

# Town of Hubbardston

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## Finance Committee – Meeting Minutes December 3, 2018

Meeting called to order: 6:30 PM in the Slade Building  
Members present: Dave Conaghan, Shannon Erb, Joshua Lerner, Susan Rayne  
By invitation: Ryan McLane, Town Administrator

1) *Financial Management Policies.* The Committee reviewed and discussed with Mr. McLane the following draft financial policies submitted at the meeting:

- a) Antifraud Policy
- b) Debt Affordability Policy
- c) Disbursement Policy
- d) Forecasting

The Debt Affordability Policy proposed, among other things, that proposals to finance the construction, reconstruction, or acquisition of any asset be limited to assets having a fair market value of \$100,000 or more and a minimum useful life of ten years; however, Mr. McLane's presentation stated that the minimum useful life would be three years. On motion made by Mr. Lerner and seconded by Mr. Conaghan, the Committee unanimously voted to recommend that the minimum useful life stated in the Debt Affordability Policy be amended to three years from ten, to approve these policies as so amended, and to direct Mr. McLane to forward them to the Board of Selectmen for further review and approval.

- 2) *Draft Financial Forecast (5-year) and Draft Revenue Projections.* Mr. McLane presented his draft five-year financial forecast for the Town, including revenue projections for that same period. The presentation did not include the Town's proposed five-year capital plan, which Mr. McLane stated would be available in January 2019. The Town uses a financial modeling tool that contains embedded assumptions as to increases over time that were used by Mr. McLane to generate the forecast. Mr. McLane noted that the forecast reveals a structural imbalance resulting in a deficit that will appear in FY 2020 and increase over time. He recommended that to avoid severe budget cuts the Town set limited growth budgets, beginning with FY2020.
- 3) *Bench-marking Communities.* The Committee and Mr. McLane continued their conversation (from the October 22, 2018 meeting) regarding benchmarking the Town's finances and practices against those of other cities and towns deemed to be "peers" for purposes of assessing best practices. The Committee discussed further with Mr. McLane those criteria used in determining whether a city or town was a "peer", generating a preliminary list of fifteen towns<sup>1</sup> that included towns that the Town resembled presently as well as towns that possessed subjective qualities, including aesthetic sensibilities, to which the Committee

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<sup>1</sup> Ashburnham, Barre, Boylston, Brimfield, Deerfield, Dunstable, Great Barrington, Lee, Lenox, North Brookfield, Paxton, Princeton, Sterling, Templeton, and West Brookfield.

believes the Town should aspire. On motion made by Mr. Lerner and seconded by Ms. Erb, the Committee unanimously voted to approve the preliminary list and to direct Mr. McLane to circulate this list to the Board of Selectmen and to the Planning Board for their review and comment using the criteria established by the Committee at the October 22, 2018 meeting, with the final list to be generated by consensus of those Boards and the Committee.

- 4) *FY20 Budget Updates.* Mr. McLane informed the Committee that he had informed the various Town departments that they should base their budget requests on level funding. The Committee and Mr. McLane next discussed the budget process calendar and the number and rough timing of the meetings needed to complete that process, beginning with a proposed joint meeting of the Board of Selectmen and the Committee on February 4, 2019.
- 5) *BOS Meeting December 10, 2018.* Ms. Rayne and Mr. Conaghan agreed to attend the meeting of the Board of Selectmen scheduled for December 10, 2018, at which Mr. McLane expects to present the draft financial forecast and draft revenue projections discussed at this meeting.
- 6) *Approval of Minutes.* On motion made by Mr. Lerner and seconded by Ms. Erb, the Committee unanimously voted to approve as submitted the minutes of the meeting of the Committee dated October 22, 2018.
- 7) *New Business.* Mr. McLane noted the continuing trend to broadcast and record the meetings of various Town boards and committees. The Committee discussed the possibility of initiating the broadcasting and recording of its meetings starting after the 2019 annual Town meeting, scheduled for June 4, 2019.
- 8) *Adjournment.* There being no further business, on motion duly made by Mr. Conaghan and seconded by Mr. Lerner, the Committee unanimously voted to adjourn.

Adjourned at 8:16 P.M.

Minutes submitted by: Susan Rayne, Clerk *Pro Tem*

Minutes approved by: Susan Rayne, Chair

  
Susan Rayne

Date: 02.11.19