

Citizens Audit Review & Financial Advisory Committee (CARFAC)

March 18, 2015

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

Agenda:

1. New Business (45 min)
 - a. Joe Ellis: Thank you!
 - b. Marty Dwyer: Welcome!
 - c. PFM: Bond Transaction Pricing Overview and Discussion
 2. Old Business:
 - a. Finalize Project Teams (15 Min)
 3. Project Updates:
 - a. Monetizing Assets (10 Min)
 - b. Update on IT Project (10 Min)
 - c. Update on Audit (10 Min)
 - d. Schedule Working Group Meetings for other Projects (20 Min)
 4. Public Participation
 5. Adjourn (the goal will be no later than 9:00PM)
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Attachments:

1. CARFAC 2015 Priority Matrix
2. February 18, 2015 Meeting Minutes
3. PFM Pricing Summary Book
4. Monetizing Asset Memorandum to the Board of Commissioners
5. CARFAC 2014 Accomplishments and 2015 Priorities Memorandum to the Board of Commissioners
6. DRAFT ERP Scope and Objectives Spreadsheet
7. 2014 Stakeholders Report

Radnor Township, PA
CARFAC 2015 Priority Interest Matrix

	Priorities	Michael Antonoplos	Mark Blair	Edward Caine	Joe Ellis	E. Martin Heldring	Jerry Linden	Carl Rosenfield	Jeff Ruben	Marty Dwyer	Township Staff
1	Prepare BioMed Redevelopment Analysis: CARFAC to prepare an analysis highlighting the financial impact that the redevelopment would have on the Township's long-term forecast (to include quality of life / traffic as well)	Yes	Lead						Yes	Yes	Yes
2	Review the unfunded liabilities on an on-going basis and report back to the Board annually. In addition, with respect to the pension liability, review the legality and financial impact of "pension spiking." This analysis will look at the impact of modifying this practice as it relates to the decision to reduce or eliminate the 20% bump-up assumption in the actuarial report.		Yes			Yes	Yes		Lead		Yes
3	Continue to update, refine and design additional approaches to using the five-year planning model. Further, in 2015, conduct a comprehensive review of the Township's capital program, with the goal of providing recommendations on program funding, execution, forecasting and any other aspects as they relate to the Township's finances.	Yes	Yes			Lead	Yes				Yes
4	Assist in the design and implementation planning on an information technology solution for the Township		Yes				Lead				Yes
5	Monetizing Real Assets: Continue to work with Board and Administration on identifying and making recommendations regarding assets to monetize	Lead	Yes		Yes			Yes		Yes	Yes
6	Reopen analysis of the Township's approach to providing engineering services to the Township. Expand the project to include specific performance/ delivery metrics that can be tracked and reported		Yes		Yes					Yes	Lead
7	Review the Township's current and historical full-time staffing levels, and examine the levels required to provide services to taxpayers up to the standards specified by the Board; report to the Board.		Yes			Yes			Yes		Lead
8	Oversee the Audit Plan and process; interact with the public accounting firm's staff.		Yes	Lead				Yes			Yes
9	Continue to work with staff to improve financial controls and processes.		Yes	Lead				Yes			Yes
10	Participate in reviewing public-private partnership possibilities on a case-by-case basis for any non-real assets (to include tangible assets and services)	Yes	Yes		Yes			Lead		Yes	Yes

Citizens Audit Review & Financial Advisory Committee
February 18, 2015 7:00PM
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 7:08PM. The meeting was attended by CARFAC Committee members Mark Blair, Jeff Ruben, Michael Antonoplos, Jerry Linden, Joe Ellis, Martin Heldring, and Carl Rosenfeld. Committee member Ed Caine had a scheduling conflict and was unable to attend. There is currently one vacant CARFAC seat. Township staff members present were Assistant Finance Director Bob Tate and Finance Director Bill White. No members from the public were in attendance.

The Committee discussed the following items:

1. New Business: None
2. Old Business:
 - a. Subcommittee Assignment: The Committee discussed each of the 2015 priorities on the attached priority listing. During the discussion, the Committee finalized the members' assignments to the various priorities. [Mr. White will finalize the listing and email out of the Committee.](#) Also, during the discussion, it was determined that priority #10, Review Unfunded Liabilities on an on-going basis; report back to the Board at least annually, should be integrated with priority #2, Review the pension liability, with emphasis on the legality and financial impact of "pension spiking." Also, that priority #11, Continue to update, refine and design additional approaches to using the five-year planning model for the benefit of the Township, should be combined with priority #3, Conduct a comprehensive review of the Township's capital program.
 - b. Monetizing Assets: Mr. Antonoplos updated the Committee that the Board of Commissioners might be receptive to a recommendation from CARFAC that asks the Township Manager to proceed in evaluating proposals to monetize the Township Building, Public Works property and the Wayne Senior Center. The Township Manager should work with CARFAC in developing the proposals and deliver to the Board of Commissioners proposal options, at which time the Board can decide how best to proceed. CARFAC spent some time discussing whether or not to include other, "low hanging fruit" properties in the recommendation and ultimately decided that sticking to these three was best for now. [Mr. White will develop the recommendation and distribute it to the working group for comment by Monday, February 23.](#)

- c. 2015 Meeting Schedule: The Committee stepped through the 2015 calendar, making several adjustments. Once the Committee finalized the schedule, they asked if Mr. White would distribute via Outlook Calendar appointments to the Committee. Mr. White agreed to take care of that ASAP. Here is the final 2015 CARFAC meeting schedule:

Month	Date
March	18 th
April	15 th
May	20 th
June	17 th
July	8 th
August	No Meeting
September	23 rd
October	14 th
November	11 th
December	16 th

- d. Update on IT Project: Mr. Linden provided the update on the progress with the three potential vendors (SunGard, New World Systems and Tyler Technologies). The next steps include:
- i. SunGard: Presented their implementation and pricing overview at a working group committee meeting that was held immediately before tonight's CARFAC meeting. There were a few follow up items for SunGard to work on and provide back to the working group committee. [Once received, the working group committee will summarize the pricing and implementation schedule summary.](#)
 - ii. New World Systems: The administration was in the midst of conducting a three-day business process review with NWS. Once complete, NWS will provide the Township with a complete process review, efficiency opportunities and a look at a Radnor specific demonstration. [NWS suggested that it will take approximately four weeks to prepare their report.](#)
 - iii. Tyler Technologies: A meeting has been scheduled with Tyler Technologies (aka Munis Software) for [March 6th at 8am](#) for a high level presentation on their software.
 - iv. Scope & Objectives document: [Mr. White will update and distribute to the working group ASAP.](#)
- e. Update on Audit: Mr. Tate provided the update that the 2014 Audit was progressing on time with the schedule and that there was no reason, at this time, to think we wouldn't meet our publish date of May 25th for the CAFR.
- f. Vacancy Updates: There is currently one vacant seat. The Committee had a brief discussion and asked members to reach out to potential residents who might be interested in joining.

- g. Stakeholders Report: There were two aspects of this discussion as follows:
 - i. Year-End Update to the Board of Commissioners: Mr. Blair asked Mr. White to add the capital asset review and the Bio-Med redevelopment project to the list of 2015 priorities and redistribute to he and Mr. Ellis. Mr. White agreed to get that done by the end of the week.
 - ii. Stakeholders Report: Mr. White agreed to update the prior year's report with updated data. He will get this done by February 23. From there CARFAC will review, amend, and finalize as necessary. The goal will be to complete the report as quickly into the new year as practical.
 - h. Moody's Upgrade to "AAA": CARFAC asked PFM to come to the March meeting and present the committee with a recap of the Series 2014 and Series 2015 bond sales to include: Final pricing, market conditions and how the Township did (versus comparable issues). Also, CARFAC would like to discuss how to proceed with seeking an upgrade from Moody's at the March meeting.
 - i. Comcast Agreement: Mr. Linden asked that this item be included in a future agenda given its impact on the Township's overall finances. Mr. White agreed to provide a summary report to CARFAC along with the financial implications by the May CARFAC meeting.
3. Public Participation: None
4. Adjourn: Being no further business, Chairman Blair moved to adjourn at 8:58 PM.

Township of Radnor

Series of 2014

&

Series of 2015 Refunding General Obligation Bonds Transaction Overview



DRAFT

Presentation to CARFAC:
March 18, 2015

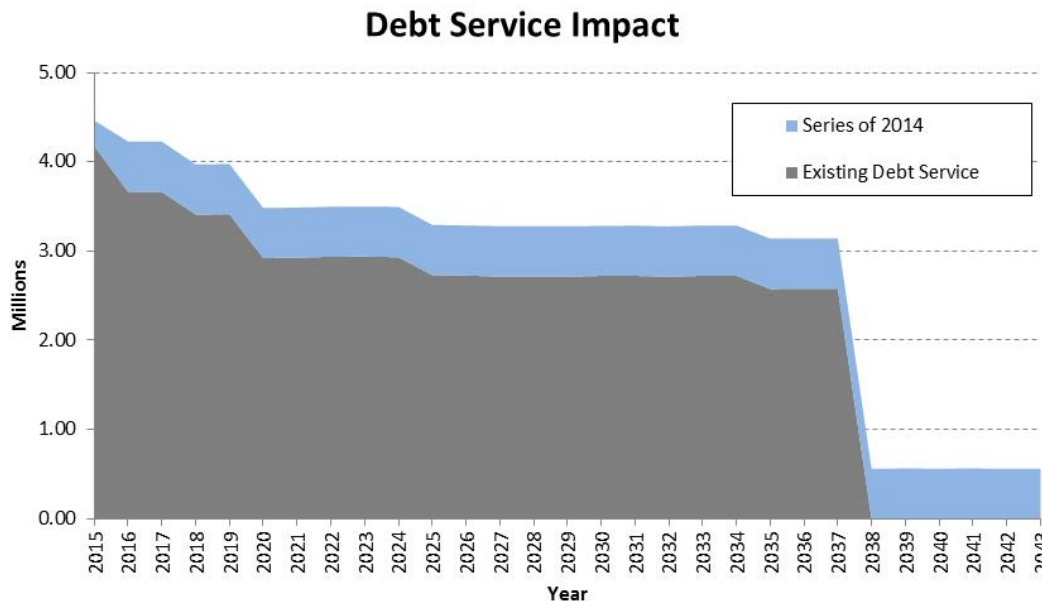




Series of 2014 Overview

Transaction Overview

- Series of 2014: \$9,885,000 General Obligation Bonds
 - Sale Date: Wednesday, December 16, 2014
 - Settlement Date: December 22, 2014
 - Use of Proceeds: Purchase 3 parcels of land on the Ardrossan Estate
 - Bank Qualified
- Rated Aa1 by Moody's



