

EAST MANCHESTER TOWNSHIP
BOARD OF SUPERVISORS
QUARTERLY FINANCIAL REVIEW AGENDA

April 30, 2026 @ 2:00 PM

1. OPEN MEETING
2. APPROVE OR AMEND AGENDA
 - 2.1 April 30, 2026
3. 2026 QUARTERLY FINANCIAL REVIEW WORKSHOP
 - 3.1. 2025 Financial Audit
 - 3.2. Per Capita Tax Evaluation
4. PUBLIC COMMENT
5. ADDITIONAL BUSINESS

ADJOURN MEETING

*All interested parties are invited to attend. People with disabilities may contact the Township office at (717)266-4279 at least five (5) business days prior to the public meeting to discuss how to best accommodate your needs.

*** Board of Supervisor Meeting Live Stream**

The East Manchester Township Board of Supervisors is providing viewing access to its meeting via live streaming on youtube.com. Channel Name [@EastManchesterTownship](#). This will allow the public to view the Board of Supervisors meeting live and will store on YouTube for a controlled amount of time. The meeting link will not allow public participation nor the submission of questions or comments. If any citizen would like to provide public comment during a meeting, they are encouraged to attend the meeting in person. The Township cannot guarantee that there will not be interruptions in the link or recording due to technical difficulties or failures. To ensure full access to any meeting, citizens are encouraged to attend in person.

EAST MANCHESTER TOWNSHIP
Board of Supervisors
April 30, 2026
At 2:00 P.M.
Quarterly Financial Review

Present: Chairman David L. Naylor, Vice Chairman Darryl L. Albright, and Supervisor Dean E. Kohr; Manager/Secretary/Treasurer Kristie Masemer; Public Works Director Shane Haugh; Accountant Jennifer Cox; and 0 citizens.

At a special meeting to conduct a quarterly financial review of the General Fund held at the Township building, Chairman Naylor called the meeting to order at 2:00 p.m. and dispensed of all formalities.

2026 Quarterly Financial Review

A quarterly review meeting is to see the year-to-date expenses and revenues to ensure the Township is on track for the 2026 Budget Year.

Beginning with Year-To-Date (YTD) total revenues, \$2,317,627.43, which is 44.58% of what the Township budgeted (\$5,198,852.00). At this point in the year, that puts us on track with our revenue projections.

2026 Expenses were budgeted at \$4,914,148.00 and YTD is \$1,789,756.23, which is 36.42% of the budget. Being that we are already a month into the second quarter, expenditures are tracking appropriately and remain in line with our budget expectations.

The initial principal loan balance was \$950,001.00 with a current principal balance of \$799,140.97. Only interest was paid prior to the end of 2024, and then principal and interest payments began at the start of 2025. The purpose of the loan was to allow the Township to keep a 40% operating reserve in cash for an emergency event/natural disaster/or other unforeseen major expense. The money market account that the Township opened for getting a lower loan interest rate is where the loan was directly placed and has earned \$7,401.39 so far, this fiscal year. The interest paid on the loan thus far (2026) is \$16,531.53. In the event of a disaster, the Township would eventually receive reimbursement by the Federal or State government, but it could take months or years.

Per the Board's request from the last Financial Review meeting, 40% operating reserve amount is \$1,965,659.20 which is based off of the \$4,914,148.00 expenses budgeted for 2026. The Township has unrestricted net assets in surplus from 2025 in the amount of \$3,995,825.84 which is double our operating reserve goal. Paying extra on the loan balance or placing some into the new Capital Reserves Fund? The Board agrees to wait until July financial review meeting to ensure the rest of the projected tax revenues come in. **[Following the meeting, staff identified that the unrestricted net assets amount previously discussed appeared unusually high. Upon further review, it was determined that the accounting system report generated included all Township funds rather than only the General Fund. The corrected unrestricted net assets balance for the General Fund is \$1,581,789.74, representing less than 40% in operating reserves (approximately 32%). The Board of Supervisors were notified immediately and agreed that this correction would be publicly stated at May 12, 2026, Board meeting and noted within the April 30, 2026, meeting minutes.]**

The next quarterly financial review meeting is **July 16, 2026, at 2:00 P.M.** The board would like to see, 1. Payoff amount for the loan; 2. 2026 Year-to-date financials (second quarter).

2025 Financial Statement Audit – The 2025 financial statement audit has been completed. There were no material changes resulting from the audit adjustments, and no material findings were identified. Overall, the audit results were consistent with expectations. Supervisor Kohr asked about page 21 of the audit, three new recording requirements GASB requirements? Ms. Cox explained that this was a part of the close out of the audit, but she will email the auditor to ensure that's the case.

