

TOWN OF PRINCETON, MA  
Princeton Advisory Committee  
Meeting Minutes  
March 17, 2020 – 7:00 p.m.

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**AC members in attendance via Webex:** Wayne Adams, Helga Lyons, Rick McCowan, Judy Dino, Bill Lawton

**Absent:** Mary Jo Wojtusik

**Advisory Committee (AC) Agenda**

Joint meeting with Select Board and TA to review draft FY21 town budget

**Meeting Minutes:** Meeting started at 7:00 p.m.

**Budget Discussion**

**Road Advisory Committee:**

The chairman of the Road Advisory Committee William Holder made a presentation with three Funding Alternatives for the FY21 road program. The three options were requested by the Selectboard to further balance the needs of the road committee with the rest of the town needs in light of the new PFAs project and the ongoing building repairs and new building proposals. Each option provides financial pros and cons for cash flow, operating budget, debt service, and long term ceiling to borrow for future projects. On the pro side, by financing the road infrastructure projects, immediate cash flow and tax-payer impact are improved to keep budget growth within tax levy limit while reducing the future borrowing capacity more likely to result in an eventual prop 2 1/2 over-ride. Each option has a road-worthiness pro and con, since some roads are beyond temporary patching and need immediate replacement.

- 1) A “Mini” version would provide no road funding for FY21. As a result, the culverts on Coal Kiln Road would not be repaired and subdrains on Forslund Road would not be installed. All other projects would proceed with Chapter 90 funding
- 2) A “Midi” version would fund an amount of \$301.6K (regular \$350K less recent Chapter 90 grant). This would allow the construction of culverts/drainage on Coal Kiln and Forslund Road as well as all regular projects with zero funds at the end of FY21.
- 3) A “Robusto” version would replace the annual road funding with a \$800K borrowing. The borrowing would fund the construction of the Highway Barn project and Mirick Street culvert. The Coal Kiln and Forslund Road projects would proceed and \$657K in Chapter 90 Funding would remain at the end of FY21.

Option 1 was not favored as both roads are in very bad shape and a delay would result in further deterioration of a road in poor condition. Option 3 will impact budgets going forward and add to

another \$2.2M in planned borrowings. It was requested to show the impact of the borrowing on the overall 10-year road construction plan. Not funding the road budget in FY21 and adding \$800K in future debt service will result in higher funding requirements going forward.

### **Operating Budget**

The discussion focused on the school budgets. The Wachusett Regional School District is requesting a 4.8% increase in funding, Montachusett is requesting a 12% increase and one Princeton student is applying for the Horticultural program at Smith Vocational & Agricultural High School in Northampton with an estimated annual expense of \$60K for tuition and transportation expenses. On a combined basis this is a \$341.4K increase in the school budget or 3.32% increase of the town's budget. with a total school budget increase >5%. It was decided to issue a letter to the Wachusett Regional School District from AC and supported by the Selectboard to inform them that we can not support the requested increase and to reduce the budget to the October guidance of ~3%.

The total budget increase as currently presented is \$539K or 5.23%.

### **Capital Budget**

The Advisory Committee has been recommending the Highway Department also look into prices and financing for used front end loaders, as an alternative to the town investing in a new front loader. Same manufacturer models have been found and range from \$50K-\$75K reduced purchase cost over the \$193K new cost. There can be a savings of \$10K per year over the life of a loan.

### **Reserve Fund Transfer**

A Reserve Fund Transfer for \$5,885 (net \$5,685) was requested for the emergency repair of the garage door at Fire Station 2. It was suggested to use funds from the Emergency Building Repair Fund. Sherry will confirm that the respective warrant article allows for the payment of emergency repairs at Firestation 2.

Matthew Moncreaff noted that the State legislature is considering the implementation of minimum wage regulations at the municipal level, which might impact future town budgets.

The next AC meeting is scheduled for 3/24/20 at 6 pm to be followed by a joint SB/AC/TA budget at 7 pm.

The joint Webex Meeting was adjourned at 8:34 p.m.

Minutes recorded by Helga Lyons, Secretary