

Citizens Audit Review & Financial Advisory Committee (CARFAC)

November 14, 2012

7:00PM – Radnor Township Municipal Building, Finance Conference Room

Agenda:

1. Approval of Minutes –
 - a. Public Meetings:
 - i. September 19, 2012 (portion of the meeting)
 - ii. October 10, 2012 (portion of the meeting)
 - b. Budget Work Sessions:
 - i. September 19, 2012
 - ii. September 24, 2012
 - c. Executive Session Meeting with the Board of Commissioners:
 - i. September 27, 2012
2. Review of 2012 CARFAC accomplishments and Priorities Going Forward (memo to B.O.C.)
3. Discuss presentation of the Pension / OPEB report, in public, to the Board of Commissioners and Radnor Citizens
4. Discussion on 2013 CARFAC priorities / projects
5. Auditor General's 2010 and 2011 audit of the Township's Pension Plans
6. Accounting Policy and Procedure Manual Update
7. 2013 Budget Process Update
8. General Discussion
9. Public Participation
10. Adjourn (the goal will be no later than 9:00PM)

NOTES:

Citizens Audit Review & Financial Advisory Committee
September 19, 2012, 7:00 p.m.
Radnor Township Municipal Building
Finance Department, 2nd Floor
301 Iven Avenue, Wayne, PA 19087

DRAFT

Meeting Minutes

The meeting was called to order by the Committee Chair, Karl Bupp, at 7:15 p.m. The meeting was attended by Karl Bupp, Mark Blair, Laurent Chardonnet, Joe Ellis, Leigh Gourmand and Jerry Linden. Messrs. Jim Bowes and Ed Caine had a scheduling conflict and were unable to attend the meeting. The meeting was also attended by Robert Zienkowski, Township Manager, Bill White, Township Finance Director and Bob Tate, Township Assistant Finance Director. No members of the public were present.

The Committee discussed the following items:

1. Approval of Minutes:
 - a. August 23, 2012 Minutes were approved as amended
2. 2013 Budget Review Meeting Recap:
 - a. The Committee recapped the discussion that was held during the 4:00 p.m. budget working session meeting with Police and Public Works. It was determined that a separate meeting was necessary to review Community Development and Recreational Programming. That work session was scheduled for Monday September 24th at 4:00 p.m.
3. Executive Session:
 - a. The CARFAC voted to go into executive session to discuss matters pertaining to personnel at 7:20 p.m. Upon conclusion of the executive session discussion, the CARFAC reconvened in public at 9:00 p.m.
4. General Discussion: None
5. Public Participation: None

Being no further business, the meeting was adjourned at 9:00 p.m.

Citizens Audit Review & Financial Advisory Committee
October 10, 7:00 p.m.
Radnor Township Municipal Building
Finance Department, 2nd Floor
301 Iven Avenue, Wayne, PA 19087

DRAFT

Meeting Minutes

The meeting was called to order by the Committee Chair, Karl Bupp, at 7:00 p.m. The meeting was attended by Karl Bupp, Jim Bowes, Mark Blair, Laurent Chardonnet, Joe Ellis, Leigh Gourmand and Jerry Linden. Ed Caine had a scheduling conflict and was unable to attend the meeting until 9:00 p.m. The meeting was also attended by Bill White, Township Finance Director and Bob Tate, Township Assistant Finance Director. No members of the public were present.

The Committee discussed the following items:

1. Executive Session:
 - a. The CARFAC voted to go into executive session to review the 2013 Township Manager's Recommended and Preliminary Budget at approximately 7:05 p.m. Upon conclusion of the executive session discussion, the CARFAC reconvened in public at 9:00 p.m.
2. Audit RFP Selection:
 - a. Committee member Ed Caine joined the meeting at approximately 9:00 p.m. and provided the CARFAC with an overview of the RFP process which included reviews of the proposals, interviews with three [non-incumbent firms], and the ultimate recommendation to proceed with, Clifton Larson Allen.
 - b. The CARFAC unanimously agreed to recommend to the Board of Commissioners that the Township proceed with selecting CLA as independent auditors for the 2012, 2013 and 2014 audit years.
3. General Discussion: None
4. Public Participation: None

Being no further business, the meeting was adjourned at 9:30 p.m.

