



TOWN OF PRINCETON

Advisory Committee Review Committee

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From: Advisory Committee Review Committee
To: Select Board
Cc: Town Administrator
Advisory Committee
Subject: ACRC Final Report

March 13, 2018

Summary of Conclusions & Recommendations

The Advisory Committee Review Committee (ACRC) was established in August 2017 to review the role of Princeton's Advisory Committee. Five Princeton residents with experience covering the past 40 years of Princeton governance were appointed to the ACRC by the Board of Selectmen.

As the ACRC understood our charge, there were two issues:

- Should the Advisory Committee's role be confined to studying and making recommendations as to items on Town Meeting Warrants?
- Is there a better process for appointing members of the Advisory Committee (currently appointments are made by the Board of Selectmen)?

Our committee came to a number of unanimous conclusions, which we pass on to the Select Board and the Advisory Committee as our strong recommendations. We have grouped them into five major categories listed below. Our observations and reasoning are explained in greater detail in the Background section that follows this one.

Advisory Committee's Role

The Advisory Committee's role can and should be an expansive one in which they consider any issues, whether or not primarily financial, regarding which the skills and knowledge of the Committee may be useful to the town, and

make recommendations to the town. The role should not be limited to considering and offering opinions on items on Town Meeting warrants.

Advisory Committee Appointment Process

The Select Board should continue to be the appointing authority for the Advisory Committee. The recruiting / selection process should be made more robust, and expectations of the Advisory Committee and its members should be made clear to the Committee and prospective members.

Overall Financial Management Practices

Planning for and organizing the short- and long-term, overall financial affairs of the town, including but not limited to town budgets submitted to Town Meetings, should be centered in the Select Board, with active involvement and support of the Town Administrator and Advisory Committee. Because some financial responsibilities are vested in other bodies, this responsibility will have to be accomplished cooperatively. Even the accomplishment of the parts that the Select Board owns will largely require delegating, much of it to the Town Administrator and Advisory Committee.

Long Term Financial Plan

As an integral part of the Financial Center, we strongly recommend developing and maintaining a long term financial plan that would allow town decisions to be made in the context of the sum of the needs and desires of the town. At this moment, there is no plan to determine whether the sum of the town's financial decisions will be sustainable by the town or the taxpayers.

Collaboration

The interconnectedness of all these roles requires a spirit of collaboration among all the participants.

Background

Committee Charge and Process

The Advisory Committee Review Committee (ACRC) was established in August 2017 to review the role of Princeton's Advisory Committee. This followed on a vote brought to the May 2017 Annual Town Meeting which was passed over in favor of the Board of Selectmen's appointing a Committee to study the issue.

Five Princeton residents were appointed by the Selectmen to the ACRC: David Cruise, Terry Hart, Anne Littlefield, Joe O'Brien, and Bob Sauer. Each member has

served on either or both the Advisory Committee and the Board of Selectmen. Our experience covers some 40 years, giving us as a group a pretty long perspective on Town governance.

As the ACRC understood our charge, there were two issues:

- Should the Advisory Committee's role be confined to studying and making recommendations as to items on Town Meeting Warrants?
- Is there a better process for appointing members of the Advisory Committee (currently appointments are made by the Board of Selectmen)?

The ACRC met every week or two beginning with its appointment. We had many informal discussions among ourselves and conducted interviews with each member of the Select Board, the Town Administrator, and the Advisory Committee and had additional informal conversations with contacts within the Town and outside.

A fuller explanation of our recommendations follows.

Advisory Committee's Role

Our study made clear that the Advisory Committee is and should be a huge asset to the Town and the Board of Selectmen and should be given as broad a purview as possible. We believe that this encouragement should take place in the normal course of events, however, and does not require a change to Princeton's bylaws. Princeton's history is full of examples of past and present Advisory Committee members who have used their strong personal judgment to stretch the Advisory Committee's role to make important contributions to the town. It is therefore incumbent upon the appointing body to continue to appoint individuals with broad experience, intelligence, personal capacity, and team-building capability. Both MGL Chapter 39 Section 16 and the Princeton bylaws avoid limiting, and in fact can be read to encourage the Advisory Committee to seek information and provide guidance to the town on all town functions, including but certainly not limited to, the financial aspects brought before town meeting.

A related conclusion of the Advisory Committee Review Committee is that with its broad capabilities the Advisory Committee should be utilized as an internal consulting resource advising town meeting as well as various boards and committees. An example in the recent past is the successful outcome of the broadband issue,

Advisory Committee Appointment Process

Consideration of the appointment process resulted in the conclusion that appointments by the Select Board remain the most advantageous to Princeton. The

Select Board is wholly elected by Princeton voters, and may be expected to have the breadth of Princeton's needs in mind. Despite our efforts, we were unable to find any examples of poor decisions resulting from undue pressure being exerted on Advisory Committee members by the Select Board that appointed them. We have therefore concluded that the gains from having the appointments made by the elected body that works most closely with the Advisory Committee outweigh any risk of undue influence by the Select Board.

On the other hand, a process of identifying and selecting candidates is all important to the success and credibility of the Advisory Committee as it discharges its duties to the Town Meeting. Past practice has been to encourage committee participation from within. This is a good strategy encouraging qualified participants, but should be used in conjunction with an interview and selection process. The view from within a committee is valuable but can be myopic. The recommendation from the Advisory Committee Review Committee is that the Select Board consider the mix of skills present and needed on the Advisory Committee as it selects candidates for appointment. As noted previously the role of the Advisory Committee is very broad and skills need not only be financial.

To assist in defining the roles of the Advisory Committee, and to help prospective and new members, the ACRC recommends that a brief (perhaps one page) "manual" which outlines the roles and responsibilities of the Advisory Committee and its members be developed that is specific to Princeton.

Overall Financial Management Practices

Beyond the charge from the Select Board the Advisory Committee Review Committee spent a significant portion of our time discussing the financial management of the Town. Our conclusion is that the Select Board, as the executive branch of town government, is the most logical "owner" of the budget process, as well as the integration of the overall financial planning for the town, including longer-range projections and planning.

Using the Town Administrator and the Advisory Committee as resources to develop the budget is important to the efficient operation of the Select Board. Past practice has seen the Select Board, as the policy body, meeting bi-weekly and the Town Administrator as the manager responsible for the daily operations. Directing the Town Administrator to work with department heads to develop annual budgets along with assistance and guidance from Advisory Committee members has worked well. Syncing the skills and efforts of the Town Administrator, Advisory Committee and Select Board is paramount to the success of the Team. Review of monthly or quarterly budgets reports helps all with the understanding of needs and the allocation and uses of resources.

Long Term Financial Plan

Our strong recommendation is that the Select Board create, maintain, and use a multi-year financial model as an integral part of our planning process, not only to project future revenues and costs, but to also address long term projects and capital needs. For example, the plan should calculate the effect on property taxes on the median house in Princeton. Using this plan, residents should be able to determine whether they can afford the tax increases that the sum of municipal spending will cause. The Town Administrator, Selectmen and the Advisory Committee will be able to see whether proposed spending is sustainable by the town. It seems to us that running the town without a plan is like driving without a clear windshield.

Collaboration

These recommendations assume a collaborative/team approach to Princeton's governance. Leadership from a Select Board-led "Team" will encourage those to whom elements of the plan are delegated - or who are directly responsible for elements - to have confidence that they are working toward a productive and agreed end. In an environment of open meeting law constraints it is difficult but not impossible to reach a collaborative position. The difficult task is to distill policy positions into compromises that allow the collaboration necessary to forward-looking governance.