

BOROUGH OF DOYLESTOWN
FINANCE AND PENSION COMMITTEE MEETING
THURSDAY, JUNE 10, 2021– 6:00 pm
MINUTES

The meeting of the Finance and Pension Committee was held virtually via Zoom 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, Mayor Ron Strouse

Staff: John Davis, Caroline Brinker

Approval of Minutes

Minutes of May 13, 2021 committee meeting were approved. (Brennan/Bell)

Borough Real Estate Bid

Mr. Davis reviewed the bid package that was prepared for the sale of the three (3) lots on Shady Retreat Road. Bids are scheduled to be opened on July 27, 2021. After discussion, the Committee is recommending Council authorize the advertisement of the bids at the June 21 meeting. (Frederick/Brennan)

2021 Preliminary Actuarial Cost Study

Ron Bittner, Girard Pension Services, presented the preliminary cost study results. A comparison of the 1/1/2019 vs. 1/1/2021 study were presented. Mr. Bittner also presented several scenarios for consideration that updated the Mortality Table to the *Public General Table Projected Using Scale MP-2020*, reduced the long-term interest rate from 7.25% to 7% and salary scale from 4.25% to 4%, reduced long-term interest rate to 6.75% and salary scale to 4%, reduced long-term interest rate to 6.5% and salary scale to 4%, and combinations of all. Mr. Bittner explained that part of the 1/1/2021 valuation includes a 1-year payment of \$22,711 for the 2019 COLA that was awarded. This amount will go away after the first year of the new valuation. The committee discussed the various options. The new mortality tables were developed specifically for municipal pension plans and will be updated annually. It was the consensus of the committee to recommend Scenario 2, which changes the mortality table to the most updated version and reduces the long-term interest rate to 7% and salary scale to 4%. Mr. Bittner indicated that the 2022 MMO would be prepared based on the current 1/1/2019 valuation. Once the State Aid is released in September, the committee can revisit the options at that time and revise the 2022 MMO using the selected 1/1/2021 mortality and interest rate options.

Financial Contribution Policy

Mr. Bell drafted a Financial Contribution Policy. Ms. Brinker surveyed surrounding Bucks County communities to see if any municipality had a policy for charitable contributions. Every municipality responding did not have a policy, but addressed each request on a case-by-case basis. Ms. West questioned the need for an official policy. Ms. West also wanted more clarification on the power under the MPC for contributions to be granted. Mr. Frederick indicated that he would prefer there to be no policy and that requests continue to be addressed on a case-by-case basis. Mayor Strouse reviewed the contributions that have been made in the last 5 years indicating they included the SPCA, DHS plaques and the Tour of Honor. He doubted there was an overwhelming need for the policy and

whether or not a policy would bring additional requests. Mayor Strouse suggested that, based on the historical requests, there are so few that a policy is not warranted. Mr. Bell stated that having a policy makes a transparent presentation to the public about circumstances under which a contribution or donation can be made with public funds. The “Tenets of a Financial Contributions Policy” were discussed (cost reasonableness, value to the community and broad appeal). Each request would still be reviewed on a case-by-case basis under these tenets. Ms. West was concerned that if a policy were created, it would open up more requests by the public, knowing that there was a policy and feeling that their organization meets the 3 tenets. Mr. Frederick didn’t feel there was a need for a policy since there were so few requests, and didn’t want future Councils bound by a policy. Mr. Bell indicated that he wanted the opinion of the solicitor if donations were permitted under the MPC.

Parking Fines and Meter Fees Status

Ms. Brinker provided the committee with May revenues for parking meter fines and fees. All of the curbside and street parking spaces have been opened back up, with the exception of a few, and the County Theater spots are now re-metered.

Old/New Business

None.

The meeting adjourned at 6:58pm.

Respectfully Submitted,
Caroline Brinker
Finance Director