

TOWN OF PRINCETON MA
Princeton Advisory Board
Meeting Minutes
April 7 2016

AB members in attendance were: John Shipman, George Handy, Bill Lawton, Don Schoeny, Jimmy O'Coin, and Wayne Adams

Agenda AB

- 2017 Budget
- Other AB Business

Meeting started at 5:10 PM

Town of Princeton Budget

- Budget
 - Discussion about the current process this year and recent years is a bottoms-up approach with no guidance on how much revenue there is for the expenses, until late in the process. Special projects and capital requests can be deferred and or underfunded, because run-rate operational budgets consume the large majority of the budget.
 - Towns with a fully empowered Financial Committee typically start each cycle with a top level spend target based on previous year and factor in 2 ½% increase, COI/CPI. Then budget guidance is provided to each department. This approach can better manage wish-listing and y-o-y expense creep; enable more targeting of funds for critical projects.
 - AB to discuss with BOS if we should look to change town governance model.
 - Annual budgets continue to rise and are sizeable that more shared governance responsibilities could lead to longer term financial planning meeting town priorities.
 - To further illustrate the expense increases, year over year. If FY14 is a baseline year, then factor a straight 2 1/2% y-o-y, then the FY17 budget would be less; less enough to the fact to provide more headroom with tax levy vs levy limit. Current finances as we stand today, there is no headroom between tax levy vs levy limit, leaving the town in a situation in time of an emergency to possibly need a prop 2 ½ over-ride.
 - The placeholder Broadband funds, subject to a STM, may have yet another option. Comcast desires to meet with MBI members; one possible outcome is build-out and service expenses would be handled by a commercial enterprise instead of the town and the town PBMLP.
 - A closer review of the capital project list was discussed. AB took a different cut of the numbers, postponing all non-essential requests to a future year or for more due diligence for accurate costs.
 - Motion to recommend the capital spend budget be reduced from \$547K to

\$251K. Refer to Jimmy O'Coin marked up version of the capital expense list. Friendly amendment to the motion, identify the source of funds. Amendment passed 6/Yes, 0/No, 0/Abstain. Motion passed 6/Yes, 0/No, 0/Abstain .

- The remaining meetings with the BOS are critical, since the FY17 STM Hearing by the AB is scheduled for 4/28. This will include the need to resolve the capital expense list, a position on the WRSD budget – especially the operations line-item which y-o-y increased >60% for the district as well as every town in the district.
- AB had additional questions about the capital budget
 - What is the plan for the WRSD district suggested Chromebooks, placed on each town's ATM outside of the WRSD budget/town contributions
 - Town employee salaries not reflected in the budget and any changes to the compensation
 - Thomas Prince WIFI, what the costs are
- Town resident asked for viewpoints about the FY17 Budget. Summarized feedback is as follows:
 - Year over year residential tax increases are not sustainable for retired residents, residents on fixed budgets. Resident is aware of some residents considering to move since they are being priced out of the town, and their planned retirement lifestyle is diminishing due to town taxes. Understood new projects will add to the tax burden, such as fieldstone farm, an under-subscribed to broadband service.
 - Equally disappointing is that children raised in town can not afford to live in this town.
 - Something has to be done to curb the town spending and is thankful the Advisory Board is placing a lot of scrutiny and creativity with this budget year.
 - In years past, during the ATM voting session, each item would have an associated cost/incremental cost to a residential tax bill. It would be ideal to see this return to Warrant. This may curb the readiness of residents to vote everything without consideration for the aggregate effect for the coming year(s).

Other AB Business

- Princeton Chapter 70 funding
 - Dave, George, and John to draft letter for Kim Ferguson and Harriet Chandler summarizing the same data, graphs, and impact Princeton has endured for the past several years as part of the WRSD regional school district Chapter 70 formula.
- Next meeting with BOS is Monday, 4/11, 5PM

Referenced Item

- BOS draft capital projects and other un-funded items, marked up by AB to cut costs to the higher priority items

AB Meeting adjourned at 6:30 PM

Respectfully submitted,

Wayne M. Adams, AB Member