Per Capita Tax - The Tax Collector, Kathy Emswiler, created a Per Capita Tax analysis. Staff then made a pros and cons list. However, a major factor in determining if eliminating the Per Capita Tax is feasible is the Local Tax Enabling Act which puts caps on a number of taxes such as the income tax, Per Capita and Local Services Tax. The statute then has a provision that says if two tax authorities levy the same tax (i.e., school district and township each levy a \$10 per capita tax), then the tax rate will be halved for each (\$5) for so long as both collect it. If one of them stops collecting it, then the tax is automatically reinstated to the full amount for the next tax year. If the school district did not levy the tax currently and the Township repeals its tax, then the school district would have to follow all the procedures to formally levy the tax before they can collect it. It would not automatically be collectible. However, in this case, the school does collect it so if the Township eliminates the tax, the school will collect the full amount instead of half like they currently do. Therefore, it would result in no savings for the residents. In 2025, the Township Tax Collector collected \$25,552.30 (\$5.00 for each adult resident) with the possibility of collecting a total of \$29,409.80 if the collection agency (GH Harris) for delinquents achieves their projected amount of 85.7%. Per the 2020 Census there are approximately 8,331 residents and the number of residents that did not pay was 2,211 (actively being sought after by GH Harris). After the Tax Collector's commission, stipend, materials and printing, actual projected collection for 2025 is \$26,063.58. Mrs. Masemer is to research why the school district per capita isn't blatantly seen by the residents like the Township's portion is seen. Let's put this question [eliminate the per capita tax or not] out to the public knowing this information on what they think we should do at the next public meetings. If the township were to eliminate this tax, a decision would need to be made by October to advertise for the November Board meeting and reported to the County by December 1st.

Supervisor Kohr's had a few questions to the auditors. They were all answered, but one to be discussed. Question: Is there a legal requirement for us to move excess budget dollars to budget line items where we overspent in the budget year? If not, please explain why we make these adjustments each year. Auditor's Response: We recommend funds be reallocated at year end to maintain compliance at the fund and program level. This demonstrates fiscal responsibility and oversight. By showing unfavorable variances, it leads to questions about the proper oversight of the legally adopted budget. Jen's Response: I believe Section 3202 (f) of the 2nd Class Township Code covers these transfers. Dean's Response: What do the auditor's mean by "program level"? Is that at the general ledger account number level? If so, I disagree if we do not exceed our budgeted costs for the year. As for section 3202 (f), this says "may by resolution transfer unencumbered moneys", it is not a must transfer. In my opinion, the year-end transfer between various general ledger accounts is unnecessary and does not enhance our operations. We have the actual dollars spent which is better than a budgeted amount – our best estimation when preparing the budget for the year. Discussion ensued regarding this topic. There was no final answer on whether staff should do the Transfer of Unencumbered Funds Resolution at the end of the year.

The Year-To-Date Income Statement was reviewed for expense account lines that have the potential of exceeding their budgeted amount. Mr. Haugh stated that the Traffic Signal account line is going to go

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over for traffic lights – problems and spring maintenance. This is going for bid for 2027. Other account lines: Professional Services (meetings is an item that will make this go over), Computer Maintenance (Cyber Security), Mtgs/Classes/Conferences (a required public works training that used to be free is now very expensive), Tax Collector Materials and Supplies (may go over a little due to rising costs), Legal Services (all of the right-to-knows, meeting attendance and more “hot topics”), a few of the utility line items (gas is already at 90% of it’s budgeted amount), a few line items under zoning (due to those related meetings and ordinances), Drug/Alcohol (we had more turnover and new hires than usual), Snow/Ice Removal Materials (due to inclement weather requiring salt), Pension and Insurance line items should have dividends and state aid to come, but can’t be promised), unemployment compensation (previous employees due to turnover). Otherwise, all of these items were unpredictable and not preventable. The Township budget is still on track and staff watch the budget often and where we can lessen spending, staff do throughout the year in an attempt to stay within the total expense budget.

Supervisor Comments

Supervisor Kohr – None.

Vice Chairman Albright – The rear camera issue? Resolved.

Chairman Naylor – Good work staff. Very beneficial for the Township.

Motion by Chairman Naylor, second by Supervisor Kohr, to adjourn. All members voted aye; motion carried. The meeting adjourned at 2:59 p.m.

Respectfully submitted,

Kristie Masemer
Secretary/Treasurer/Manager