

Doylestown Township - Ways and Means Committee

Meeting Minutes for April 22, 2015

Meetings held 4th Wednesdays at 7PM except no meeting in November and December meeting is 2nd Wednesday

Resident Members	IN	Township Participants	IN
Lee Schwarz – Chairman	Yes	Ken Snyder - Board of Supervisors - Liaison	Yes
Ed Ebenbach – Vice Chairman	Yes	Stephanie Mason – Township Manager	Yes
Emad Abdelnaby – Secretary		Ken Wallace – Township Finance Director	Yes
Brenda Bray		Richard John – Township Operations	Yes
Ed Denton	Yes	Rick Colello - Board of Supervisors	
		Sam Bryant – Special Projects Coordinator	

Mr. Schwarz called the meeting to order at 7:02pm. A quorum was present and the following matters were discussed.

Agenda Items/Topics Discussed:

1. Welcome guests:

- No guests were in attendance

2. Approval of Prior Meeting Minutes:

- Approval of prior meeting minutes was tabled until next meeting since only 2 Committee attendees from the meeting were present.

3. Recap the Governor’s Award Ceremony:

- There was a brief discussion of the Governor’s award ceremony involving members of the Township staff, Mr. Schwarz and Mr. Ebenbach.

4. Finance Manager report – Latest Pension Info:

- Mr. Wallace reviewed the recently received Pension Plan Financial statements:
 - a) Non-Uniform Defined Contribution Plan
 - This is the newest plan
 - Total Assets = \$41k
 - 9 employees participated in 2014
 - Liabilities are zero because none of the participants are vested in the plan
 - b) Non-Uniform Pension Plan
 - Assets = \$6.6 million
 - 54 members
 - Investment expense = 0.6%
 - Liabilities = \$8 million
 - Net Pension liability = \$1.4 million (coverage ratio = 82.1%)
 - Mr. Denton noted that the total blended return for the portfolio was 4.79% (excluding 2.25% inflation assumption).
 - Mr. Wallace will follow up with Thomas Anderson to get a better understanding of the aforementioned total blended return and the rationale behind the inflation exclusion.
 - Mr. Snyder commented that the Township needs to get a better understanding of the pension situation.
 - c) Police Pension Plan
 - Assets = \$9.4 million
 - 34 members
 - Investment expense = 0.6%
 - Liabilities = \$10.7 million
 - Net Pension liability = \$1.3 million (coverage ratio = 87.5%)
 - Ms. Mason pointed out that the financials are based on an updated mortality table.

- **2014 & 2015 Financials:** Mr. Wallace and Mr. Ebenbach then gave a brief update on the Township's 2014 & 2015 Financials
 - a) Mr. Wallace noted that the auditors would be likely be done with their review of the 2014 Financials in June. Net total adjustments thus far are approximately \$45k
 - b) Mr. Ebenbach pointed out three areas in the YTD 2015 financials where spending is running hot:
 - He noted that Consulting fees were running higher than budget as were Legal Fees (due largely to the police contract negotiations, Hammerstein farm, sewers, etc.)
 - He also noted that YTD Snow/Ice spending is already over budget for the year, suggesting that necessary spending in November and December may give us a significant negative variance.
 - Lastly, he noted that the Board has recently authorized unbudgeted 2015 spending of approximately \$95K to obtain easements in support of the Pebble Ridge sewer project.

5. Review of proposed Individual CapEx Project Packet:

- Mr. Snyder reviewed the structure of the CapEx project report. In summary, the report's purpose is to communicate:
 - a) What the project is
 - b) Where the project is located
 - c) Why the project is being proposing
 - d) Potential impact
 - e) Project cost in total and by year.
- Ms. Mason asked what types of projects would have to complete this report.
- Mr. Snyder responded that we would need to develop clear guidelines that would consider the cost of the project, the nature of the project, complexity, etc.
- After a lengthy discussion the Committee agreed that the logical next step would be to pick a current project and complete the form using its relevant date in order to give people a better understanding of the report's purpose, content etc.

6. Identify the 5 highest impact action items from Budget Work Session.

- Mr. Schwarz lead a brief re-cap of the Budget Work session. All agreed the meeting went well.
- Mr. Snyder has gotten input Barbara Lyons and Ryan Manion who were not able to attend the meeting. He indicated that their thinking was consistent with those voiced at the Budget Work Session.
- The Committee then developed a list of the key follow-up projects that came out of the meeting. Over the next month, each member of the Committee will be assigned to a project (or multiple projects) and serve a liaison role to ensure that each item is properly researched.
 - a) Roads are aging faster than expected – high expenses expected in the future
 - b) Hike & Bike paths – further plans, cost, etc.
 - c) Police Staffing – 2015 & Beyond
 - d) EIT: projecting and understanding future trends
 - e) Township building renovation/new construction
 - f) Tax Exempt properties – potential contributions to township revenues
 - g) Police: potential revenue sources, expense savings, etc.
- Mr Schwarz advised that to address the key follow up projects, they would be circulated after the meeting for the purpose of prioritizing and matching up a committee member with a staff member to get them done. He will coordinate.
 - a) Goal is to complete as many as possible for the next budget work session
- Ms. Mason will be sending an email out to the Board of Supervisors to identify the date for the next Budget session with the Board. The target dates are June 4 & 10.

7. New business:

- No new business was discussed

8. Adjournment:

- Mr. Ebenbach motioned that the meeting be adjourned, Ms. Denton seconded. The meeting was adjourned at 9:20pm.

Respectfully submitted,

Edward Denton

