

Citizens Audit Review & Financial Advisory Committee (CARFAC)

September 21, 2016

7:00PM – Radnor Township Municipal Building, 2nd Floor, Administration Department

Agenda:

1. New Business:
 - a. TBD
2. Old Business:
 - a. TBD
3. Project Updates: **Emphasis on project status and plans to complete projects by year-end**
 - a. **Monetizing Asset Project** (Mike, Mark, Marty, Mary, Carl) (20 Min) | Update: The approved report was submitted to the Board of Commissioners on September 7 2016 and was publically discussed at the September 12 Board meeting. Mr. Antonoplos to provide an update from the presentation.
 - b. **Staffing Level Review** (5 Min) (Jeff, Mike, Mark) | Update: Remaining data points were distributed to the working group on September 1. Follow up / finalization meeting is needed to prepare report.
 - c. **Capital Program Review** (Leo, Mike, Mark, Marty, Jerry) (5 Min) | Update: The working group met on July 26 and stepped through a cash-only plan (after reviewing a debt plan on July 12). The meeting concluded with the question of whether the township gets the best return on its cash if used for capital or if it was invested into paying down the pension liability (which would then lower the MMO; thus freeing up cash for capital). The working group agreed to hold off until the pension questions were answered as part of the unfunded liability working group.
 - d. **Unfunded Liability Review** (Leo, Jerry, Ed) (5 Min) | Update: A working group meeting was held on July 20 and then immediately before the CARFAC meeting on August 24. Representatives from the Township's asset management firm and actuary attended the July 20 meeting. Items discussed included the relationship between rate of return and MMO expense, investment policy considerations, discount rate considerations, sensitivity analysis to determine adjustments in rate of return and/or use of one-time revenues and OPEB funding plan updates. A working group meeting was rescheduled from September 20 to September 27.
 - e. **Business Privilege and Mercantile Tax Review** (Mark, Leo, Jeff) (5 Min) | Update: The working group held their third meeting on June 15 and reviewed the ability to alter business tax rate and/or exemption, discussed the options surrounding an earned income tax, agreed to prepare some comparative data (percentage of revenue, tax rate, etc.), and continued creating a more user-friendly tax regulation document. The group is also reviewing other methods of compensating the auditor.

- f. **Credit Rating Review** (Carl, Marty, Jeff) (1 Min) | Update: A kickoff meeting was held on September 8 where the working group and a member from PFM outlined the information needed to develop a recommended plan of action (or inaction). PFM is currently working on pulling that information together and will have it by September 30. A follow up meeting will be scheduled for early October to prepare report in time for the October CARFAC meeting.
- g. **ERP Project** (Jerry, Mark) (5 Min) | Update: Township staff has participated in “team learning sessions” to review the General Ledger, Chart of Accounts and Project and Grant Accounting modules. The ERP Team is currently working on development of the chart of accounts schema.
- h. **Financial Control Review** (Mary, Ed) (5 Min) | Update: No new updates from August meeting.
- i. **Audit Project** (Ed, Carl, Mary) (1 Min) | Update: This project is complete for 2016. Planning for the 2016 audit, to occur in 2017, will begin in the fall.

- 4. Public Participation
 - 5. Adjourn (the goal will be no later than 8:00PM)
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