------

EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES

-22,334	-32,355	12,948						-41,741
---------	---------	--------	--	--	--	--	--	---------

December 31, 2015

OUTSTANDING BONDS AND NOTES

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

[illegible]

118,840

Q

118.840

EAST FALLOWFIELD TWP, CHESTER County

STATEMENT OF CAPITAL EXPENDITURES

December 31, 2015

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police	3,335		3,335
Recreation			
Sewer			
Solid Waste			
Streets / Highways	124,282	121,164	245,446
Water			
Other:			
TOTAL CAPITAL EXPENDITURES	127,617	121,164	248,781

EMPLOYEE COMPENSATION

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

1,049,858

ELECTED CONTROLLER'S/AUDITOR'S CERTIFIED OPINION

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

I/We, the undersigned, the duly elected (or appointed replacement), qualified, and Acting Controller/Auditors of the EAST FALLOWFIELD TWP have audited, adjusted and settled the various funds and account groups of the EAST FALLOWFIELD TWP for the year ended December 31, 2015. My/Our audit, adjustment and settlement was made in accordance with law rather than with generally accepted auditing standards

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

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

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

In my/our opinion, the aforementioned financial statements present the financial position of the various funds and account groups of the municipality of EAST FALLOWFIELD TWP for the year ended December 31, 2015, and the results of operations of such funds in accordance with the law.

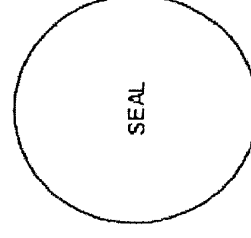
SIGNATURE AND VERIFICATION

Signed:

Subscribed and sworn to before me this 21 day of April, 2016.

Signed:

Witness (Controller)/Auditor (Auditors)



December 31, 2015

NOTES / COMMENTS

MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants

791 South Chester Road, Swarthmore, PA 19081

610-544-5100
FAX: 610-544-9767

May 19, 2016

Mr. Steve Herzog
Chairman, Board of Supervisors
East Fallowfield Township
2264 Strasburg Road
East Fallowfield, PA 19320

Dear Mr. Herzog:

Enclosed is a copy of our governance letter, which is a requirement of the Auditing Standards Board of the American Institute of Certified Public Accountants. If you have any questions, please contact me.

Very truly yours,



David J. Barrett

DJB:lmd
Enclosure



Municipal Statistics

2015 Annual Financial Report

EAST
FALLOWFIELD
TWP - 150365
Current Status:
PENDING

[Balance Sheet](#) [Revenues](#) [Expenditures](#) [Debt Statement](#) [Capital Expenditures](#) [Final Review](#)

SUBMISSION DETAILS

Submission Details

Your form has been submitted to DCED on 5/19/2016

The status of your annual financial form is PENDING.

[Click here to print a copy of this page for your records.](#)

This satisfies your annual financial form filing requirement with DCED.
This copy of the report is for your records only- there is no need to send
DCED a hard copy.

If you have any questions, contact us at Municipal Statistics at 888-223-
6837 or via e-mail at municipalstatistics@pa.gov.

[Close](#)

[Download PDF](#)

1 of 6

DCED-CLGS-30 (8-09)

Received by DCED: 05/19/2016

Department of Community & Economic Development
Governor's Center for Local Government Services
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

2015 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

150365 EAST FALLOWFIELD TWP, CHESTER COUNTY

MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants

791 South Chester Road, Swarthmore, PA 19081

610-544-5100
FAX: 610-544-9767

May 19, 2016

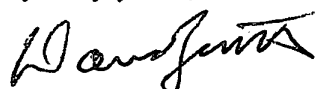
Mr. Steve Herzog
Chairman
Board of Supervisors
East Fallowfield Township
2264 Strasburg Road
East Fallowfield, PA 19320

Dear Steve:

Enclosed find six copies of our report on the Township of East Fallowfield's 2015 financial statements. I have also provided a PDF copy to the Treasurer.