Citizens Audit Review & Financial Advisory Committee
September 19, 2012, 4:00 p.m.
Radnor Township Municipal Building
Township Manager's Office, 2nd Floor
301 Iven Avenue, Wayne, PA 19087

DRAFT

Meeting Minutes

The CARFAC conducted a 2013 Budget working session with members of the Township's Police and Public Works Department. The meeting was attended by Joe Ellis, Mark Blair and Laurent Chardonnet. This was a non-public work session and therefore no minutes were officially taken.

Citizens Audit Review & Financial Advisory Committee
September 24, 2012, 4:00 p.m.
Radnor Township Municipal Building
Township Manager's Office, 2nd Floor
301 Iven Avenue, Wayne, PA 19087

DRAFT

Meeting Minutes

The CARFAC conducted a 2013 Budget working session with members of the Township's Community Development and Recreational Programming Departments. The meeting was attended by Mark Blair and Laurent Chardonnet. This was a non-public work session and therefore no minutes were officially taken.

DRAFT

Citizens Audit Review & Financial Advisory Committee
September 27, 2012, 5:00 p.m.
Radnor Township Municipal Building
Township Manager's Office, 2nd Floor
301 Iven Avenue, Wayne, PA 19087

DRAFT

Meeting Minutes

The CARFAC met with members of the Board of Commissioners in executive session to review the Pension / OPEB Analysis report (submitted to the Board of Commissioners in advance of the meeting). The meeting was called to order by the Committee Chair, Karl Bupp, at 5:05 p.m. In attendance were CARFAC members Karl Bupp, Leigh Garamond, Laurent Chardonnet, Mark Blair, Jerry Linden, Joe Ellis, and Jim Bowes. Mr. Ed Caine was unable to attend due to a scheduling conflict. In attendance from the Board of Commissioners were Elaine Schaefer, John Fisher, Kevin Higgins, William Spingler, and John Nagle. In attendance from the Township Administration were Robert Zienkowski, Township Manager, Bill White, Finance Director and Bob Tate, Assistant Finance Director.

1. Executive Session: The CARFAC moved to go into executive session at 5:10 p.m. to discuss matters pertaining to personnel with the Board of Commissioners. Upon the conclusion of the executive session portion of the discussion, CARFAC moved to exit executive session at 9:00 p.m.
2. General Discussion: The CARFAC and the township Finance Director and Assistant Finance Director held a brief discussion regarding assumptions being used to develop the 2013 Township Manager's Recommended Budget.
3. Public Participation: None

Being no further business, the CARFAC adjourned at 9:30 p.m.

