

## Fiscal Year 2019 Budget Notes

### Note # *Cover page - Budget Summary*

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1	FRCOG Core Assessment	This draft budget results in a Core/Regional Services Assessment increase of 2.47%
2	Use of Capital Reserves	Our IT consultant has identified needed upgrades that are not ongoing operational costs. The Finance Committee has agreed to recommend the use of Capital Reserves Fund Balance. The bottom of the cover page shows the resulting Capital Reserves.
3	FRCOG Statutory	There was a policy coverage change that reduced the budget. In FY19, new retiree costs are budgeted in the Pooled Benefit OPEB line and addressed with page 14 notes.
4	Agency-wide indirect	Our federally approved indirect rate is based on the most current year's historical, audited data (FY19 is based on FY17 financials). The audited rate for FY19 is lower than the FY17 rate, which will bring in less indirect revenues.

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### Note # *Page 4 - Regional Services*

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5	Personnel Wages	The budget's wages include a 2% increase and a decrease of administrative support hours.
6	Local Planning and Out of Program	These two lines are for staff to work on special unfunded projects, to pursue new funding sources, and for internal staff IT support. Additional funds become available when Regional Services staff direct charge to grants.
7	Longevity	Proposed reduction in longevity addressed with page 14 notes.
8	Group Insurance	Health insurance is budgeted with a less than 5% increase. With the retirement of the director of finance, this budget increases for a new position's potential of increased coverage.
9	FRTC Lease	Historical costs increased in FY17 but that information was not in time for creating the FY18 budget. The accountant from FRTA has recommended that we increase our monthly costs from \$7,500 to \$8,000, to avoid the need to find funds at the end of a fiscal year to cover costs. This budget follows that recommendation.

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### Note # *Page 5 - Miscellaneous & Contingency*

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10	General and Workers Comp Insurance	We are estimating a 5% increase over FY18 actuals.
11	Capital Reserve Fund Balance for IT upgrades.	As explained on Item 2, we are advised of needed IT upgrades.

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### Note # *General - Program Budgets*

Note: all budgets reflect a 2% pay increase. The following notes only address other items of significance.

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### Note # *Page 8 - Cooperative Public Health*

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12	Indirect	We have budgeted in anticipation of filling a new position with the potential of needing an increased level of coverage.
<b>Note # Page 10 –Town Accounting Program</b>		
13		A retirement in the spring was filled with existing staff and a new part-time hire. This program is also looking to increase staff with another part-time hire. With the retirement of a co-program manager, the goal is to free up the existing program manager to have more time for programmatic oversight.
14		The retirement of a benefitted person reduced health insurance for this program.
<b>Note # Page 11 - Franklin County Cooperative Inspection Program</b>		
15	Wages	In FY18, this budget increased for transitional planning staff time. We expect the transition to finalize by the end of FY18. The reduction in Wages is due to the removal of transitional planning costs.
16	Indirect	The indirect decrease is due to the above noted decrease in transitional staff.
<b>Note # Page 12 - Franklin County Emergency Communication System</b>		
17	FCECS	FCECS Oversight Committee has approved this budget.
<b>Note # Page 14 - Accrued Benefit Pool</b>		
18	Accrued time	Accrued time is vacation, holiday, sick, personal, and agency related time (staff meetings, inclement weather). We increased the budget due to historical data from FY17.
19	Retirement or OPEB	We estimate a 5% factor on payroll. If we do not need this line for a retirement assessment, it goes into the OPEB trust.
20	DET-Health Insurance	This DET charge is mandatory and in past years, it was combined with Unemployment. The fee, inadequately budgeted for in FY17, will also double in 2018. For this reason, we decided it best to have a separate line.
21	Group Insurance	The increase is based on current and anticipated costs with proposed increases from the Hampshire Insurance Trust.
22	Longevity	The Personnel and Finance committees have recommended a reduction in Longevity bonuses (for benefitted staff after 10 years of service) from \$1,000 to \$500.
23	OPEB	FY19 will mark the beginning of several new potential retiree health insurance costs. The actual costs will reduce OPEB and the estimated costs are shown on a separate budget line.