*Existing Debt Service as of 12/22/14

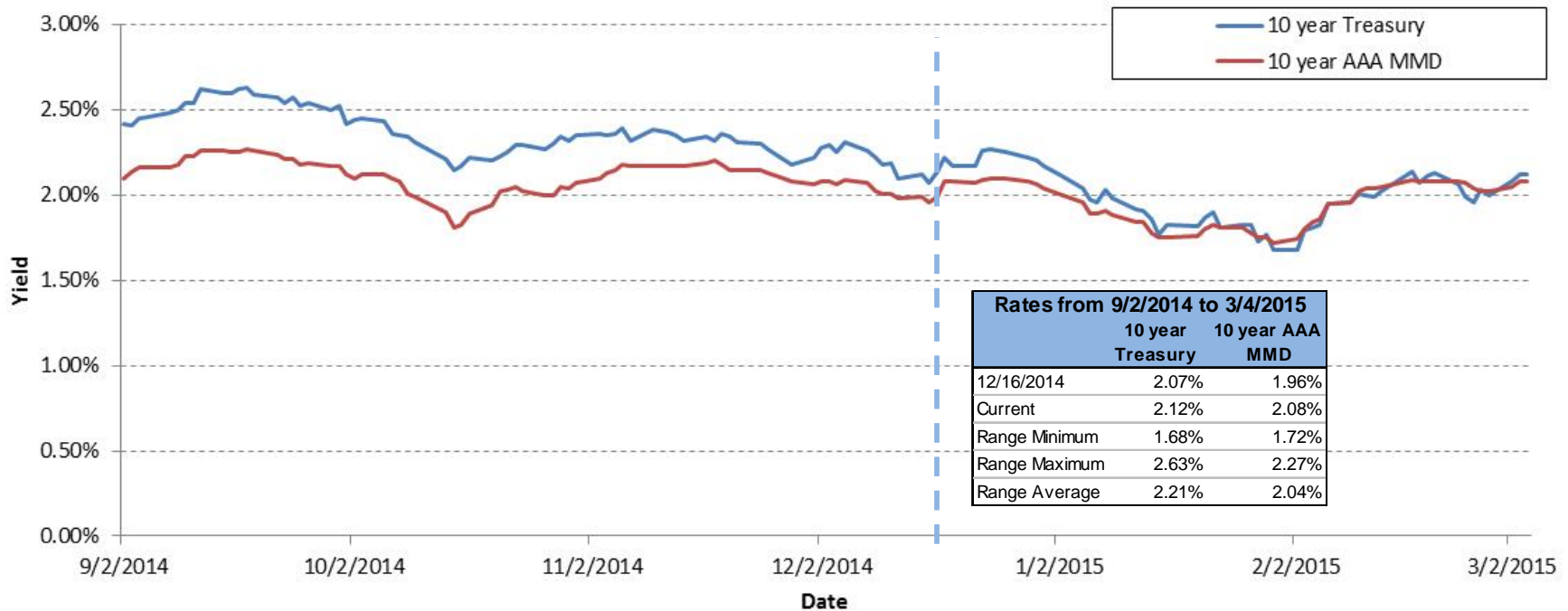
Series of 2014 Debt Service Schedule			
Maturity	Principal	Interest	Debt Service
11/1/2015	5,000	281,799	286,799
11/1/2016	235,000	328,210	563,210
11/1/2017	240,000	323,510	563,510
11/1/2018	245,000	316,310	561,310
11/1/2019	255,000	308,960	563,960
11/1/2020*	260,000	301,310	561,310
11/1/2021	265,000	296,110	561,110
11/1/2022	270,000	290,810	560,810
11/1/2023	275,000	285,410	560,410
11/1/2024	285,000	279,635	564,635
11/1/2025	290,000	273,223	563,223
11/1/2026	295,000	266,408	561,408
11/1/2027	305,000	259,180	564,180
11/1/2028	310,000	251,403	561,403
11/1/2029	320,000	243,188	563,188
11/1/2030	330,000	230,388	560,388
11/1/2031	345,000	217,188	562,188
11/1/2032	360,000	203,388	563,388
11/1/2033	375,000	188,988	563,988
11/1/2034	390,000	173,988	563,988
11/1/2035	405,000	158,388	563,388
11/1/2036	420,000	142,188	562,188
11/1/2037	435,000	125,388	560,388
11/1/2038	450,000	109,619	559,619
11/1/2039	470,000	93,306	563,306
11/1/2040	485,000	76,269	561,269
11/1/2041	505,000	58,688	563,688
11/1/2042	520,000	39,750	559,750
11/1/2043	540,000	20,250	560,250
Total	9,885,000	6,143,246	16,028,246

*First Call Date

Market Conditions

- Municipal yields decreased in the weeks leading up to pricing.
- Due to delays related to the Ardrossan purchase, the bond issuance was delayed 1 week from the originally planned sale date. The sale occurred in the last active market week of 2014.

10 Year Treasury & 10 Year AAA MMD



Pricing Timeline

Original Scale to Pre-Pricing Wire

Original 12/11/14 Scale				Pre- Pricing Wire 12/15/2014 Scale				12/11 vs. 12/15	
Maturity Date	Coupon	Yield	Spread to MMD	Maturity Date	Coupon	Yield	Spread to MMD	Yield Change	Spread to MMD Change
11/2015	2.000	0.350	21 bps	11/2015	2.000	0.350	21 bps	-	-
11/2016	2.000	0.600	21 bps	11/2016	2.000	0.550	15 bps	(5 bps)	(6 bps)
11/2017	3.000	0.900	23 bps	11/2017	3.000	0.850	17 bps	(5 bps)	(6 bps)
11/2018	3.000	1.200	25 bps	11/2018	3.000	1.100	14 bps	(10 bps)	(11 bps)
11/2019	3.000	1.500	28 bps	11/2019	3.000	1.400	18 bps	(10 bps)	(10 bps)
11/2020	2.000	1.750	29 bps	11/2020	2.000	1.650	20 bps	(10 bps)	(9 bps)
11/2021	2.000	2.000	33 bps	11/2021	2.000	1.900	24 bps	(10 bps)	(9 bps)
11/2022	2.050	2.200	37 bps	11/2022	2.000	2.100	28 bps	(10 bps)	(9 bps)
11/2023	2.150	2.300	39 bps	11/2023	2.100	2.250	35 bps	(5 bps)	(4 bps)
11/2024	2.300	2.450	44 bps	11/2024	2.250	2.400	41 bps	(5 bps)	(3 bps)
11/2025	2.400	2.550	43 bps	11/2025	2.350	2.500	40 bps	(5 bps)	(3 bps)
11/2026	2.500	2.650	45 bps	11/2026	2.450	2.600	42 bps	(5 bps)	(3 bps)
11/2027	2.600	2.750	49 bps	11/2027	2.550	2.700	46 bps	(5 bps)	(3 bps)
11/2028	2.700	2.850	54 bps	11/2028	2.650	2.800	51 bps	(5 bps)	(3 bps)
11/2029	4.000	3.050	69 bps	11/2029	4.000	3.000	66 bps	(5 bps)	(3 bps)
11/2030	4.000	3.050	64 bps	11/2030	4.000	3.000	61 bps	(5 bps)	(3 bps)
11/2031	4.000	3.050	59 bps	11/2031	4.000	3.000	56 bps	(5 bps)	(3 bps)
11/2032	4.000	3.050	54 bps	11/2032	4.000	3.000	51 bps	(5 bps)	(3 bps)
11/2033	4.000	3.250	69 bps	11/2033	4.000	3.250	71 bps	-	2 bps
11/2034	4.000	3.250	64 bps	11/2034	4.000	3.250	66 bps	-	2 bps
11/2035	4.000	3.250	59 bps	11/2035	4.000	3.250	61 bps	-	2 bps
11/2036	4.000	3.250	54 bps	11/2036	4.000	3.250	56 bps	-	2 bps
11/2037	4.000	4.050	131 bps	11/2037	3.625	3.750	102 bps	(30 bps)	(29 bps)
11/2038	4.000	4.050	128 bps	11/2038	3.625	3.750	99 bps	(30 bps)	(29 bps)
11/2039	4.000	4.050	125 bps	11/2039	3.625	3.750	96 bps	(30 bps)	(29 bps)
11/2040	4.000	4.050	122 bps	11/2040	3.625	3.750	93 bps	(30 bps)	(29 bps)
11/2041	4.000	4.050	119 bps	11/2041	3.750	3.850	100 bps	(20 bps)	(19 bps)
11/2042	4.000	4.050	117 bps	11/2042	3.750	3.850	98 bps	(20 bps)	(19 bps)
11/2043	4.000	4.050	116 bps	11/2043	3.750	3.850	97 bps	(20 bps)	(19 bps)
Wtd. Avg Spread			73.81 bps	Wtd. Avg Spread			63.05 bps		
True Interest Cost¹			3.641%	True Interest Cost¹			3.506%		

¹ Assumes a 12/22/2014 Delivery and a COI of \$77,000 and Underwriters Discount of \$6.50

Pricing Timeline

Pre-Pricing Wire to Pricing Wire

Pre- Pricing Wire 12/15/2014 Scale				Pricing Wire 12/16/2014 Scale				12/15 vs. 12/16	
Maturity Date	Coupon	Yield	Spread to MMD	Maturity Date	Coupon	Yield	Spread to MMD	Yield Change	Spread to MMD Change
11/2015	2.000	0.350	21 bps	11/2015	2.000	0.350	21 bps	-	-
11/2016	2.000	0.550	15 bps	11/2016	2.000	0.550	15 bps	-	-
11/2017	3.000	0.850	17 bps	11/2017	3.000	0.850	17 bps	-	-
11/2018	3.000	1.100	14 bps	11/2018	3.000	1.100	14 bps	-	-
11/2019	3.000	1.400	18 bps	11/2019	3.000	1.400	18 bps	-	-
11/2020	2.000	1.650	20 bps	11/2020	2.000	1.650	20 bps	-	-
11/2021	2.000	1.900	24 bps	11/2021	2.000	1.900	24 bps	-	-
11/2022	2.000	2.100	28 bps	11/2022	2.000	2.100	28 bps	-	-
11/2023	2.100	2.250	35 bps	11/2023	2.100	2.250	35 bps	-	-
11/2024	2.250	2.400	41 bps	11/2024	2.250	2.400	41 bps	-	-
11/2025	2.350	2.500	40 bps	11/2025	2.350	2.500	40 bps	-	-
11/2026	2.450	2.600	42 bps	11/2026	2.450	2.600	42 bps	-	-
11/2027	2.550	2.700	46 bps	11/2027	2.550	2.700	46 bps	-	-
11/2028	2.650	2.800	51 bps	11/2028	2.650	2.800	51 bps	-	-
11/2029	4.000	3.000	66 bps	11/2029	4.000	2.900	56 bps	(10 bps)	(10 bps)
11/2030	4.000	3.000	61 bps	11/2030	4.000	2.900	51 bps	(10 bps)	(10 bps)
11/2031	4.000	3.000	56 bps	11/2031	4.000	2.900	46 bps	(10 bps)	(10 bps)
11/2032	4.000	3.000	51 bps	11/2032	4.000	2.900	41 bps	(10 bps)	(10 bps)
11/2033	4.000	3.250	71 bps	11/2033	4.000	3.150	61 bps	(10 bps)	(10 bps)
11/2034	4.000	3.250	66 bps	11/2034	4.000	3.150	56 bps	(10 bps)	(10 bps)
11/2035	4.000	3.250	61 bps	11/2035	4.000	3.150	51 bps	(10 bps)	(10 bps)
11/2036	4.000	3.250	56 bps	11/2036	4.000	3.150	46 bps	(10 bps)	(10 bps)
11/2037	3.625	3.750	102 bps	11/2037	3.625	3.750	102 bps	-	-
11/2038	3.625	3.750	99 bps	11/2038	3.625	3.750	99 bps	-	-
11/2039	3.625	3.750	96 bps	11/2039	3.625	3.750	96 bps	-	-
11/2040	3.625	3.750	93 bps	11/2040	3.625	3.750	93 bps	-	-
11/2041	3.750	3.850	100 bps	11/2041	3.750	3.850	100 bps	-	-
11/2042	3.750	3.850	98 bps	11/2042	3.750	3.850	98 bps	-	-
11/2043	3.750	3.850	97 bps	11/2043	3.750	3.850	97 bps	-	-
Wtd. Avg Spread			63.05 bps	Wtd. Avg Spread			60.41 bps		
True Interest Cost¹			3.506%	True Interest Cost¹			3.500%		

