

Citizens Audit Review and Finance Advisory Committee

May 17, 2017

Radnor Township Municipal Building
Finance Conference Room, Not Televised
301 Iven Ave., Wayne, PA 19087

Meeting Minutes

Chairman Mark Blair called the meeting to order at 7:00PM. CARFAC members Mark Blair, Leo Marte, Jerry Linden, Ed Caine, Mary Hoeltzel, Helen Mountain and Jeff Ruben attended in person. Members Michael Antonoplos and Carl Rosenfeld were unable to attend. Assistant Finance Director/ HR Manager Bob Tate represented the Administration as Finance Director Bill White was unable to attend.

1. Approval of Minutes:

- a. Mr. Blair noted that the minutes from the April 19, 2017 meeting were distributed to the Committee. Noting no corrections, the minutes were approved as presented.

2. Project Updates:

- a. Audit Update – Mr. Caine informed the group that the audit workgroup met with the auditors on the morning May 17, 2017. He reported that no issues were noted and that the audit is progressing, with fieldwork essentially complete. It appears the Township will receive a clean opinion, and although slightly behind schedule, it is anticipated the June 30th deadline for the Comprehensive Annual Financial Report (CAFR) submission to the Government Finance Officers Association (GFOA) will be met. Furthermore, the workgroup also met privately with the auditor and no material issues were noted.

b. Capital and Long-Term Liability: Mr. Linden updated the committee:

- i. Mr. Linden presented a series of slides focusing on the status of Radnor's unfunded pension liabilities using statistical and comparative data to measure the health of Radnor's plans against neighboring and similar-sized municipalities in the region. Mr. Linden proposed a special meeting with members of the Board of Commissioners, with presentations by CARFAC and the outside professionals for the pension plans. These include the actuary, investment advisor, and independent CPA performing the audit. The point of the meeting would be to provide an in-depth review of scope, characteristics and implications of these long-term liabilities. The schedule suggested for this project: meet in June to provide the abovementioned education session, provide CARFAC's analysis of various funding strategies to the Board of Commissioners in June or July, followed by a review by the Board of Commissioners and the public in August. The Board's decision is needed before September so it can be incorporated into amended assumptions to be used with the 2018 Minimum Municipal Obligation (MMO) by end of September. Then discussion ensued on a variety of funding opportunities, with input from Mr. Ruben, Mr. Marte and Ms. Hoetzel.

Mr. Marte further demonstrated the importance of informing the Board of Commissioners how their actions or inactions impact the long-term liabilities. He