COMMONWEALTH OF PENNSYLVANIA



RADNOR TOWNSHIP POLICE PENSION PLAN

DELAWARE COUNTY

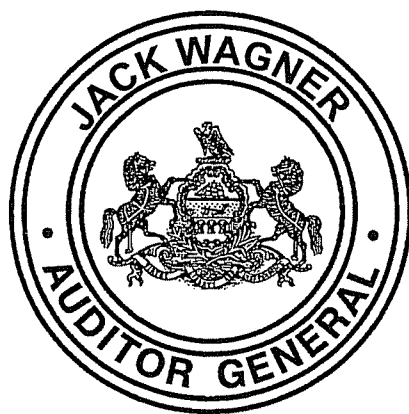
COMPLIANCE AUDIT REPORT

FOR THE PERIOD

JANUARY 1, 2007, TO DECEMBER 31, 2009

JACK WAGNER, AUDITOR GENERAL

PENNSYLVANIA DEPARTMENT OF THE AUDITOR GENERAL



RADNOR TOWNSHIP POLICE PENSION PLAN

DELAWARE COUNTY

COMPLIANCE AUDIT REPORT

FOR THE PERIOD

JANUARY 1, 2007, TO DECEMBER 31, 2009

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BACKGROUND

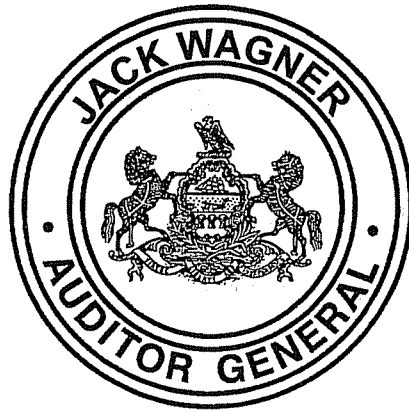
On December 18, 1984, the Pennsylvania Legislature adopted the Municipal Pension Plan Funding Standard and Recovery Act (P.L. 1005, No. 205, as amended, 53 P.S. § 895.101 et seq.). The act established mandatory actuarial reporting and funding requirements and a uniform basis for the distribution of state aid to Pennsylvania's public pension plans. Section 402(j) of Act 205 specifically requires the Auditor General, as deemed necessary, to make an audit of every municipality which receives general municipal pension system State aid and of every municipal pension plan and fund in which general municipal pension system State aid is deposited.

Pension plan aid is provided from a 2 percent foreign casualty insurance premium tax, a portion of the foreign fire insurance tax designated for paid firefighters and any investment income earned on the collection of these taxes. Generally, municipal pension plans established prior to December 18, 1984, are eligible for state aid. For municipal pension plans established after that date, the sponsoring municipality must fund the plan for three plan years before it becomes eligible for state aid. In accordance with Act 205, a municipality's annual state aid allocation cannot exceed its actual pension costs.

In addition to Act 205, the Radnor Township Police Pension Plan is also governed by implementing regulations adopted by the Public Employee Retirement Commission published at Title 16, Part IV of the Pennsylvania Code and applicable provisions of various other state statutes including, but not limited to, the following:

- Act 147 - Special Ad Hoc Municipal Police and Firefighter Postretirement Adjustment Act, Act of December 14, 1988 (P.L. 1192, No. 147), as amended, 53 P.S. § 896.101 et seq.
- Act 177 - General Local Government Code, Act of December 19, 1996 (P.L. 1178, No. 177), as amended, 53 Pa.C.S. § 101 et seq.
- Act 600 - Police Pension Fund Act, Act of May 29, 1956 (P.L. 1804, No. 600), as amended, 53 P.S. § 761 et seq.

The Radnor Township Police Pension Plan is a single-employer defined benefit pension plan locally controlled by the provisions of Ordinance No. 99-28, as amended, adopted pursuant to Act 600. The plan is also affected by the provisions of collective bargaining agreements between the township and its police officers.





Department of the Auditor General
Commonwealth of Pennsylvania
Harrisburg, Pennsylvania 17120-0018

JACK WAGNER
AUDITOR GENERAL

Board of Township Commissioners
Radnor Township
Delaware County
Wayne, PA 19087

We have conducted a compliance audit of the Radnor Township Police Pension Plan for the period January 1, 2007, to December 31, 2009. The audit was conducted pursuant to authority derived from Section 402(j) of Act 205 and in accordance with *Government Auditing Standards* applicable to performance audits issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The objectives of the audit were:

1. To determine if municipal officials took appropriate corrective action to address the findings contained in our prior audit report; and
2. To determine if the pension plan was administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies.

Our audit was limited to the areas related to the objectives identified above. Radnor Township contracted with an independent certified public accounting firm for annual audits of its basic financial statements which are available at the township's offices. Those financial statements were not audited by us and, accordingly, we express no opinion or other form of assurance on them.

