

FINAL REPORT

to the

TOWN OF SOUTHBOROUGH

by the

TOWN GOVERNANCE STUDY COMMITTEE

Presented to the
Annual Town Meeting on
April 9, 2007

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EXECUTIVE SUMMARY

The system of governance in the Town of Southborough has not been studied since the 1970s, and the Town has experienced substantial growth and significant change since those days. The Committee believes that adoption of the recommendations in this Report would greatly improve the administration of the Town's government, which currently needs improvement in four vital areas:

- Management of the Budget and the Budget Process
- Policy and Decision Making
- Human Resources Support
- Town Meeting Attendance and Participation

This Report identifies problems within these functions and offers recommendations to solve them by achieving effective governance in these and other areas. The Committee's assessments, observations and recommendations are informed by current and former Town officials, administrators and department heads, as well as two State-level experts on Massachusetts local government.

The Committee's central recommendation is that the Town **establish the position of Town Manager** invested with broad authority and responsibility for day-to-day operations of the Town governance. This is a path already taken by all of the sister towns surrounding Southborough. In order to legally do so, the Town must form a Charter Commission to create a Home Rule Charter. A Home Rule Charter allows the Town to control its own governance without action by or interference from the State. The Town would then have the power to establish the position of Town Manager who could:

- Direct the budget process
- Handle many important but routine matters currently burdening the Board of Selectmen
- Oversee all Town departments, business and appointments
- Organize and/or realign departments for more effectiveness and efficiency.

In addition to the central recommendation of creating a strong Town Manager position, the Committee recommends that the Town **consider these other measures** as well:

- Appoint a Human Resources Specialist
- Increase the membership of the Board of Selectmen from three to five
- Make certain procedural changes to Town Meeting, including (i) lowering the quorum requirements, (ii) moving Town Meeting to Saturday, and (iii) holding two Town Meetings annually – one for budget and one for all other business

Finally, the Committee wishes to note generally that the areas for improvement that we have identified are potentially just the beginning. A Charter Commission would undoubtedly review these and many other facets of the Town's governance and operations, all with a view toward strengthening our government for decades to come.

INTRODUCTION

The Southborough Town Governance Study Committee was created, by unanimous passage of an Article proposed by the Board of Selectmen to the Special Town Meeting held on January 21, 2006. Its charge was to review the structure of Town government and make recommendations to the 2007 Annual Town Meeting. The Town Moderator appointed the seven-member Committee in May 2006, and the Committee immediately began a process of understanding the workings of the Town's government at all levels, the stresses upon its effective functioning, and the Town's options for relieving those stresses. The Moderator and Selectmen invited the Committee to recommend actions based upon our findings.

BACKGROUND / HISTORY

The most recent formal review of the Town's governance dates to the 1970s. Since that time, the only significant organizational changes in the Town have been the consolidation of the formerly separate Highway, Water and Cemetery Departments into the Department of Public Works in 1991, and the creation of the formal role of Town Administrator in 1995. As the data in the table below indicates, the Town in 2007 is a much larger and significantly more complex community than it was in 1970 (indeed, the Town has grown by 50% just since 1990). Of course, the annual budget number has significantly outpaced the rate of population growth, even with inflation factored in:

| <u>Town of Southborough</u> | 1970 | 2007 |
|-----------------------------|-------------|--------------|
| Population | 5,798 | 9,559 |
| Annual Budget (rounded) | \$2,600,000 | \$35,600,000 |

Source: U.S. Census and Annual Town Reports

At the same time that these statistics capture important quantitative changes in the Town, they still do not show the qualitative changes in services and functions of government. The now-dominant role of technology was unimaginable in 1970. Managing the many impacts of development along Routes 9 and 495 was still in the future. In 1970, citizen service on boards and committees was a manageable commitment. Volunteers could often dispatch their oversight duties in monthly meetings with department secretaries. Finding people with expertise to fill these positions was easy.

Much has changed since 1970. The dramatic increase in growth that began with the 1980s technology boom has not slowed. Rather, it continues, and it is severely straining the functioning of the Town's government.

OVERVIEW OF THE COMMITTEE'S WORK

Upon being formed in May 2006, the Committee met continually to review the current Town government form and structure, and to identify the biggest challenges to effective and efficient governance in our existing system.

As part of this process, the Committee met with Town officials at various times, including:

- Town Moderator
- Board of Selectmen
- Current and former Town Administrators
- Members of the Advisory Committee
- Members of the Capital Budget Planning Committee
- Members of the Personnel Board

We also surveyed all Town Department Heads regarding issues facing specific departments. All of these people were generous with their time and expertise, sharing their perspectives constructively, expansively, and enthusiastically. Their input was essential to the Committee's work, and we are most appreciative of their gracious support.