We appreciate the opportunity to provide accounting and auditing services to East Fallowfield Township.

Very truly yours,



David J. Barrett

DJB:imd
Enclosure

MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants

791 South Chester Road, Swarthmore, PA 19081

610-544-5100
FAX: 610-544-9767

May 19, 2016

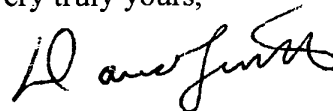
Ms. Pani Martin
Treasurer
East Fallowfield Township
2264 Strasburg Road
East Fallowfield, PA 19320

Dear Pani:

Enclosed is a copy of our report on the Township of East Fallowfield's 2015 financial statements.

We appreciate the opportunity to provide accounting and auditing services to East Fallowfield Township.

Very truly yours,

A handwritten signature in black ink, appearing to read "D. Barrett", written over a horizontal line.

David J. Barrett

DJB:lmd
Enclosure

MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants

791 South Chester Road, Swarthmore, PA 19081

610-544-5100

FAX: 610-544-9767

May 19, 2016

**To the Board of Supervisors
East Fallowfield Township
2264 Strasburg Road
East Fallowfield, PA 19320**

We are pleased to present this report related to our audit of the financial statements of East Fallowfield Township for the year ended December 31, 2015. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Township's financial reporting process.

This report is intended solely for the information and use of the Board of Supervisors and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to be of service to East Fallowfield Township.

Very truly yours,

Mingis, Gutowski & Company, LLP

EAST FALLOWFIELD TOWNSHIP
REPORT TO THE BOARD OF SUPERVISORS
GOVERNANCE LETTER
MAY 2016

MINGIS, GUTOWSKI & COMPANY, LLP
Certified Public Accountants
Swarthmore, Pennsylvania 19081

CONTENTS

Required Communication to Those Charged with Governance	1
Communication Regarding Internal Control Related Matters	4
List of Adjusting Journal Entries	8

MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants

791 South Chester Road, Swarthmore, PA 19081

610-544-5100

FAX: 610-544-9767

May 19, 2016

**Board of Supervisors
East Fallowfield Township
East Fallowfield, Pennsylvania**

Our responsibility under U.S. Generally Accepted Auditing Standards

We have audited the financial statements of East Fallowfield Township (The Township) for the year ended December 31, 2015, and have issued our report thereon dated May 6, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 25, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by The Township are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2015. We noted no transactions entered into by the Township during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because

Board of Supervisors
East Fallowfield Township
May 19, 2016

of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting The Township's financial statements were:

- Management's estimates of the allowances for uncollected and delinquent trash fees.
- Management's estimate of earned income taxes to be collected for the current year based on actual collections in preceding years.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. All significant misstatements identified during our audit have been corrected and are presented on page 8-11.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 6, 2016.

Board of Supervisors
East Fallowfield Township
May 19, 2016

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to The Township's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants for this purpose.

Other Significant Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management prior to retention as The Township's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of East Fallowfield Township and Township management and is not intended to be and should not be used by anyone other than these specified parties.

Mingis, Gutowski & Company, LLP

Swarthmore, Pennsylvania

EAST FALLOWFIELD TOWNSHIP

REPORT TO THE BOARD OF SUPERVISORS

COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS

MAY 2016

MINGIS, GUTOWSKI & COMPANY, LLP
Certified Public Accountants
Swarthmore, Pennsylvania 19081

MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants

791 South Chester Road, Swarthmore, PA 19081

610-544-5100

FAX: 610-544-9767

COMMUNICATION OF SIGNIFICANT DEFICIENCIES AND MATERIAL WEAKNESSES

Board of Supervisors
East Fallowfield Township
East Fallowfield, Pennsylvania

In planning and performing our audit of the financial statements of East Fallowfield Township as of and for the year ended December 31, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered East Fallowfield Township's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of East Fallowfield Township's internal control. Accordingly, we do not express an opinion on the effectiveness of East Fallowfield Township's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and a deficiency that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in East Fallowfield Township's internal control to be material weaknesses:

Board of Supervisors
East Fallowfield Township
May 19, 2016

Lack of Ability to Maintain its Books in the Modified Accrual Basis of Accounting

The Township has elected to maintain its books and prepare its Municipal Annual Audit and Financial Report (DCED-CLGS-30) on the modified accrual basis of accounting.

