



Franklin Regional Council of Governments

Finance Committee — *MINUTES*

Date /Time:	Thursday September 15, 2016 / 4:30 p.m.
Location:	JW Olver Transit Center, 12 Olive Street Greenfield, MA – Library
Facilitator:	Lynn Sibley, Chair

ATTENDEES:

- Lynn Sibley, Chair, Whately Representative
- John Payne, Shelburne Representative
- John O’Rourke, Conway Representative
- Michele Giarusso, Leyden Representative
- Kevin Fox, Colrain Representative

STAFF:

- Linda Dunlavy, Executive Director
- Pat Auchard, Finance Director
- Rebekah Boyd, Administrative Services Coordinator
- Bob Dean, Director of Regional Services

1. Adopt 6/9/16 minutes

Lynn S. opened the meeting at 4:32 p.m.

Michele moved the 6/9/16 minutes. John O. seconded. Approved unanimously.

2. Items for recommendation to the Council that remain from FY16:

Consider money transfer from FY16 surplus to OPEB Trust account to match FY16 budget intention

Pat explained FY16 closed and there were not sufficient funds in the pooled benefit budget to fully cover the funding of OPEB from the (Retirement or OPEB) budget line. The budget would have needed an amendment to cover a balance of \$35,557 and although there were sufficient indirect revenues, we were not successful in having a Finance Committee meeting in early July. We are asking if the Finance Committee would consider a proposal for the use \$35,557 of general funds to purchase of OPEB Trust - Vanguard Funds.

Michelle G moved that the Finance Committee recommend to the Council the use of \$35, 557 in FY16 surplus funds for a purchase of shares in FRCOG’s OPEB Trust-Vanguard Account. John O second. Motion unanimously passed.

Proposal for use of excess grant funds

The FRCOG received a \$10,000 NACCHO (National Association of County and City Health Officials) grant that ended in FY16. The grant was not fully expended because staff were juggling many new grants and

experiencing a shift in demands and priorities. NACCHO would not extend the grant nor take back the unused funds. Consequently \$1,039 will close to the general fund as part of the FY16 surplus.

The original award was given to explore ways in which towns can use policy to improve health for their residents. Staff is asking to fund a project consistent with the spirit of the original award and propose funding a pool that would award three mini-grants for increasing healthy activity in towns/areas with a demonstrated need.

MG moved that the Finance Committee recommends to the Council, the funding of a \$1,039 project for increased healthy activities in towns/areas with a demonstrated need. The funds would be appropriated from the general fund and represent a grant closure surplus that closed to the general fund balance in FY16. John O seconded. The motion passed unanimously.

3. FY17 Budget Amendments

Request for use of capital reserve and budget amendment for FCECS building repairs

Bob told the committee that the county wide emergency radio system (FCECS) Erving site shelter had a roof-leak that has been repaired, but that now mold is seeping through walls and growing. The oversight committee is asking for funding to fix mold problem for the reasons of health, safety, and equipment maintenance purposes. Bees are getting in and the commercial-grade air conditioner in the shelter that is keeping the equipment cool and functioning is failing.

An early radio system operator estimate for mold remediation and replacement of the air conditioner is \$22,000, said Linda. Additional estimates and repair options are being sought. The FRCOG Executive Committee has endorsed the project and the FCECS Oversight Committee is meeting to discuss options and costs. There is enough funding in the FCECS Capital Reserve, currently \$77,000.

Consistent with the response of the Executive Committee, the Finance Committee felt that the situation needs more research and development before committing funding. Bob said getting an expert opinion was next on the docket. The FCECS board hopes for resolution before winter.

Potential Regional Services budget amendment to account for DPH-funded grant changes

Due to a change with one of our grants, after staffing and budgets were already in place, we may need to charge some program staff time to the Regional Services budget. DPH has instructed us to use our full indirect rate whereas when we negotiated the budget, the grant had a 15% administration limit. Another stipulation is that we must have two FTEs working on the grant. The change would not result in a loss of funds to the FRCOG because of new revenues from the increased indirect.

Staff provided a handout showing two possible scenarios. Linda said she would like to have the committee's approval to act on one of the two scenarios. Kevin voiced his confidence in the administration to choose that which is best for the agency, adding that he felt the decision is more operational than financial.

John O. moved that in order to accommodate changes in DPH funding, the finance committee approve the idea of a new line within the Regional Services budget for Emergency Preparedness staff to charge time. Due to a position that has been delayed in hiring, there is sufficient budgetary funding to cover this expense, and alternatively, if we are bound to keep a minimum of 2 FTE remain in the HMCC budget, staff have approval to increase the Operating section of the Regional Services budget by \$13,000 for direct cost charges. Kevin seconded the motion. All members were in favor.

4. Review of FY18 Budget Development Schedule and Workbook

Linda opened the budget development season with a discussion of what members and staff liked about the FY16 Budget workbook and what they believed could be approved upon. Positive feedback abounded with a few suggestions for tweaks to make information more accessible. Members then discussed the budget-crafting process and developed the following schedule:

DATE	AGENDA	<i>(NOTE: All Meetings Start at 5:30 p.m.)</i>
10/26	Finance Committee Meeting	Review Budget Development Workbook
10/28		Budget Workbook sent to Council members w/ quarterly meeting materials
11/3	Council Meeting	Budget Workbook & Development Schedule presented
12/1	Joint Personnel/Finance Committee Meeting	Review budget, COLA, etc. and determine budget priorities
12/15	Finance Committee Meeting	Review Draft 2018 budget
1/12	Finance Committee Meeting	to review and approve final draft FY18 budget <i>(Council members encouraged to attend for advance review of budget)</i>
1/19		Budget sent to Council members with significant changes marked and explained
1/26	Council Meeting	Adoption of FY 2018 budget
2/2		Snow date

5. Preliminary FY16 Year End report

Pat went over the preliminary year- end handout with members, reporting that there were no programs with any cause for financial concern and the FCCIP program recovered the loss of revenues from the previous fiscal year.

Pat said she was still doing some year-end closing entries but the preliminary year-end surplus is \$205,002. If the Council passes the additional FY16 OPEB, the year will close closer to a \$169,445 surplus. Linda said it was great end to the year and that staff hopes to spend a chunk of the remainder to purchase the needed accounting software.

6. Schedule next meetings

Done while discussing the Budget Development Schedule (See Item #4).

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

Members discussed the possibility that towns obtaining broadband may need accounting/finance management assistance when setting up the various funding mechanisms necessary for billing residents and reporting to the DPU. Linda said this was something FRCOG could consider.

Linda reported that Atty. Donna McNichol discovered a \$6,164 trust account for the Franklin County Commission after her former partner found an old Greenfield Savings Bank passbook. The Executive Committee accepted the funds and staff would like to come up with some way to help towns. The money can't be used to balance budgets; only for programmatic or charitable purposes.

John P. moved to close meeting at 5:54 p.m. John O' Rourke seconded. Motion passed unanimously.

DOCUMENTS DISTRIBUTED:

- Agenda
- Minutes of 6/9/16 Meeting
- *Background Information for September 15 Meeting* memo, dated 9/13/16
- *FY16 Preliminary Fiscal Year End Report* dated 9/13/16
- *FY16 Vanguard OPEB Trust Fund Report*, dated 9/14/16
- *Budget Development Schedule*
- DPH Grant Funding Compromise Scenarios handout, dated 9/15/16