Township officials are responsible for establishing and maintaining effective internal controls to provide reasonable assurance that the Radnor Township Police Pension Plan is administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies. In conducting our audit, we obtained an understanding of the township's internal controls as they relate to the township's compliance with those requirements and that we considered to be significant within the context of our audit objectives, and assessed whether those significant controls were properly designed and implemented. Additionally, we tested transactions, assessed official actions, performed analytical procedures and interviewed selected officials to the extent necessary to satisfy the audit objectives.

The results of our tests indicated that, in all significant respects, the Radnor Township Police Pension Plan was administered in compliance with applicable state laws, regulations, contracts, administrative procedures, and local ordinances and policies, except as noted in the following findings further discussed later in this report:

Finding No. 1 – Noncompliance With Prior Audit Recommendation – Pension Benefits Not In Compliance With Act 600

Finding No. 2 – Noncompliance With Prior Audit Recommendation – Pension Benefits Not Authorized By Act 600

The accompanying supplementary information is presented for purposes of additional analysis. We did not audit the information and, accordingly, express no form of assurance on it.

The contents of this report were discussed with officials of Radnor Township and, where appropriate, their responses have been included in the report.

August 26, 2010



JACK WAGNER
Auditor General

RADNOR TOWNSHIP POLICE PENSION PLAN
STATUS OF PRIOR FINDINGS

Compliance With Prior Audit Recommendation

Radnor Township has complied with the prior audit recommendation concerning the following:

- Incorrect Data On Certification Form AG 385 Resulting In An Overpayment Of State Aid

The township reimbursed \$6,579 to the Commonwealth for the overpayment of state aid.

Noncompliance With Prior Audit Recommendations

Radnor Township has not complied with the prior audit recommendations concerning the following as further discussed in the Findings and Recommendations section of this report:

- Pension Benefits Not In Compliance With Act 600
- Pension Benefits Not Authorized By Act 600

RADNOR TOWNSHIP POLICE PENSION PLAN
FINDINGS AND RECOMMENDATIONS

Finding No. 1 – Noncompliance With Prior Audit Recommendation – Pension Benefits Not In Compliance With Act 600

Condition: The township adopted a home rule charter pursuant to the Home Rule Charter and Optional Plans Law, 53 Pa. C.S. § 2901 *et seq.* (previously 53 P.S. § 1-101 *et seq.*). As disclosed in the prior audit report, the township provides retirement benefits to its police officers that are not in compliance with Act 600, as noted below:

<u>Benefit Provision</u>	<u>Ordinance No. 99-28, as amended</u>	<u>Act 600</u>
Normal retirement age and service eligibility	The earlier of 25 years of service and age 50 or 20 years of service and age 60.	25 years of service and age 55 or, if elected and actuarially feasible, age 50.
Normal retirement benefit	The greater of 50% of final monthly average salary or \$300.	50% of average monthly salary. No provisions for a minimum monthly benefit.
Intervening military service credit	Requires 18 months of employment prior to the period of military service.	Requires 6 months of employment prior to the period of military service.
Employee contributions to the plan during qualified military service	Upon return to employment following a period of qualified military service, the participant makes payment to the plan in an amount equal to the employee contribution that would otherwise have been paid to the plan during such period of qualified military service.	No provision for police officers being required to contribute for credited military service.
Early retirement benefit after the completion of 20 or more years of service	“Act 24 Retirement Date” shall mean the date on which the participant has completed 20 years of service and, for purposes of this plan, has not yet attained age 60.	There is no age restriction for an early retirement benefit.

RADNOR TOWNSHIP POLICE PENSION PLAN
FINDINGS AND RECOMMENDATIONS

Finding No. 1 – (Continued)

<u>Benefit Provision</u>	<u>Ordinance No. 99-28, as amended</u>	<u>Act 600</u>
Member contributions	3% of his/her basic monthly earnings.	Members shall pay an amount equal to not less than 5% of monthly compensation. The governing body of the township may on an annual basis by ordinance or resolution, reduce or eliminate payments into the fund by members.