¹ Assumes a 12/22/2014 Delivery and a COI of \$77,000 and Underwriters Discount of \$6.50

Pricing Timeline

Pricing Wire to Final

Pricing Wire 12/16/2014 Scale				Final Scale				12/16 vs. FINAL		Cumulative from 12/11/2014			
Maturity Date		Coupon	Yield	Spread to MMD	Maturity Date		Coupon	Yield	Spread to MMD	Yield Change	Spread to MMD Change ²	Yield Change	Spread to MMD Change ²
11/2015	2.000	0.350	21 bps	11/2015	2.000	0.350	21 bps	-	-	-	-	-	-
11/2016	2.000	0.550	15 bps	11/2016	2.000	0.550	15 bps	-	-	-	(5 bps)	(6 bps)	(6 bps)
11/2017	3.000	0.850	17 bps	11/2017	3.000	0.850	17 bps	-	-	-	(5 bps)	(6 bps)	(6 bps)
11/2018	3.000	1.100	14 bps	11/2018	3.000	1.100	14 bps	-	-	-	(10 bps)	(11 bps)	(11 bps)
11/2019	3.000	1.400	18 bps	11/2019	3.000	1.400	18 bps	-	-	-	(10 bps)	(10 bps)	(10 bps)
11/2020	2.000	1.650	20 bps	11/2020	2.000	1.650	22 bps	-	2 bps	-	(10 bps)	(7 bps)	(7 bps)
11/2021	2.000	1.900	24 bps	11/2021	2.000	1.900	26 bps	-	2 bps	-	(10 bps)	(7 bps)	(7 bps)
11/2022	2.000	2.100	28 bps	11/2022	2.000	2.100	31 bps	-	3 bps	-	(10 bps)	(6 bps)	(6 bps)
11/2023	2.100	2.250	35 bps	11/2023	2.100	2.250	38 bps	-	3 bps	-	(5 bps)	(1 bps)	(1 bps)
11/2024	2.250	2.400	41 bps	11/2024	2.250	2.400	44 bps	-	3 bps	-	(5 bps)	-	-
11/2025	2.350	2.500	40 bps	11/2025	2.350	2.500	43 bps	-	3 bps	-	(5 bps)	-	-
11/2026	2.450	2.600	42 bps	11/2026	2.450	2.600	45 bps	-	3 bps	-	(5 bps)	-	-
11/2027	2.550	2.700	46 bps	11/2027	2.550	2.700	49 bps	-	3 bps	-	(5 bps)	-	-
11/2028	2.650	2.800	51 bps	11/2028	2.650	2.800	54 bps	-	3 bps	-	(5 bps)	-	-
11/2029	4.000	2.900	56 bps	11/2029	4.000	2.850	54 bps	(5 bps)	(2 bps)	-	(20 bps)	(15 bps)	(15 bps)
11/2030	4.000	2.900	51 bps	11/2030	4.000	2.850	49 bps	(5 bps)	(2 bps)	-	(20 bps)	(15 bps)	(15 bps)
11/2031	4.000	2.900	46 bps	11/2031	4.000	2.850	44 bps	(5 bps)	(2 bps)	-	(20 bps)	(15 bps)	(15 bps)
11/2032	4.000	2.900	41 bps	11/2032	4.000	2.850	39 bps	(5 bps)	(2 bps)	-	(20 bps)	(15 bps)	(15 bps)
11/2033	4.000	3.150	61 bps	11/2033	4.000	3.140	63 bps	(1 bps)	2 bps	-	(11 bps)	(6 bps)	(6 bps)
11/2034	4.000	3.150	56 bps	11/2034	4.000	3.140	58 bps	(1 bps)	2 bps	-	(11 bps)	(6 bps)	(6 bps)
11/2035	4.000	3.150	51 bps	11/2035	4.000	3.140	53 bps	(1 bps)	2 bps	-	(11 bps)	(6 bps)	(6 bps)
11/2036	4.000	3.150	46 bps	11/2036	4.000	3.140	48 bps	(1 bps)	2 bps	-	(11 bps)	(6 bps)	(6 bps)
11/2037	3.625	3.750	102 bps	11/2037	3.625	3.750	105 bps	-	3 bps	-	(30 bps)	(26 bps)	(26 bps)
11/2038	3.625	3.750	99 bps	11/2038	3.625	3.750	102 bps	-	3 bps	-	(30 bps)	(26 bps)	(26 bps)
11/2039	3.625	3.750	96 bps	11/2039	3.625	3.750	99 bps	-	3 bps	-	(30 bps)	(26 bps)	(26 bps)
11/2040	3.625	3.750	93 bps	11/2040	3.625	3.750	96 bps	-	3 bps	-	(30 bps)	(26 bps)	(26 bps)
11/2041	3.750	3.850	100 bps	11/2041	3.750	3.850	103 bps	-	3 bps	-	(20 bps)	(16 bps)	(16 bps)
11/2042	3.750	3.850	98 bps	11/2042	3.750	3.850	101 bps	-	3 bps	-	(20 bps)	(16 bps)	(16 bps)
11/2043	3.750	3.850	97 bps	11/2043	3.750	3.850	100 bps	-	3 bps	-	(20 bps)	(16 bps)	(16 bps)

Wtd. Avg Spread	60.41 bps	Wtd. Avg Spread	61.80 bps
True Interest Cost¹	3.500%	True Interest Cost¹	3.490%

Wtd. Avg Spread:	(12.0 bps)
True Interest Cost:	(15.2 bps)
Aggregate Debt Service Impact:	\$ (294,640)
PV Debt Service Impact:	\$ (188,896)

¹ Assumes a 12/22/2014 Delivery and a COI of \$77,000 and Underwriters Discount of \$6.50

² Includes a 2-3 basis point decrease in AAA MMD

Comparable Scales

Dauphin County, Perkiomen Valley SD, and Mars ASD

Radnor Township					Blended Scale Dauphin County										
Date	Principal	Coupon	Yield	Spread to MMD	Date	Principal	Coupon	Yield	Spread to MMD	RT Spread to Scale	Issuer	Sale Date	BQ Status	Underlying Rating	Enhanced Rating
11/2015	5,000	2.000	0.350	21 bps	11/2015	320,000	0.230	0.230	9 bps	12 bps	Dauphin County	12/8/2014	BQ	AA-	
11/2016	235,000	2.000	0.550	15 bps	11/2016	1,180,000	.55/2.00	0.550	16 bps	(1 bps)	Dauphin County	12/8/2014	BQ	AA-	
11/2017	240,000	3.000	0.850	17 bps	11/2017	80,000	1.000	0.850	19 bps	(2 bps)	Dauphin County	12/8/2014	BQ	AA-	
11/2018	245,000	3.000	1.100	14 bps	11/2018	85,000	1.150	1.150	22 bps	(8 bps)	Dauphin County	12/8/2014	BQ	AA-	
11/2019	255,000	3.000	1.400	18 bps	11/2019	85,000	1.500	1.450	25 bps	(7 bps)	Dauphin County	12/8/2014	BQ	AA-	
11/2020	260,000	2.000	1.650	22 bps	11/2020	85,000	2.000	1.750	28 bps	(6 bps)	Dauphin County	12/8/2014	BQ	AA-	
11/2021	265,000	2.000	1.900	26 bps	11/2021	85,000	2.050	2.050	35 bps	(9 bps)	Dauphin County	12/8/2014	BQ	AA-	
11/2022	270,000	2.000	2.100	31 bps	11/2022	90,000	2.250	2.250	37 bps	(6 bps)	Dauphin County	12/8/2014	BQ	AA-	
11/2023	275,000	2.100	2.250	38 bps	11/2023	765,000	2.250	2.320	33 bps	5 bps	Dauphin County	12/8/2014	BQ	AA-	
11/2024	285,000	2.250	2.400	44 bps	11/2024	5,425,000	2.300	2.420	33 bps	11 bps	Dauphin County	12/8/2014	BQ	AA-	
11/2025	290,000	2.350	2.500	43 bps	11/2025	1,725,000	2.450	2.530	32 bps	11 bps	Perkiomen Valley SD	12/8/2014	BQ	AA	
11/2026	295,000	2.450	2.600	45 bps	11/2026	1,765,000	2.550	2.600	30 bps	15 bps	Perkiomen Valley SD	12/8/2014	BQ	AA	
11/2027	305,000	2.550	2.700	49 bps	11/2027	1,815,000	2.700	2.750	39 bps	10 bps	Perkiomen Valley SD	12/8/2014	BQ	AA	
11/2028	310,000	2.650	2.800	54 bps	11/2028	1,865,000	3.000	2.800	38 bps	16 bps	Perkiomen Valley SD	12/8/2014	BQ	AA	
11/2029	320,000	4.000	2.850	54 bps	11/2029	1,925,000	3.000	2.900	43 bps	11 bps	Perkiomen Valley SD	12/8/2014	BQ	AA	
11/2030	330,000	4.000	2.850	49 bps	9/2030	395,000	3.000	3.180	74 bps	(25 bps)	Mars ASD	12/10/2014	BQ	A+	AA
11/2031	345,000	4.000	2.850	44 bps	9/2031				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2032	360,000	4.000	2.850	39 bps	9/2032				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2033	375,000	4.000	3.140	63 bps	9/2033				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2034	390,000	4.000	3.140	58 bps	9/2034	1,705,000	3.375	3.500	86 bps	(28 bps)	Mars ASD	12/10/2014	BQ	A+	AA
11/2035	405,000	4.000	3.140	53 bps	9/2035				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2036	420,000	4.000	3.140	48 bps	9/2036				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2037	435,000	3.625	3.750	105 bps	9/2037				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2038	450,000	3.625	3.750	102 bps	9/2038	1,950,000	3.500	3.690	90 bps	12 bps	Mars ASD	12/10/2014	BQ	A+	AA
11/2039	470,000	3.625	3.750	99 bps	9/2039				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2040	485,000	3.625	3.750	96 bps	9/2040				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2041	505,000	3.750	3.850	103 bps	9/2041	1,660,000	3.750	3.870	99 bps	4 bps	Mars ASD	12/10/2014	BQ	A+	AA
11/2042	520,000	3.750	3.850	101 bps											
11/2043	540,000	3.750	3.850	100 bps											
Weighted Avg Spread 61.80 bps					Weighted Avg Spread 47.32 bps										

