

Borough of Bryn Athyn
Finance Committee
Meeting Minutes

October 18, 2022
6:00pm

In attendance: Duane Hyatt, Chair Chris Carter
 Jeff Elsing Vikki Trost
 Glenn Gurney

The meeting was called to order by Chairman Duane Hyatt at 6:00pm.

MINUTES

The September meeting minutes were approved.

POLICE PENSION PLAN

Actuary Joe Duda attended via Zoom. Joe reported that the returns for 2021 were very good, up 20.8%. The interest rate was lowered last year to 5.5% resulting in a zero Minimum Municipal Obligation (MMO). The 2024 MMO will be based on the 1/1/2021 Actuarial Valuation.

Joe reported that most pension plans in the state, through 9/30/2022, are down 20%. It was noted that on 1/1/2021 the BA Police Pension Plan was overfunded by more than \$600,000. The 2022 losses will wipe out the 2021 gains, cutting the surplus in half to \$300,000. Joe anticipates that the 2024 MMO will be \$80,000 to \$85,000.

Asset Smoothing was discussed as a useful tool for losses. The Borough did asset smoothing in 2009. In three to five years the gains and losses are “smoothed” to keep MMOs manageable.

Joe suggested keeping the interest rate at 5.5% and reviewing the plan in Spring 2024. He recommended that if asset smoothing is used, that we use three years since 2019, 2020 and 2021 were good years. Joe noted that the Borough’s 1/1/2021 Assessed Valuation was the best since before 9/11/2001.

Duane Hyatt noted that though the 2023 MMO is zero, the Borough will make a contribution to the fund.

Vikki will schedule the next pension meeting with Joe for early April 2023.

2023 BUDGET PRESENTATIONS

Bryn Athyn Fire Company

Ken Schauder and Lach Brown submitted a total budget for 2023 of \$118,500; \$96,000 for Fire Services and \$22,500 for Ambulance Services.

BAFC will prepare a statement to Borough Council outlining the reasons and justification for moving forward with hiring a Chief of Emergency Services with Lower Moreland Township.

Public Works Department

Mark Pennink submitted a budget request of \$279,264 for 2023. This includes minor increases to Gutter Spraying, Road Line Painting, and Engineering based on actual costs for the past few years. Mark requested replacement of \$25,000 which was cut from Capital Outlay Streets last year to balance the budget.

In 2023 Mark Pennink plans to install curbing on the north side of Tomlinson Road; pave Quarry Road from the fence to Alnwick Road; patching on Tomlinson Road, drain repairs and sidewalk improvements. He noted that five drains were repaired this year.

Mark noted that the Sewer Department is using the shared GMC pickup truck since the Sewer truck broke down. Public Works needs a pickup truck. Glenn Gurney suggested that a new truck be purchased for the Sewer Department.

Police Department

Steve Gray explained that additional funds are needed to cover the swing shift and a pay raise for Alessandro Cricelli. Chief Gray noted that we are short two part-timers.

The pay raises for officers will be determined in the current contract negotiations. The salaries will need to be updated for the 2023 proposed budget.

Chief Gray and Jeff Elsing presented a plan to retain the 2018 police SUV when a new car is purchased next year as scheduled. The third car will be used minimally and costs will be kept low. A third car would be an asset to the department.

The New Police Car Expense request of \$48,887 will be removed from the budget as police vehicles are purchased using Police Car Reserve funds.

Sewer Department

Reid Heinrichs presented a budget, noting that income should be the same as last year. The budget includes a 16.72% increase for Capital Upgrade. It was agreed that the Contingency should be changed to Truck Reserve. It was noted that the Collection System Reserve

Account would be created when the transfers were approved by Borough Council following the 2022 Audit.

Glenn Gurney suggested using surplus funds to purchase a new pickup truck.

ADMINISTRATION AND FINANCE

Vikki Trost noted that she obtained a quote to reduce payroll costs by switching payroll companies. Vikki is working with the insurance agent to provide liability and auto insurance premium estimates for 2023.

The final payment of GO Bonds will be made in November.

REVENUE

The Assessed Valuation will be received from Montgomery County on November 15.

The meeting was adjourned.

For the next meeting:

- 1. Vikki will obtain information for liability and auto insurance.***
- 2. Vikki will schedule a meeting with Joe Duda in Spring 2023.***
- 3. Vikki will send a meeting reminder to the Committee prior to the meeting.***

Next meeting date: November 15, 2022 at 6:00pm in Borough Hall.