

# Franklin Regional Council of Governments



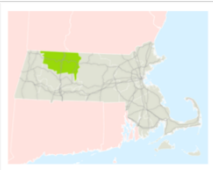
*Towns Sharing to Provide Better Service & Save Money*

Association of Town Finance Committees  
October 21, 2017

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## Franklin County

- Franklin County is the most rural county in MA.
- 71,372 people, 725 square miles, 26 towns.
- Greenfield – 17,456 residents; Monroe – 121 residents.
- 22 of 26 towns have population under 5,000; 19 under 2,000; 8 under 1,000.



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## Franklin Regional Council of Governments



- Former county government, now a municipal voluntary membership organization.
- Mission is to serve the region and the 26 municipalities of Franklin County.
- Services include:
  - Regional planning (RPA for the region)
  - Regional preparedness and emergency planning
  - Teen health
  - Legislative advocacy
  - Municipal services
  - Local technical assistance

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## FRCOG Municipal Service Programs

- Small towns have difficulty attracting and retaining qualified, part-time staff.
- Small towns may have difficulty meeting state and/or federal mandates.
- Sharing reduces price, improves quality, or both.
- FRCOG Programs as Host Agency:
  - Town Accounting
  - Public Health Service
  - Cooperative Inspections
  - Collective Purchasing

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## FRCOG Municipal Service Programs

- FRCOG determines service and staffing levels, hires and supervises staff.
- Pooling town needs allows the FRCOG to offer competitive salaries and benefited positions to attract qualified, experienced personnel.
- All programs are voluntary, opt-in.
- Towns pay for service based on an assessment formula:
  - Fixed fee for service
  - Historical use
  - Average weekly service level need

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## Franklin County Shared Service Examples

- FRCOG Collective Purchasing Program
- FRCOG Town Accounting Program
- FRCOG Cooperative Public Health Service
- South County Ambulance Service
- Shared Fire Chief
- Regional Dog Kennel
- Shared Human Resources

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## FRCOG Collective Purchasing Program

- Fee-for service program used by municipalities, districts and not-for-profits
  - Bidding, Contracting & Troubleshooting
- FRCOG CPO and certified MCPPO
- Economies of scale
- Adherence to procurement laws
- Consultation services

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## FRCOG Collective Purchasing Program

- Highway products and services
  - Towns pay a fee to participate and can ask for pricing on any number of the 25 separate yearly bids
  - FRCOG contracts with vendors after award approved by towns
  - Contract management and troubleshooting as needed



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## FRCOG Collective Purchasing Program

- Fuel Products
  - Heating oil, Gasoline, and Diesel fuel
  - Fee charged per bid
- Dog Licenses and tags
  - Fee per bid
  - FRCOG Buys in bulk & towns reimburse cost
- Elevator maintenance & Fire alarm testing



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## FRCOG Collective Purchasing Program

- Direct consulting to public entities
  - Advice or complete procurements
  - Adherence to procurement laws
  - Can be quicker and cheaper than town staff
    - Local staff often not procurement specialists
    - Occasional or big ticket purchases not usually handled locally

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## FRCOG Town Accounting Program

A fee-for-service program initiated by the FRCOG in 2005 to respond to the needs of Franklin County communities for professional accounting services

- Program began with 4 towns and 2 part-time accountants
- In FY2018 we serve 12 towns
- 6 staff: 1 full-time and 5 part-time (3.6 FTE)



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## FRCOG Town Accounting Program

- Towns participate through a contract agreement with the FRCOG
- Each Town officially appoints a specific FRCOG staff member as its Town Accountant
- The FRCOG is the host agency that administers the program

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## Shared Accounting Software

- FRCOG contracted to provide *Abila MIP* software to the participating towns
- Software license agreement allows towns with populations under 2,000 to use FRCOG software license at a reduced rate
- Participating towns must convert to *MIP*
- Consistent set of policies, procedures and chart of accounts across all towns

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## Shared Accounting Software

- Software is stored on a server at FRCOG offices in Greenfield and accessed remotely
- Remote access allows program staff to work from multiple locations, increasing efficiency
- Data is fully secure, backed up daily, and available 24/7
- Read-only access for local officials, available 24/7

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## FRCOG Accounting Program Budget & Assessments

- Operates like an enterprise fund
- Participating towns share all program costs: staff salaries, benefits, operating expenses and overhead
- Towns are assessed the entire program budget through a formula based on anticipated hourly needs per week per Town, averaged over the fiscal year
  - i.e. some towns need 11 hours per week, some less, based on size of warrants, enterprise funds, CPA, etc.

