

Public Meeting | Televised Citizens Audit Review & Financial Advisory Committee (CARFAC)

October 18, 2017

7:00PM - Radnor Township Municipal Building, Radnorshire Room

Agenda:

- 1. Call to Order
- 2. Approval of Minutes (5 Min):
 - a. September 19, 2017
- 3. Project Updates (deferred until November, 2018)
- 4. New Business (90 Min):
 - a. Summary Review of 2017 Q3 Results
 - b. Review of Managers' Recommended Budget for 2018 including Capital Spending
- 5. Old Business
- 6. Public Participation
- 7. Adjourn (the goal will be no later than 9:00PM)

Attachments:

1. Draft Minutes: September 19, 2017

Organization Documents:

- 1. Resolution 2017-03 Establishing CARFAC's 2017 Priorities
- 2. 2017 Project Working Group Matrix v4
- 3. CARFAC Calendar (9/19/2017 version)

DRAFT

Citizens Audit Review and Finance Advisory Committee

September 19, 2017 Radnor Township Municipal Building Administration Meeting Room, Not Televised 301 Iven Ave., Wayne, PA 19087

Meeting Minutes

Chairman Mark Blair called the meeting to order at 7:05 PM. CARFAC members Mark Blair, Jerry Linden, Michael Antonoplos, Leo Marte, Ed Caine, and Mary Hoeltzel attended. Members Carl Rosenfeld, Helen Mountain and Jeff Ruben were unable to attend. Assistant Finance Director Bob Tate represented the Administration. Assistant Township Manager/Finance Director Bill White was unable to attend.

1. Approval of Minutes:

a. Mr. Blair noted that the minutes from the August 16, 2017 meeting had been distributed to the Committee. The minutes were approved unanimously, without amendment.

2. Project Updates:

- a. PILOT Review: Mr. Blair reviewed the memorandum prepared by Mr. Antonoplos and the Committee approved the memo as written, to be forwarded to the Board of Commissioners by Mr. White in the usual manner.
- b. Long-Term Liability: Mr. Linden reported that he had attended the Board of Commissioners' September 18 meeting. He noted the Board discussed, at length, changes to the pension assumptions. The Board agreed to reduce the investment rate of return from 7.5% to 7.25% and to adopt the updated mortality tables.
- c. Capital Plan: CARFAC will review and evaluate the Capital Plan at its October meeting when it reviews the 2018 budget draft.
 - Action Item: The agenda for the October CARFAC meeting will be limited a brief, high-level review of Q3 results and review of the draft budget and capital plan for 2018. Work group updates will be deferred to the November meeting.
- d. Financial Metrics Development: Ms. Hoeltzel continues to work on the context of the metrics. Members of CARFAC had previously suggested that it will be helpful to the Board and other readers to better understand the relationship between the results and what they reveal.
- e. Stakeholders Report: Agreement was reached that CARFAC will prepare this report during the first quarter of 2018.
- f. Credit Rating Review: Mr. Rosenfeld was not present. No update was provided.
- g. Software Implementation: Mr. Tate noted that the Township was preparing to go live with the Payroll and Human Resources modules October 1st.

Citizens Audit Review & Financial Advisory Committee September 19, 2017 Page 2

- 3. New Business: In Mr. White's absence, there was no discussion of PFM's recommendations on updates to the Investment Policy.
- 4. Old Business: None
- 5. Public Comment: None
- 6. Being no further business, CARFAC adjourned at 7:58PM

These minutes represent a complete record of all public discussions of the CARFAC meeting of September 19, 2017.

RESOLUTION 2017-03

A RESOLUTION OF RADNOR TOWNSHIP, DELAWARE COUNTY, PENNSYLVANIA, ESTABLISHING PRIORITIES FOR THE CITIZENS' AUDIT AND FINANCIAL ADVISORY COMMITTEE ("CARFAC") FOR 2017

WHEREAS, the Board of Commissioners established CARFAC with the adoption of Resolution 2011-01 on January 24, 2011; and

WHEREAS, CARFAC was established to "advise and report to the Board on issues concerning the Township audit, budget and finances on an on-going basis" as written in Resolution 2011-01; and

WHEREAS, CARFAC and members the Board of Commissioners met in a public meeting on November 16, 2016 to discuss possible projects and on-going priorities for 2017; and

WHEREAS, in order to establish clear, public direction to CARFAC, the Board of Commissioners wishes to formally adopt the priorities that CARFAC should work on in 2017.

NOW, THEREFORE, it is hereby **RESOLVED** that the Radnor Township Board of Commissioners requests CARFAC to work on the following priorities for 2017:

1) Planning & Budgeting

- a. Continue our analysis of the Township's funding of its Capital Plan and Long-Term Liabilities, to include how Radnor compares to other municipalities, to help the Board determine appropriate funding and the most suitable rate of return for use in calculating the Municipality's Minimum Obligation (MMO). Continue to update, refine, and design additional uses of the five-year planning model.
- b. With respect to Payments in Lieu of Taxes (PILOT), research what has been done by other governments, what is possible, and how the Board might meet with more success in negotiating with local non-profits. Determine the costs of serving non-profits in Radnor.
- c. Develop a comprehensive set of financial metrics to assist the Commissioners in their management of the Township's finances.
- d. Continue to refine, update and publish the Stakeholder's Financial Summary Report annually.
- e. Conclude our investigation of the benefits and costs of striving to improve the Township's credit rating with Moody's from Aa1 currently to Aaa, provided the Board approves the payment for additional research by PFM required to do so; report to the Board.

2) Audit

- a. Oversee the Audit plan and process; interact with the public accounting firm's staff.
- b. Continue to work with Township staff and auditors to identify and address material weaknesses and significant deficiencies revealed in the audit process.
- c. Meet with the Board to present our findings, identify and report on Key Performance Indicators.
- d. Obtain the Board's approval and acceptance of the audit.
- e. Continue to work with Township staff to improve financial controls and processes.

3) Operations

- a. Continue to monitor and guide the implementation of the new administrative software solution for the Township.
- b. Review the Township's financial statements and unfunded liabilities quarterly; track key performance indicators; report to the Board annually or as needed.

Be it further *RESOLVED*, to the fullest extent possible, that all recommendations coming from the CARFAC should come in the form of an independent range of options and include the financial ramifications of these options.

SO RESOLVED, this 3rd day of January, A.D., 2017

RADNOR TOWNSHIP

By:

Name: Elaine P. Schaefer

Title: President

ATTEST:

Name: Robert A. Zienkowski,

Title: Township Manager / Secretary

Radnor Township, PA

CARFAC 2017 Priority Interest Matrix
Priorities Approved by Board of Commissioners via Resolution 2017-03, Adopted January 3, 2017

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Monday	
6:30 PM - 10:30 PM	Special BOC Meeting LT Liab and Capital Review Radnor Township Board Room
September 19, 201	.7
Tuesday	
7:00 PM - 9:00 PM	CARFAC September Meeting Administration Conference Room
October 18, 2017	
Wednesday	
7:00 PM - 8:00 PM	CARFAC October Meeting Televised Radnorshire Room
8:00 PM - 9:00 PM	CARFAC Q3 Finance Update Radnorshire Room
November 15, 201	7
Wednesday	
7:00 PM - 9:00 PM	CARFAC November Meeting Administration Conference Room
December 20, 2017	7
Wednesday	
7:00 PM - 9:00 PM	CARFAC December Meeting Administration Conference Room