As is common for many small entities and governmental units, Township staff, typically, does not possess the skills and ability to maintain their books on the modified accrual basis of accounting. As a result, numerous material audit adjustments were required to adjust the Township's accounts to enable preparation of their financial statements on the prescribed form required by the Commonwealth of Pennsylvania Department of Community and Economic Development (DCED).

Accounting principles prescribed or permitted by DCED allow for the Township to prepare its Annual Audit and Financial Report on the modified cash basis of accounting. We recommend that the Township consider switching its method of accounting from the modified accrual basis to the modified cash basis. We believe that the current Township staff has the ability to accurately maintain the Township's accounting records on the modified cash basis of accounting. We also feel that maintaining the books on the modified cash basis would result in more meaningful reporting to management and to the Board as the primary focus of many townships is the evaluation of results in comparison to budgeted amounts.

Lack of Segregation of Duties

The absence of or inadequate segregation of duties within the accounting function represents a material weakness in internal control. Due to the size of the Township's staff, the same individual who is responsible for processing accounting transactions is also responsible for reconciliation and monitoring procedures. We recommend that staffing within the department be evaluated to determine whether adequate segregation of duties can be achieved. We would be pleased to discuss and assist in this evaluation.

Reconciliation of Escrow Funds

Prior to 2010, the Township had not adequately performed collection procedures for reimbursement of costs incurred, which resulted in a significant number of individual escrow accounts not being closed out on a timely basis. In addition, the Township did not separately record the assets and liabilities associated with the escrow accounts and, as a result, the Township's ledger reflects a negative asset of approximately \$752,000.

Board of Supervisors
East Fallowfield Township
May 19, 2016

The total of the ending balance per the escrow account should be reconciled to the general ledger on a monthly basis. In addition, we recommend that the Township review the detail of the escrow deposits currently outstanding. The disposition of any old deposit balances should be reviewed and a policy should be established to collect amounts owed and return the unused portion on a timely basis.

Prior Year Audit Adjustments

Certain audit adjustments for the years ended December 31, 2013 and 2014 were not recorded on the Township's books. As a result, certain of the Township's *Balance Sheet* accounts were not accurate throughout the entire year ended December 31, 2015.

We recommend that procedures be developed to record all audit adjustments on a timely basis upon completion of the audit.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in East Fallowfield Township's internal control to be a significant deficiency.

Unclaimed Funds are Not Reconciled on a Timely Basis

The Township maintains an account on its books titled Unclaimed Funds, which has a balance of \$17,656 at December 31, 2015. Pennsylvania escheat laws require unclaimed property to be reported to the state annually and to be remitted after 3 years. It is possible that certain unclaimed funds included in the total represent bookkeeping errors (such as voided checks that were re-issued) and do not represent unclaimed funds.

We believe that the Township Treasurer has revised the process and reviews unclaimed funds on an annual basis. It is imperative that this account be reviewed and adjusted, as appropriate, before any funds are remitted to the state.

Board of Supervisors
East Fallowfield Township
May 19, 2016

Other Matters

Chart of Accounts

Starting for the year ended December 31, 2014, the Township has elected to prepare its financial statements on a prescribed form required by Commonwealth of Pennsylvania Department of Community and Economic Development (DCED). The DCED Municipal Audit and financial report uses a set of account numbers unique to its account classifications. It would increase efficiency for Township personnel if the Township's account number configurations matched the DCED chart of accounts.

