

Warminster turns down authority assessment in surprise vote

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Following a major show of public support, the Warminster supervisors unanimously rejected a financial consultant's proposal assessing the value of the Warminster Municipal Authority.

In an unexpected move Thursday, the Warminster supervisors voted not to hire a firm to assess the value of the township's water and sewer authority as officials continue to consider options on how to deal with a looming fiscal crisis.

The sale of the authority has been floated as one possible option, and an assessment would be needed to determine its value. But, after dozens of public comments opposing the valuation of the Warminster Municipal Authority, the supervisors at their meeting at William Tennent High School voted unanimously to reject PFM Financial Advisors LLC proposal to do the assessment.

The township sought the proposal as the municipality is facing major fiscal problems, including an estimated \$20 million unfunded pension liability. Officials are taking inventory of township assets to address the long-term financial problems.

At the beginning of the night, supervisors Vice Chairman Jason Croley and Supervisor Daniel McPhillips voiced opposition to hiring the consulting firm.

McPhillips has been steadfastly against any possible sale of the authority in the past, while Croley said Thursday the value of the authority would be so far beyond the township's financial issues, and a sale would be akin to "plastic surgery for a paper cut."

PFM proposed a flat-rate of \$7,500 to assess the value of the authority and present its findings to the supervisors.

Scott Shearer, managing director for PFM, said the assessment was only the first stage of the process leading to a sale, and that the consulting firm could also assist the township throughout the process.

The study itself was not obligating the township to sell the authority, but many residents felt approving the study would make a sale of the authority an inevitability.

Most of those who spoke during public comment were opposed to the study.

The supervisors initially voted to table the vote for a later meeting after supervisors Brian Munroe and Kathy Frescatore said they no longer supported moving forward with the study.

“We need to work together and not on opposite sides,” Frescatore said, adding something inaudible over the applause of the crowd.

Despite the motion to table the study, public comment persisted as more people requested an official vote to put the matter to rest.

A vote to reject the proposal for the study by PFM followed, and the board recessed as the crowd dispersed.

While a study for the authority might be off the table for now, the financial health of the township is still in looming on the horizon.

The authority is not the only possible asset it could sell, but another likely reality the township will have to face in the future is tax increases, as Supervisor Chairman Mark McKee pointed out again Thursday.

McKee also said he was considering re-opening the township’s 2018 budget, passed near the end of 2017 with a \$1.6 million deficit and no tax increases.

McKee added it has been several years since Warminster has raised its taxes, and is something he “begged” the board to consider this year.