

Citizens Audit Review & Financial Advisory Committee
December 16, 2015
Radnor Township Municipal Building
Finance Department, 2nd Floor
301 Iven Ave., Wayne, PA 19087

Meeting Minutes

Chairman Mark Blair called the meeting to order at 7:00PM. In attendance were CARFAC members Mark Blair, Ed Caine, Jerry Linden, Carl Rosenfeld, Michael Antonoplos, and Jeff Ruben. Committee member Marty Dwyer had a conflict and was unable to attend. Other persons present included Bob Tate, Assistant Finance Director/ HR Manager. Bill White, Finance Director had a conflict and was unable to attend. No members from the public were in attendance.

The Committee discussed the following items:

1. 2016 CARFAC Calendar – the committee reviewed the calendar for the upcoming year and agreed to the proposed meeting dates with the following exceptions:
 - The meeting scheduled for January 20 was moved to January 13.
 - The meeting scheduled for May 18 was moved to May 25.
 - The meeting scheduled for December 21 was moved to December 14.
 - The meetings for other months are on the third Wednesday at 7pm.

2. Project Updates:
 - a. Audit Update: Committee members Ed Caine and Carl Rosenfeld reviewed and explained the process that the Township followed which led to the decision to recommend that the Board of Commissioners approve Zelenkofske Axelrod LLC (ZA) as the new auditing firm for the Township. It was noted that the incumbent auditor Clifton Larson Allen was one of the two finalists considered and they were acknowledged for the past seven years of service to the Township. Staff along with the support of the audit subgroup recommended the appointment ZA based on their expertise in municipal auditing, CAFR preparation and competitive pricing.

 - b. IT/ Software Update: Committee member Jerry Linden opened the discussion by briefing the Committee that the Board of Commissioners approved CARFAC's recommendation to move forward with Tyler Technologies. Discussion ensued on the Tyler pricing proposals for hosted vs in-house solutions and exploring how those costs might change if a third party hosting vendor was considered. Also noted was a meeting held Monday 12/14 attended by Mr. Linden and Mr. Blair along with staff and with special legal counsel whose role will be to assist in reviewing the agreements. Also discussed was the need for more follow up with Tyler customers to gauge whether a hosted vs in-house approach is a major factor in their satisfaction with the product.

 - c. Monetizing Assets Update: Mr. Antonoplos updated the Committee on the latest development with this project, specifically the meeting held earlier in the day with Valley Forge Military Academy (VFMA) and the Township, along with a representative from Avison Young, engaged to help the Township in site selection to relocate Public Works. The

- Academy and the Township will meet again in January to explore in more depth the feasibility of the Township utilizing VFMA space for Public Works and also VFMA potentially developing space at Skunk Hollow.
- d. Capital Asset / Forecast Update: Mr. Linden provided a brief update informing the group that he met with Mr. White and helped to refine and improve upon the current reporting model, specifically delineating one-time revenues and capturing one-time expenses so as to not artificially inflate future year forecasts.
 - e. Unfunded Liability: Mr. Linden provided a brief update noting that he discussed with Mr. White how excess fund balance could be utilized to ensure that annual excess revenues be applied to the pension funds first to the extent the investments underperformed against the benchmark assumption.
 - f. Stakeholders Report: Mr. Blair supports continued publication of the report and discussion ensued on the timing of its distribution and the relevant content. The previously issued report in March, 2014 included budget data for 2014 and audited financial data from 2012. Discussion centered on the timeliness of the actual financial data and whether to report on 2014 audited data, 2015 *draft* financial data or wait to publish the 2015 audited financial data once the audit is complete. Mr. Tate stated he would confer with Mr. White and help to prepare a draft using current budget amounts and prior year to date operating numbers and present to CARFAC at their January 13, 2016 meeting.
 - g. 2016 Project Meeting with the Commissioners: Mr. Blair opened the discussion stating that he prefers that CARFAC have an opportunity to invite members of the Board of Commissioners to their meeting in January and learn of the Board's interests and priorities they would like CARFAC to focus on in 2016. With the support of the Manager, CARFAC would then compile the list of the projects that they believe they could reasonably and effectively accomplish in 2016. The list would be presented at a February Board of Commissioners meeting for endorsement.
 - h. Township Staffing Level Review: No Update
 - i. Engineering Services: No Update
3. Old Business: None
 4. Public Participation: None
 5. Adjourn: The meeting was adjourned at 8:18PM.