Comparable Scales

Chichester SD, Perkiomen Valley SD, and Mars ASD

Radnor Township					Blended Scale Chichester SD										
Date	Principal	Coupon	Yield	Spread to MMD	Date	Principal	Coupon	Yield	Spread to MMD	RT Spread to Scale	Issuer	Sale Date	BQ Status	Underlying Rating	Enhanced Rating
11/2015	5,000	2.000	0.350	21 bps	11/2015	2,235,000	0.250	0.250	11 bps	10 bps	Chichester SD	12/11/2014	Non-BQ	AA	
11/2016	235,000	2.000	0.550	15 bps	11/2016	2,335,000	.600/2.000	0.600	21 bps	(6 bps)	Chichester SD	12/11/2014	Non-BQ	AA	
11/2017	240,000	3.000	0.850	17 bps	11/2017	2,430,000	1.00/3.00	0.880	22 bps	(5 bps)	Chichester SD	12/11/2014	Non-BQ	AA	
11/2018	245,000	3.000	1.100	14 bps	11/2018	2,015,000	1.50/4.00	1.150	22 bps	(8 bps)	Chichester SD	12/11/2014	Non-BQ	AA	
11/2019	255,000	3.000	1.400	18 bps	11/2019	905,000	1.50/4.00	1.430	23 bps	(5 bps)	Chichester SD	12/11/2014	Non-BQ	AA	
11/2020	260,000	2.000	1.650	22 bps	11/2020	780,000	2.00/4.00	1.700	26 bps	(4 bps)	Chichester SD	12/11/2014	Non-BQ	AA	
11/2021	265,000	2.000	1.900	26 bps	11/2021	645,000	2.000	1.950	29 bps	(3 bps)	Chichester SD	12/11/2014	Non-BQ	AA	
11/2022	270,000	2.000	2.100	31 bps	11/2022	660,000	2.50/4.00	2.180	35 bps	(4 bps)	Chichester SD	12/11/2014	Non-BQ	AA	
11/2023	275,000	2.100	2.250	38 bps	11/2023	20,000	2.250	2.250	26 bps	12 bps	Perkiomen Valley SD	12/8/2014	BQ	AA	
11/2024	285,000	2.250	2.400	44 bps	11/2024	105,000	2.300	2.350	26 bps	18 bps	Perkiomen Valley SD	12/8/2014	BQ	AA	
11/2025	290,000	2.350	2.500	43 bps	11/2025	1,725,000	2.450	2.530	32 bps	11 bps	Perkiomen Valley SD	12/8/2014	BQ	AA	
11/2026	295,000	2.450	2.600	45 bps	11/2026	1,765,000	2.550	2.600	30 bps	15 bps	Perkiomen Valley SD	12/8/2014	BQ	AA	
11/2027	305,000	2.550	2.700	49 bps	11/2027	1,815,000	2.700	2.750	39 bps	10 bps	Perkiomen Valley SD	12/8/2014	BQ	AA	
11/2028	310,000	2.650	2.800	54 bps	11/2028	1,865,000	3.000	2.800	38 bps	16 bps	Perkiomen Valley SD	12/8/2014	BQ	AA	
11/2029	320,000	4.000	2.850	54 bps	11/2029	1,925,000	3.000	2.900	43 bps	11 bps	Perkiomen Valley SD	12/8/2014	BQ	AA	
11/2030	330,000	4.000	2.850	49 bps	9/2030	395,000	3.000	3.180	74 bps	(25 bps)	Mars ASD	12/10/2014	BQ	A+	AA
11/2031	345,000	4.000	2.850	44 bps	9/2031				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2032	360,000	4.000	2.850	39 bps	9/2032				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2033	375,000	4.000	3.140	63 bps	9/2033				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2034	390,000	4.000	3.140	58 bps	9/2034	1,705,000	3.375	3.500	86 bps	(28 bps)	Mars ASD	12/10/2014	BQ	A+	AA
11/2035	405,000	4.000	3.140	53 bps	9/2035				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2036	420,000	4.000	3.140	48 bps	9/2036				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2037	435,000	3.625	3.750	105 bps	9/2037				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2038	450,000	3.625	3.750	102 bps	9/2038	1,950,000	3.500	3.690	90 bps	12 bps	Mars ASD	12/10/2014	BQ	A+	AA
11/2039	470,000	3.625	3.750	99 bps	9/2039				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2040	485,000	3.625	3.750	96 bps	9/2040				-		Mars ASD	12/10/2014	BQ	A+	AA
11/2041	505,000	3.750	3.850	103 bps	9/2041	1,660,000	3.750	3.870	99 bps	4 bps	Mars ASD	12/10/2014	BQ	A+	AA
11/2042	520,000	3.750	3.850	101 bps											
11/2043	540,000	3.750	3.850	100 bps											
Weighted Avg Spread 61.80 bps					Weighted Avg Spread 41.03 bps										

Final Pricing Results

- Based on final pricing levels, total issued par was reduced from \$9.910 million to \$9.885 million to optimize the debt service structure and provide sufficient proceeds to fund the land purchase.

\$9,885,000 G.O. Bonds, Series of 2014					
<i>True Interest Cost: 3.48986%</i>					
Maturity	Par	Coupon	Final Yields	Tuesday, 12/16/2014 3:00PM	
				AAA MMD	Spread
11/1/2015	5,000	2.000%	0.350%	0.140%	21.0 b.p.
11/1/2016	235,000	2.000%	0.550%	0.400%	15.0 b.p.
11/1/2017	240,000	3.000%	0.850%	0.680%	17.0 b.p.
11/1/2018	245,000	3.000%	1.100%	0.960%	14.0 b.p.
11/1/2019	255,000	3.000%	1.400%	1.220%	18.0 b.p.
11/1/2020*	260,000	2.000%	1.650%	1.430%	22.0 b.p.
11/1/2021	265,000	2.000%	1.900%	1.640%	26.0 b.p.
11/1/2022	270,000	2.000%	2.100%	1.790%	31.0 b.p.
11/1/2023	275,000	2.100%	2.250%	1.870%	38.0 b.p.
11/1/2024	285,000	2.250%	2.400%	1.960%	44.0 b.p.
11/1/2025	290,000	2.350%	2.500%	2.070%	43.0 b.p.
11/1/2026	295,000	2.450%	2.600%	2.150%	45.0 b.p.
11/1/2027	305,000	2.550%	2.700%	2.210%	49.0 b.p.
11/1/2028	310,000	2.650%	2.800%	2.260%	54.0 b.p.
11/1/2029	320,000	4.000%	2.850%	2.310%	54.0 b.p.
11/1/2030	330,000	4.000%	2.850%	2.360%	49.0 b.p.
11/1/2031	345,000	4.000%	2.850%	2.410%	44.0 b.p.
11/1/2032	360,000	4.000%	2.850%	2.460%	39.0 b.p.
11/1/2033	375,000	4.000%	3.140%	2.510%	63.0 b.p.
11/1/2034	390,000	4.000%	3.140%	2.560%	58.0 b.p.
11/1/2035	405,000	4.000%	3.140%	2.610%	53.0 b.p.
11/1/2036	420,000	4.000%	3.140%	2.660%	48.0 b.p.
11/1/2037	435,000	3.625%	3.750%	2.700%	105.0 b.p.
11/1/2038	450,000	3.625%	3.750%	2.730%	102.0 b.p.
11/1/2039	470,000	3.625%	3.750%	2.760%	99.0 b.p.
11/1/2040	485,000	3.625%	3.750%	2.790%	96.0 b.p.
11/1/2041	505,000	3.750%	3.850%	2.820%	103.0 b.p.
11/1/2042	520,000	3.750%	3.850%	2.840%	101.0 b.p.
11/1/2043	540,000	3.750%	3.850%	2.850%	100.0 b.p.

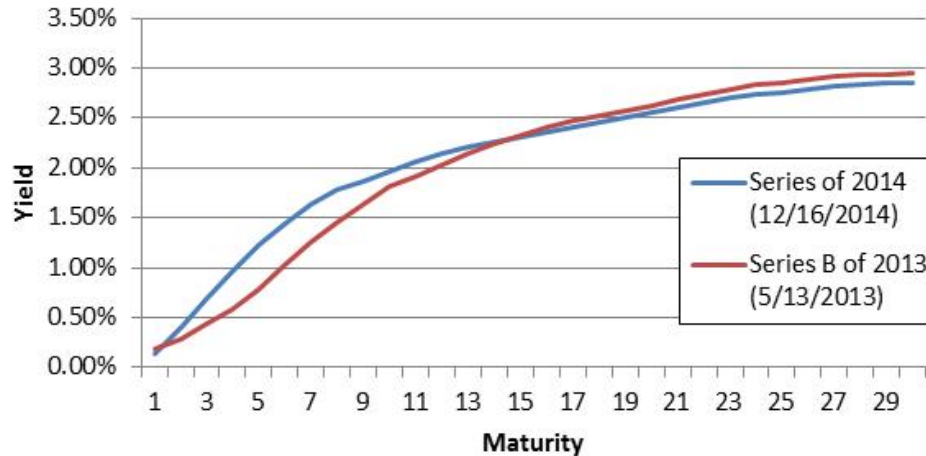
*First Call Date

Pricing Comparison

Series of 2014 and Series B of 2013

- Tax-exempt rates increased in years 2 to 14 and decreased in years 15 to 30 since May 13, 2013, when the Township was last in the market.
 - Increases range from 0.02% to 0.44%.
 - Decreases range from 0.02% to 0.10%.

Historical AAA MMD G.O.



