

TOWN OF PRINCETON MA
Princeton Advisory Committee
Meeting Minutes
October 24th, 2016

AB members in attendance: John Shipman, Wayne Adams, Bill Lawton, Don Schoeny
BOS members in attendance: none
Guests: town residents

Advisory Committee Agenda

- Approval of Minutes
- Approve Agenda
- Broadband/CAC up-date
- Recap of Association of Town Finance Committees workshop
- Other business
- Public comments

Meeting started at 5:05 PM

AC Meeting

- Motion to approve 10/11 AC meeting minutes. Motion passed 4-Yes, 0-No, 0-Abstain
- FY17 Budget discussion. John to ask Nina as to the guidance to be given to budget owners, e.g. no growth in yearly budget (and impact on service level if any), no service level growth (and impact on budget growth). Solicitation for department budgets will be at the beginning of November, with submissions due to TA by 11/28.
- Discussion about the new Cable Advisory Committee and other related broadband topics.
 - CAC/BOS held first meeting on 10/19, whereby BOS provided CAC their charge. Several work items will include list of possible items to be in an INR, look for example INRs, and contact nearby towns for lessons learned. CAC to meet on Wednesdays, 6.30 PM, every week. George and Wayne to attend/track CAC.
http://town.princeton.ma.us/Pages/PrincetonMA_Cable/index
 - AC did receive resume copies of all CAC applicants; BOS provided rationale for their applicant selections. John Shipman to share Edie's on 10/25, with Jon and Stan's are already received and distributed.
 - BOS will retain the powers to negotiate a CATV agreement, with assistance with special legal counsel specializing in such agreements. AC expressed concern that we may not have the optimal team at the table, given a cable company's depth of resources and years of experience of negotiating franchise agreements, renewals, and typical trade-offs. Residents in the AC meeting including a CAC member expressed a related concern that the town will have little leverage for its INR requirements and requests.
 - John Kowalski to send latest pole make-ready report to John and for John to share. Work progresses, Phil Leaman and Marty continue to track PMLD

progress. Verizon has started some of their make ready pole work on poles completed by PMLD.

- Town will advertise telecom huts for sale in anticipation of a third party build-out, but will defer the sale until this is certain.
- Axia meeting was canceled, whereby they were looking to propose a multitown FTTH build at their expense. John K sent letter inquiring Axia's intent – e.g. to reschedule or withdraw any future interests. Also, MBI as part of their project to enable 4 towns for FTTH builds has issued an RFI to identify interested and qualified companies to perform such work. If Princeton does not proceed with a CATV franchise, 3rd party build is an option to be revisited.
- ATFC Workshop recap
 - Wayne gave overview and highlights from the presentations and sessions he attended. See past notes for list of useful URLs to pull material
 - MA Taxpayers Foundation presentation
 - Overview of MA state financial condition
 - Budget gaps due to over-forecasting capital gains tax revenues year over year, increased enrollment and costs of the MA Healthcare program (nearly 1/3 of the state residents are on the program). Near-term, tax revenues are projected at 1% growth in coming year(s). Though budget gap this year will be closed with onetime efforts such as fund sweeps, etc...future years have an imbalance. Other obligations also will continue to grow such as OPEB. State will need to find areas of service to reduce.
 - Best practice discussions
 - Contracts and obligations – care and planning is needed for the forthcoming 2020 Cadillac Tax, an excise tax on generous health care plans, to be paid by the employer. Tax is meant to provide funding for the gaps in state's Obamacare plans. E.g., should review town employee plans and union contract obligations. Net effect is town may be obligated to pay more to offer above average healthcare plans.
 - Regional School district budget considerations – if a district wants to move from a statutory method to an alternative method to even out/align to fairness the obligations across large/small towns in a region, care should be taken for the district contract and complete understanding the impact to each and every town. In general, smaller towns feel they overpay; wealthier towns (by state formula) feel they overpay. If staying with a statutory method, every two years there can be a surprise change in a town's obligations due to the state doing wealth calculations every 2 years.
 - Princeton is not unique within its district, as others in the workshop expressed challenges with small town paying more per student than larger towns in the

district, declining student population in the small town raises issues to close a school/bus into the larger town, and costs for capital improvements for buildings. Entire state is behind on OPEB obligations and will be increasing cost in budgets.

- Useful URLs to access session materials
 - Association of Town Finance Committees
 - <http://www.mma.org/members/finance-committees>
 - 2016 materials not posted yet, but 2014 and 2015 are there – several useful guides
 - MA Taxpayer Foundation
 - <http://www.masstaxpayers.org/>
 - http://www.masstaxpayers.org/publications/public_finance/budget/fy_2016/20160920/mtf%E2%80%99s_analysis_fy2016_budget_shortfall
 - Town of Northboro
 - http://www.town.northborough.ma.us/Pages/NorthboroughMA_WebDocs/FY2017Budget/FY2017Budget
 - MA OPEB Report
 - <http://www.mass.gov/perac/forms-pubs/memos/memorandum-25-2016.html>
 - <http://www.mass.gov/perac/forms-pubs/memos/summaryreport2016.pdf>
 - Here is a recent nationwide comparison of %, gap amount, etc.. MA is not looking great.
<http://www.cnbc.com/2016/09/14/state-pension-funds-are-awash-in-red-ink-heres-your-share.html>
 - Other
 - <http://www.theatlantic.com/politics/archive/2016/01/cadillac-tax-obamacare/431679/>
- Other Business
 - BOS to convene goal-setting meetings this week. First one is on 10/25 and 10/27, both meetings start at 4PM, held in Princeton Center. Expected part of the discussion will be town financial health, future town priorities and projects, financial obligations for projects, OPEB, etc.

6.05PM, meeting adjourned

Handouts

- none

Wayne M. Adams, AB Member