

Citizens Audit Review and Finance Advisory Committee
April 20, 2016
Radnor Township Municipal Building
Finance Department Meeting Room, 2nd Floor
301 Iven Ave., Wayne, PA 19087

Meeting Minutes

Chairman Mark Blair called the meeting to order at 7:06PM. In attendance were CARFAC members Mark Blair, Jerry Linden, Leo Marte, Mary Hoeltzel, and Carl Rosenfeld. Committee members Jeff Ruben, Ed Caine, Michael Antonoplos, and Marty Dwyer were unable to attend. Members of the Township Administration in attendance were Finance Director Bill White and Assistant Finance Director/HR Manager Bob Tate. Public attendees included Ms. Kamira Evans and Ms. Unique Saunders, both seniors at Villanova University. (Action items are italicized).

1. New Business:
 - a. Chairman Blair brought up the potential benefits of sharing the CARFAC team calendar by printing it in PDF format and distributing it to the group. *Mr. White agreed to update the calendar and provide it with the minutes of this meeting.*
2. Old Business:
 - a. Stakeholders Report: Several suggestions were discussed including adding a pension funding horizon and providing clearer language on the community organizations funded by the Township. After the changes were made, the Committee agreed that the report was ready to send to the Board and publish and distribute. Mr. White explained that the report will be mailed to all Radnor township addresses and that printed copies will be available at the Township building, library, and other public locations, which may include area businesses and restaurants. *A list of those locations will be drafted and distributed to the Committee for review within a week.*
3. Project Updates:
 - a. Audit: Mr. Rosenfeld reported that the audit work is on schedule and proceeding as planned. The auditing firm met with Mr. Caine and Mr. Rosenfeld on Tuesday, April 19 to review the project plan, potential findings, and schedule. The plan is to hold a special CARFAC meeting to review the financial statements and meet with the auditors on May 18 at 7:00PM, ahead of the Board of Commissioners meeting on May 23 at which a resolution will be presented for acceptance of the 2015 audited financial statements. *Draft financial statements will be provided to CARFAC by May 13 for review prior to the May 18 special meeting.*
 - b. ERP Project: Mr. Linden updated the Committee that the working group is in the final review of the contract and statement of work (SOW), and that the plan is to have all the documents ready for the Board's consideration at the May 9 Board of Commissioners meeting. Some discussion stressed the importance of assuring that, to the extent possible, the pricing is fixed and the scope is well defined. Ms. Hoeltzel noted her experiences in which software implementation costs escalated quickly as a result of hourly rate pricing and loosely defined scopes of work. When the working group signs off on the agreement, the entire CARFAC

- Committee will have an opportunity to review it prior to it being sent to the Board of Commissioners. *A working group meeting is scheduled for May 2 at 9:30AM. It is expected that the agreement will be completed then, and distributed to the entire CARFAC later that same day (May 2).*
- c. Monetizing Assets Project: Members of the working group met with the Township Manager and Administration earlier in the day to discuss the direction and priority of the project. Chairman Blair provided the update from that meeting: Given the Board's apparent lack of ambition to take further action now, CARFAC considers its work complete. To wrap the project, the working group will develop a white paper report to the Board of Commissioners to highlight the analysis completed, the costs incurred, the financial impact of the opportunity cost of not acting, and to offer assistance in the future on decisions that the Board is willing to make in this area. *Project lead, Mr. Antonoplos, will begin developing the report. No timetable for completion was agreed.*
 - d. Business Privilege | Mercantile Tax Review: Chairman Blair noted that CARFAC members were provided working group meeting notes that summarized the conversations, project objectives and action items from the kickoff meeting held on March 13. No discussion ensued. *The next meeting is Wednesday, May 4 at 7pm.*
 - e. Staffing Level Review: Mr. Ruben had provided CARFAC members with a summary of the conversations, project objectives and action items from the kickoff meeting held on March 13. No discussion ensued.
 - f. Financial Control Review: Ms. Hoeltzel reported that a kickoff meeting was held on March 13, at which time she was provided with financial policies and business process documents. Given the amount of information, more time is needed for the review. Further, Ms. Hoeltzel noted that, in addition to focusing on current controls, this project should coordinate with the ERP project to assure appropriate controls are implemented at the front end of the software implementation. To assist with that review, Ms. Hoeltzel reported that she had spoken with representatives of Price Waterhouse who have offered to provide pro-bono control review during the ERP implementation.
 - g. Unfunded Liability Review: Mr. Marte updated the Committee on the project kickoff meeting held immediately prior to the CARFAC meeting. Items discussed included a high level review of the legal environment, certain calculations, and how to tie the objectives of the working group to the Township's budget process. *The next working group meeting will be scheduled in June.*
 - h. Capital Program Review: No meeting had been scheduled yet. To start the project, Mr. Marte volunteered to step in as acting lead. *A kickoff meeting is now scheduled for May 4 at 6:00PM.*

- i. Credit Rating Review: Mr. Rosenfeld provided the Committee with a plan to meet with representatives from PFM to review the project plan. *He will schedule a working group meeting prior to May 25, the next full team meeting.*
4. Quarterly Finance Review: Mr. White provided the Committee with the draft of the “Q1 Results and FY 2016 Financial Outlook.” This report included the fourth quarter 2015 results of the pension investments. The presentation is attached to these minutes. *Future presentations will include updated forecasts, balance sheet components, cash flow updates and performance of other funds.*
5. Public Comment: None
6. Being no further business, CARFAC adjourned at 9:10PM