Radnor Township, PA G.O. Bonds Historical Spreads to AAA MMD				
Year	Series of 2014		Series B of 2013	
	Actual Pricing	Spread to AAA MMD	Actual Pricing	Spread to AAA MMD
1	0.35%	21.0 bps		
2	0.55%	15.0 bps		
3	0.85%	17.0 bps		
4	1.10%	14.0 bps		
5	1.40%	18.0 bps		
6	1.65%	22.0 bps		
7	1.90%*	26.0 bps	1.75%	50.0 bps
8	2.10%	31.0 bps	1.95%	49.0 bps
9	2.25%	38.0 bps	2.15%	51.0 bps
10	2.40%	44.0 bps	2.40%*	59.0 bps
11	2.50%	43.0 bps	2.50%	58.0 bps
12	2.60%	45.0 bps	2.65%	62.0 bps
13	2.70%	49.0 bps	2.95%	81.0 bps
14	2.80%	54.0 bps	3.10%	86.0 bps
15	2.85%	54.0 bps	3.17%	84.0 bps
16	2.85%	49.0 bps	3.45%	104.0 bps
17	2.85%	44.0 bps	3.45%	98.0 bps
18	2.85%	39.0 bps	3.45%	92.0 bps
19	3.14%	63.0 bps	3.60%	102.0 bps
20	3.14%	58.0 bps	3.60%	97.0 bps
21	3.14%	53.0 bps	3.60%	91.0 bps
22	3.14%	48.0 bps		
23	3.75%	105.0 bps		
24	3.75%	102.0 bps		
25	3.75%	99.0 bps		
26	3.75%	96.0 bps		
27	3.85%	103.0 bps		
28	3.85%	101.0 bps		
29	3.85%	100.0 bps		
Weighted Avg Spread:		61.8 bps		80.0 bps

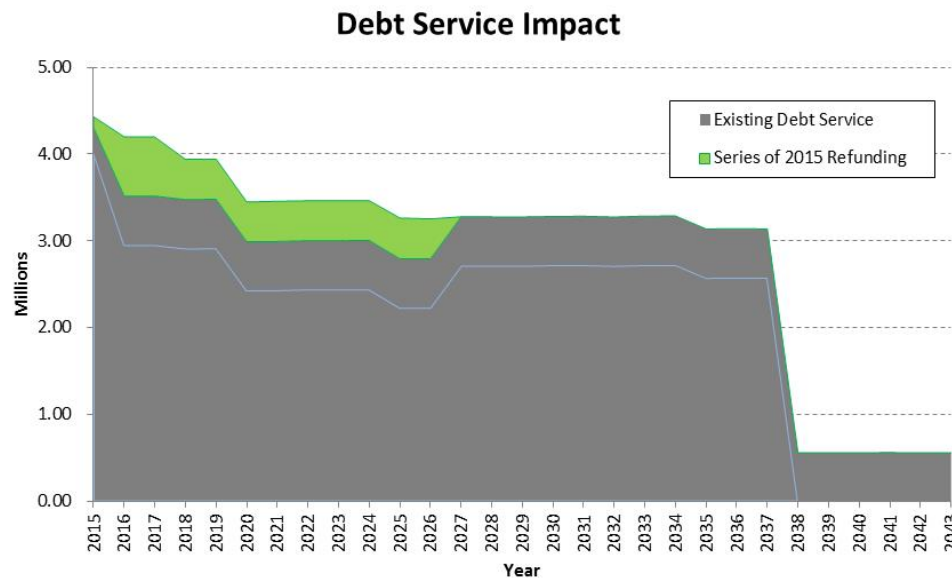
*First Call Date



Series of 2015 Refunding Overview

Transaction Overview

- Series of 2015 Refunding: \$4,965,000 General Obligation Bonds
 - Sale Date: Wednesday, February 18, 2015
 - Settlement Date: March 24, 2015
 - Use of Proceeds: Current refunding of a portion of the outstanding 2009 Bonds
 - Bank Qualified
- Rated Aa1 by Moody's



*Existing Debt Service as of 3/24/15.

Series of 2015 Refunding Debt Service			
Maturity	Principal	Interest	Debt Service
11/1/2015	60,000	65,514	125,514
11/1/2016	575,000	107,488	682,488
11/1/2017	585,000	95,988	680,988
11/1/2018	380,000	84,288	464,288
11/1/2019	390,000	72,888	462,888
11/1/2020	395,000	61,188	456,188
11/1/2021	410,000	53,288	463,288
11/1/2022	415,000	45,088	460,088
11/1/2023	425,000	36,788	461,788
11/1/2024	430,000	28,288	458,288
11/1/2025	450,000	19,688	469,688
11/1/2026	450,000	10,125	460,125
Total	4,965,000	680,614	5,645,614

Market Conditions

- Municipal yields increased in the weeks leading up to pricing.
- Radnor priced favorably to another Pennsylvania Aa1 Local Government issuer that went to market one day prior.

10 Year Treasury & 10 Year AAA MMD



Pricing Timeline

Pre-Pricing Wire to Pricing Wire

Pre- Pricing Wire 2/9/15 Scale				Pricing Wire 2/17/15 Scale				2/9 vs. 2/17	
Maturity Date	Coupon	Yield	Spread to MMD	Maturity Date	Coupon	Yield	Spread to MMD	Yield Change	Spread to MMD Change
11/2015	2.000	0.350	21 bps	11/2015	2.000	0.350	21 bps	-	-
11/2016	2.000	0.550	14 bps	11/2016	2.000	0.550	11 bps	-	(3 bps)
11/2017	3.000	0.800	20 bps	11/2017	3.000	0.800	6 bps	-	(14 bps)
11/2018	3.000	1.000	19 bps	11/2018	3.000	1.000	6 bps	-	(13 bps)
11/2019	3.000	1.200	19 bps	11/2019	3.000	1.200	4 bps	-	(15 bps)
11/2020	2.000	1.450	21 bps	11/2020	2.000	1.450	9 bps	-	(12 bps)
11/2021	2.000	1.700	22 bps	11/2021	2.000	1.700	9 bps	-	(13 bps)
11/2022	2.000	1.950	28 bps	11/2022	2.000	1.950	16 bps	-	(12 bps)
11/2023	2.000	2.150	32 bps	11/2023	2.000	2.150	19 bps	-	(13 bps)
11/2024	2.250	2.400	44 bps	11/2024	2.250	2.400	31 bps	-	(13 bps)
11/2025	2.300	2.450	38 bps	11/2025	2.300	2.450	24 bps	-	(14 bps)
11/2026	2.400	2.550	38 bps	11/2026	2.400	2.550	23 bps	-	(15 bps)

Wtd. Avg Spread	26.48 bps	Wtd. Avg Spread	14.39 bps
True Interest Cost¹	2.040%	True Interest Cost¹	2.037%

¹ Assumes a 3/24/15 Delivery and Underwriters Discount of \$5.00

Pricing Timeline

Pricing Wire to Final

Pricing Wire 2/17/15 Scale				Final Scale				2/17 vs. FINAL		Cumulative from 2/9/15	
Maturity Date	Coupon	Yield	Spread to MMD	Maturity Date	Coupon	Yield	Spread to MMD	Yield Change	Spread to MMD Change	Yield Change	Spread to MMD Change
11/2015	2.000	0.350	21 bps	11/2015	2.000	0.350	21 bps	-	-	-	-
11/2016	2.000	0.550	11 bps	11/2016	2.000	0.500	6 bps	(5 bps)	(5 bps)	(5 bps)	(9 bps)
11/2017	3.000	0.800	6 bps	11/2017	2.000	0.800	6 bps	-	-	-	(11 bps)
11/2018	3.000	1.000	6 bps	11/2018	3.000	1.050	11 bps	5 bps	5 bps	5 bps	(3 bps)
11/2019	3.000	1.200	4 bps	11/2019	3.000	1.300	14 bps	10 bps	10 bps	10 bps	(4 bps)
11/2020	2.000	1.450	9 bps	11/2020	2.000	1.440	8 bps	(1 bps)	(1 bps)	(1 bps)	(12 bps)
11/2021	2.000	1.700	9 bps	11/2021	2.000	1.640	3 bps	(6 bps)	(6 bps)	(6 bps)	(21 bps)
11/2022	2.000	1.950	16 bps	11/2022	2.000	1.900	11 bps	(5 bps)	(5 bps)	(5 bps)	(17 bps)
11/2023	2.000	2.150	19 bps	11/2023	2.000	2.100	15 bps	(5 bps)	(4 bps)	(5 bps)	(20 bps)
11/2024	2.250	2.400	31 bps	11/2024	2.000	2.200	12 bps	(20 bps)	(19 bps)	(20 bps)	(29 bps)
11/2025	2.300	2.450	24 bps	11/2025	2.125	2.300	10 bps	(15 bps)	(14 bps)	(15 bps)	(30 bps)
11/2026	2.400	2.550	23 bps	11/2026	2.250	2.400	9 bps	(15 bps)	(14 bps)	(15 bps)	(33 bps)

Wtd. Avg Spread	14.39 bps	Wtd. Avg Spread	9.45 bps
True Interest Cost¹	2.037%	True Interest Cost¹	1.962%

Wtd. Avg Spread:	(17.0 bps)
True Interest Cost:	(7.8 bps)
Aggregate Debt Service Impact:	\$ (30,703)
PV Debt Service Impact:	\$ (27,571)

¹ Assumes a 3/24/15 Delivery and Underwriters Discount of \$5.00

Comparable Issuer

Radnor Township					Unionville- Chadds Ford School District										
Date	Principal	Coupon	Yield	Spread to MMD	Date	Principal	Coupon	Yield	Spread to MMD	RT Spread to Scale	Issuer	Sale Date	BQ Status	Underlying Rating	
11/2015	60,000	2.000	0.350	21 bps							Unionville- Chadds Ford School District	2/17/2015	Non-BQ	Aa1	
11/2016	575,000	2.000	0.500	6 bps	6/2016	2,605,000	2.000	0.440	-	-	Unionville- Chadds Ford School District	2/17/2015	Non-BQ	Aa1	
11/2017	585,000	2.000	0.800	6 bps	6/2017	2,665,000	3.000	0.750	1 bps	5 bps	Unionville- Chadds Ford School District	2/17/2015	Non-BQ	Aa1	
11/2018	380,000	3.000	1.050	11 bps	6/2018	2,755,000	4.000	1.000	6 bps	5 bps	Unionville- Chadds Ford School District	2/17/2015	Non-BQ	Aa1	
11/2019	390,000	3.000	1.300	14 bps	6/2019	2,865,000	2.000/4.000	1.250	9 bps	5 bps	Unionville- Chadds Ford School District	2/17/2015	Non-BQ	Aa1	
11/2020	395,000	2.000	1.440	8 bps	6/2020	2,085,000	2.000/4.000	1.440	8 bps	-	Unionville- Chadds Ford School District	2/17/2015	Non-BQ	Aa1	
11/2021	410,000	2.000	1.640	3 bps	6/2021	2,140,000	4.000	1.640	3 bps	-	Unionville- Chadds Ford School District	2/17/2015	Non-BQ	Aa1	
11/2022	415,000	2.000	1.900	11 bps	6/2022	2,220,000	4.000	1.950	16 bps	(5 bps)	Unionville- Chadds Ford School District	2/17/2015	Non-BQ	Aa1	
11/2023	425,000	2.000	2.100	15 bps	6/2023	1,510,000	4.000	2.140	18 bps	(3 bps)	Unionville- Chadds Ford School District	2/17/2015	Non-BQ	Aa1	
11/2024	430,000	2.000	2.200	12 bps	6/2024	470,000	2.200	2.340	25 bps	(13 bps)	Unionville- Chadds Ford School District	2/17/2015	Non-BQ	Aa1	
11/2025	450,000	2.125	2.300	10 bps	6/2025	485,000	2.350	2.500	29 bps	(19 bps)	Unionville- Chadds Ford School District	2/17/2015	Non-BQ	Aa1	
11/2026	450,000	2.250	2.400	9 bps							Unionville- Chadds Ford School District	2/17/2015	Non-BQ	Aa1	
Weighted Avg Spread				9.45 bps	Weighted Avg Spread				7.90 bps						

Final Pricing Results

- Based on final pricing levels, total issued par was increased from \$4.950 million to \$4.965 to provide full funding of refunding escrow and to optimize savings structure and levels.

