



# Franklin Regional Council of Governments

## Personnel, Executive & Finance Committee —*MINUTES*

Date & Time:	Thursday, December 10, 2020 at 4:15-6:15 p.m. <b>4:15 to 5:00 p.m. – Personnel Committee</b> <b>5:00 to 5:15 p.m. – Executive Committee</b> <b>5:15 to 5:45 p.m. – Finance Committee joins meeting</b> <b>5:45 to 6:15 p.m. – Finance Committee completes business</b>
Location:	Remote meeting using videoconferencing technology
Facilitator:	<b>Bill Perlman, Jay DiPucchio, Lynn Sibley;</b> Chairs

**Personnel Committee Representatives Present:**

- Bill Perlman, Chair, Regionally Elected
- Bryan Smith, Erving Representative
- Kaycee Warren, Deerfield Representative

**Executive Committee Representatives Present:**

- Jay DiPucchio, Chair, Regionally Elected
- Jim Basford, FRPB Appointee
- Bill Perlman, Regionally Elected
- Kevin Fox, Colrain Representative

**Finance Committee Representatives Present:**

- Lynn Sibley, Chair, Whately Representative
- Jay DiPucchio, Regionally Elected
- Kayce Warren, Deerfield Representative
- Ellen McKay, Shutesbury Representative
- Kevin Fox, Colrain Representative
- Michele Giarusso, Leyden Rep., (5:23 p.m.)

**Staff Members and Guests Present:**

- Linda Dunlavy, Executive Director
- Claire McGinnis, Finance Director
- Rebekah Boyd, Admin Services Coordinator
- Bob Dean, Admin Services Coordinator

<b>1. PERSONNEL COMMITTEE: Review and adopt 10.15.20 minutes</b>	Bill P.
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Bill P. convened the meeting at 4:15 p.m. **Bryan moved adoption of the 10.15.20 minutes as amended. Kaycee W. seconded the motion, which passed with all in favor by roll call vote.**

<b>2. Discuss budget priorities</b>
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Staff reported that with an increase in staffing, and the accompanying indirect revenue to the General Fund, balancing the budget has not been difficult. Because FRCOG will have surplus again this year, they are asking the finance committee to consider leveling or reducing the regional services assessment for member towns.

**Competitive Market Index (CMI)**

The committee discussed wage increases. A number of variables were considered: the low Northeast Consumer Price Index (1% nationwide, 1.6% in Northeast), low social security increase, the challenge of

recruiting staff possibly related to salary levels, the optics of increasing wages while not increasing the assessment to towns, and the need to compete with other similar agencies, state- and region-wide.

**Bill P. moved recommending a 2.5% CMI increase to the Finance Committee. Bryan S. seconded the motion, which passed with all in favor by roll-call vote.**

### **Organizational Assessment Study**

Community Paradigm Associates (CPA) consultants, hired to assess FRCOG's structural organization, are drafting the study now. In discussion with staff, CPA recommends creating a Deputy Director position focused on internal operations, and altering the Executive Director's position to that of one focused primarily on advocacy and other external affairs. They also recommend hiring a communications/social media position, possibly shared with another entity like the Pioneer Valley Planning Commission in Springfield. Staff said building a budget that accommodates a highly paid deputy director would be very challenging, unless other structural changes are made. Additional recommendations, as well as a summary of CPA's findings about COG strengths and opportunities, are expected in the written report.

### **OPEB (Other Post Employee Benefits)**

Claire shared a slide showing that OPEB is on track to become 80% funded in 5 years. The plan has been to allocate 5% of payroll to the OPEB account. This is a Personnel Committee matter because it funds retiree health insurance. With next year's actuarial study, and so many new staff, the liability will rise again; in essence, it is a moving target. The committee expressed admiration for FRCOG's OPEB planning and action. Linda said legislation filed to require state planning agencies to pay 5% of payroll to the state treasurer's office is expected to die in committee. The Massachusetts Association of Regional Planning Agencies (MARPA) will soon bring a counter filing to legislators, to protect all planning agencies that would struggle, some to the point of bankruptcy, if they had to pay the 5%.

### **Health Insurance Expectations**

Hampshire Group Insurance Trust (HGIT) hasn't increased its employer share in several years. Staff used a 3% increase in the draft FY22 budget. The committee felt comfortable with that assumption, appreciating the flexibility it gives FRCOG.

### **Other Personnel Benefits**

Linda noted that at some point the committee will likely explore COVID-19 vaccination for FRCOG staff, when the safety and efficacy of the vaccine is better understood and it is generally available. The Small Town Administrators of Massachusetts (STAM) association leadership is discussing employer options of requiring employee vaccination for workplace safety now, Kayce reported.