Criteria: On January 24, 2001, the Commonwealth Court of Pennsylvania issued its opinion in *Municipality of Monroeville v. Monroeville Police Department Wage Policy Committee*. Therein, the court held that Section 2962(c)(5) of the Home Rule Charter and Optional Plans Law, 53 Pa. C.S. § 2962(c)(5), “clearly precludes home rule municipalities from providing pension benefits different from those prescribed in general law including Act 600.” The court’s holding was in accord with the position taken by this Department since at least January 1995.

Cause: Municipal officials failed to establish adequate internal control procedures to ensure compliance with the prior audit recommendation.

Effect: The provision of unauthorized benefits could increase the plan’s pension costs and reduce the amount of funds available for investment purposes or the payment of authorized benefits or administrative expenses. Although the township did not receive excess state aid allocations during the audit period attributable to benefit provisions not in compliance with Act 600, the provision of benefits not in compliance with Act 600 could result in the receipt of excess state aid in the future or increase required municipal contributions to the plan.

Recommendation: The department acknowledges that its position has changed over the years and that, until *Monroeville*, there was no definitive decision as to whether home rule municipalities were obliged to comply with applicable pension law. The department seeks, therefore, to implement the decision in as equitable a fashion as possible, while paying necessary deference to the court’s ruling. Accordingly, the department will not penalize a home rule municipality for granting benefits not authorized by Act 600 to existing retirees or to individuals who began full-time employment before January 24, 2001 (the date *Monroeville* was issued). However, the department expects the township to restrict pension benefits to those authorized by Act 600 for all employees who began full-time employment on or after that date.

RADNOR TOWNSHIP POLICE PENSION PLAN
FINDINGS AND RECOMMENDATIONS

Finding No. 1 – (Continued)

To the extent that the benefits provided to employees who began employment on or after January 24, 2001, are not in compliance with Act 600, the excess benefits must be reflected in the Act 205 actuarial valuation reports for the plan and funded in accordance with Act 205 funding standards. Furthermore, the excess benefits will be deemed ineligible for funding with state pension aid. In such case, the plan's actuary may be required to determine the impact, if any, of the excess benefits on the plan's future state aid allocations and submit this information to the department.

Special note should be taken that the department's application of *Monroeville* only to employees hired on or after January 24, 2001, does not sanction (1) a municipality's granting excess benefits to existing or future employees when none had been granted as of January 24, 2001, or (2) a municipality's increasing excess benefits for existing or future employees beyond those that had been granted as of that date.

Management's Response: The benefits identified in the finding are included as provisions of the Police Pension Plan in the Township Code. However with the exception of the 3% member contribution, these benefits are not included in the current collective bargaining agreement. The Township will work with our plan consultants and legal counsel in an effort to identify the inclusion of these provisions in the plan documents and determine the Township's legal obligation to include them in the plan. As a result of this review we will make our best efforts in compliance with other applicable state and federal regulations to amend the code to meet the provisions of Act 600.

Auditor's Conclusion: Compliance will be evaluated during our next audit of the plan.

Finding No. 2 – Noncompliance With Prior Audit Recommendation – Pension Benefits Not Authorized By Act 600

Condition: As disclosed in the prior audit report, municipal officials provided pension benefits in excess of those authorized by Act 600. Municipal officials included accumulated unused compensatory time, vacation, personal leave and holiday pay that was earned outside the pension benefit computation period in the determination of the final average salary used to calculate monthly pension benefits for three police officers who retired during prior audit periods as well as for one police officer who retired in 2009 and another police officer who retired in January of 2010.

