

Citizens Audit Review & Financial Advisory Committee
June 18, 2015
Radnor Township Municipal Building
Finance Department, 2nd Floor
301 Iven Ave., Wayne, PA 19087

Meeting Minutes

The meeting was called to order by Chairman Mark Blair at 7:04PM. The meeting was attended by CARFAC Committee members Mark Blair, Jerry Linden, Jeff Ruben, Marty Dwyer, and Ed Caine. Committee members Michael Antonoplos, Martin Heldring and Carl Rosenfeld had scheduling conflicts and were unable to attend. Assistant Finance Director Bob Tate represented Township staff and Finance Director Bill White was unable to attend. No members from the public were in attendance.

The Committee discussed the following items:

1. Project Updates:
 - a. **Audit Update:** Mr. Caine provided an update noting that he and Mr. Blair along with Nancy Gunza and David Sekerak from Clifton Larson Allen met with the Commissioners in Executive Session on Monday, June 15th, 2015 informing them of the clean opinion on the audit and that the auditors expressed no concerns with management during the audit process. Also Mr. Caine informed CARFAC that the recommended resolution on the Consent Agenda to accept the audited financial statements was unanimously adopted by the Commissioners. Also noted was that there were neither questions nor public comment on the audited statements.
 - b. **IT/Software Update:** Mr. Linden provided an update noting that the Township has three viable vendors each offering in-house solutions and hosted products. Although further demos are scheduled for July, the working group will meet to review the updated pricing comparisons that include the additional five years of license and maintenance costs. Mr. Tate noted that Ms. Conn had just received the additional five year quotes and will be updating the cost comparison worksheet. Mr. Linden noted that while SunGard appears to be the cost effective solution, the additional 5 year pricing will likely increase SunGard's overall quote to be less competitive due to the number of customizations the Township would have to maintain. Mr. Linden noted other factors under consideration are the implementation timeline as well as the change management process. Mr. Dwyer inquired as to the feasibility of Beta-testing new software to better understand the product and avoid possible pitfalls of increased consulting and training costs that may occur with a new product implementation. Mr. Blair requested that staff, along with the working group, establish a quantitative analysis to compare the three systems beyond pricing. Mr. Linden noted that the working group will work with staff to develop the analysis.
 - c. **Monetizing Assets Update:** Mr. Antonoplos being absent there was no new information to report however Mr. Dwyer requested to see copies of appraisals that have been ordered on the properties noted to be monetized. Mr. Tate will follow up as to the status of those appraisals.
 - d. **BioMed Analysis:** Discussion ensued on the sale of the property by BioMed to Penn Medicine and no further analysis is expected at this time.

- e. **Capital Asset / Forecast Update:** Mr. Tate informed the committee that the staff were still compiling various pieces of information and once provided to the working group, a follow up meeting would be scheduled. Mr. Linden requested that an analysis be prepared to reconcile the Capital Fund balance and activity to the audited statements.
 - f. **Unfunded Liability Review:** Mr. White will resend the Doodle dates to the working group to get this started. Mr. Linden requested to review the 1/1/2015 pension valuation report when available. Discussion followed on developing a sensitivity analysis on the valuation, assuming varying levels of rates of return. Mr. Tate will inquire of the pension actuary as to the feasibility/cost of such comparison.
 - g. **Engineering Services Review:** Mr. White will resend the Doodle dates to the working group to get this started.
 - h. **Township Staffing Level Review:** Mr. White will resend the Doodle dates to the working group to get this started.
2. Old Business:
 - a. **Comcast Agreement:** Mr. Tate noted that the Board of Commissioners removed the Agreement from the agenda of June 15th and will reconsider for their July meeting.
 - b. **Moody's Rating Call:** No new information to report.
 - c. Mr. Linden noted the business tax update indicates the Township is on budget with collections. Mr. Linden requested to review the allocation and distribution of the 2014 excess fund balance and also a 2015 budget vs actual report.
 3. Public Participation: None
 4. Adjourn: There being no further business, Mr. Caine moved, Mr. Linden seconded, to adjourn at 8:24 PM.