## **3. Prep for January Council meeting**

### **Personnel Policy Changes**

The Personnel Committee will bring the "Work Location" Personnel Policy language to the full FRCOG Council meeting in January for a second reading.

## Juneteenth

This topic of discussion is stalled as changes to the state's celebration of the historical date evolve. The main question for the committee to consider, once more information is garnered, is whether to add Juneteenth as a Massachusetts paid holiday or to offer it as an option among two other holidays.

### 4. EXECUTIVE COMMITTEE: Review and adopt 11.12.20 minutes

Jay. D convened the meeting at 5:00 p.m. **Bill moved adoption of the 11.12.20 minutes as presented. Jim B. seconded the motion, which passed with all in favor.**

### 5. Vote to sign county road relocation Order of Layout for Conway, Summer, and South Streets; and Conway Road in Buckland.

Bob Dean reminded the committee that they have yet to sign the road relocation Order of Layout discussed in the previous meeting. He explained that the Order is primarily complete, but the surveyor's notes are yet to be included.

Having read the current contents of the document, **Bill P. moved to accept and sign the Order of Layout provisionally, allowing Bob to make the final judgement about its completion. Jim seconded the motion, which passed with all in favor.**

### 6. Brief updates and discussions:

#### **Paid Holidays Policy/Discussion of AAR**

With more information needed, the committee agreed to revisit these **topics** at a later date.

#### **CoMIRS (Commonwealth Interoperable Radio System) Update:**

- The final two towns -- Hawley and Monroe -- have signed MOAs with the FRCOG, which allows the FRCOG to now apply to EOTSS for the \$2.7+ million grant for equipment.
- With new quotes from Motorola, Montague and Greenfield have each requested approximately \$36,000 worth of upgrades for their dispatch centers, in preparation for the migration to CoMIRS.
- FRCOG is currently hosting the vendor fair for radio equipment in our large meeting rooms so emergency responders can preview equipment and decide which vendor to use for the new radios.
- Police departments have provided the serial numbers of equipment to be replaced, with the fire departments' numbers trickling in.

#### **Housing and Redevelopment Authority (HRA) Appointment**

After review of her recommendation, **Bill P. moved reappointment of Leslie Brown to the Franklin and Hampshire Regional Housing & Redevelopment Authority Board of Commissioners. Jim B. seconded the motion, which passed with all in favor by roll call vote.**

#### **COVID-19 After Action Report**

The FRCOG is submitting paperwork requesting authority to be a vaccine distributor. The level of FRCOG's involvement is still unclear, but it is currently expected that it won't happen until phase 3, likely several months from now. With DPH funding, FRCOG and local Boards of Health have created

Emergency Dispensing Sites and uses flu vaccine clinics over the past 10 years to prepare for an emergency dispensing event. At this year's flu clinics, double the number of vaccines were given (2,000 instead of the average annual 1,000). The increase in need resulted in our public health nurse working an extra 200 hours, so FRCOG administration is trying to figure out how to distribute vaccine and take care of the well-being of public health staff simultaneously. The Emergency Prep Program recently completed a COVID-19 after action report, assessing their work since March. This exercise, which helped staff to think about what they've learned since the start of the pandemic and how they can improve, will inform vaccination activity. More next month.

**Jim Basford moved adjournment of the Executive Committee portion of the meeting, Bill P. seconded, and the motion passed with all in favor. Meeting adjourned at 5:12 p.m.**

#### **7. FINANCE COMMITTEE: Review and adopt 9.30.20 & 10.8.20 minutes**

Lynn convened the meeting at 5:15 p.m. **Jay D. moved adoption of the 9.30.20 & 10.8.20 minutes as presented. Kayce W. seconded the motion, which passed with all in favor by roll call vote.**

#### **8. Review of FY20 close ; FY21 Year to Date report**

Claire explained that FRCOG closed FY20 in good fiscal shape in mid-November, after the state finalized the Health and Medical Coordinating Coalition's year-end. The audit is in full swing now, occurring primarily remotely. Having reviewed the FY21 year-to-date report prior to the meeting, the committee had no questions.

#### **9. Discuss FY22 budget priorities**

##### **Competitive Market Increase (CMI)**

Bill reported that the Personnel Committee voted to recommend that the Finance Committee increase salaries by 2.5%, in an effort to retain current staffing and entice retiree replacements. Jay added for consideration that the Consumer Price Index was 1.9%.