A separate task of the Committee was to identify all of the options available to the Town for modifying the current government structure, ranging from simple fixes to major structural changes. To this end, the Committee met with consultants from the Massachusetts Department of Housing and Community Development and the Massachusetts Municipal Association. Both of these experts shared practical information on the processes of implementing changes, as well as provided exemplars of reports and documents from towns with profiles similar to Southborough that have undergone studies and restructuring of their governance.

Finally, the Committee produced and presented this report of our findings and recommendations to Town Meeting.

FINDINGS

I. SOUTHBOROUGH GOVERNMENT STRUCTURE

Southborough currently operates under the “boilerplate” provisions for local government found in the Massachusetts General Laws (M.G.L.). The Town in turn passes local by-laws in accordance with the provisions of the M.G.L.¹ The M.G.L. provisions require the Town to have (i) an Annual Town Meeting, and (ii) the following elected officials: Moderator, Board of Selectmen, and School Committees. In addition, because the Town has created zoning by-laws, an appointed Zoning Board of Appeals is also required.

The Town has six other elected boards and positions, as well as 41 appointed boards, commissions, and committees.

Any modification affecting the powers of the Board of Selectmen (e.g., vesting authority in a Town Manager) must be accomplished via a special act of the Massachusetts Legislature, or a Home Rule Charter. Any community can create a Home Rule Charter by following the procedures established by the Commonwealth of Massachusetts (M.G.L. c. 43B). A Home Rule Charter creates a local government of

¹ Southborough’s by-laws have not been comprehensively updated in many years. They include many obsolete bylaws that are still in effect, although not enforced.

the Town's choosing and design, tailored to its particular needs and preferences.

II. PRIMARY CHALLENGES TO EFFECTIVE GOVERNANCE

The Committee has identified three issues of greatest concern regarding the current system for governance in Southborough. These are (i) management of the budget; (ii) policy and decision-making; and (iii) human resources support. These concerns are discussed more fully below.

A. Management of the Budget

Largely because of the enormous growth in the annual budget in Southborough in recent years, the current annual budgeting process is a lengthy and cumbersome exercise (as well as a multi-faceted source of frustration for Town officials and the public alike).

As the Committee understands it, the components of the current budgeting process include (in no particular order): Board of Selectmen direct budget policy and meets with Town departments; the Town Administrator prepares and tracks the budget; the Finance Director provides information and numbers; Department heads, boards, commissions, committees, and councils (including the Schools) submit budget requests; Advisory Committee meets with Town departments and provides its input; Capital Budget Committee reviews the budget as it relates to capital expenditures; Town Meeting reviews and approves each budget line by separate vote.

For the most part, none of the foregoing pieces of the process is subject to strict time constraints, so it is often the case that downstream parts are "held up" by upstream parts (and it is not unusual for the final budget to be finalized only a short time before Town Meeting). An abundance of spending categories within the budget makes it difficult to juggle and prioritize all needs, while still presenting an overall budget to the Town that it can support.

Among other things, the budget process lacks the following: A single source of budget policy; A calendar for deadlines; Clear budget directives to departments and other bodies; Communication between departments and the Advisory Committee early in the process to iron

out issues; timely input from Boards with oversight responsibilities; and a continual review of accounts and projections for accuracy. In short, what seems sorely needed is a single person with overall responsibility to direct and control the budgeting process. In the majority of towns like Southborough (and all surrounding towns), this is the task of a Town Manager.

B. Policy and Decision Making

Policy-making in Southborough is entangled with routine decisions in the normal conduct of business, to the detriment of both. Governance authority in Southborough is heavily concentrated in its three-member Board of Selectmen.² Although the most important function of the Board of Selectmen is that of policy-making, it must also hear, review and deliberate on matters ranging from the placement of a telephone pole or setting fines for misuse of the transfer station, to conducting performance reviews of all department heads, including the specialized roles of Police and Fire Chief. As a result the Board of Selectmen currently needs to meet dozens of times a year, with meetings often lasting several hours each.

Members of the Board of Selectmen have expressed frustration with the time consumed by the day-to-day “minutiae” the Board now attends to, and a clear preference to spend more of their time with major issues and broader policy decisions. Members believe that decisions about telephone poles, for one example, are better made by the DPW Superintendent or the Town Planner. In general, many matters that come before the Board of Selectman today could be competently handled by an empowered Town Manager operating under

² The elected Board of Selectmen currently appoints and oversees the following Town functions/offices: Town Administrator, Town Counsel, Finance Director, Town Accountant, Police Chief, Fire Chief, Facilities Director, DPW Superintendent, Animal Control Officer, Building Inspector, and Veterans’ Agent. In addition, the Board of Selectmen currently oversees the following standing Boards and Committees in Town: Affordable Housing Trust Committee, Americans with Disabilities Act Committee, Cable Television Committee, Community Preservation Committee, Conservation Commission, Council on Aging, Cultural Arts Council, Emergency Management Committee, Fence Viewers, Field Drivers, Historical Society, Housing Opportunity Partnership Committee, Industrial Development Committee, Local Emergency Planning Committee, Open Space Preservation Commission, Recreation Commission, Recycling Committee, Scholarship Advisory Committee, Workplace Safety Committee, Youth Commission, and the Zoning Board of Appeals.

the Board's oversight. However, it would be illegal to transfer those types of responsibilities under the existing governance structure.

