



Franklin Regional Council of Governments

Finance Committee — *MINUTES*

Date /Time:	Thursday, December 15, 2016 / 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
- **Michele Giarusso**, Leyden Representative
- **Kevin Fox**, Colrain Representative

STAFF:

- **Linda Dunlavy**, Executive Director
- **Pat Auchard**, Finance Director
- **Bob Dean**, Director of Regional Services
- **Dan Nietzsche**, Emergency Preparedness Coordinator

GUESTS:

- **Bill Perlman**, Chair, Executive Committee
- **Jay DiPucchio**, Regionally-elected Rep-elect

1. Adopt 10/26 and 12/1/16 minutes

Lynn S. opened the meeting at 5:30 p.m.

John O'Rourke moved approval of both the 10/26/16 and 12/1/16 minutes. Kevin Fox seconded. All minutes approved. John Payne abstained from approving the 10/26 minutes, and Lynn Sibley abstained from approving the 12/1 minutes.

2. FCECS budget and request for use of capital reserve

Bill Perlman and Dan Nietzsche outlined the FCECS issues and the reasons for the capital request. There are serious problems with the system to be addressed. Two major items to address: replacement of all GPS units and replacement of most antennas. Bill explained why the GPS units need to be replaced. Handout also explains the issues and the need for the GPS replacements. As they age the timing drifts more frequently. Must re-time the system more often. A request has been submitted to the Western Regional Homeland Security Advisory Council for funding for the GPS units; a cost up to \$67,500. A mix of antennas are used across the system. Some original system design decisions were not good. We have high power antennas producing overlap of coverage and destructive interference, or no coverage because of shadows of hills. We want to replace most of the antennas with the correct mix: a lower gain antenna that is omni-directional, and changing the position of antennas on the towers. Asking the FinCom for use of the FCECS Fund balance to purchase and install new antennas: an estimate of approximately \$69,000. Also discussed the FY18 proposed budget and the need to increase assessments to re-fund the fund balance for future equipment replacement. Handed out the assessment matrix spreadsheet and FCECS FY18 draft budget. Linda talked about the timeline of discussion about the issues with the system and the need for capital investment. Dan outlined the on-

going needs of repairs and replacement of other parts of the system. Discussion about the FY18 draft budget and the proposed 53% budget increase and how costs are allocated across all system users. John Payne moved to approve the use of up to \$77,000 for the project to replace antennas. John O'Rourke seconded. Passed unanimously

3. Review FY18 Budget Draft 1

Linda talked about the 1st draft of the FY18 budget and went over the information contained in the memo distributed to the FinCom, dated 12/12/16. We found out today that we will need to increase the audit line another \$2,500 to cover required OPEB audit next year. We are taking a conservative/pessimistic view of the future of federal grant funding and its impact on the budget. The proposed budget results in a 2.49% increase to regional services. But that will need to change in the 2nd draft due to impact of audit line increase. Question about the state's likelihood of changing the retirement costs for RPAs. Linda said she doesn't know. A committee formed to review the issue has not met yet. Why an 8% increase in statutory costs? A spouse was added late in the last FY. We absorbed that increase in the current budget. We may need to use reserve funds before the end of FY17 to cover that cost. Still need to confirm health insurance increase. Consensus on the Committee that the presented budget is doable. Linda asked, if health insurance or another number comes in higher, is your hope that we keep the assessment increase where it is? FinCom willing to hear the recommendations of staff as those numbers come in. Linda said she and Pat will keep the FinCom informed by e-mail when numbers need to change.

Linda and Bob talked about the proposed REPC and FCCIP budget proposals and the increases contemplated.

4. Discuss EQV

Pat presented two assessment worksheets, one using 2016 proposed EQVs and the other using 2014 EQVs. For the past six years, Pat has been using proposed EQVs based on a communication with DOR in 2011. At that time, DOR staff said that the state uses draft numbers in their own January city and town assessment figures. This year, Pat learned that there were no appeals filed. However, the 2016 EQV numbers won't be official until sometime in February of 2017. This year, Erving's EQV is proposed to increase by a large percentage. Should we use the old 2014 approved or the proposed new 2016 EQVs? Suggestion for the future is to codify the use of proposed vs. final EQVs so there is no question. Charter only says use the EQVs. It doesn't specify which EQV numbers to use. Linda will check the FRCOG bylaws to see what it says about EQVs and the possibility of amending. Consensus of the Committee to use the same process this year that has been used in the past six years and to ask the Council to codify the process for the future.

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

Pat handed out the latest OPEB report. There was no discussion.

Linda talked about the results of the state Efficiency & Regionalization grant. The good news is that the FRCOG's climate resiliency grant was approved with a 25% decrease in funds requested. Staff have adjusted the scope of work slightly to accommodate the budget reduction. The bad news is that the

state said no to our request for funding for new accounting software. We will work on a plan and cost figures going forward.

How will we prevent another computer virus like we experienced last week? We will send constant reminders to staff to not open attachments and links in questionable e-mails. Is there a best practice summary or dos and don'ts that could be shared with towns? We are working with Northeast IT on a best practices guide for Conway that can be shared with other towns. That project is in process.

Next Finance Committee meeting is January 12, 2017 at 5:30pm. Council members are invited to attend this meeting.

John Payne moved to adjourn meeting at 6:38p.m. Michele Giarusso seconded. Motion passed unanimously.

Meeting adjourned at 6:38 p.m.

DOCUMENTS DISTRIBUTED:

- Agenda
- Minutes of 10/26/16 Meeting
- Minutes of 12/1/16 Meeting
- *Proposal from the Franklin County Emergency Communications System Oversight Committee to the Western Massachusetts Regional Interoperability Committee*
- FRCOG FY18 Budget Memo
- FY18 First Draft FRCOG Budget
- FY18 First Draft FRCOG Budget w/new proposed EQVs
- FY18 First Draft Town Accounting Budget (correction)
- FY17 Vanguard OPEB Trust Fund Report
- FCECS Draft FY18 Budget Matrix spreadsheet
- FCECS Draft FY18 Budget