\$4,965,000 G.O. Bonds, Series of 2015 Refunding						
<i>True Interest Cost: 1.961578%</i>						
Year	Maturity	Par	Coupon	Final Yields	Wednesday, 2/18/2015 3:00PM	
					AAA MMD	Spread
2015	11/1/2015	60,000	2.000%	0.350%	0.140%	21.0 b.p.
2016	11/1/2016	575,000	2.000%	0.500%	0.440%	6.0 b.p.
2017	11/1/2017	585,000	2.000%	0.800%	0.740%	6.0 b.p.
2018	11/1/2018	380,000	3.000%	1.050%	0.940%	11.0 b.p.
2019	11/1/2019	390,000	3.000%	1.300%	1.160%	14.0 b.p.
2020	11/1/2020	395,000	2.000%	1.440%	1.360%	8.0 b.p.
2021	11/1/2021	410,000	2.000%	1.640%	1.610%	3.0 b.p.
2022	11/1/2022	415,000	2.000%	1.900%	1.790%	11.0 b.p.
2023	11/1/2023	425,000	2.000%	2.100%	1.950%	15.0 b.p.
2024	11/1/2024	430,000	2.000%	2.200%	2.080%	12.0 b.p.
2025	11/1/2025	450,000	2.125%	2.300%	2.200%	10.0 b.p.
2026	11/1/2026	450,000	2.250%	2.400%	2.310%	9.0 b.p.

Weighted Average Spread: 9.4 b.p.

Debt Service Savings

- The refunding produced cash flow savings totaling \$384,436 with a resultant Net PV Savings of \$345,100 or 7.064% of refunded par. These results are inclusive of all issuance costs.

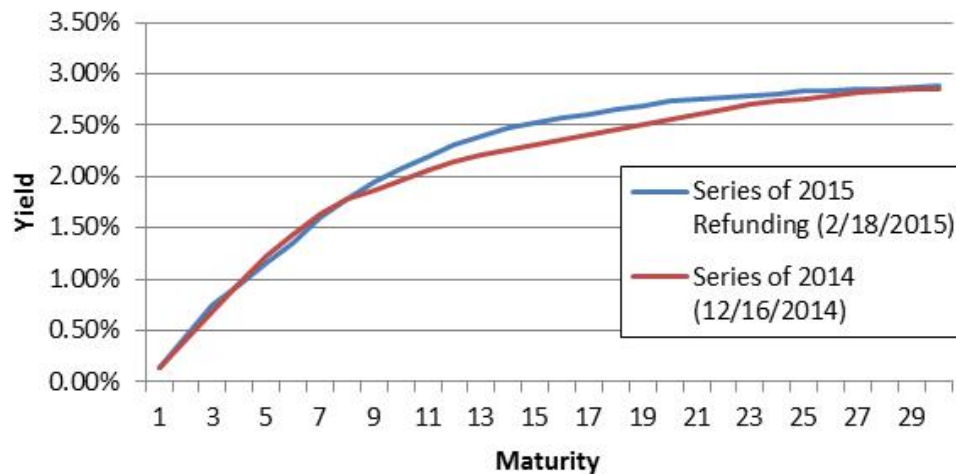
General Obligation Bonds, Series of 2015 Refunding						
Summary of Refunding Results		SAVINGS				
		Date	Prior Debt Service	Refunding Debt Service	Savings	PV to 03/24/2015 @ 2.151%
Dated Date	3/24/2015					
Delivery Date	3/24/2015					
Bond Par Amount	4,965,000					
True Interest Cost	1.962%	11/1/2015	157,766	125,514	32,252	32,676
Average Coupon	2.161%	11/1/2016	712,766	682,488	30,279	29,519
Average Life	6.34 years	11/1/2017	711,116	680,988	30,129	28,726
		11/1/2018	496,296	464,288	32,009	29,843
Par amount of refunded bonds	4,885,000	11/1/2019	496,121	462,888	33,234	30,327
Average coupon of refunded bonds	3.406%	11/1/2020	489,721	456,188	33,534	29,953
Average life of refunded bonds	6.50 years	11/1/2021	493,171	463,288	29,884	26,133
		11/1/2022	494,671	460,088	34,584	29,549
PV of prior debt to 03/24/2015 @ 2.151270%	5,308,983	11/1/2023	495,665	461,788	33,878	28,311
		11/1/2024	490,400	458,288	32,113	26,245
Net PV Savings	345,100	11/1/2025	499,780	469,688	30,093	24,049
Percentage savings of refunded bonds	7.064%	11/1/2026	492,575	460,125	32,450	25,347
			6,030,050	5,645,614	384,436	340,678

Pricing Comparison

Series of 2015 Refunding and Series of 2014

- Tax-exempt rates increased in years 1 to 3 and 8 to 30, and decreased in years 4 to 7 between the Series of 2014 and Series of 2015 Refunding issuances.
 - Increases range from 0.02% to 0.21%.
 - Decreases range from 0.02% to 0.07%.

Historical AAA MMD G.O.



Radnor Township, PA G.O. Bonds Historical Spreads to AAA MMD				
Year	Series of 2015 Refunding		Series of 2014	
	Actual Pricing	Spread to AAA MMD	Actual Pricing	Spread to AAA MMD
1	0.35%	21.0 bps	0.35%	21.0 bps
2	0.50%	6.0 bps	0.55%	15.0 bps
3	0.80%	6.0 bps	0.85%	17.0 bps
4	1.05%	11.0 bps	1.10%	14.0 bps
5	1.30%	14.0 bps	1.40%	18.0 bps
6	1.44%*	8.0 bps	1.65%	22.0 bps
7	1.64%	3.0 bps	1.90%*	26.0 bps
8	1.90%	11.0 bps	2.10%	31.0 bps
9	2.10%	15.0 bps	2.25%	38.0 bps
10	2.20%	12.0 bps	2.40%	44.0 bps
11	2.30%	10.0 bps	2.50%	43.0 bps
12	2.40%	9.0 bps	2.60%	45.0 bps
13			2.70%	49.0 bps
14			2.80%	54.0 bps
15			2.85%	54.0 bps
16			2.85%	49.0 bps
17			2.85%	44.0 bps
18			2.85%	39.0 bps
19			3.14%	63.0 bps
20			3.14%	58.0 bps
21			3.14%	53.0 bps
22			3.14%	48.0 bps
23			3.75%	105.0 bps
24			3.75%	102.0 bps
25			3.75%	99.0 bps
26			3.75%	96.0 bps
27			3.85%	103.0 bps
28			3.85%	101.0 bps
29			3.85%	100.0 bps
Weighted Avg Spread:		9.4 bps		61.8 bps

