

Borough of Bryn Athyn  
Finance Committee  
Meeting Minutes

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September 21, 2021  
6:00pm

In attendance:      Duane Hyatt, Chair                              Joe Duda  
                             Vikki Trost  
                             Glenn Gurney  
                             Chris Carter

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

**MINUTES**

After notice a typographical error, the Committee approved the August 17, 2021 meeting minutes.

**POLICE PENSION PLAN UPDATE**

Joe Duda, Duda Actuarial Consultants, presented an update on the police pension fund. Mr. Duda offered good news on the growth of the plan, noting that Reade Genzlinger's investment plan instituted in 2000 has performed very well. The pension plan is currently overfunded by \$710,000. Mr. Duda recently completed a study of the interest rates used in the actuarial calculations and he recommended that the Borough lower the interest rate to 5.5%. The previous Actuarial Valuation (2019) used a 6% interest rate. Mr. Duda explained that for many years the interest rate was 8% and that he was being more conservative recommending the 5.5% rate as a market correction is expected. The estimated Minimum Municipal Obligation (MMO) for 2022 is zero dollars at 6%, as well as at 5.75% and 5.5%. He noted that the Borough will not receive state aid with a zero MMO.

The committee discussed with Mr. Duda if the \$710,000 can be pulled out. He explained that it cannot be pulled out, but we can contact Vanguard to discuss another fixed income instrument for those funds. Mr. Duda will provide a 15-year payment stream.

The Committee agreed to recommend to Borough Council the 5.5% interest rate and keeping the employee contribution rate at 3.5%.

***On a motion by Duane Hyatt, seconded by Chris Carter, the Committee voted unanimously in favor to accept the proposed 2022 MMO in the amount of zero dollars.***

Mr. Hyatt noted that even though the MMO is \$0 and therefore we do not need to provide any funding in fiscal 2022, the Finance Committee is recommending we keep the amount contributed to the pension plan at \$50,000 for fiscal 2022.

## **2022 BUDGET**

The 2022 Budget calendar was reviewed. Department presentations will be scheduled for the next meeting on October 19. ARPA Funds projects will be included in the 2022 Budget.

## **NEW ITEMS**

None

The meeting was adjourned.

### ***For the next meeting:***

- 1. Vikki will invite Department Heads for Budget Presentations on October 19.***
- 2. Vikki will send a reminder to the committee regarding the next meeting prior to the meeting.***

***Next meeting date: October 19, 2021 at 6:00pm in Borough Hall.***