

Town looking at shortfall

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HUBBARDSTON — A new five-year financial forecast provides Hubbardston officials with budget projections and interactive computer spreadsheets that can be adjusted with updated numbers as the town moves into budget years beyond 2018.

The Board of Selectmen got a look on Monday at the five-year projection prepared by Certified Public Accountant Eric Kinsherf of Sagamore Beach, which he described as a "fluid document" and a "working tool" for the town administrator, Board of Selectmen, Finance Committee and other departments in preparing future budget data.

According to Kinsherf's estimations, Hubbardston will be facing a \$365,000 deficit in 2018, due to projected expenditure figures that are higher than revenues next year. Based on budget data from 2013 through 2016, his projections are for \$8.8 million in

New projections show an ongoing financial problem

spending in fiscal 2018, while there is only \$8.5 million estimated for revenue.

Kinsherf said that in reviewing the budget data with town officials, questions had arisen regarding whether the town can continue to sustain its current level of services within current budget constraints as it heads into future years.

Other concerns centered on the town's ability to pay for capital purchases and how these should be funded, as well as whether the town is planning for long-term future infrastructure needs.

Kinsherf shows that in the current 2017 fiscal year, 79 percent of the town's revenue comes from the local tax levy and grows annually by about \$35,000. Residents currently pay \$15.90 per \$1,000

of an assessed valuation of a home.

Additionally, 15 percent comes from local receipts such as motor vehicle excise taxes and other fees, and the remaining 6 percent comes from state aid.

Kinsherf said shortfalls in the budget occur with the town's projected 1- to 2.5- percent average annual revenue increase, compared to the overall 6 percent increase in expenditures each year. Based on this, Kinsherf points to a budget deficit of about \$1,143,974 by the year 2022.

Of this year's expenditures, 59 percent of Hubbardston's overall budget is going to assessments for the Quabbin Regional School District and the Montachusett Regional Vocational Technical School, a figure that typically grows 6 percent annually. Public

works makes up 9 percent, 7 percent goes to general government expenses, 7 percent for police, 6 percent for fire, 1 percent for other public safety, and 12 percent for "unclassified" expenditures.

Kinsherf said health and general insurance causes the largest increases at a rate of 8 to 11 percent more from year to year.

He recommends that the town look for ways to increase revenue. Kinsherf suggests that the town could encourage more new growth through efforts to improve the community, provide tax relief programs and seek ways to facilitate improvements among businesses in town.

Other increases to revenue could be accomplished through Proposition 2 1/2 overrides, increasing fees for services and obtaining grants, he said.

The alternative options would be to cut expenses through budget reductions or regionalizing services.

WINCHENDON

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"There's no good explanation of why these bills weren't paid," Superintendent Steve Haddad told voters. "They were dis-



budget to pay them just hurts the children."

"We're just trying to clear our slate so this never happens again," added Haddad.

Reconsideration of the article, however, fell short a second time, this time by a margin of 87 percent to 13 percent.

When asked after the meeting if there

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