Positive Attributes

Although the general purpose of this letter is to cover only matters needing consideration, we believe it is also important to point out that there are many positive attributes of the Township's financial management systems, which are not specifically covered herein.

Significant Progress

Although several deficiencies have been presented herein, it is important to note that significant progress has been made by the recently departed treasurer over the last three years and we are confident that with additional focus on procedures and controls, the deficiencies noted previously will be eliminated.

This communication is intended solely for the information and use of management, the Board of Supervisors, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

Mingis, Gutowski & Company, LLP

Swarthmore, Pennsylvania

ADJUSTING JOURNAL ENTRIES

2015

General Fund

		Dr.	Cr.	P&L Impact
	1			
1320.00	Franchise Fees – Verizon Receivables	\$ 24,579.68	\$ 24,579.68	\$(24,579.68)

To reverse the prior year Receivable balance

	2			
1320.00	Receivables Franchise Fee – Verizon	\$ 26,043.90	\$ 26,043.90	\$ 26,043.90

To record current year Verizon franchise fee receivable

	3			
	Franchise Fee Receivable Franchise Fee – Comcast	\$ 16,000.00	\$ 16,000.00	\$ 16,000.00

To record current year Comcast franchise fee receivable

	4			
1401.10	Salaries and Wages Treasurer	\$ 707.00		
1401.20	Salaries – Secretary	377.00		
1401.30	Salaries – Part Time Officers	300.00		
1410.10	Salaries – Chief	1,229.00		
1401.20	Salaries – Full Time Officers	3,803.00		
1410.21	Salaries – Full Time Officers Contract OT	443.00		
1410.22	Salaries – Full/Part Time Officers Other OT	1,589.00		
1410.23	Salaries – Full Time Officers Holiday	294.00		
1410.24	Salaries – Full Time Officers Vacation	147.00		
1410.25	Salaries – Full Time Officers Personal	362.00		
1410.26	Salaries – Full Time Officers Sick	289.00		
1410.30	Salaries – Part Time Officers	675.00		
1410.31	Salaries – Part Time Admin	291.00		
1410.66	Salaries – Med Insurance Opt Out	78.00		
1430.10	Salaries – Public Works Road Forman	668.00		
1430.11	Salaries – Public Works Road Forman Overtime	74.00		
1430.20	Salaries – Public Works Road Crew	1,845.00		
1430.21	Salaries – Public Works Road Crew Overtime	13.00		
1430.23	Salaries – Public Works Road Crew Holiday	348.00		
1430.24	Salaries – Public Works Road Crew Vacation	274.00		
1430.26	Salaries – Public Works Road Crew Sick	335.00		
	Accrued Payroll		\$ 14,141.00	\$(14,141.00)

To accrue 2015 salaries for 5 days in the period ending 1/9/16

ADJUSTING JOURNAL ENTRIES

2015

General Fund

		Dr.	Cr.	P&L Impact
	5			
	Reserve for Compensated Absences	\$ 5,964.00		\$ 5,964.00
	Salaries and Wages Full Time			
	Police		\$ 3,698.00	
	Salaries and Wages Road Crew		2,266.00	

To adjust the reserve for compensated absences

	6			
1404.20	Legal Services Other	\$ 2,437.56		
1408.11	Engineering Services	2,150.62		
1404.10	Legal Services Solicitor	5,181.00		
	Payables		\$ 9,769.18	\$ (9,769.18)

To record accounts payable at December 31, 2015

	7			
	Trash Fees – 2014	\$ 20,849.82		
	Trash Receivable – 2014		\$ 20,849.82	\$(20,849.82)

To adjust Trash Fees – 2014 received in 2015 by the amount of the 2014 trash fees receivable