RADNOR TOWNSHIP POLICE PENSION PLAN
FINDINGS AND RECOMMENDATIONS

Finding No. 2 – (Continued)

Criteria: On January 24, 2001, the Commonwealth Court of Pennsylvania issued its opinion in *Municipality of Monroeville v. Monroeville Police Department Wage Policy Committee*. Therein, the court held that Section 2962(c)(5) of the Home Rule Charter and Optional Plans Law, 53 Pa. C.S. § 2962(c)(5), “clearly precludes home rule municipalities from providing pension benefits different from those prescribed in general law including Act 600.” The court’s holding was in accord with the position taken by this Department since at least January 1995.

Furthermore, Section 5(c) of Act 600 states, in part:

Monthly pension or retirement benefits other than length of service increments shall be computed at one-half the monthly average salary of such member during not more than the last sixty nor less than the last thirty-six months of employment.

Although Act 600 does not define “salary,” the department has concluded, based on a line of court opinions, that the term does not encompass lump-sum payments for leave that was not earned during the pension computation period. Furthermore, Article V of the plan’s governing document grants a lifetime normal retirement benefit equal to 50 percent of the member’s final monthly average salary. Article I of the plan’s governing document contains the following definitions:

“Final Monthly Average Salary” shall mean the average monthly Salary. . . earned by the Participant and paid by the Employer during the final 36 months immediately preceding retirement which are included in the averaging period. Any single sum payments for accumulated sick time or back pay awards shall not be included in the calculation of Final Monthly Average Salary.

“Salary” shall mean the Employee’s regular salary and the following additional forms of compensation: (i) forms of compensation which are fixed amounts paid at periodic intervals such as longevity pay, holiday pay and night differential pay, and (ii) any irregular or extra forms of compensation such as overtime or court pay. Salary, as used herein, shall not include extra duty pay and uniform allowances.

Cause: The township is contractually bound to provide the pension benefits described above.

RADNOR TOWNSHIP POLICE PENSION PLAN
FINDINGS AND RECOMMENDATIONS

Finding No. 2 – (Continued)

Effect: Providing unauthorized pension benefits increases the plan's pension costs and reduces the amount of funds available for investment purposes or for the payment of authorized benefits or administrative expenses. Although the township did not receive excess state aid allocations during the audit period attributable to benefit provisions not in compliance with Act 600, the provision of unauthorized benefits could result in the receipt of excess state aid in the future or increase required municipal contributions to the plan.

Recommendation: We again recommend that the township take appropriate action to exclude lump-sum payments earned outside the pension computation period from pension calculations for, at a minimum, all employees who began full-time employment on or after January 24, 2001, (the date *Monroeville* was issued), at its earliest opportunity to do so. To the extent that the benefits provided to employees who began employment on or after January 24, 2001, are not in compliance with Act 600, the excess benefits must be reflected in the Act 205 actuarial valuation reports for the plan and funded in accordance with Act 205 funding standards. Furthermore, the excess benefits will be deemed ineligible for funding with state pension aid. In such case, the plan's actuary may be required to determine the impact, if any, of the excess benefits on the plan's future state aid allocations and submit this information to the department.

Management Response: The township is currently contractually bound to provide the current level of benefits identified in this finding as a result of previously collectively bargained agreements. The Township will work with the union in accordance with the provisions of Act 111 in future collective bargaining negotiations in an effort to resolve this finding by bringing the Township into compliance with Act 600.

Auditor's Conclusion: Compliance will be evaluated during our next audit of the plan.

RADNOR TOWNSHIP POLICE PENSION PLAN
 SUPPLEMENTARY INFORMATION
 (UNAUDITED)

SCHEDULE OF FUNDING PROGRESS

Historical trend information about the plan is presented herewith as supplementary information. It is intended to help users assess the plan's funding status on a going-concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other state and local government retirement systems.

