

Bennington County Regional Commission

EXECUTIVE COMMITTEE MINUTES

Friday - August 26, 2022
8:30 AM
Meeting Conducted via ZOOM

Present: Janet Hurley, Dan Monks, Cinda Morse, Nick Zaiac, Dimitri Garder
Bill Colvin (staff), Brian McKenna @ 8:47am (guest)

1. Approval of June 24, 2022 Minutes

Motion to approve by Morse. Seconded by Monks. Passed unanimously.

2. FY21 Year End Financial Update

Committee reviewed the first take on BCRC financial performance for FY22. BCRC ended the year significantly ahead of budget, though not quite as much as shown on the FY22 P&L report. Due to several new programs that commenced during the year, and which were not anticipated at the time of budgeting, annual grant and program income was higher than projected. Meanwhile, expenses were slightly lower than projection. While it appears the net income for the year was \$278,993 it is closer to \$107,090. Income received from several programs in FY22 is being retained to be paid out in FY23. These include funding for Brownfield work (\$35,197.50), money for a household hazardous waste facility (\$60,000), a pass-through grant to a childcare facility in North Bennington (\$25,000), ARPA plan implementation funds (\$36,000) and recycling fees to be paid out to towns (\$15,705). Amanda needs to make a few more minor adjustments to the CORE funding line for programs that ran over or under budget, but they should not change the bottom line in any meaningful way.

Colvin noted that Jim Sullivan, Amanda Stevens and he will discuss with Steve Love how best to categorize the revenues received in FY22 to be spent in FY23 to reflect the actual program receipts and outlays more accurately. Morse said the Balance Sheet should indicate grants received but not expended. Garder asked if there were issues related to a large fund balance in one year followed by a deficit (for known reasons) in the next. Hurley noted it could be an issue for those interested in transparency or wishing to criticize BCRC. All agreed providing the most accurate picture possible is the ideal. Staff will report back to Executive Committee at a future meeting on how this will be handled.

3. Investment Update – Brian McKenna

Brian McKenna reported on the BCRC's investment portfolio – performance and outlook – and answered questions. Per our original plan, approximately \$300,000, formerly held in low-interest CDs of various terms, was invested through DB McKenna, consistent with the investment policy adopted by the Executive Committee. As noted in the financial report, the investments gained value in the second half of 2021 before following the market trend downward in the first half of 2022 (through the end of our fiscal year), resulting in a net decline of about 13 percent. Brian indicated the challenge of this time with the instability in the market over the past 12-13 months. He described how he has been relatively cautious deploying the entirety of BCRC's investment, as indicated by the relatively heavy cash position (\$25,000+) in the portfolio. With recent market action, BCRC's investments are down about 11.5% year to date and approximately 3.5% since inception.

There was discussion about future investment strategy and the possibility of establishing benchmarks for the percentages of BCRC's fund balance invested in long-term, short-term and cash positions. It was agreed this would be a topic for the Investment Committee and an upcoming Executive Committee meeting. Monks suggested it become standard procedure to revisit the benchmarks annually, once established.

4. Act 172/H.518 – Municipal Building Energy Efficiency Program Update/Discussion

This program was designed to help municipalities increase the energy efficiency of their buildings while reducing reliance on fossil fuels. About \$40 million is to be available statewide for grants to municipalities and regional planning commissions are to provide project management and grant assistance to towns and villages (estimated funding to the BCRC of about \$150,000 over 2-3 years). Unfortunately, The Department of Buildings and General services, charged with implementing the program, has been unable to straighten out various funding eligibility issues and, as a result, we have not been authorized to proceed with any of our work on the project (in fact, they won't even look at our proposed scope of work to initiate an agreement).

We have dealt with the delayed funding (which we had counted on to fund approximately half of Callie Fishburn's position for the coming year), by having Callie dedicate more time to two "health equity" projects that are being funded and by continuing her general energy coordinator work using some remaining one-time funds we received through a special legislative appropriation in 2021 (fortunately, we had decided to spend those funds over two years

The ripple effect of this delay is that we may have to use our expanded "Core" RPC funding to support Callie's position rather than to hire a new regional planner to help with land use, transportation, and GIS work. At least, that is, until the Act 172 funding materializes. We are, however, looking at working with municipalities to obtain some additional "bylaw modernization" grants (BMP) a new round offering \$650,000 statewide was included in this year's state budget) as well as one or two new municipal planning grants. If there is sufficient demand for this work, we may be able to backfill the delayed Act 172 funding and proceed with the planned hire, albeit a couple of months later than originally planned.

Colvin updated that Jacob Hemmerick at the Department of Housing and Community Development said this week that the next round of BMP grants were to be focused almost exclusively on housing and downtown and village center designation work. Zaiac advised caution about leaning in too heavily on the BMP based on Arlington's experience and the strings attached to that funding which led to utilization of the Municipal Planning Grant Program instead. Hurley suggested engagement with regional legislators to discuss the challenges being faced in both BMP funding and the Act 172/H.518 money.

5. Program Updates

Colvin quickly reviewed the Planning and Community and Economic Development updates provided to the Executive Committee ahead of the meeting, with brief additional updates on broadband deployment and Putnam Phase 2.

Respectfully submitted,

Bill Colvin
Assistant Director