	8			
	Trash Receivables	\$ 10,710.00		
1364.15	Trash Removal Fees – 2015		\$ 10,710.00	\$ 10,710.00

To record trash fees receivable for 2015

	9			
	Allowance Doubtful accounts – Trash	\$ 3,349.00		
1364.15	Trash Removal Fees – 2015		\$ 3,349.00	\$ 3,349.00

To adjust the reserve for doubtful accounts - trash

	10			
	Due from Escrow	\$ 4,293.40		
1389.20	Reimbursements (Escrow)		\$ 4,293.40	\$ 4,293.40

To record amount due from Escrow Fund for Manchester Farms snow plowing

ADJUSTING JOURNAL ENTRIES

2015

General Fund

		Dr.	Cr.	P&L Impact
	11			
	Audit Fees Expense	\$ 15,100.00		
	Year end Accrual – Audit Fees		\$ 15,100.00	\$ 15,100.00
To accrue 2015 audit fees				
	12			
	Principal	\$ 7,709.80		
	Interest	754.95		
	Prepayments		\$ 8,464.75	\$ (8,464.75)
To properly classify principal and interest payment on 2014 Dodge Charger				
	13			
1406.65	Other General Administration – Copier	\$ 140.00		
1411.45	Police Telephone	459.80		
1411.65	Police – Copier	122.00		
1431.70	Public Works – Other Services	82.50		
	Prepayments		\$ 804.30	\$ (804.30)
To reclassify expenses charged to Prepayments				
	14			
	Portnoff Notice Fee Expense	\$ 13,325.93		\$(13,325.93)
	Portnoff Notice Fee Prepayment		\$ 13,325.93	
To record expense associated with Portnoff notice fees				
	15			
	RE Transfer Tax Receivable	\$ 16,966.64		\$ 16,966.64
	RE Transfer Tax Revenue		\$ 16,966.64	
To record December transfer tax received in January				
	16			
	EIT Receivable	\$ 42,963.00		\$ 42,963.00
	EIT Current Year Revenue		\$ 42,963.00	
To adjust receivable for EIT applicable to 2015 received in 2016				

ADJUSTING JOURNAL ENTRIES

2015

Liquid Fuels

		Dr.	Cr.	P&L Impact
	17			
1430.00	Salt Supplies	\$ 6,864.82		
	Accounts Payable		\$ 6,864.82	\$ (6,864.82)

To record accounts payable at December 31, 2015

	18			
	Due from Escrow	\$ 2,763.00		
1430.00	Salt Supplies		\$ 2,763.00	\$ 2,763.00

To record amount due from Escrow Fund for Manchester Farms snow plowing

Park and Recreation Fund

	19			
	Park Day Expenses	\$ 8,174.00		
	Friends of the Park Revenue		\$ 8,174.00	

To reclassify revenue and expenses related to Park Day

	20			
	Friends of the Park	\$ 5,146.50		
	Friends of the Park Donations		\$ 5,146.50	\$ 5,146.50

To record Friends of the Park donations

	21			
	Park Expense	\$ 14,590.00		\$ (14,590.00)
	Park Signs – Asset		\$ 14,590.00	

To reclassify expense for the park sign

MINGIS, GUTOWSKI & COMPANY, LLP

Certified Public Accountants

791 South Chester Road, Swarthmore, PA 19081

**610-544-5100
FAX: 610-544-9767**

INDEPENDENT AUDITORS' REPORT

**Board of Supervisors
East Fallowfield Township
East Fallowfield, PA 19320**

We have audited the accompanying financial statements included in the Municipal Annual Audit and Financial Report (DCED-CLGS-30), a prescribed form, of East Fallowfield Township as of December 31, 2015 and for the year then ended.

Management's Responsibility for the Financial Report

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

Auditor's Responsibility

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

NOW AVAILABLE! 300 mg Tablet

A line drawing of an oval-shaped tablet with the word 'COPY' written in a cursive, handwritten style across its center.

Tablet not actual size.