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## FRCOG Cooperative Public Health Service (CPHS)



**Public Health**  
Prevent. Promote. Protect.

- Regional health district serving 11 towns in Franklin County with 1FT and 1 PT Health Agent, and 1 Public Health Nurse
- Commonwealth's first hybrid health district allowing for both full and incremental membership
- Online permitting for all public health permits, food inspections done on tablets and data stored in a database.
- Governed by Oversight Board from member towns.
- The CPHS has four public health programs towns can join:
  - Community Sanitation -- camps, housing, lead, hoarding
  - Food Safety -- food inspections, temporary food events, B&Bs, schools
  - Title 5 and Private Well Safety -- septic system plan review and protections, private well permitting
  - Public Health Nursing -- infectious disease control, MAVEN, flu clinics, chronic disease prevention, nursing home prevention

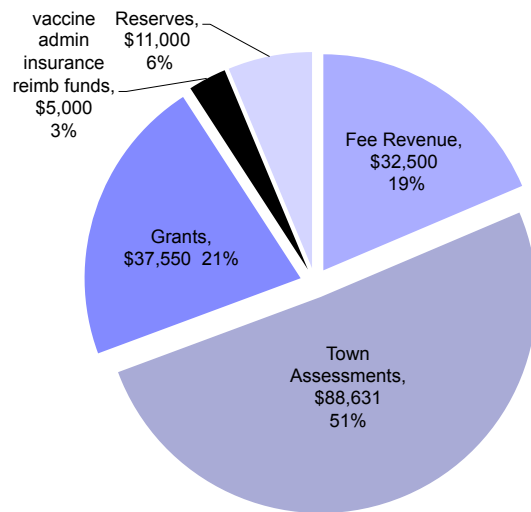


## FRCOG CPHS Formula

### CPHS Formula:

1. Calculates a full budget for the year
2. Divides it up by town population size
3. Takes out the cost of the programs that a town does not use
4. Calculates a percent ownership for each town
5. Gives discounts for:
  - a) Permit revenue earned (for towns that use agents)
  - b) Grant funds
  - c) Reserve funds for formula fairness transition
  - d) Vaccine reimbursement funds

## CPHS FY17 Revenue Sources





## South County Ambulance Service

- FRCOG committed DLTA funds for study
- Town officials were committed to making it work – history of working together
- Planning group developed the plan for a shared service
- Deerfield is municipal host
  - IMAs with Whately and Sunderland
  - Deerfield is employer and fiduciary agent



## Shared Fire Chief



- Wendell faced retirement of P/T Fire Chief
- Formed a transition committee to explore needs and options in a very small town
- Explored sharing with other nearby towns
- Found a partner in New Salem
- FRCOG committed DLTA funds to develop agreements, job description, etc.

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## Shared Fire Chief

- Each town separately employs same person as part-time chief
- Agreement establishes method of sharing costs
- History of sharing
  - school & town administrator
- Win-win-win



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## Regional Dog Shelter & Adoption Center



- Hosted by the FC Sheriff's Office
  - Directed by an ACO
- Serves 18 towns – each pays a small yearly fee and signed an agreement to pay vet bills
- Provides a safe place for local animal control officers to bring dogs.
- Lots of volunteers and donated supplies
  - Friends of the Shelter

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## Regional Dog Shelter & Adoption Center

