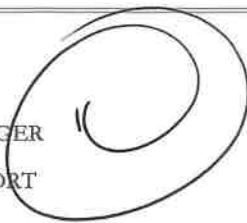

WEST MANCHESTER TOWNSHIP - INTEROFFICE MEMORANDUM

TO: BOARD OF SUPERVISORS
FROM: KELLY K. KELCH, TOWNSHIP MANAGER
SUBJECT: SEPTEMBER 2021 – MANAGER'S REPORT
DATE: 9/16/2021



1. September 23rd Regular Board of Supervisors Meeting – The regular meeting of the Board of Supervisors will be held on September 23rd at 7:00 p.m. Please note that questions will no longer be taken live over the Facebook platform, but residents can still submit questions in advance via email and ask questions or make public comments at the in-person meeting. As directed by the Board and in accordance with the Center for Disease Control and Prevention guidelines, and to maximize protection from COVID-19 and the Delta variant, West Manchester Township will require that all attendees at the Board of Supervisors meeting to be held on September 23, 2021, and all future meetings until this policy is modified, wear a mask or face covering. This order shall also apply to fully vaccinated individuals due to the designation of York County as an area of substantial or high transmission. As always, the meeting will also be streamed on the WMT Parks and Recreation as well as the WMTFD Facebook pages. Notice has been placed on the website as well as both Facebook pages regarding this change.
2. COVID-19 Update – As of the date of this report (9/17), new coronavirus cases are increasing averaging approximately 4,500+ per day. The State reported a positivity percentage of 9.1 %. This is dramatic increase from 6.0 % which was the high just a month ago. Two months ago, the positivity percentage was approximately 1.2 %. York County's positivity rate is 11.1 % which is an increase from 7.1 % at this same time last month and from 2.4 % two months ago. With the new COVID variant, several states are experiencing increases in positivity rates. We continue to urge our staff and residents to continue to be vigilant and use best practices to fight the spread of this disease.

3. Hurricane Ida – On September 1st, Hurricane Ida passed through the Township causing widespread flooding and damage. The Township Public Works, Police and Fire Departments all did an excellent job in accessing road access due to localized flooding, rising rivers and streams. While the Township staff experienced several complaints about the storm, overall, we were very lucky with the amount of significant damage. The Township staff appreciates the patience shown by the majority of our residents as we safely worked to assess and restore all Township infrastructure and services impacted by the storm.
4. Road Closure Request (Loman Avenue) – As per the email that was forwarded to the Board by Chief Snyder, a resident on Loman Ave requested that the Township close Loman Avenue between Dorchester and Michelle Drive on September 11th between 1 pm and 4 pm for a neighborhood event. Since all road closures must be authorized by the Board, the request was forwarded to the Board and by consensus, the Board approved the request. This matter will be placed on the agenda for ratification by the Board at its meeting of September 23, 2021.
5. Stop Sign Request – Attached please find a request from Steven Roberts to do a traffic study to determine if a stop sign is warranted at the intersection of Hempfield Drive and Olde Field Drive. I have forwarded the request to the PD for its review and recommendation. I suggest we briefly discuss this request at the meeting of September 23rd.
6. Pension Plan – Attached please find the MMO worksheets from our actuary for both the Uniform and the two (2) Non-Uniform pension plans. Prior to State Aid, it is anticipated that the Townships obligation will be \$1,264,560 for all plans. Just as perspective, last year's total amount was \$1,157,646. As the Board recalls, a few years ago, the Township made a decision to use the 2019 Act 205 valuation to reflect the actual value of the pension plans, the number of active retirees on the plan and fluctuation in the stock market. This, in addition to the adjustments to the mortality rate and the anticipated rate of return, caused a slight, but needed increase in the MMO. Acknowledgement of the MMO for 2022 will be placed on the agenda for consideration by the Board at its meeting of September 23rd.

7. Township Audit – Maher Duessel has completed the official audit of the Township financial records for 2020. Attached please find a copy of the Management Letter and Communication to Those Charged with Governance letter for your review. As expected, there were some minor comments. Keith Whittaker and I have prepared a letter of corrective action to address deficiencies that was discussed with the Auditors and are part of the Management Letter. The comments primarily dealt with the procedures to recording TIF payments and the creation of an IT disaster recovery plan. A meeting with the Auditors, Maher Duessel, will be held to ensure that the responses the Township proposed are sufficient to ensure that all items are addressed to their satisfaction. Overall, another good job by the Finance Department.