Plavix
(clopidogrel bisulfate)

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Fallowfield Township as of December 31, 2015 and the results of its operations for the year then ended on the prescribed form in conformity with the basis of accounting described below.

Basis of Accounting

East Fallowfield Township's policy is to prepare its financial statements for inclusion in the Municipal Annual Audit and Financial Report (DCED-CLGS-30), a prescribed form, on a basis of accounting that demonstrates compliance with accounting principles prescribed or permitted by the Department of Community and Economic Development, which is a special purpose framework other than accounting principles generally accepted in the United States of America. East Fallowfield Township prepares its annual audit and financial report on the modified accrual basis of accounting but, as permitted by DCED, does not include Management's Discussion and Analysis (MD&A), government-wide statements, budget-to-actual comparisons or footnote disclosures. Our opinion is not modified with respect to this matter.

Restriction on Use

This report is intended solely for the information and use of management and the Supervisors of East Fallowfield Township and for filing with the Department of Community and Economic Development and should not be used by anyone other than these specified parties.

Mingis, Gutowski & Company, LLP

Swarthmore, Pennsylvania
May 6, 2016

2015 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

150365 EAST FALLOWFIELD TWP, CHESTER COUNTY



BALANCE SHEET

DCED-CLGS-30 (09-09)

EAST FALLOWFIELD TWP, CHESTER County
BALANCE SHEET
December 31, 2015

	Governmental Funds					Proprietary Funds		Fid. Fund	Account Groups		Total
	General Fund	Special Revenue (Including State Liquid Funds)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only	
Assets and Other Debits											
100-120 Cash and Investments	713,370	77,478	346,981				397,178			1,535,007	
140-144 Tax Receivable	414,514									414,514	
121-129, 145-149 Accounts Receivable (excluding taxes)	61,394						27,212			88,606	
130-00 Due From Other Funds	9,505	2,763								12,268	
131-139, 150-159 Other Current Assets											
160-169 Fixed Assets								8,137,413		8,137,413	
180-189 Other Debits									118,840	118,840	
Total Assets and Other Debits	1,198,783	80,241	346,981				424,390	8,137,413	118,840	10,306,648	

Liabilities and Other Credits										
210-229 Payroll Taxes and Other Payroll Withholdings	8,817									8,817
200-209, 231-239 All Other Current Liabilities	80,606	6,865					412,122			499,593
230-00 Due To Other Funds							12,268			12,268

	Governmental Funds						Proprietary Funds		Fid. Fund	Account Groups		Total
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only		
Liabilities and Other Credits												
260-269 Long-Term-Liabilities										78,845		78,845
240-259 Current Portion of Long-Term Debt and Other Credits										39,995		39,995
Total Liabilities and Other Credits	89,423	6,865					424,390			118,840		639,518

[illegible]

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY	10,306,648
--	-------------------

Taxes	
301.00	Real Estate Taxes
305.00	Occupation Taxes (levied under municipal code)
308.00	Residence Taxes (levied by cities of the 3rd Class)
309.00	Regional Asset Distinct Sales Tax (Allegheny County municipalities only)
310.00	Per Capita Taxes
310.10	Real Estate Transfer Taxes
310.20	Earned Income Taxes / Wage Taxes
310.30	Business Gross Receipts Taxes
310.40	Occupation Taxes (levied under Act 511)
310.50	Local Services Tax **
310.60	Amusement / Admission Taxes
310.70	Mechanical Device Taxes
310.90	Other Local Tax Enabling Act / Act 511 / Taxes
	Other: _____
Total Taxes	

Fines and Forfeits	
330-332	Fines and Forfeits
Total Fines and Forfeits	

EAST FALLOWFIELD TWP, CHESTER COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2015

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

REVENUES

Interest, Rents and Royalties								
341.00	Interest Earnings	675	47	158				880
342.00	Rents and Royalties	1,050						1,050
	Total Interest, Rents and Royalties	1,725	47	158				1,930