*First Call Date

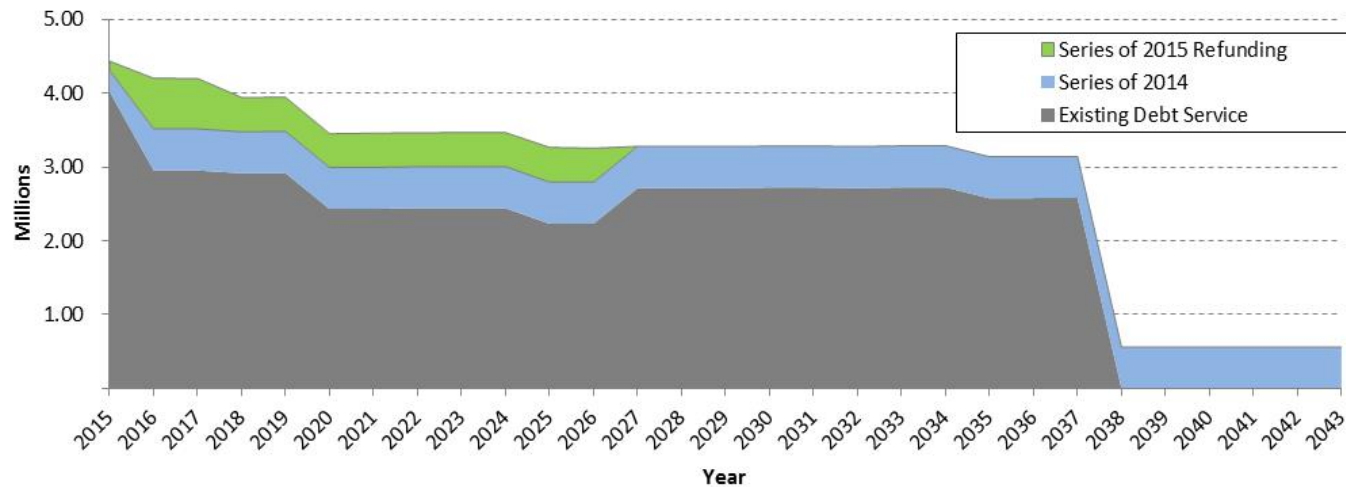


Cumulative Overview

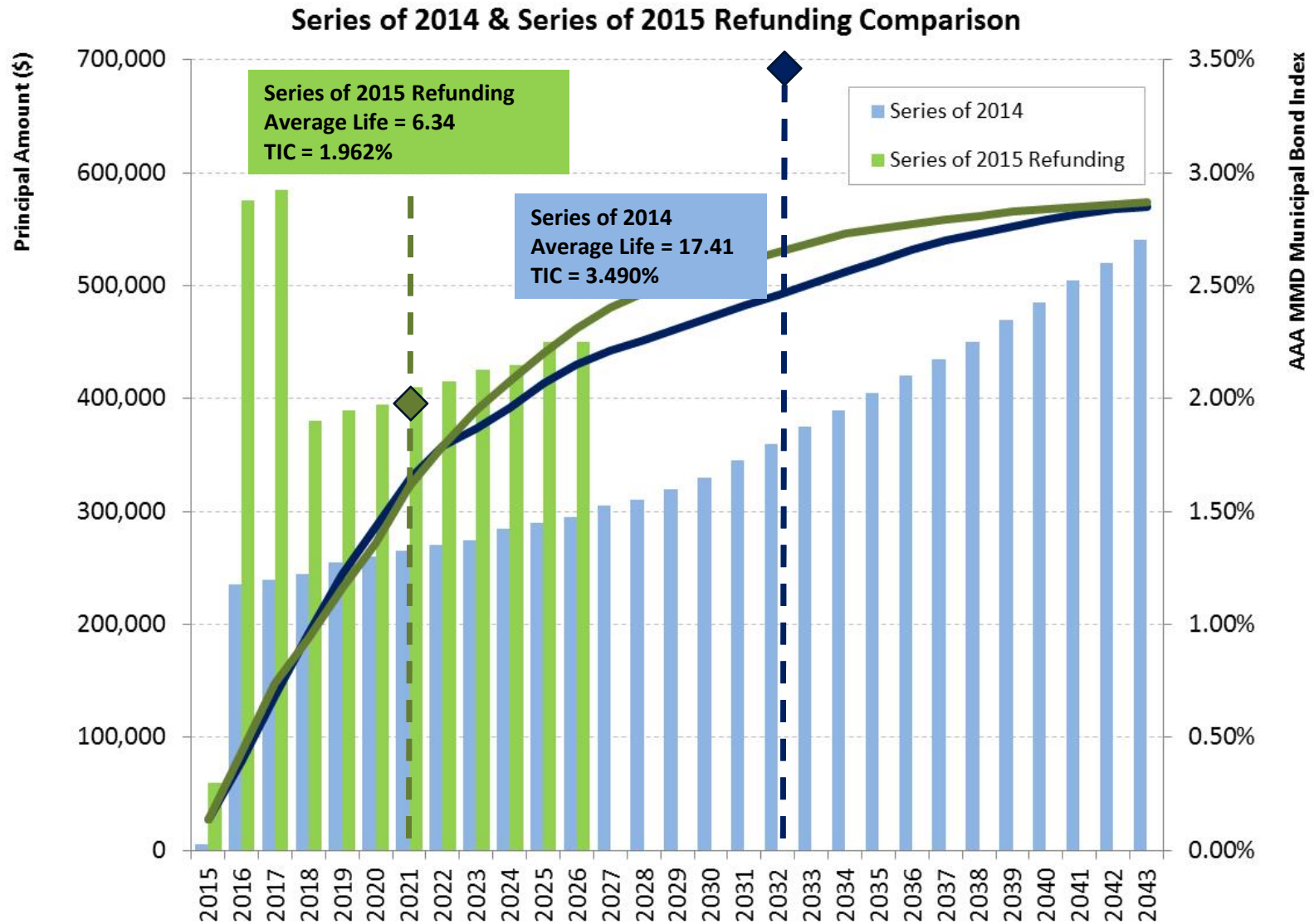
Overview

Comparison of Recent Tax-Exempt Sale Results						
Series	Par	Purpose	Tax Status	1st Call Date	Average Life	TIC
2009	7,695,000	Refunding	BQ	5/1/2015	8.934 years	3.199517%
2010	13,735,000	Refunding	BQ	12/15/2015	5.051 years	2.328881%
2012	16,360,000	Refunding	Tax-Exempt	11/1/2022	21.003 years	4.037984%
A of 2013	3,860,000	New Money	Taxable	-	4.630 years	1.706827%
B of 2013	14,350,000	New Money	Tax-Exempt	7/15/2023	14.670 years	3.245642%
2014	9,885,000	New Money	BQ	5/1/2020	17.410 years	3.489863%
2015	4,965,000	Refunding	BQ	5/1/2020	6.344 years	1.961578%

Debt Service Impact



Impact on Existing Debt Service





Credit Overview

Moody's Local Government Methodology Overview

- In January of 2014, Moody's adopted changes to its rating methodology for local government general obligation bonds, focusing on:
 - An introduction of a ratings scorecard to provide transparency to the rating process
 - An increase to the weighting of the Debt/Pensions score
 - A decrease to the weighting of the Economy/Tax Base score
- The methodology impacts local government debt that is secured by a general obligation pledge, and includes the following entities:
 - Cities (includes towns, villages, townships, boroughs)
 - Counties
 - School Districts
 - Special Districts (includes: water, sewer, or electric utilities, libraries, parks, community colleges, or community development districts, among others)

Indicated Rating Scorecard

- The new scorecard contains numerous metrics which capture, according to Moody's, the most critical aspects of an entity's credit profile.

Scorecard Factor and Weights		
Broad Rating Factor	Rating Subfactor	Subfactor Weighting
Economy/Tax Base	Tax Base Size (full value)	10%
Economy/Tax Base	Full Value Per Capita	10%
Economy/Tax Base	Wealth (median family income)	10%
Finances	Fund Balance (% of revenues)	10%
Finances	Fund Balance Trend (5-year change)	5%
Finances	Cash Balance (% of revenues)	10%
Finances	Cash Balance Trend (5-year change)	5%
Management	Institutional Framework	10%
Management	Operating History	10%
Debt/Pensions	Debt to Full Value	5%
Debt/Pensions	Debt to Revenue	5%
Debt/Pensions	Moody's ANPL (3-year average) to Full Value	5%
Debt/Pensions	Moody's ANPL (3-year average) to Revenue	5%


Non-Scorecard Qualitative Considerations

- In addition to the scorecard, Moody's incorporated numerous "below-the-line" adjustments to be considered within each overarching rating category.
- These additional circumstantial factors that may override the scorecard indication are primarily qualitative factors.
- Furthermore, Moody's identified an extensive list of other considerations that can impact the metric-based scorecard rating where applicable.
- Moody's stated that the final rating may differ from the scorecard indicated rating based on additional qualitative factors.

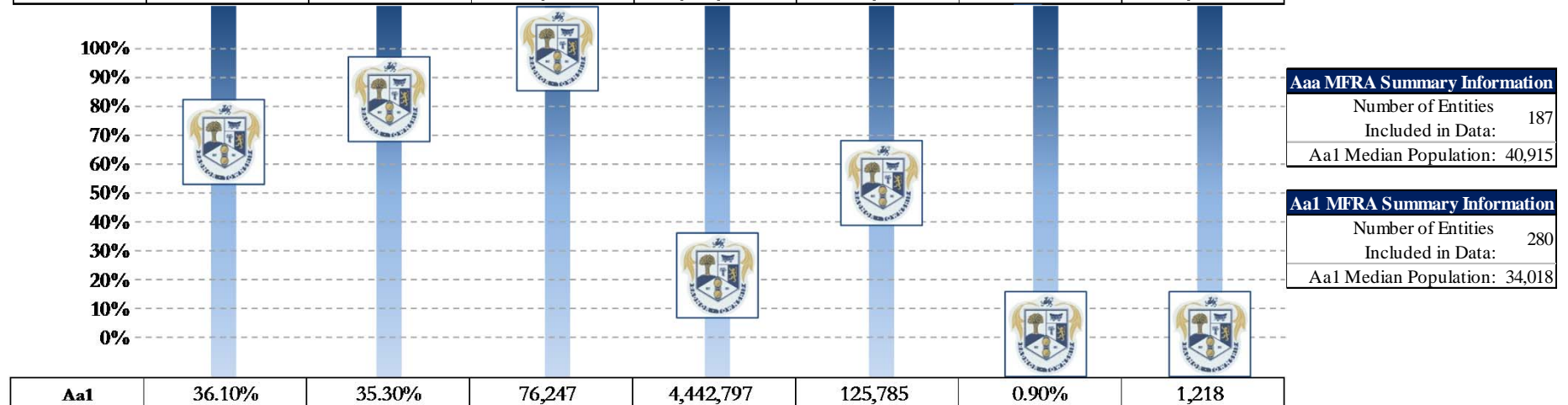
Radnor Township Rating Profile

Credit Comparison

- Moody's Municipal Financial Ratio Analysis ("MFRA") service, a comprehensive database of comparable financial data, operating credit statistics and medians.
- The following table outlines how the Township compares to Aaa and Aa1 medians, using indicators identified by Moody's as factors in its Local Government Ratings Methodology.

	Radnor Township MFRA Data						
	General Fund Balance as % of Revenues	Operating Net Cash as % of Operating Revs	Median Family Income (2000 Census)	Total Full Value (\$000)	Full Value Per Capita (\$)	Direct Net Debt as % of Full Value	Direct Net Debt Per Capita (\$)
	37.40%	38.00%	107,771	4,917,664	155,963	1.00%	1,571

Median Rating Category	Moody's Local Government Medians						
	General Fund Balance as % of Revenues	Operating Net Cash as % of Operating Revs	Median Family Income (2000 Census)	Total Full Value (\$000)	Full Value Per Capita (\$)	Direct Net Debt as % of Full Value	Direct Net Debt Per Capita (\$)
Aaa	38.00%	38.60%	93,043	6,721,463	183,045	0.70%	1,181



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JOHN E. OSBORNE
Treasurer

To: Board of Commissioners
From: CARFAC and the Administration
Date: March 16, 2015
Re: **Motion to Begin Process to Monetize Certain Township Assets**

CARFAC and the Administration are requesting that the Board of Commissioners pass a motion providing the Township Manager with the necessary direction and support to begin discussions, reviews, and negotiations in an effort to monetize certain Township owned assets. The assets include the Township Building, the Public Works Facility and the North Wayne / Senior Center facility. The motion is necessary to ensure that the Board will support the actions needed to produce monetization recommendations. To be clear, this motion does not bind the Board into approving any of the recommendations presented when that time comes. Instead, the Township Manager, with the passage of the motion, can immediately begin work with CARFAC to develop specific recommendations on how to monetize these three assets.

The identification of these three assets dates back to discussions that have been ongoing for several years, to include the Board meeting in 2014 where the Board and Administration discussed this topic. Further, this project will include these three assets now, but that doesn't preclude future requests of the Board for direction on other assets.

The specific motion language: "A motion authorizing the Township Manager to engage in the necessary discussion, reviews, and negotiations in an effort to produce recommendations to the Board of Commissioners to monetize all or any one of the following Township owned assets: The Township Building, the Public Works Facility, and/or the North Wayne Parking Lot and Senior Center."

If the Board should have any questions prior to the March 23rd meeting, please contact the Township Manager or the Finance Director.

