

**WEST WHITELAND TOWNSHIP  
BOARD OF AUDITORS  
Minutes from the Meeting of:  
May 20, 2020**

**CALL TO ORDER**

The meeting of the West Whiteland Board of Auditors was called to order by Chairman Christian Callahan at 4:30 p.m. Due to the ongoing coronavirus pandemic, the meeting was held online via Zoom. Also, in virtual attendance were Vice-Chairman Chet Woolard, Member Ed Auble, Finance Director Beth Jones, Township Manager Mimi Gleason, Assistant Township Manager Pam Gural-Bear, and Chris Herr of Maillie.

**APPROVAL OF MINUTES**

Upon motion by Mr. Woolard and second by Mr. Auble, the Minutes of January 7, 2020 were approved by a motion of 3-0.

**REVIEW OF 2019 AUDITED FINANCIAL STATEMENTS BY CHRIS HERR FROM MAILLIE**

Mr. Herr provided a summary of the Financial Statements noting that the numbers are fairly consistent year to year. The Audit Opinion is a clean or unmodified opinion, which is the most positive opinion indicating that everything is in compliance with all regulations and accounting principles and all documents requested were received.

Emphasis of Matter notes that the Township implemented GASB 84 and discusses the potential for economic uncertainties due to the COVID-19 pandemic.

The Government-Wide Financials show numbers similar to last year. Of note, an approximate \$900,000 decrease in assets due to a large escrow on the books in 2018 for Boy Scouts of America no longer on the Township's books. Additionally, there was a large and anticipated decrease in building permit revenue, but this was compensated for by increases in almost every other line of revenue.

Fiduciary Activity discusses the change from Agency Fund to Custodial Fund brought about by GASB 84.

The Footnotes are generally consistent with the prior year, with the Subsequent Event Footnote informing of unknown economic impacts due to COVID-19.

**DISCUSSION AND QUESTIONS RELATED TO THE AUDITED FINANCIAL STATEMENTS**

Mr. Callahan asked about the program revenue decrease over last year. Mr. Herr explained that there was a large decrease in building permit fees from \$1.8 million in 2018 to \$950,000 in 2019.

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Mr. Auble asked if a change in the number of Township personnel was anticipated. Ms. Jones said there are no plans to reduce staff for this year, and funding to ensure essential Township services will be discussed during budget planning for 2021.

Noting that the Police Pension Plan was 98% funded, Mr. Auble asked if this will encourage the Police Union to ask for more benefits. Ms. Jones pointed out that there are two more years in the current contract. Also, the Plan is not currently 98% funded due to recent losses due to the pandemic. Ms. Jones views the strong funding position of the pension plans as a positive for the Township.

Mr. Auble asked about the difference in investment allocation of the two pension plans. Ms. Gleason said this may be a timing issue and explained how the funds are rebalanced based on cash flow needs for the coming quarter.

Mr. Auble asked about a trash fee increase. Ms. Jones said that decision would come before the Board of Supervisors this Fall when the services are put out for bid.s Given the current recycling market, she did anticipate an increase.

Mr. Auble asked if the Township was considering debt refinancing. Ms. Jones said no decision has been made yet, but Staff is preparing the groundwork for a potential bond issue should the Board decide to do so, and market conditions are favorable. The issuance could include refinancing a variable rate note.

Mr. Herr said there was no concerns with internal controls, so no Management letter was issued.

The Township's contract with Maillie runs through 2020.

The Board of Auditors next meeting will be January 5, 2021.

### **ADJOURNMENT**

The meeting was adjourned at approximately 5:00 p.m.

Respectfully Submitted,



Beth Jones  
Recording Secretary