Federal								
351.03	Highways and Streets							
351.09	Community Development							
351.00	All Other Federal Capital and Operating Grants							
352.01	National Forest							
352.00	All Other Federal Shared Revenue and Entitlements	773						773
353.00	Federal Payments in Lieu of Taxes							
	Total Federal	773						773

State								
354.03	Highways and Streets							
354.09	Community Development							
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants							
355.01	Public Utility Realty Tax (PURTA)	1,984						1,984
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		261,509					261,509
355.04	Alcoholic Beverage Licenses							
355.05	General Municipal Pension System State Aid	86,258						86,258
355.07	Foreign Fire Insurance Tax Distribution	51,475						51,475
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution							

December 31, 2015

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

State	
356.00	State Payments in Lieu of Taxes
355.00	All Other State Shared Revenues and Entitlements
Total State	

[illegible]

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

[illegible]

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

[illegible]

EAST FALLOWFIELD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2015

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

REVENUES

Charges for Service									
369.00	Bars								
370.00	Cemeteries								
372.00	Electric System								
373.00	Gas System								
374.00	Housing System								
375.00	Markets								
377.00	Transit Systems								
378.00	Water System								
379.00	All Other Charges for Service								
Total Charges for Service		658,201							658,201

Unclassified Operating Revenues									
383.00	Special Assessments								
386.00	Escheats (sale of personal property)								
387.00	Contributions and Donations from Private Sectors	13,320							13,320
388.00	Fiduciary Fund Pension Contributions								
389.00	All Other Unclassified Operating Revenues	5,914							5,914
Total Unclassified Operating Revenues		19,234							19,234

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

EAST FALLOWFIELD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2015

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

REVENUES

Other Financing Sources									
395.00	Refunds of Prior Year Expenditures								
	Total Other Financing Sources								

TOTAL REVENUES	2,778,100	305,336	40,758						3,124,194
-----------------------	-----------	---------	--------	--	--	--	--	--	-----------

EXPENDITURES

General Government									
400.00	Legislative (Governing) Body	12,500							12,500
401.00	Executive (Manager or Mayor)								
402.00	Auditing Services / Financial Administration	15,100							15,100
403.00	Tax Collection	217							217
404.00	Solicitor / Legal Services	54,500							54,500
405.00	Secretary / Clerk	21,623							21,623
406.00	Other General Government Administration	118,917		9,487					128,404
407.00	IT-Networking Services-Data Processing	7,627							7,627
408.00	Engineering Services	45,863							45,863
409.00	General Government Buildings and Plant	15,859							15,859
	Total General Government	292,206		9,487					301,693

Public Safety									
410.00	Police	764,993							764,993
411.00	Fire	153,826							153,826
412.00	Ambulance / Rescue								
413.00	UCC and Code Enforcement	19,280							19,280

EAST FALLOWFIELD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2015

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

EXPENDITURES

Public Safety							
414.00	Planning and Zoning	2,807					2,807
415.00	Emergency Management and Communications						
416.00	Militia and Armories						
417.00	Examination of Licensed Occupations						
418.00	Public Scales (weights and measures)						
419.00	Other Public Safety						
Total Public Safety		941,661					941,661

Health and Human Services							
420.00-425.00	Health and Human Services	6,570					6,570
Total Health and Human Services		6,570					6,570

Public Works - Sanitation							
426.00	Recycling Collection and Disposal						
427.00	Solid Waste Collection and Disposal (garbage)	580,308					580,308
428.00	Weed Control						
429.00	Wastewater / Sewage Treatment and Collection						
Total Public Works - Sanitation		580,308					580,308

Public Works - Highways and Streets							
430.00	General Services - Administration	289,832					289,832
431.00	Cleaning of Streets and Gutters						
432.00	Winter Maintenance - Snow Removal		70,654				70,654
433.00	Traffic Control Devices		2,544				2,544
434.00	Street Lighting		1,153				1,153

