



# Franklin Regional Council of Governments

## Joint Personnel & Finance Committee Meeting —MINUTES

Date/Time:	Thursday, December 2, 2021. 5:10- 6:30 p.m. <b>5:10 to 5:30 p.m. — Personnel Committee</b> <b>5:30 to 6:30 p.m. — Finance Committee joins meeting</b>
Location:	Meeting held remotely using Zoom
Facilitator:	<b>Bill Perlman, Personnel Chair; Kevin Fox, Finance Vice Chair</b>

### Personnel Committee Representatives Present: (one vacancy)

- Kayce Warren, Deerfield
- Bill Perlman, Regionally Elected
- Bryan Smith, Erving 4:41 a.m.

### Finance Committee Representatives Present: (one vacancy)

- Kevin Fox, Colrain
- Kayce Warren, Deerfield
- Lynn Sibley, Whately
- Ellen McKay, Shutesbury
- Jay DiPucchio, Regionally Elected

### Staff Members Present:

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

### 1. PERSONNEL COMMITTEE: Review and adopt 11.2.21 minutes

Bill P. opened the meeting 5:13 p.m. **Kayce W. moved approval of the minutes of 11/2/21, seconded by Bryan S. Motion passed unanimously by roll-call vote.**

### 2. Review CPI

Using the Northeast Region Consumer Price Index (CPI) figures to guide them, members previously considered a cost-of-living-type salary increase for FRCOG employees of between 4 and 5%. Now, Bill P. pointed out the index gauge used annually to make salary increase decisions, stands at 5.6%

Claire’s preliminary analysis found a 4% raise was affordable across the board without increasing the membership assessment and keeping Municipal Service Fee-for-Service (FFS) assessment increases under 2.5%. One challenge to significant raises in the Municipal Service programs is that they are staff-intensive, making it difficult to raise staff salaries without also raising fees or assessments for those programs. Personnel Committee members discussed this option. Bill felt increases less than the regional CPI would amount to cutting salaries due to the sharp rise in cost of living, and adding that it was contrary to the goal of raising salaries to remain competitive and retain staff, another of the committees’ initiatives.

### 3. Discuss proposed salary adjustment strategy

One current strategy being considered for boosting FRCOG employee salaries for competitiveness is to move the salaries of long-timers to a more appropriate position in their salary grade, if they don't already occupy or surpass that position. Using this model, those with:

10 years of service, (< 15) — move to 25% of their salary grade

15 years of service, (< 20) — move to 50% of their salary grade

20 years of service, (<30) — move to 75% of their salary grade

Some top position grade ranges may need to be re-examined, and corrected, as research shows even the top level of the current range appears to have fallen below the competitive market. The executive director grade is one of these.

Bill concluded the Personnel Committee portion of the meeting, adjourning at 5:32 p.m.

#### **4. FINANCE COMMITTEE: Review and adopt 10.7.21 minutes**

Kevin F. opened the joint meeting 5:32 p.m.

**Jay D. moved approval of the Finance Committee minutes of 10/7/21, seconded by Kayce W. The motion passed unanimously by roll-call vote.**

#### **5. Match commitment for 2-year EDA grant application**

Jessica Atwood reported that through a supplemental planning grant from the US Economic Development Administration (EDA), FRCOG was able to hire a second staff person – Keith Barnicle, Economic Development Special Projects Planner – to work on economic development planning tasks, including the creation of the county's Economic Recovery and Resiliency Plan. This position started in October 2021 and is funded through June 30, 2022. Staff would like to apply for an ARPA-funded economic development grant to continue the position and fund pursuit of economic priorities for two additional years. Receipt of this grant would significantly increase the economic-development planning program's capacity to accomplish projects such as:

- Direct technical assistance to help municipalities/districts pursue water or wastewater infrastructure projects
- Identifying new industrial land that leverages existing infrastructure and meets industry demand
- Developing a digital toolkit for use by local governments, business groups, and regional entities to support business growth
- Implementation of Deerfield River Outdoor Recreation Study recommendations

This EDA funding opportunity requires a non-federal funding source to match 20% of the total project cost. At the time of application, FRCOG must attest to having the total match in-hand and committed to this proposal. The total two-year project cost is \$220,200. Thus, a \$44,040 non-federal match commitment is required. Staff reminded the committee that FRCOG built a cash-match line into the budget for several years, although the agency always tries to use other sources of match first, before tapping into that reserve account. Many grants with match requirements allow the time that department heads spend on associated tasks to count as match, some allow the cost of staff benefits or agency indirect as match, and some grants allow other grants with similar scope to count as match. As a result, if the FY22 budgeted amount remains fully unused, the year-end grant match reserve account balance will be \$51,206. With that, FRCOG can commit to providing a \$44,040

match. However, in hopes of not depleting the full reserve, staff will use other sources, like those described above, if contractually allowed.

