

Citizens Audit Review & Financial Advisory Committee
July 16, 2014 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 the Chairman Mark Blair at 7:07 PM. The meeting was attended by CARFAC Committee members: Mark Blair, Karl Bupp, Michael Antonoplos, Carl Rosenfeld, Jeff Ruben, Joe Ellis and Jerry Linden. Committee members Laurent Chardonnet and Ed Caine had conflicts and were unable to attend. Township staff member present was 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. Old Business:

- a. Ardrossan: Discussion on Purchase Agreement / Bond Issue: The Committee stepped through the Solicitor's response highlighting various aspects of the purchase agreement. Highlights of the discussion included:
 - i. Mr. Antonoplos requested a definition of an "invalid reason" as it relates to the Township having to pay the \$500,000 earnest money. Finance Director White will follow up with the Solicitor on that topic.
 - ii. "Boy Scout" House: Finance Director White provided CARFAC with a status on the negotiation between the Township and Boy Scouts of America for the small house located on Parcel A. CARFAC requested an explanation as to why the Township was only pursuing an outright sale of the property rather than a long-term lease arrangement. Mr. White will discuss with the Solicitor and report back to CARFAC as soon as practical.
 - iii. CARFAC continues to agree that the Township should not pursue a bond issue until the closing of the transaction is imminent (currently estimated to be in the first quarter of 2015).
 - iv. Bond Transaction Summary to the Board: CARFAC asked the Township to prepare a memorandum to the Board that highlights the different methods of executing a bond sale: Negotiated vs. Bid vs. Hybrid and highlighting the pros and cons of each. This memo will also provide a cost/benefit analysis on employment of a financial advisor. CARFAC would like to see a draft by October in order to get it to the Board in November (2014).
- b. Long-Term Strategy Working Group Update: Chairman Blair recounted this working group's initial meeting with the Township Administration and then asked Mr. White to touch on the recent updates and why the follow up meeting was postponed. Mr. White explained the number of different plans that the Township either has completed or is in the process of updating is making it impossible to clearly define a long-term strategy for the Township (with so many priorities headed in different directions). In order to bring all this together, the Township Administration recommended that we engage the newly hired planning firm to help bring all this together with the help of this CARFAC working group. To that end, the postponed meeting from July will be rescheduled for August. It was noted that the Township's Comprehensive Plan is due to be updated. Mr. White will report back to CARFAC at the August meeting as to the preparations being made to do this.

- c. Engineering Review Working Group Update: Mr. Bupp provided CARFAC with an update on the initial meeting held with the Finance staff on July 11th. The next steps included the Township providing additional information relating to the number of hours worked along with the various project types to help get a better understanding of what is required of the engineering firms. Also, the Finance staff is accumulating other pieces of information including the Public Works Director's time spent on engineering, other cost details of the engineering department, job descriptions, organization charts, and other items. The follow up meeting for this group is scheduled for July 31st.
 - d. Monetize Assets Working Group Update: Mr. Antonoplos provided CARFAC with an update on the several meetings that this working group has had with Township staff and representatives from Cresa (who prepared a comprehensive land / building report for the Township in 2012). The project update included the Township engaging an appraiser for several properties, providing detailed space needs for the administration and public works' staff, exploring the potential of combining space with the School District Administration, and setting up a meeting to further discuss the potential opportunity for an equestrian center on one of the Township properties.
 - e. IT / Software Working Group Update: Mr. Linden updated CARFAC on this group's kickoff meeting that was held immediately before tonight's CARFAC meeting (July 16). The summary included some of the topics covered including the need for the project, issues with the current software and business processes, as well as the next steps that the Township staff will work on prior to the next meeting, scheduled for August 20, prior to the August CARFAC meeting.
 - f. Act 511 Auditor Contract Renegotiation Update: Assistant Finance Director Tate provided an update to CARFAC on the status of this negotiation. Where things stand is that Mr. Tate and the Act 511 Auditor are working on applying the actual results of the past years to the new proposed terms to see exactly how the new arrangement would have worked, had it been in place. The analysis will demonstrate how the auditor is compensated when the Township is paid. Once this is complete, Assistant Finance Director Tate will provide an update and recommendation to CARFAC. There is no time table for this project at this point.
2. New Business:
 - a. Radnor Township 411 Show: Mr. Tate asked CARFAC if they would be interested in participating in a future edition of the Township's monthly "411" cable show. CARFAC expressed interest and will work with Mr. Tate on setting this up.
 - b. 2014 Finance Update: Mr. White provided CARFAC with a mid-year update on the General Fund revenues, expenditures and fund balance.
 3. Public Participation: None
 4. Adjourn: Being no further business, Chairman Blair moved to adjourn at 9:15 PM.