

Citizens Audit Review & Financial Advisory Committee
October 14, 2015
Radnor Township Municipal Building
Finance Department, 2nd Floor
301 Iven Ave., Wayne, PA 19087

**NOT OFFICIAL
LACK OF QUORUM**

Meeting Minutes

****Due to the lack of quorum, no official meeting took place. However, these minutes are meant to capture the nature of the conversations that took place by those members who attended.****

Chairman Mark Blair called the meeting to order at 7:15PM. In attendance were CARFAC members Mark Blair, Jerry Linden, Martin Heldring, and Jeff Ruben. Committee members Carl Rosenfeld, Michael Antonoplos, Marty Dwyer, and Ed Caine had other conflicts and were unable to attend. Other persons present included Bill White, Finance Director and Bob Tate, Assistant Finance Director/ HR Manager. No members from the public were in attendance.

The Committee discussed the following items:

1. 2016 Budget and Forecast Review: Finance Director White stepped through the budget presentation (attached) that was presented to the Board of Commissioners on the preceding Monday, October 12, 2015. Significant discussion was held around the following subject matters pertaining to the Budget:

Revenue – Tax and Fee Assumptions: The 2016 Budget assumed “normal” growth in business taxes and assumed accelerated permitting fees resulting from the Villanova Dorm/Parking improvement project.

Expenses – Base Operations: The 2016 Budget assumed the same position count as what currently is in place (no new positions being requested). Payroll increase assumptions included a 2.75% increase for all unionized staff pursuant to their collective bargaining agreements, and assumed increases for all non-union staff of up-to 2.75% based on a performance evaluation. All other elements of the departmental base operations were status quo as 2015 and prior years.

Pension / OPEB: Significant discussion was held regarding the pension expense (“MMO”), and the OPEB funding plan. CARFAC spent some time discussing the MMO forecast (2016-2021) which included the actuarial calculations, the importance of continuing to allocate excess revenues to pension, and the decision as to which actuarial report information should be used in the 2016 MMO calculations. Further, Mr. Linden wanted to make sure that the interest rate assumption decision for future MMO expenses was still up for discussion. Mr. White said it was and that nothing was final at this point. Also, the committee spent some time reviewing the OPEB funding plan and revisited the reasons for the decisions that were made in making the recommendation to the Board to implement the “10-year phase-in model.”

Forecast: Discussions surrounding the forecast included (a) the reliance of one-time development revenue to balance the forecast in future years, (b) whether or not borrowing funds for the park/trail/library improvements should be funded through a direct tax increase, and (c) a brief review of the items outside of the base operations that may / may not be added to the 2016 budget and what those implications might be on the forecast.

2. Project Updates: Mr. White noted that since the last CARFAC meeting on September 30, 2015, that no subcommittee meetings had been held or scheduled due to time constraints from budget work. That being the case, no project updates were discussed.
3. Old Business: None
4. Public Participation: None
5. Adjourn: The informal meeting was concluded at 8:40pm