To: Radnor Township Board of Commissioners Finance Committee
From: Citizens Audit Review & Financial Advisory Committee ("CARFAC")
Date: February 27, 2015
Re: Review of 2015 priorities

Elaine Schaefer, John Nagle and Rich Booker joined CARFAC for its October 15, 2014 monthly meeting. Bob Zienkowski, Bill White and Bob Tate were also present. After hearing from the Board and the Township Administration, CARFAC views the following as its priorities for 2015:

CARFAC's view of its priorities for 2015:

- 1) Planning & Budgeting
 - a. Prepare a financial analysis pertaining to the BioMed redevelopment site. The analysis will highlight the financial impact that the redevelopment would have on the Township's long-term forecast (to include quality of life / traffic impact as well)
 - b. Review the Township's unfunded liabilities on an on-going basis. Additionally, in 2015, conduct a review of the legality and financial impact of "pension spiking." This analysis will look at the impact of modifying this practice as it relates to the potential reduction or elimination of the 20% bump-up assumption in the actuarial report.
 - c. Continue to update, refine and design additional approaches to using the five-year planning model. At the same time, conduct a comprehensive review of the Township's current capital program, with the goal of providing recommendations on program funding, execution, and how the capital plan incorporates into the Township's long-term forecasting model.
 - d. As requested by the Township Manager, participate in reviewing public-private partnership possibilities on a case-by-case basis.
- 2) Audit
 - a. Oversee the Audit plan and process; interact with the public accounting firm's staff.
 - b. Continue to work with staff and auditors to identify and address any material weaknesses and/or significant deficiencies that may be discovered as part of the audit process.
 - c. Continue to work with staff to improve financial controls and processes.
- 3) Operations
 - a. Continue to drive the design and implementation planning of an information technology (IT) solution for the Township, with a projected completion of January 1, 2016.
 - b. Continue to work with Township Administration and the Board to recommend and move forward with an approach to monetize certain Township real assets.
 - c. Reopen our analysis of the Township's approach to providing engineering services to the Township. Expand the project to include specific performance/delivery metrics that can be tracked and reported.
 - d. Review the Township's current and historical full-time staffing levels, and examine the levels required to provide services to taxpayers up to the standards specified by the Board; report to the Board.

CARFAC’s view of its accomplishments in 2014:

- 1) Stakeholder’s Financial Summary Report: One of the Committee’s primary goals is to help educate the Board of Commissioners and Residents on the financial position of the Township. That being the case, CARFAC developed the first ever “Stakeholder’s Financial Summary” report that was published in March 2014. This was a pioneering effort aimed at bringing awareness and transparency to the Township’s finances.
- 2) Planning & Budgeting
 - a. Recommended adoption of revised Fund Balance and Nonrecurring Revenue Policies as part of the Board’s prescribed priority to recommend the treatment of one-time revenue. The impact of CARFAC’s recommendations is greater financial stability during times when business tax revenue is strongest by establishing up to an additional 10% of expenditures in a rainy day fund.
 - b. Maintained on-going review of unfunded liabilities.
 - c. Continued to update and refine the five-year planning model, a vital lens through which to anticipate the effects of different strategies.
- 3) Audit
 - a. Participated in the 2013 Audit process; met with the Board to review issues; recommended acceptance of the Independent Auditor’s Report and Audited Financial Statements.
 - b. Assisted staff in continuing to reduce the number of Material Weaknesses, Significant Deficiencies and Other Deficiencies in Township financial controls and procedures identified by the outside Auditor:

	2008	2009	2010	2011	2012	2013
Material	11	10	6	1 *	0	0
Significant	4	3	4	0 *	0	0
Other	18	14	17	9 *	2**	3
Total	33	27	27	10	2	3

* For 2011, seven of the Management Letter comments were addressed in 2011, but still included in the Auditor’s letter. ** For 2012, two of the Management Letter comments were addressed in 2012 but still included in the Auditor’s letter. This table reflects the total comments *after* those items were removed.

- c. Reported Comprehensive Annual Financial Report (“CAFR”) in a timely manner. The 2013 CAFR was recognized the Government Finance Officers Association (“GFOA”) by receiving their Certificate of Achievement for Excellence in Financial Reporting. This is the third year in a row that the Township has earned this award (2011 - 2013).
- 4) Operations
 - a. Delivered state grants, through Rep. Bill Adolph, totaling \$254,325 for the Clem Macrone Park Master Plan and the Wayne Senior Center.
 - b. Recommended an Act 511 Discovery program, approved in 2013 and enacted in 2014, which enhanced net business privilege and mercantile tax revenues by \$136,560 during calendar year 2014.
 - c. Recommended an Open Space purchase funding strategy that will save taxpayers roughly \$387,000 over the life of the bonds used to finance the Ardrossan purchase and which permit the borrowing to be ‘bank qualified,” thereby enabling the Township to refinance the bonds in five years rather than ten, if market conditions are favorable.
 - d. Began the design and implementation planning of an IT solution for the Township.
 - e. Collaborated with the Township Administration and the Board on the initial conversations to design an approach to select and monetize unused or underutilized township assets, and those assets that provide exceptional opportunities to improve the Township’s financial condition.

Radnor Township

Citizens Audit Review & Financial Advisory Committee (CARFAC)

IT / Software Working Group

Design and Implementation Planning of an Information Technology Solution for the Township

Project Scope and Objectives

In August 2014, the Township Finance Department and CARFAC initiated a project to improve the Township's information systems that support the finance, human resource, community development, public works and recreation functions. These functions are currently supported by the Township's use of SunGard FinancePLUS and CommunityPLUS software (formerly Pentamation), as well in-house applications developed using Microsoft Access, and numerous ancillary spreadsheets and manual processes. Several transactions, including credit card payment, are supported through the Township website, which is provided as a hosted internet service from eGov Strategies LLC (CivicPLUS effective March 23, 2015).

The Township first licensed the SunGard Plus software in 1997 and is paying approximately \$55,000 in annual software maintenance. The annual maintenance is made up of \$35,000 in general maintenance for the modules used by the Township, and \$20,000 in maintenance on customizations added over time by the Township to support various business processes. The Township is currently operating FinancePLUS software release level 4.1 and CommunityPLUS software release level 8.1. Subsequent FinancePLUS releases 4.2 and 4.3 and CommunityPLUS releases 8.1 and 8.2 were not implemented. SunGard released new major releases FinancePLUS 5.0 and CommunityPLUS 9.0 about a year ago. The SunGard Plus system runs on a server located in the Township building. The original server was purchased through SunGard in the initial 1997 agreement, and has been replaced in 2006. Retiree payroll was outsourced to ADP in 2012.

Objectives

The overall objective of the project is to take advantage of advances in information technology to increase the efficiency of township staff, improve access to information, and increase direct access to system functions by employees and constituents.

These objectives include:

- Implement an integrated system to eliminate duplicate data entry and reconciliation, and to provide better and timelier information for decision making.
- Enter information at the source of the transaction (departments, constituents) and streamline workflow.
- Improve ability to access information, including on-line inquiry and download capabilities. Eliminate the need to re-enter data and the manual effort with preparing regular and ad hoc reports.

- Reduce system operational and maintenance costs. Minimize township staff effort to maintain the system.
- Consider outsourcing system management and business process functions, versus running in-house, including hybrid approaches.
- Improve system usability and reduce training requirements.
- Improve security, controls and disaster recovery.
- Maintain access to historical information and minimize system conversion effort.
- Increase direct constituent access to information and transactions, to include access to performing online transactions, requests for action, etc.
- Improve timeliness of information. Eliminate or reduce delays due to batching of transactions.
- Improve ability to drill down through financial reports and to drill down to source documents (many transactions are summarized by the time they get into financial system).
- Improve capability to use information for decision making by staff, township management and commissioners.
- Improve accounting and reconciliation process for credit card receipts.
- Identify capabilities for direct entry of time accounting by employees, including potential use of time clocks.
- Review ability to reduce or eliminate use of separate spreadsheets and word processing documents for budget development.
- Review ability to reduce use of separate spreadsheets and word processing documents for CAFR production.
- Eliminate Microsoft Access databases and applications to improve data management, transactional processes, and gain efficiency by housing information in a single source with the general ledger for timelier and easier reporting.

Scope

Following is an inventory of Departmental Software / Operating systems. Items highlighted in Red are not in the scope of this project.

ADMINISTRATION

- **FinancePLUS** – Purchase Orders

FINANCE

- **FinancePLUS**
 - Fund Accounting (General Ledger, Budget Ledger, Accounts Payable, Receipts, Encumbrances, Year End)
 - Human Resource, Payroll (Employee Info, Payroll, Activity Track;6er, Deductions, Pay R;6ates, Attendance, Year End, Position Control, Salary Negotiations, Applicant Info)
 - Purchasing (Purchase Orders)
 - Reporting
- **CommunityPLUS**
 - Cash Receipts

- Real Estate Tax
- Utility Billing (Sanitary Sewer and Stormwater)
- Miscellaneous Billing
- **Integritax** - BPT, MT
- **CivicPlus** – online payments which currently include: Sewer Rent and Stormwater Fee payments, Rear Yard Trash and Recycling Pickup, and recreation program sign-ups.
- **OmniForm** – Receipts for: BPT, MT, LST, Right to Know requests, Sewer and Stormwater Certifications, Real Estate Transfers and Delinquent Collections, Verizon and Comcast Rents and Franchise Fees, Tower Rental, Grants and Rebates, Film Permits, Interest Payments, Debt Repayment

COMMUNITY DEVELOPMENT

- **FinancePLUS** – Purchase Orders
- **Access 2010** – Permits, Licenses and Inspections, Applications, Health Officer Forms
- **OmniForm** – Receipts for: Plan Review, Fire Marshal Report, Copies, DRB Applications
- **MapInfo - GIS**

ENGINEERING

- **FinancePLUS** – Purchase Orders
- **Access 2010** – Permits and Inspections, Escrows
- **OmniForm** – Receipts for: Inspection Fees, Professional Services, Escrow, Copies
- **MapInfo - GIS**

POLICE

- **FinancePLUS** – Purchase Orders
- **United Public Safety** – online Parking Tickets
- **CivicPlus** – online Accident Report payments and vacant house checks applications
- **Access 2010** – Extra Duty Officer Detail, payroll time allocations
- **OmniForm** – Receipts for: Parking Kiosks, District Court Fines, Accident Reports, Parking Tickets, Alarm Registration, Parking Permits, Towing License, Fingerprinting, Officer Duty Detail, Restitution, Meters
- **Typewriter** – 3-part form for False Alarm Citations

PUBLIC WORKS

- **FinancePLUS** – Purchase Orders
- **Access 2010** – Work Orders, Street Light Outages, payroll time allocations
- **CivicPlus** – online Open Truck payments, public work order requests
- **OmniForm** – Receipts for: Recycling containers

RECREATION

- **FinancePLUS** – Purchase Orders
- **Excel** – All Programing

- **CivicPlus** – online program registration/ payments
- **OmniForm** – Receipts for: Recreation Programs and Excursions, Park Rental and Field Usage, Sponsorships and Advertising, Discount Tickets

Additional functions in the scope of the project, which are not currently supported by departmental software are:

- Budget development / Multi-year forecasting
- Retiree payroll
- Human Resource:
 - Employee time entry (electronic time cards)
 - Position Budgeting / Multi-year forecasting
 - Employee self-service
- Capital assets
- Cash, Investment and Treasury management
- Debt management

Not in scope:

The following functions are not in the scope of this project:

- GIS, except to the extent the new ERP system can be linked to the GIS system for reporting and information sharing capabilities.
- Grant Tracking
- Email, word processing and other office applications, document management
- Township website (CivicPlus), except for possible replacement of online payment transactions including but not limited to recreation programming, open truck, public work order requests, and others currently provided through the website.
- Parkeon Kiosk Parking System
- United Public Safety – online Parking Tickets
- Police Livescan system
- Police State Database system