Likewise, with the increasing professionalization of Department Heads in the Town, and the continuing growth and complexity in delivery of Town services, it is difficult for other volunteer Boards meeting monthly to continue to be "hands-on" in their oversight. As a result, Town governance is often hampered by a lag time in decision-making.

C. Human Resources Support

As the profession workforce in the Town has grown, there is a particular need for greater Human Resources support. Currently, responsibility is at best fragmented regarding (i) recruiting and selecting highly qualified employees for non-executive Town positions, (ii) conducting performance reviews, and (iii) providing professional development and training. Furthermore, employment policies need to be developed, refined and maintained, and managers need to be trained in handling supervisory and disciplinary issues. Job classifications and compensation plans need to be periodically reviewed and updated, and a long-range planning approach for collective bargaining needs to be adopted. When modern-era legal issues (e.g., sexual harassment) arise, there is no Human Resources professional in Town to preventatively address them. This has proven very costly to the Town in the past.

III. EXECUTIVE AND LEGISLATIVE FUNCTIONS

A. Town Administrator v. Town Manager

In Southborough, the position of "Town Administrator" is used to manage the business of the Town on behalf of the Board of Selectmen, yet there is almost no information in the Town by-laws describing or empowering this position. The de facto authority and responsibilities of this role have depended to a large degree upon the prevailing management style of the Board of Selectmen. In recent years, cooperation and unity of purpose among the department heads, the Town Administrator, and the Board of Selectmen, in the face of the overwhelming number of matters in need of attention, has allowed the hazy lines of authority to be overlooked.

The authority delegated to the Town Administrator is highly vulnerable to the M.G.L. prohibition against powers being shifted from the Board of Selectmen to this appointed position. For example, a challenge could easily arise over a department head's performance review being conducted by the Administrator instead of the Selectmen. Town officials generally agree that the creation of a strong Town Manager position, who would have clear and explicit authority over Town departments and day-to-day business, would be a more desirable and appropriate role, as discussed below. This position can be created in a Home Rule Charter.

The definition of Town Manager is deliberately imprecise in the M.G.L., and the position can be as strong or weak as a Town chooses to design it in a Home Rule Charter. Like our current Town Administrator, a Town Manager would act on behalf of and be answerable to the Board of Selectmen. Generally, however, a Town Manager has greater authority to run the day-to-day business of the Town, with the Board of Selectmen maintaining control of policy decisions and oversight of the Town Manager's actions.

The most prominent example is that the holder of a strong Town Manager position would act as budget director for the Town, assuming frontline responsibility for coordinating the budget process, including revenue forecasting, meeting with departments to build the budget, presenting the budget to the various Boards, advocating for the budget at Town Meeting, and managing the budget once it is approved. Other responsibilities could include completing evaluations of all department heads, overseeing the structure and organization of departments, and appointing certain volunteer boards (with ratification by the Board of Selectmen).

B. Board of Selectmen

Southborough's three-member Board of Selectmen is addressing increasingly overwhelming numbers of complex issues in addition to the day-to-day minutiae for which there is no other outlet in Town. It now is not unusual for Board of Selectmen's meetings to last five hours or longer. The burden this places on volunteer officeholders understandably deters many excellent candidates from seeking to serve. The position of Town Manager would alleviate this imbalance.

In addition, there are several other advantages that a five-member Board of Selectmen provides. First, the Committee believes that the Town urgently needs a more focused liaison between the Town and our State legislators. With a five-member Board of Selectmen, one of them could more easily fill that role. Second, a five-member Board would also minimize the circumstances when a split exists among members, and would better insure that controversial decisions are thoroughly vetted. Third, with our current three-member Board of Selectmen, a simple conversation between any two of them becomes a potential violation of the Massachusetts Open Meeting law. Fourth and finally, a five-member Board would allow the Board to continue to function effectively in the event of the absence or incapacitation of one of its members for whatever reason.

Southborough has the sole remaining three-member Board of Selectmen in the area – all other surrounding towns have moved to five-member boards.

C. Town Meeting

Southborough's legislative body is the annual Open Town Meeting, at which any voter is permitted to attend and vote on legislative matters including budgets, zoning, and bylaws.³ Currently Town Meeting takes place during weekday evenings in April of each year, and requires a quorum of 150 voters to commence.