**Jay moved to accept the Personnel Committee's 2.5% wage increase recommendation, directing staff to build the budget with that figure. Ellen seconded the motion, which passed with all in favor by roll-call vote.**

##### **Health Insurance Expectations**

Claire asked for recommendations for a health insurance funding figure, reporting that in the draft budget, she used 3% as a placeholder. The Hampshire Group Insurance Trust currently has a healthy fund balance and it has not increased its assessment in several years, a practice that Claire felt would eventually draw pushback from unionized subscribers. With an increase predicted, members felt 3% was a good starting place and planned to revisit the figure in January, when more was known.

##### **Other Post-Employment Benefits (OPEB)**

Claire shared a slide that measured the OPEB liability and the fund's growth to date, and over time, using an annual allocation of 5% of payroll. The liability is currently 59% funded and the goal is to reach 80% in several years -- although the upcoming actuarial study will increase the total liability, she noted. Responding to member questions about the legislation that would require FRCOG to pay an assessment to the state retirement system, Linda explained that with so many other priorities, that

legislation is not expected to move forward in this legislative session. MARPA has drafted counter legislation for next session, to protect planning agencies from a devastating assessment.

### **Implementation of Organizational Assessment Study**

Along with working to attract competitive replacements for a slew of retiring employees over the next few years, the Community Paradigm Associates study will recommend hiring:

- An *Deputy Director*, to handle internal operations, while the Executive Director focuses more on advocacy and external operations
- A *Public Information Officer*, to maintain consistency across all agency communications on the website, in the press, and on social media.

With a strong FY21 close predicted, and significant indirect revenues accrued (with 3-4 employees hired over the last 2 years), Linda and Claire suggest funding the part-time Public Information Officer position in FY22. To afford an Deputy Director position, however, they feel the agency must change how other administrative positions are financed. One way to achieve this, they explained, is to have department heads bill some of their time to grants and municipal programs, which should, over time, decrease administrative costs, and make the agency less top heavy. Jay asked about the outcome if state and federal grants dried up.

### **Regional Services Assessment**

Because indirect revenue has been considerable, FY21 will end with a \$100,000 surplus, if grant programs maintain their health. Staff explained that although it may seem counterintuitive, they suggest the committee consider decreasing the regional services assessment by up to \$100,000. For FRCOG to remain competitive and draw the best people to new and vacating positions, higher salaries, like those of comparable agencies, must be offered. Towns might find that expense hard to accept. Staff would therefore like to send the message that they don't intend to fund higher salaries on the backs of member towns. Reducing the regional assessment is an opportunity to demonstrate this commitment.

Members discussed depressed wages in Franklin County, pleasure with the regional services proposal, and concern over the riskiness should grant opportunities disappear. Lynn suggested that having the department head bill to grants presents the true cost of a program, but wondered how that will impact participating towns and FRCOG's municipal programs. Linda reported that the biggest concern is funding the already struggling Accounting Program, as all other programs are currently either grant funded or have surpluses. Members of the Health program are also quite sensitive to assessment changes, Claire noted.

Understanding how hard it is to catch up, and with concern over big holes in state and federal budgets, Jay suggested halving the assessment return to \$50,000. Members requested staff work up a number of scenarios for them to look at on paper at the next meeting.

### **10. Business not reasonably anticipated 48 hours in advance of meeting**

No unanticipated business was discussed.

**Ellen moved adjournment of the Finance Committee, seconded by Kayce, and passed unanimously. Meeting adjourned at 5:58 p.m.**

**Kaycee moved adjournment of the Personnel Committee, seconded by Bryan, and passed unanimously. Meeting adjourned at 5:59 p.m.**

**Documents Distributed:**

- Personnel, Executive & Finance Committees Agenda
- Draft 10.15.20 Personnel Committee minutes
- Draft 11.12.20 Executive Committee minutes
- Draft 9.30.20 & 10.8.20 Finance Committee minutes
- *Order of Layout and Taking* for Conway, Summer, and South Streets; and Conway Road in Buckland
- Letter from Gina Govoni, Franklin and Hampshire County Housing and Redevelopment Authority Executive Director, dated 11.17.20, requesting reappointment of Leslie Brown to the HRA board of commissioners.
- Memo from Claire McGinnis to the Committees dated 12.8.20.20.
- General Fund report for period ending November 30, 2020.
- Municipal Fee Services report for period ending November 30, 2020.
- Fee-For-Service Program reports for period ending November 30, 2020.
- OPEB Trust presentation, Claire McGinnis dated 12.10.20

*Minutes taken by Rebekah Boyd.*