- FRCOG used DLTA funds to facilitate the planning process
- FRCOG state grant helped fund start-up costs
  - Materials, equipment, & supplies
  - Leveraged \$75K investment through Sheriff's budget
- IMAs between Sheriff and Towns
- Advisory committee – Town reps, twice a year

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## Shared Human Resources

- DLTA and CCC project – In progress
- 6 towns interested so far
- Collins Center survey of Town needs/wants
- Analysis of potential options:
  - To provide service
  - To pay for service
- Prepare detailed program description, cost estimates and draft legal agreement
- Meet with interested Towns

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## Resources

- DOR Division of Local Services
  - List of Statutes Providing for Regionalization
  - Community Compact Assistance
  - Technical Assistance
- Your State Legislators – special legislation
- MARPA website: [www.regionalbestpractices.org](http://www.regionalbestpractices.org)
- Regional Planning Agencies – DLTA grant projects
- State 911 Department Grants
- Massachusetts Municipal Association
- Collins Center for Public Management at UMass Boston
- State & Federal Agencies – laws, regulations, grants

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## Contact



Bob Dean

Director of Regional Services

Franklin Regional Council of Governments

12 Olive Street, Suite 2

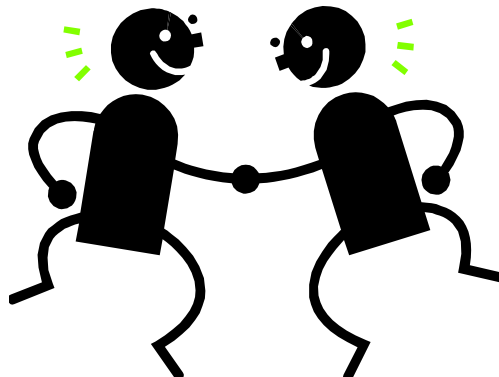
Greenfield MA 01301

Tel: 413.774.3167 extension 108

[bdean@frcog.org](mailto:bdean@frcog.org)

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## How to Get to Sharing Services



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## Take Advantage of Opportunities to Share

- Share cost of implementing state and federal mandates and policies
- Align service contract terms with other municipalities & bid for service collectively
- Start with low risk, relationship-building ventures

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## Take Advantage of Opportunities to Share

- Take advantage of staff attrition and retirement
- Formalize existing hand-shake agreements
- Implement recommendations from regional plans



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## Work Through the Details

- Understand Impacts of History and Past Projects
- Local Control
  - How important is it?
  - How can you preserve it?
- Local project champions & Key stakeholders



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## Work Through the Details

- Form a Planning Committee
  - Establish ground rules for discussion
  - Establish goals and objectives
  - Transparency and public engagement
- Conduct a cost-benefit analysis
- Design a fair cost sharing structure
- Design a fair governance structure
- Set measurable and achievable performance standards to determine level of success

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## Governance Options

- Shared Service Agreement
  - A la carte vs. comprehensive
  - Lead municipality vs. host agency
- Regional District
- Mutual Aid Agreement



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## Find a Legal Mechanism

- Mutual Aid Laws
- Simple Contract or Letter of Agreement
- Specific MGLs
  - authorize sharing and delineate how.
- Special Legislation
  - Ask Legislature to codify your wishes
- Inter-Municipal Agreements
  - MGL Chapter 40, Section 4A

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## Inter-Municipal Agreements

- MGL Chapter 40, Section 4A
- By vote of Select Board, not Town Meeting
- Any activity a town may perform singly
- Maximum length: 25 years
- Formal contract, joint service agreement, service exchange agreement
- Creates financial obligation

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## Labor Issues?

- Work with your current employees toward agreement
- Regionalize new positions or as existing positions become open or contracts expire
- Recreate the hiring system
- Some specific MGLs delineate how to deal with employees

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## How Is Cost Assessed?

- Hourly fee-for-service
  - Professional services such as IT, engineering & legal
- Lump sum fee-for-service
  - Collective purchasing
- Annual service contract
  - Town or Host Agency provides scope of services, such as accounting, inspections, public health
- Some other funding formula
  - Design a formula that works for all participants
  - Get creative to make it work

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