



# Franklin Regional Council of Governments

## Finance Committee — MINUTES

Date /Time:	Thursday, September 28, 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
- **Kevin Fox**, Colrain Representative
- **Jay DiPucchio**, Regionally Elected Representative

### STAFF:

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

### 1. Adopt 7.6.17 minutes

Lynn S. opened the meeting at 5:33 p.m.

**Jay P. moved adoption of the 7.6.17 minutes as amended. Kevin seconded. Members discussed/defined some terminology used in the minutes. Motion passed unanimously.**

### 2. SRBTF required vote of the full council – Finance Committee motion to recommend

SRBTF requires that the Counsel actually appoint the Director of Finance as a “custodian” for the OPEB Trust Fund. The law states the “Treasurer” shall be the Custodian, but SRBTF has this added requirement. Members discussed the logistics of moving just \$100,000 at a time — preferable to moving the money in one lump sum — and the problem of having to return to the Council for approval each time money is moved. They decided to add a provision to the suggested motion to continue to move the money from Vanguard to SRBTF if the SRBTF approves.

**John P. moved the Finance Committee recommend to the Council to resolve that the custodian of FRCOG’s existing OPEB Trust be directed to transfer a sum of \$100,000 from its Vanguard OPEB fund to SRBTF as an initial investment, and to authorize the custodian to continue to transfer Vanguard funds until all funds are moved from Vanguard to SRBTF, as long as this additional provision is acceptable to SRBTF. Jay seconded the motion, which was unanimously approved.**

The Fin Com tentative plan is to meet before the Council meeting if the SRBTF disapproves of the additional provision.

### 3. Town Accounting Budget Amendment

Bob Dean is requesting approval of an amendment to the FY18 Town Accounting program budget. Salaries have been adjusted because Joyce Muka has resigned and Mike Kociela is now on board. Also, Brian Morton to work extra hours to work through the kinks of the new software and Bob proposes a one-time payout for extra hours for him. *(See handout for additional details).*

Additionally, Abila MIP equipment purchased didn't include read-only software for town officials. Funding is needed for that and for more Zobrio (software) training for TA staff if needed. There's no change to budget's bottom line with this amendment; staff would be simply moving funds from within.

**Kevin F. moved that the Finance Committee endorse the amended FY18 Town Accounting Program budget as presented, which results in no change to the bottom line budget total. Jay seconded. Motion passed with all in favor.**

### 4. Request for funding to support FERC relicensing process

Linda explained that staff is potentially asking for 2 large pots of money. She reminded the Fin Com that they talked about devoting funding to involvement/watching/intervening in the (30-50 year) relicensure of FirstLight's Northfield Mountain Pumped Storage Hydroelectric facility about a year ago. Staff and the Exec Com feel our witness and advocacy is important for the health and vitality of the river and the communities that live along it, said Linda. Staff developed a scope of work plan, brought it to the Exec Com 9 months ago and forgot to bring back to Fin Com. Now they request \$10-15 thousand for staff time and meeting attendance, and to hire a consultant partially funded by the Connecticut River Conservancy. This is an effort to ensure we have a strong DEP water quality certificate, which is the state's way in to add teeth to FERC licensing. Staff believes our money is best spent by continuing to be part of negotiation process. Soon staff will ask for another \$8 -12 thousand.

Potential sources of funding:

- \$5,000 from budgeted program reserves (which LD has discretion to use for program projects in trouble).
- \$12,500 in reserves that the Fin Com has authority to use. With this option, Fin Com would go to Council to ask for from the undesignated fund balance for this unbudgeted project.

**John Payne moved recommendation to the Council to appropriate \$15,000 from the Unrestricted Fund Balance to the Regional Services budget for work related to FERC re-licensing." Kevin Fox seconded the motion which passed unanimously.**

### 5. Finance Director search process

Linda shared the proposed timeline and process (see handout) for replacement of Pat Auchard, Finance Director, who plans to retire March 30. Staff feels the job description, aimed to both represent Pat's work and match the FRCOG's bylaws and charter, is on the mark. Staff is looking into the Collins Center's HR recruitment consulting services and associated costs, and plans to announce the retirement at the Council meeting. Any possible new hire overlap with Pat is dependent on the person's experience and availability. The Exec Com recommended pursuing the Collins Center's (CC)

costs and processes. The CC creates a story of the environment and what's needed in a candidate and helps with ads and recruitment, using their network, at a cost of \$8,500.

