

**TOWN OF STOCKBRIDGE, MA.
FINANCE COMMITTEE MEETING MINUTES
THURSDAY FEBRUARY 22, 2018 AT 4:30 PM**

- 1. THE MEETING WAS CALLED TO ORDER AT 4:30 PM.**
- 2. FINANCE COMMITTEE ATTENDEES: JAY BIKOFSKY, JIM BALFANZ, MARY BOYCE, NEIL HOLDEN, DIANE REUSS, JIM MCMENMY AND STEVE SHATZ**

OTHER ATTENDEES: DON CHABON, DANIELLE FILLIO AND CLARK ROWELL

- 3. THE MINUTES OF THE JANUARY 18, 2018 FINANCE COMMITTEE WERE REVIEWED AND UNANIMOUSLY APPROVED.**

- 4. STANDARD & POORS RATING AGENCY COMMENTS OF MAY 10, 2017:**

CLARK ROWELL, THE TOWN'S FISCAL ADVISOR FROM UNIBANK WITH RESPECT TO BOND AND NOTE MATTERS, REVIEWED THE RATIONALE FOR S&P ASSIGNING STOCKBRIDGE THE AA+ RATING. THIS INCLUDED A VERY STRONG ECONOMY, ADEQUATE MANAGEMENT, STRONG BUDGET PERFORMANCE, VERY STRONG BUDGET FLEXIBILITY, VERY STRONG LIQUIDITY AND A STRONG DEBT AND CONTINGENT LIABILITY PROFILE. AS A RESULT, IT WAS SUGGESTED THAT THE TOWN DEVELOP A WRITTEN INVESTMENT POLICY AS WELL AS A WRITTEN RESERVE POLICY. THE RESERVE POLICY WOULD DEAL WITH THE RESERVE FUND % RETAINED, RATIONALE AND PRACTICE OF FUND BALANCE DRAWDOWN, DISPOSITION OF FREE CASH AND DETAILS OF COMMITTED AND RESTRICTED FUNDS.

IT WAS CONCLUDED THAT THE TOWN OF LENOX HAD PREPARED SUCH POLICIES AND THAT DANIELLE WOULD CONTACT CHRIS KETCHEN FOR COPIES. UPON RECEIPT OF THIS INFORMATION, THE FINANCE COMMITTEE WOULD MEET TO DRAFT SUCH POLICIES FOR REVIEW, RECOMMENDATION AND APPROVAL BY THE STOCKBRIDGE SELECT BOARD.

- 5. MONTHLY INCOME AND EXPENSE REPORTS:**

THE COMMITTEE DISCUSSED THE AVAILABILITY AND DISTRIBUTION OF MONTHLY REPORTS.

IT WAS CONCLUDED THAT THESE BE ROUTINELEY DISTRIBUTED, ELECTRONICALLY, TO THE SELECT BOARD AND FINANCE COMMITTEE.

6. FINANCIAL APPROACHES TO FUNDING REPLACEMENT OF THE TOWN GARAGE :

CLARK ROWELL PRESENTED SEVERAL DIFFERENT APPROACHES TO FUNDING THE GARAGE PROJECT. THESE INCLUDED THE PROSPECTS OF USING A COMBINATION OF SHORT TERM STATE HOUSE NOTES AND GENERAL OBLIGATION BONDS OF 10, 15 AND 20 YEAR DURATION. IT WAS THE COMMITTEE'S GENERAL CONSENSUS THAT STATE HOUSE NOTES BE FOR A SHORT DURATION AND THE BONDS ISSUANCE BE EXPEDITED AS SOON AS PRACTICAL.

THE FINANCE COMMITTEE MADE AND SECONDED A MOTION TO RECOMMEND TO THE SELECT BOARD THAT THE TOWN PROCEED WITH THE ISSUANCE OF GENERAL OBLIGATION BONDS FOR A TERM NOT LESS THAT 20 YEARS. SIX (6) APPROVED AND BOYCE ABSTAINED.

THE FINANCE COMMITTEE THEN MADE AND SECONDED A MOTION TO RECOMMEND TO THE SELECT BOARD THAT THE TOWN PROCEED WITH THE ISSUANCE OF GENERAL OBLIGATION BONDS A.S.A.P.! THE MOTION WAS UNANIMOUSLY APPROVED 7-0.

CLARK ROWELL THEN REVIEWED THE NECESSARY STEPS FOR THE COMMITTEE WITH RESPECTS TO FINANCING THIS PROJECT. THESE INCLUDED BUT WERE NOT LIMITED TO APPROVAL BY THE SELECT BOARD, BOND COUNSEL REVIEW AND APPROVAL, PRESENTATION OF THE FY 17 FINAL EXIT AUDIT AND MANAGEMENT LETTER AND PREPARATION OF THE BOND OFFERING STATEMENT BY UNIBANK AS SOON AS THE TARGET OFFERING DATED IS FINALIZED. CLARK SUGGESTED THAT A VERY OPTIMISTIC TIME FRAME WOULD BE CONCLUSION OF THE AFOREMENTIONED TASKS IN MARCH, 2018, RATING AGENCY REVIEW IN APRIL 2018 WITH ANTICIPATION OF FUNDS AVAILABLE IN MAY, 2018. MORE TO FOLLOW.

7. PRELIMINARY OPERATING AND CAPITAL BUDGET FY19:

DANIELLE REVIEWED HAND OUTS ON THE PRELIMINARY OPERATING BUDGET AND PROPOSED CAPITAL WARRANT ARTICLES FOR THE COMMITTEE. SHE MENTIONED THAT SALARY INFORMATION WAS NOT YET FINALIZED BY CONTRACT NEGOTIATIONS AND THAT JOINT SELECT BOARD AND FINANCE COMMITTEE MEETINGS WOULD BE SCHEDULED WITH THE TOWN CLERK, TOWN OFFICES AND EMERGENCY MANAGEMENT, FIRE AND AMBULANCE, HIGHWAY AND PARKS/RECREATION, TRI-TOWN HEALTH AND THE LIBRARY.

PAGE 3 MINUTES OF THE FINANCE COMMITTEE MEETING OF FEBRUARY 22, 2018 CONTINUED:

FUTURE BUDGET MEETINGS ARE IN THE PROCESS OF BEING SCHEDULED.

8. OTHER BUSINESS:

PILOT (NON-PROFIT PAYMENT IN LIEU OF TAXES) UPDATE:

THE COMMITTEE WAS INFORMED THAT AN AD-HOC COMMITTEE HAD MET ON THIS MATTER AND THAT AN OFFICIALLY SANCTIONED COMMITTEE WOULD BE PROPOSED BY THE SELECT-BOARD AT THE MONDAY FEBRUARY 26, 2018 MEETING. THE PURPOSE OF THIS EFFORT WOULD BE TO RESEARCH STATE-WIDE SUCCESSFUL PRACTICE ON THIS SUBJECT AND TO ULTIMATELY MAKE A PRESENTATION ON THE FINDINGS AT AN ANNUAL TOWN MEETING.

9. THERE BEING NO FURTHER BUSINESS, THE MEETING WAS ADJOURNED AT 6:20 PM