The actuarial information is required by Act 205 biennially, except for distressed pension plans, for which annual reporting was required through January 1, 2003. The historical information, beginning as of January 1, 2005, is as follows:

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded (Assets in Excess of) Actuarial Accrued Liability (b) - (a)	Funded Ratio (a)/(b)	Covered Payroll (c)	Unfunded (Assets in Excess of) Actuarial Accrued Liability as a % of Payroll [(b-a)/(c)]
01-01-05	\$ 19,582,565	\$ 21,054,800	\$ 1,472,235	93.0%	\$ 3,352,563	43.9%
01-01-07	21,420,364	22,743,658	1,323,294	94.2%	3,649,155	36.3%
01-01-09	21,465,937	25,188,349	3,722,412	85.2%	4,063,213	91.6%

Note: The market values of the plan's assets at 01-01-05 and 01-01-07 have been adjusted to reflect the smoothing of gains and/or losses over a 4-year averaging period. The market value of the plan's assets at 01-01-09 has been adjusted to reflect the smoothing of gains and/or losses at 130% of market value. These methods will lower contributions in years of less than expected returns and increase contributions in years of greater than expected returns. The net effect over long periods of time is to have less variance in contribution levels from year to year.

RADNOR TOWNSHIP POLICE PENSION PLAN
SUPPLEMENTARY INFORMATION
(UNAUDITED)

The comparability of trend information is affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, accounting policies, and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the actuarial accrued liability as a factor.

Analysis of the dollar amount of the actuarial value of assets, actuarial accrued liability, and unfunded (assets in excess of) actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability (Column 4) provides one indication of the plan's funding status on a going-concern basis. Analysis of this percentage, over time, indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan.

Trends in unfunded (assets in excess of) actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded (assets in excess of) actuarial accrued liability as a percentage of annual covered payroll (Column 6) approximately adjusts for the effects of inflation and aids analysis of the plan's progress made in accumulating sufficient assets to pay benefits when due. Generally, where there is an unfunded actuarial accrued liability, the smaller this percentage, the stronger the plan. However, when assets are in excess of the actuarial accrued liability, the higher the bracketed percentage, the stronger the plan.

RADNOR TOWNSHIP POLICE PENSION PLAN
SUPPLEMENTARY INFORMATION
(UNAUDITED)

SCHEDULE OF CONTRIBUTIONS FROM EMPLOYER
AND OTHER CONTRIBUTING ENTITIES

Year Ended December 31	Annual Required Contribution	Percentage Contributed
2004	\$ 199,000	140.4%
2005	313,000	100.0%
2006	322,000	100.0%
2007	624,992	100.0%
2008	522,000	100.0%
2009	534,000	100.0%

RADNOR TOWNSHIP POLICE PENSION PLAN
 SUPPLEMENTARY INFORMATION
 NOTES TO SUPPLEMENTARY SCHEDULES
 (UNAUDITED)

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation date follows:

Actuarial valuation date	January 1, 2009
Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	12 years
Asset valuation method	Plan assets are valued using the method described in Section 210(a) of Act 205, as amended, subject to a ceiling of 130% of the market value of assets.
Actuarial assumptions:	
Investment rate of return *	8.0%
Projected salary increases *	5.5%
* Includes inflation at	Not disclosed
Cost-of-living adjustments	None assumed

RADNOR TOWNSHIP POLICE PENSION PLAN
REPORT DISTRIBUTION LIST

This report was initially distributed to the following:

The Honorable Edward G. Rendell
Governor
Commonwealth of Pennsylvania

Radnor Township Police Pension Plan
Delaware County
301 Iven Avenue
Wayne, PA 19087

Mr. John C. Nagle	President, Board of Township Commissioners
Mr. Robert A. Zienkowski	Township Manager
Ms. Alison Rudolf	Finance Director

This report is a matter of public record. Copies of this report may be obtained from the Pennsylvania Department of the Auditor General, Office of Communications, Room 318 Finance Building, Harrisburg, PA 17120. If you have any questions regarding this report or any other matter, you may contact the Department of the Auditor General by accessing our website at www.auditorgen.state.pa.us.