

BOROUGH OF DOYLESTOWN
FINANCE AND PENSION COMMITTEE MEETING
THURSDAY, MAY 7, 2020 – 2:30 pm
MINUTES

The meeting of the Finance and Pension Committee was held on the above date and time with the following people present:

Committee Members: Chair Noni West, Ben Bell, Tim Brennan, Joe Frederick

Council Members: Council President Jack O'Brien, Larry Browne, Mayor Ron Strouse

Staff: John Davis, Caroline Brinker

Approval of Minutes

Minutes of February 13, 2020 Finance and Pension Committee meeting were approved. (Brennan/Frederick)

First Quarter 2020 Non-Uniformed Pension Plan Performance

Ron Bittner & Barry Keck, Girard Pension Services

Mr. Keck reviewed the investment performance as of March 31, 2020. The portfolio had a loss of 16.03% for the quarter. Portfolio value was \$3,711,369 as of 3/31/20. The portfolio analysis and the quarterly and 1-year returns for each fund were discussed against their indices and with their 3 and 5 year rankings. Fund additions and deletions, and funds on the watch list, were also reviewed. The asset allocations were reviewed with all classes being on target. Mr. Keck gave a brief history of March with the volatility of the market due to COVID19. There has been some rebounding in April and their team is continually reviewing individual investment managers with over/underperformance.

Mr. Bittner indicated that the volatility index in March was 80, where today it is 30. A good place for the index to be is under 20. Long term recovery is anticipated. Mr. Bittner also reported that the transfer of assets to the Central Bucks Regional Non-uniformed plan has been put on hold until there is some market recovery as it is not good to transfer assets when the market is at a low point. He will continue to monitor and email the committee when timing changes.

Authorization to Advertise Bid: Borough Hall and CBRPD Additions and Alterations

Bid plans and specifications for additions and alterations to the former PennDOT maintenance facility on North Broad Street for the purpose of its conversion to a new Borough Hall and Central Bucks Regional Police Department headquarters are complete and the bid can now be advertised. The bid opening is scheduled for early July such that bids can be considered by Council at their July meeting. Chalfont and New Britain Borough Councils have already authorized the advertisement of the bid. The Finance & Pension Committee are recommending Council authorize the advertisement of this bid (Brennan/Bell).

COVID19 Financial Impact

Ms. Brinker reviewed with the committee the anticipated financial impacts to the 2020 Budget as a result of the COVID19 Pandemic, as published by the PA Government Finance Officers Association. Areas discussed were Real Estate Transfer Tax, Pension MMO Funding, Pension State Aid, Liquid Fuels Tax Funding, Earned Income Tax, Local Services Tax, Property Taxes, Magistrate Fines, Interest Earnings, Recreation Facilities, Building Permits, Parking Meter Fees and Fines, and Water Services. Ms. Brinker also reported that the Bucks County Consortium of Municipalities has engaged eConsult Solutions Inc. to prepare a financial projection study for each municipality. The report will be a county wide analysis of actual and projected changes in major revenue sources impacting Consortium members through the end of 2020 based on historic budget and monthly tax collections from the past 2 year, current monthly tax collections, and projections of future tax collections, based on potential recovery scenarios (optimistic, moderate, pessimistic). There will be an impact index to demonstrate those communities most at risk due to scenario projections. Major revenue sources to be analyzed are Earned Income Tax, Property Tax, Realty Transfer Tax, and Mercantile Tax. The final report will be available after June 1.

The committee also discussed the timeline for the Stay-at-Home order to be moved from Red, to Yellow, to Green, and what services that Doylestown Borough provides will be able to resume during each phase.

Old/New Business

The meeting adjourned at 4:20 pm.

Respectfully Submitted,
Caroline Brinker
Finance Director