



Franklin Regional Council of Governments

Finance Committee — *MINUTES*

Date /Time:	Thursday, January 12, 2017 / 5:30 p.m.
Location:	JW Olver Transit Center, 12 Olive Street Greenfield, MA – Library
Facilitator:	Lynn Sibley, Chair

ATTENDEES

- **Lynn Sibley**, Whately Representative
- **John O’Rourke**, Conway Representative
- **John Payne**, Shelburne Representative (via conference call, not eligible to vote)
- **Michele Giarusso**, Leyden Representative
- **Kevin Fox**, Colrain Representative

STAFF:

- **Linda Dunlavy**, Executive Director
- **Pat Auchard**, Finance Director

GUESTS

- **Jay DiPucchio**, Reg. Elected FRCOG Rep
- **Bill Perlman**, Reg. Elected FRCOG Rep

1. Adopt 12/15/16 minutes

Lynn S. opened the meeting at 5:48 p.m. when a quorum was present in the room. (John Payne attended on the phone but did not vote). **Kevin moved approval of the 12/15/16 minutes. John O. seconded. Roll call: John O, yes; Michele G, yes; Kevin F, yes; Lynn S., yes. Minutes approved.**

2. Review FY18 Second/Final Draft Budget

Linda discussed staff changing course in their thinking regarding the first and second draft budgets. The first draft assumed a loss of grant revenues and adjusted accordingly. The second budget does not adjust the budget as a preventative measure and will respond to cuts if it becomes necessary. Kevin Fox agreed with the staff’s approach suggesting that FRCOG may not lose grants this year or, if so, may also acquire different grants.

The Committee made a final pass through the budget (see draft budget handout). Staff pointed out revisions to the budget since the first draft and explained the new “Budget Notes” addition to the documents that will be given to the Council. Pat reported the need for an OPEB audit next year as part of the new municipal modernization law. Members suggested ways to clarify the budget presentation notes and spreadsheets.

John O. made a motion to recommend adoption of the \$ 3,580,945 budget to Council, seconded by Michele G. Roll call: John O, yes; Michele G, yes; Kevin F, yes; Lynn S., yes. Motion passes.

3. Accounting software discussion

Linda told members that FRCOG did not receive the state Regionalization and Efficiency grant that would have helped fund new accounting software for the FRCOG and Town Accounting program. However, the DOR suggested that the town accounting software purchase was the perfect project for a

Municipal IT grant, and felt FRCOG should apply. One caveat is that FRCOG would need to transition on July 1.

Staff proposed a 3-pronged approach:

- Ask the Council to appropriate \$47,000 from the undesignated fund balance, currently at \$616 thousand, to cover the purchase and conversion costs of accounting software for the FRCOG;
- Ask the Finance Committee to appropriate \$12,000 from program reserve funds, currently at \$54 thousand, for the purchase and conversion costs of accounting software for the Town Accounting program;
- Apply for the Municipal IT Grant for enhancements to the basics.

If awarded, the grant would fund additional features that would enhance our work and allow staff to be more efficient, but these enhancements are not absolutely necessary. Staff currently estimate the cost of the add-ons to be between \$20 and \$50 thousand, but will have a more solid figure soon.

Kevin asked if towns would have to contribute funds. Pat answered no, that any Town Accounting costs for the software and conversion would come out of the program's reserve funds.

Lynn asked if software had been chosen. Pat informed the committee that staff were as yet unsure if they would need to go out to bid or not, but that she would be working closely with our procurement officer in the process. Linda noted that if funding needs changed significantly, staff would come back to the committee.

Michele Giarusso made a motion to request the Council use of up to \$47,000 of undesignated cash reserve for the purchase of a conversion to new accounting software for the FRCOG. John O. seconded the motion. Roll call: John O, yes; Michele G, yes; Kevin F, yes; Lynn S., yes. Motion passes.

Michele Giarusso made a motion to use up to \$12,000 of Accounting Program reserve for the purchase of and conversion to new accounting software for the Town Accounting Program. John O seconded the motion. Roll call: John O, yes; Michele G, yes; Kevin F, yes; Lynn S., yes. Motion passes.

4. Business Not Reasonably Anticipated 48 Hours in Advance of Meeting

Linda reminded the Committee of their discussion about whether FRCOG should use the proposed (2017) or actual (2014) EQVs when determining assessments to the towns. Since the discussion, staff discovered we are required to use the certified 2014 EQV. Linda apologized for bringing it to the committee previously.

Linda reported that the wage classification study is complete. Two related notes can be found in the Budget Notes handout about wage-parity increases in grant-funded programs.

Members discussed meeting on the Thursday, January 26, at 4:30 p.m. before the full Council meeting if costs for the new town accounting program software come in higher than expected. Staff will let members know if a meeting is needed as soon as possible.

Kevin F. moved to adjourn meeting at 7:04 p.m. Michele G. seconded. Motion passed unanimously. Meeting adjourned at 7:04 p.m.

DOCUMENTS DISTRIBUTED:

- Agenda
- Minutes of 12/15/16 Meeting
- FRCOG FY18 Budget Notes
- FY18 Second Draft FRCOG Budget
- General Fund Report for period ending December 31, 2016
- OPEB Report for period ending December 31, 2016
- Accounting Software Memo from Linda and Pat, dated January 12, 2016