8. Trick or Treat – Similar to last year, this is the statement I proposed be placed on the website and Facebook pages regarding “Trick or Treat” events. **Trick or Treat activities for West Manchester Township are traditionally held on October 31st from 6:00 p.m. to 8:00 p.m. Individuals or families wishing to participate in Trick or Treat activities should leave their porch or front yard lights on during this timeframe. West Manchester Township neither encourages nor discourages participation in these events. The West Manchester Township Police Department will have an increased presence in several residential areas during this time period. Due to the continued concerns associated with the spread of COVID-19, individuals and families should assess all risks associated in participating in these events and make their own decision as whether or not to participate. Individuals and families deciding to participate in any events are encouraged to social distance or wear a mask in such instances when social distancing is not possible. In the case of inclement weather, individual developments or organizations are free to reschedule their events accordingly. West Manchester Township bears no responsibility for individuals, families or organizations deciding to participate in any Trick or Treat activities. As the Board recalls, last year several residents expressed their appreciation to being able to make their own decision regarding this issue. At this time, after discussing with the Fire Department and Recreation Department, I anticipate the “Trunk or Treat” event at Loman Park to be held.**

9. APWA 2021 Symposium – The 2020 American Public Works Association symposium, which was scheduled to take place on Thursday, September 17th but cancelled due to the pandemic, will take place the day of the Board meeting on September 23, 2021. Once again, the Township has been selected to host the event. As before, staff feels that this is a great opportunity to boost morale in our Public Works Department as well as keep up to date on new trends and technology. I will update the Board on the event at the meeting.
10. Dover Township Sewer Capacity Discussions –Representatives of West Manchester and Manchester Township met with representatives of Dover Township to discuss possibly reversing flows from the City of York Wastewater Treatment Plant (WWTP) to the Dover Township WWTP. Along with various staff members, each Township had their engineer present to discuss flow data. It was decided that additional information would be needed from each Township in order to access the existing capacity of the WWTP. Dover Township has requested this information by the end of the month. After this data is analyzed, staff will work with Dover to determine if the project is feasible and if so, do a cost /benefit analysis to determine if it is in the best interest of the Township to pursue this venture. I will advise the Board once we have more information.
11. 2022 Budget Preparation – In accordance with the schedule provided to the Board, staff has begun its departmental meetings with the Finance Director and Township Manager. It is anticipated that a first draft budget will still be presented to the Board on Thursday, October 28th with final adoption at the Board meeting of December 16th.
12. York City WWTP Sale/ Related Issues –The PUC has conditionally accepted PA American Water’s application. The Township has met with the Special Council regarding this matter and will be re-filing its objection when appropriate. I will keep the Board informed on the matter.

13. Public Works Labor Negotiations – As the Board was informed, staff met with representatives from Teamsters Local 776 and the Township Public Works Department to begin negotiations on a new labor contract. The negotiations are progressing, and we are very close to finalizing a new contract. I will advise the Board when a compromise has been reached.

14. Proposed new development – Staff met with representatives of proposed new development at the intersection of S. Salem Church Road and Rt. 116. The proposed development will consist of a 5,585 square foot convenience store with 16 fueling pumps. There is also an attached lot to the west which will be developed in association with the convenience store that will be a proposed shed sales facility. The main concern is traffic at this intersection. The proposed facility is planned to have a full access on S. Salem Church Road and a right-in/right-out on Market Street (Rt. 30). A scoping application has been submitted to Penn D.O.T and a meeting was held to discuss our concerns. At this time, it appears unlikely that Penn D.O.T. will approve a right-in/right-out access on Market Street. (Rt. 30). At the meeting, the developer stressed the importance of at least a right-in/right-out at this location and stated that based on the comments from Penn D.O.T. need to reevaluate the location to see if the plan still appears feasible. I will keep the Board advised on this matter.

15. Stonegate Villas Condo Association – I attended the Stonegate Villas Condo Association meeting on September 15th to speak to the group about hot topics in West Manchester Township. Items of discussion included an overview of Township operations, the Township budget, the potential sale of the York City WWTP and the Fire Company merger. It is always an honor to be asked to come out and represent our Township.

**Board of Supervisors
West Manchester Township**

In planning and performing our audit of the primary government financial statements (financial statements) of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of West Manchester Township (Township) as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 a certain deficiency in internal control that we consider to be a material weakness.