Linda feels we need to understand what qualifications are needed but also think outside the box about who we want to attract, and perhaps be willing to hire someone who is good with numbers and trainable, knowing that public sector finance job attraction is challenging. Members shared their thoughts on a replacement's qualities and agreed that casting a wide net made sense. Pat thinks it's important to make sure folks understand the complexity of the job.

Kevin posed the question of the "fit" of the CC for the consultant job. Linda explained that the agency interviews staff to fully understand the type of person and qualifications needed for the job, creates a profile, and helps us to determine where to advertise using their network to assist. For more money, (\$4,000) they could also help with resume assessment and culling, but Linda feels staff can do this piece. Lynn agreed that resume review was a job best left for FRCOG staff.

John P. suggested having the CC take on the first part of the job and then reassessing "fit." Members suggested options for funding sources. Jay's inclination was to take money for the finance director search from the undesignated fund balance (currently \$744,664) rather than dipping into miscellaneous and contingency funds. Lynn agreed. Though the Fin Com has authority over the m&c funds, it's only September — early for using up that line.

Members discussed allocating \$23,500 from the general undesignated fund balance, \$8,500 of which to be used to retain the CC, and up to \$15,000 for FERC relicensing efforts (see Agenda Item #4). They realized, however, that using that scenario, they'd need to wait until Council approves the expenditure, which would mean starting the hiring process too late. The solution: Using \$8,500 from reserves and replenishing as needed from undesignated funds.

**John P. moved a transfer of \$8,500 from the miscellaneous & contingency budget, reserve line, into the Regional Service budget to retain the Collins Center for a Finance Director search. Kevin F. seconded. The motion passed unanimously.**

**John P. moved to recommend that the Council appropriates \$8,500 from the unrestricted fund balance to replenish the miscellaneous and contingency budget's Reserve line. Kevin F. seconded. The motion passed unanimously.**

## **6. Review Budget Development Schedule and Workbook contents**

Linda and Pat walked the committee through the FY19 workbook, section by section. Members pointed out minor errors, made suggestions for changes, and asked clarifying questions regarding:

- Schedule
- Fiscal Condition Summary (Executive Summary)
- Budget overview
- Current financial challenges and successes in programs
- Grants

- How to present the FY17 Year-End Unaudited Report

### **7. Schedule next meeting(s)**

The next meeting will be held November 30. If there is an issue with the SRBTF board approving the final provision added to the motion regarding movement of OPEB funds from Vanguard to SRBTF (see agenda item no.2), a Fin Com meeting may be held before the Council meeting on October 19.

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

**FCECS Update:** The equipment is obsolete. We need to reassess our plan to buy and replace antennas. Should we move to 800MHz (and to the state system) quickly? Should we rebuild 450 MHz system and replace antennas? Or should we use the money to go into design and engineering of a new system? If we stay with 450 MHz, the best way to do it may be to design/build with a performance guarantee. If don't go into catastrophic failure, we might get a grant to build a new system. This only works if system doesn't fail between now and then. We don't want to be owner as it will fail every 10 years. A bond process may be the only way to fund a replacement. Linda told the committee there's a possibility that we'll ask for an emergency fin com meeting as we move forward on this.

**Jay D. made a motion to adjourn. Kevin F. seconded and the meeting adjourned at 7:53 p.m.**

#### **DOCUMENTS DISTRIBUTED:**

- Agenda
- Minutes of July 6, 2017
- SRBTF Required Council Vote Memo, dated September 27, 2017
- FY18 Town Accounting Program Budget Amendment Memo, dated September 28, 2017
- Request for Funding to Enable FRCOG Participation in the FERC Process memo, dated September 5, 2017
- Recruitment for FRCOG Director of Finances draft *Scope of Services* agreement, dated September 26, 2017

#### **DOCUMENTS AVAILABLE FOR COMMITTEE REVIEW:**

- FY19 Budget DRAFT Budget Development Workbook Slideshow