EAST FALLOWFIELD TWP, CHESTER County
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2015

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

EXPENDITURES

Culture and Recreation									
455.00	Shade Trees								
456.00	Libraries								
457.00	Civil and Military Celebrations								
458.00	Senior Citizens' Centers								
459.00	All Other Culture and Recreation								
	Total Culture and Recreation	46,021							46,021

Community Development									
461.00	Conservation of Natural Resources								
462.00	Community Development and Housing								
463.00	Economic Development								
464.00	Economic Opportunity								
465-469	All Other Community Development								
	Total Community Development								

Debt Service									
471.00	Debt Principal (short-term and long-term)	7,710	22,718	16,919					47,347
472.00	Debt Interest (short-term and long-term)	755		1,404					2,159
475.00	Fiscal Agent Fees								
	Total Debt Service	8,465	22,718	18,323					49,506

Employer Paid Benefits and Withholding Items									
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	84,705							84,705
482.00	Judgments and Losses								
483.00	Pension / Retirement Fund Contributions	103,615							103,615

EAST FALLOWFIELD TWP, CHESTER COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2015

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

EXPENDITURES

Employer Paid Benefits and Withholding Items	
484.00	Worker Compensation Insurance
487.00	Other Group Insurance Benefits
Total Employer Paid Benefits and Withholding Items	

112,573							112,573
266,657							266,657
567,550							567,550

Insurance	
488.00	Insurance, Casualty, and Surety
Total Insurance	

41,473							41,473
41,473							41,473

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

	145						145
	145						145

Other Financing Uses	
491.00	Refund of Prior Year Revenues
492.00	Interfund Operating Transfers
493.00	All Other Financing Uses
Total Other Financing Uses	

TOTAL EXPENDITURES	2,800,434	337,691	27,810				3,165,935
---------------------------	-----------	---------	--------	--	--	--	-----------

EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	
-22,334	-32,355
12,948	
-41,741	

EAST FALLOWFIELD TWP

December 31, 2015

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES

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

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
Revenue Bonds and Notes											
Lease Rental Debt											
2 police cars	Capital Leases	2013	2016	67,596	33,761		16,485		17,276		17,276
police car	Capital Leases	2012	2015	31,633	8,144		8,144		0		0
Freightliner Truck	Capital Leases	2015	2020	124,282	0	124,282	22,718		101,564		101,564
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding

118,840

Capitalized lease obligations

0

Net debt

118,840

EAST FALLOWFIELD TWP, CHESTER County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2015

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police	3,335		3,335
Recreation			
Sewer			
Solid Waste			
Streets / Highways	124,282	121,164	245,446
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	127,617	121,164	248,781

EMPLOYEE COMPENSATION

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

1,049,858

ELECTED CONTROLLER'S/AUDITOR'S CERTIFIED OPINION

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

I/We, the undersigned, the duly elected (or appointed replacement), qualified, and Acting Controller/Auditors of the EAST FALLOWFIELD TWP have audited, adjusted and settled the various funds and account groups of the EAST FALLOWFIELD TWP for the year ended December 31, 2015. My/Our audit, adjustment and settlement was made in accordance with law rather than with generally accepted auditing standards

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

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

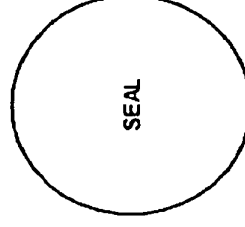
These financial statements do not include all of the disclosures required by generally accepted accounting principles.

In my/our opinion, the aforementioned financial statements present the financial position of the various funds and account groups of the municipality of EAST FALLOWFIELD TWP for the year ended December 31, 2015, and the results of operations of such funds in accordance with the law.

SIGNATURE AND VERIFICATION

Signed:

Subscribed and sworn to before me this 21 day of April, 2016.



Signed:

Witness (Controller)/Auditor (Auditors)

December 31, 2015

NOTES / COMMENTS