Members were enthusiastic about the EDA application proposal and the group discussed possible ways to provide the requested non-federal match, and the possibility of the Finance Committee voting at year's end to replenish the grant-match pot if match funds are found through another source. The committee tweaked the text of proposed motion, but agreed to return to the original motion should the Executive Committee (voting next week) or the EDA require it.

**Lynn S. moved to commit \$44,040 of FRCOG reserve funds for the purpose of providing non-federal match for an award from the U.S. Economic Development Administration's FY21 American Rescue Plan Act (ARPA) Economic Adjustment Assistance funding opportunity, and to commit that said funds will be available as needed, and not conditioned or encumbered in any other way. Ellen M. seconded the motion, which passed with all in favor by roll-call vote.**

#### **6. Update Finance Committee on FY23 salary-related issues:**

##### **Current CPI**

Claire reiterated what was discussed in the November Personnel Committee meeting: She was asked to evaluate in a preliminary way a cost-of-living type raise, of between 4-5% using the CPI as a guide. For all but the most vulnerable of programs, Claire found raises between 4-5% to be possible, and without raising municipal assessments, and not increasing fee-for-service program assessments by more than 2.5%. Her formula used a 1% group insurance increase and 5% of salaries going to OPEB. Since then, CPI has gone up to 5.6%.

Jay allowed that he has just decided to give his employees a 5.5% increase, saying at some point businesses and towns have to bite-the-bullet and treat people right. Because inflation hits everyone equally, Kevin asked about taking 5% of salaries in total, and then divvying that sum out equitably, thus narrowing the spending power gap between staff at the with lowest income levels and those at the highest levels. Bill agreed that the increase is more important to some than to others. Jay replied with his thinking that salary structures are based in the value of employees, so salary A has lost 5% of value in the same way as salary C. Base salaries were established, and 5.5% should be applied equally to all salaries, he said. To do otherwise suggests the salary structures are not correct.

Lynn asked if the (3%) budgeted increase in the Group Insurance line last year could be carried over into this year's budget, as insurance the costs didn't increase as estimated. Claire said the agency has since added several benefitted positions, which amounted to no decrease and no significant increase in the end. She expressed some concern about the FMLA pool, however.

Bill advocated for 6% salary increases, pointing out that a July 2022 increase, for a cost of living that has risen between Nov 2020-Nov 2021, has staff members always trying to catch up. Members discussed this idea. The consensus was to build a budget at that level so the committee can look at the impact on assessments and programs and make a decision at its next meeting,.

##### **Executive Director and Transportation Planning (3C) Salary Survey**

Linda explained that as staff are thinking about retirement and succession, and in an effort to be able to finally compare apples to apples with some programs in other regional planning agencies, she has

gathered the figures offered by those recently seeking to recruit her. Likewise, Maureen Mullaney is conducting a salary survey of transportation planning department positions.

#### **7. Proposed salary adjustment strategy**

Linda repeated for the Finance Committee the 2-year plan to improve the salaries of long timers by using a grade repositioning strategy/structure (outlined above in item 3). Lynn remarked that as long as the impact isn't great on towns, there should be no argument. Members discussed strategy for presenting the budget at the upcoming Council meeting

#### **8. Finance Committee discussion of FY23 budget strategy**

Claire proposed creating an outline of the impacts discussed by the middle of December or in early January. She suggested she could send the figures on the 10th, which would give the committee time to meet on December 16, if possible. The committee approved of this plan.

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

##### **Building Costs**

Lynn asked about progress on analysis of building expenses. Staff said attention has been focused on other issues, but that they intend to examine this when possible.

##### **Retirement System Legislation Update**

Linda provided an update.

**Ellen M. moved to adjourn, seconded by Lynn Sibley, with all voting in favor by voice vote. The meeting adjourned at 6:44 p.m.**

##### **Documents Distributed:**

- Agenda
- Personnel Committee minutes of the 11.2.21 meeting
- Finance Committee minutes of the 10.7.21 meeting
- Memo from Claire McGinnis to the committee dated Dec. 8, 2021, with FY22 General Fund and Municipal Fee-For-Service Expenses and Revenues to-date attached.

*Minutes taken by Rebekah Boyd.*