



# Franklin Regional Council of Governments

## Joint Finance and Personnel Committee — *MINUTES*

Date /Time:	Thursday, December 1, 2016 / 5:30 p.m.
Location:	JW Olver Transit Center, 12 Olive Street Greenfield, MA – Library
Facilitator:	John O’ Rourke, Vice Chair, Finance Com & Bill Perlman, Chair Personnel Committee

### ATTENDEES— *Finance Committee*

- **John O’Rourke**, Conway Representative
- **John Payne**, Shelburne Representative
- **Michele Giarusso**, Leyden Representative
- **Kevin Fox**, Colrain Representative

### ATTENDEES— *Personnel Committee*

- **Bill Perlman**, Regionally Elected Representative
- **Gordon Fretwell**, Leverett Representative
- **Dawn Magi**, Warwick Representative
- **Marilyn Wilson**, Rowe Representative

### STAFF:

- **Linda Dunlavy**, Executive Director
- **Pat Auchard**, Finance Director
- **Rebekah Boyd**, Admin Services Coord

### REGRETS:

- **Lynn Sibley**, FC Chair, Whately Representative
- **Brian Noble**, PC Northfield Representative

### 1. Discuss FY18 budget priorities, COLA, merit, and other employee costs that will/could impact the budget

The meeting was opened at 5:32 p.m. (Adoption of minutes of previous meetings was delayed until the next regularly scheduled meeting of both committees.)

Linda expressed her concern regarding future funding of the FRCOG given what will likely be changes in priorities by the president-elect and his administration. She reiterated what the budget dev workbook reported — that 64% of the FRCOG’s costs are grant funded and of those, 81% have federal sources. Linda has talked with Congressman McGovern to request help in understanding how the FRCOG could possibly be impacted in the coming years. Where foundation funding is available but an application requires a non-profit status, Linda is exploring ways we might be able to apply under another entity’s non-profit, such as Community Action or the Berkshire Regional Planning Agency’s pre-existing non-profit.

Linda explained that she typically calls upon the Finance and Personnel committees to give staff initial guidance on items needed for budget development. Several areas were discussed:

#### MSRS

The committees felt it wise to build a budget that includes a “normal cost” retirement assessment in case legislation is passed that would impact the FRCOG. Linda reported that at this point the state has formed a committee to explore the retirement status of RPAs and the long-time practice of paying no type of assessment to the MSRS.

#### Cost of Living Assessment (COLA) or Competitive Market Incentive (CMI)

Pat reported that cost of Living in the northeast rose 1.6 % between October 2015 and October 2016. Members suggested using a higher percent, between 2 and 2.5% but settled on 2.5% because of the overall feeling that cost of living will be increasing and likely higher by the start of the new fiscal year.

**Other Post Employment Benefits (OPEB)**

After much discussion, members decided on using the actuarial annual “required” OPEB contribution for the first round draft budget. Staff thought that amount was around \$226,000 but would check on it to be sure.

**Retiree Health Insurance and Statutory Assessment**

Members next discussed whether to pay for retiree health insurance using a statutory assessment or by dipping into OPEB. Several employees are expected to retire in FY17, FY18, and FY19. By consensus, the group agreed to not include new retirees under the statutory assessment at this juncture, but to pay for their costs using part of the funds budgeted for OPEB.

**Franklin County Emergency Communications System (FCECS)**

The emergency communication system likely needs emergency repairs that could deplete the \$77,000 capital reserve. (More on this is expected at the next Fin Com meeting.) As discussed at previous meetings and with the full Council, the capital reserve for the system needs to be built at a much faster pace than has been occurring over the past several years and Linda will be advocating for a much higher amount put into the FY18 budget.

The group bandied about ways to pay for a new system, included bonding, if special legislation allowed for it; procuring homeland security funds, which might increase with change in federal priorities; and giving the system to the state.

Bill P. reported on its recent symptoms of deterioration, the immediate and future replacement needs, and the uncertainty regarding forthcoming federal regulations for bandwidth and the like. Linda said she welcomes information from the towns about how they’re feeling about the system. Gordon F. suggested strategizing around how to get some in the legislative delegation involved, in order to bring in some political muscle. Linda’s hope is that with Council Committee, staff, and the FCECS Oversight board planning, they can devise a consistent and coordinated response plan for this ECS.

On Dec 15, the Finance Committee will be reviewing the first draft of the budget and will have an update on FCECS.

**2. Business Not Reasonably Anticipated 48 Hours in Advance of Meeting**

**Meeting closed at 6:50 p.m.**

**DOCUMENTS DISTRIBUTED:**

- Agenda
- *FRCOG Financial Reports* for period ending October 31, 2016.