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 deficiency in internal control to be a material weakness.

Improving Financial Reporting

During the audit process, material adjustments were proposed to the Township's records. These adjustments were necessary to correct the Township's recording of cash, other liabilities, and revenue.

Cash reconciliations provided by management improperly included \$57,658 as an unrecorded bank deposit. This amount should have been recorded as tax revenue for 2020. As a result, cash and taxes were understated.

During 2020, the Township made the agreed upon TIF payments, however, the Township did not reduce the revenue that was recorded. As a result, other liabilities were understated and revenue was overstated by \$145,426.

We recommend that management put in place procedures at year-end to review and reconcile the accounts of each fund.

Management's Response: The Finance Department has corrected the issues with the collecting agency regarding emails detailing deposits. The Finance Department is direct debiting the revenue accounts to avoid TIF liability account. These items have been added to the check list for future audits.

In addition, we noted the following other matters during our audit:

Strengthening Information Technology Controls

During our review of information technology processes and procedures, we noted the Township does not have an up-to-date Disaster Recovery Plan and that its online backup service has not recently been tested. We recommend that the Township update their Disaster Recovery Plan and test its online backup service in order to ensure that both are sufficient to assist the Township in the event it becomes necessary to utilize the plan or services. Additionally, we recommend the Township to explore the possibility of purchasing Cybersecurity Insurance to mitigate any potential losses from cyber incidents.

Management's Response: The Township is actively working with 3rd Element Consulting creating the necessary disaster recovery program and should have this task completed in 2021.

Pending Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several new standards that may have an impact on the financial statements in future years. In order to prepare for these changes, we recommend that the management review these statements to obtain an understanding of the impact, if any, these changes will have on the financial statements.

GASB Statement No.	Title	Effective Date
87	<i>Leases</i>	December 31, 2022
92	<i>Omnibus 2020</i>	December 31, 2022
96	<i>Subscription-Based Information Technology Arrangements</i>	December 31, 2023
97	<i>Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans</i>	December 31, 2022

The Township's written responses to the material weakness and other matters identified in our audit have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

We have already discussed these comments and suggestions with various Township personnel. We will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

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

Mahe Duessel

Harrisburg, Pennsylvania
August 26, 2021

**Board of Supervisors
West Manchester Township**

We have audited the primary government financial statements (financial statements) of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of West Manchester Township (Township), Pennsylvania, for the year ended December 31, 2020. In addition, we have audited the Balance Sheet, Statement of Revenues and Expenditures, Debt Statement, and Statements of Capital Expenditures and Employee Compensation – regulatory basis (Schedules) included in the Annual Audit and Financial Report of the Township for the year ended December 31, 2020. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our conversation with you about planning matters on February 26, 2021. Professional standards also require that we communicate to you the following information related to our audit.

[Our Responsibility Under Auditing Standards Generally Accepted in the United States of America](#)

As stated in our engagement letter dated January 12, 2021, our responsibility, as described by professional standards, is to express opinions about whether the financial statements and Schedules prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and the financial reporting provisions as described in the instructions provided by the Commonwealth of Pennsylvania Department of Community and Economic Development (DCED), which is a regulatory basis of accounting. Our audit of the financial statements and Schedules does not relieve you or management of your responsibilities.

In addition, our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements and Schedules are free of material misstatement. As part of our audit, we considered the internal control of the Township. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Township are described in Note 2 to the financial statements and the significant accounting policies of the schedules correspond with the financial reporting provisions as described in the instructions provided by the DCED. As described in Note 2 to the financial statements, no new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2020. 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 and Schedules in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements and Schedules 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 Schedules and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Township's financial statements and Schedules were: depreciable lives of capital assets, collectability of certain receivables, amounts due from other governments, fair value of investments, and the actuarial assumptions used for pension and other post-employment benefit liabilities and the related deferred outflows and inflows of resources. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements and Schedules taken as a whole.

Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We noted no sensitive disclosures affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

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 clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatements, detected as a result of audit procedures, were corrected by management: Cash, other liabilities, and revenue.

The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to each opinion unit's financial statements and Schedules taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements and Schedules or the auditor's 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 August 26, 2021.

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 and/or Schedules or a determination of the type of auditor's opinion that may be expressed on those statements or Schedules, 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.

Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year 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.

Other Matters

We applied certain limited procedures to the budget and actual for the General Fund and the historical pension plan and OPEB plan information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information, as described in the table of contents, which accompanies the financial statements, but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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

Very truly yours,

Mahe Duessel

Harrisburg, Pennsylvania
August 26, 2021

West Manchester Township

Year End: December 31, 2020

PAJE Report

Date: 1/1/2020 To 12/31/2020

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
28	12/31/2020	Unreserved Fund Balance	01-000-00-000-2790 01	A-05-01			82,009 00		
28	12/31/2020	Miscellaneous	01-380-00-000-3800 01	A-05-01		82,009 00			
		To remove from current year revenue funds received from York Fair Grounds in prior years							
						82,009.00	82,009.00		

Kelly Kelch

From: Steve Roberts <stevenr82@icloud.com>
Sent: Wednesday, September 08, 2021 2:00 PM
To: Kelly Kelch
Subject: Stop Sign Hempfield drivel intersection

Good afternoon,

Is it possible to have a stop sign added to intersection of Hempfield and Oldfielde drive. When you head south on Hempfield drive and go to turn left onto Hempfield drive it's a hill and you can't see to turn left very well and can be an accident waiting to happen as cars fly up the hill very fast. You basically have to drift forward to see down the hill if anything is coming. And with cars speeding it's pretty dangerous.

Not to mention there is kids on our block as well as we have a child with Down syndrome and the cars fly thru this intersection.

Thanks

Steven Roberts
717-968-9608

Sent from my iPhone

West Manchester Township Non-Uniformed Employees' Pension Plan

2022 Minimum Municipal Obligation (MMO)

(1) Total Annual Payroll <i>W-2 Payroll Estimate for 2021</i>	\$985,835
(2) Normal Cost as a Percentage of Payroll <i>From 2021 Act 205 Filing</i>	18.000%
(3) 2022 Estimated Normal Cost <i>(1) x (2)</i>	177,450
(4) Amortization Amount <i>From 2021 Act 205 Filing</i>	144,818
(5) Estimated Administrative Expenses <i>Best Estimate for 2022</i>	<u>23,217</u>
(6) Total 2022 Financial Requirements <i>(3) + (4) + (5)</i>	\$345,485
(7) 2022 Estimated Employee Contributions <i>2.00% x (1)</i>	19,717
(8) Funding Adjustment <i>From 2021 Act 205 Filing</i>	<u>0</u>
(9) 2022 Minimum Municipal Obligation <i>(6) - (7) - (8)</i>	\$325,768



Signature of Chief Administrative Officer

Date Certified
to Governing Body

**West Manchester Township Non-Uniformed Employees Defined
Contribution Retirement Plan**

2022 Minimum Municipal Obligation (MMO)

(1) Total Annual Payroll <i>W-2 Payroll Estimate for 2022</i>	\$456,522
(2) Township Contribution as a Percentage of Payroll	<u>10.000%</u>
(3) 2022 Estimated Township Contribution <i>(1) x (2)</i>	45,652
(4) Estimated Administrative Expenses <i>Best Estimate for 2022</i>	<u>0</u>
(5) 2022 Minimum Municipal Obligation <i>(3) + (4)</i>	\$45,652



Signature of Chief Administrative Officer

Date Certified
to Governing Body

West Manchester Township Police Pension Plan

2022 Minimum Municipal Obligation (MMO)

(1) Total Annual Payroll <i>W-2 Payroll Estimate for 2021</i>	\$2,895,666
(2) Normal Cost as a Percentage of Payroll <i>From 2021 Act 205 Filing</i>	17.013%
(3) 2022 Estimated Normal Cost <i>(1) x (2)</i>	492,640
(4) Amortization Amount <i>From 2021 Act 205 Filing</i>	483,870
(5) Estimated Administrative Expenses <i>Best Estimate for 2022</i>	<u>61,413</u>
(6) Total 2022 Financial Requirements <i>(3) + (4) + (5)</i>	\$1,037,923
(7) 2022 Estimated Employee Contributions <i>5.00% x (1)</i>	144,783
(8) Funding Adjustment <i>From 2021 Act 205 Filing</i>	<u>0</u>
(9) 2022 Minimum Municipal Obligation <i>(6) - (7) - (8)</i>	\$893,140



Signature of Chief Administrative Officer

Date Certified
to Governing Body