The Committee found no issues with the form of Town Meeting at this time that would warrant consideration of the only statutory alternative to it (which would be a Representative Town Meeting). However, the Committee notes that attendance at Town Meeting has long been sporadic and declining, and it takes too long to attain a quorum. This engenders somewhat of a "vicious cycle" where voters shy away from attending Town Meeting because a lot their already-busy weeknight time is spent waiting for a quorum to form. The Committee notes that the Town Moderator has an Article on the current Warrant to change the quorum requirements for Annual and Special Town Meeting. Other measures (that have been adopted in other towns) include moving

³ Today 263 of 301 Massachusetts towns have an Open Town Meeting; the other 48 a Representative Town Meeting. The remaining 50 communities have a city form of government (mayor/city council), requiring minimum population of 12,000.

Town Meeting to Saturday, and holding two separate Town Meetings annually, one in the Spring to deal with budget issues only, and one in the Fall for all other matters.

IV. OTHER ISSUES RAISED TO THE COMMITTEE'S ATTENTION

A. Elected and Appointed Officials

Currently, the M.G.L. requires that Southborough elect a Moderator; a Board of Selectmen; and a School Committee for the Southborough K-8, Regional, and Assabet systems; and that it appoint a Zoning Board of Appeals.

Southborough has also created 26 elected seats: a three-member Board of Assessors; a three-member Board of Health; a six-member Library Board of Trustees; a five-member Housing Authority; a Town Clerk; and a five-member Planning Board. Further, the Town has created 41 various appointed Boards, Commissions and Committees totaling 295 seats, the vast majority are which are filled by volunteers. Some individuals serve on several boards.

The Town should consider whether the purpose and status of these elected and appointed positions should be reviewed. As Town operations become increasingly complex, the associated demands for more time and greater expertise are often beyond the capacity of what the elected and appointed officials are in a position to provide. In some instances, this may increase the Town's exposure to legal liability, and warrants considering whether some functions might be better filled by appointed professionals.

B. Town Departments

Currently, Town departments are clearly separated, even when their functions are very similar, overlapping, or complementary. Some officials have suggested that greater economy and efficiency could be achieved by consolidating related departments into one larger department, while sharing administrative support staff. As an example only, the Town could consider whether the Police and Fire Departments might be folded into a single Public Safety Department with central dispatching. Other suggestions made to the Committee are a single Finance Administration Department; a Maintenance Department; a

Human Services Department; and a Culture and Recreation Department. An example of one such highly successful consolidation is the Town's creation of the Department of Public Works from the formerly separate Highway and Water departments. A strong Town Manager position could be invested with the authority to reorganize in this way.

CONCLUSIONS AND RECOMMENDATIONS

The Committee strongly believes and recommends that the time has come for the citizens of Southborough to make changes to the way we govern ourselves. The Town has experienced substantial growth and significant change over the last thirty years in budget and complexity. Over the past year it became clear and evident to the Committee that, despite the yeoman's work being done by the Town's employees, as well as numerous volunteer Boards and Committees, a more full-time and professional management organization with clearer lines of authority is necessary to meet the demands of the 21st century.

With the full involvement of our creative citizenry, we can accomplish the tasks ahead and move the Town in the same positive direction that many of our neighboring towns have chosen. While some of these changes may be significant, there is no doubt that they are necessary.

Recommendation #1: Town Manager / Home Rule Charter

As the centerpiece of its recommendations, the Committee strongly urges that the Town **establish the position of Town Manager strongly invested with broad authority and responsibility for day-to-day operations of the Town governance.** To repeat, this is a path taken by all of the similarly-situated towns surrounding Southborough.⁴ In order to legally do so, the Town must form a Charter Commission to create a Home Rule Charter, which would be tailored to Southborough's needs and preferences.

⁴ See **Appendix A** to this report for selected data for Southborough and surrounding communities.

The process for creating a Home Rule Charter is designed by the Commonwealth of Massachusetts to be slow and deliberative. However, if successful, it would result in the Town being able to control its own governance without action or interference from the State. All of the towns surrounding Southborough have completed the process already, and others are on their way.

There are five phases in the creation of a Home Rule Charter, with many checks and balances built into the process. These are (i) a petition drive to verify support; (ii) a Town election to form a Charter Commission; (iii) drafting of a Home Rule Charter document by the elected Charter Commission; (iv) presentation to and review of the draft Charter by the Massachusetts Attorney General's office; and (v) another Town election to adopt the final Charter.

A. Petition Drive

As an initial step, a petition must be circulated and signed by at least 15% of the registered voters in the Town. To illustrate, November 2006 data shows 6,203 registered voters in the Town, meaning a minimum of 931 signatures would be necessary to place the question on the ballot (for any actual petition drive, it would be wise to collect significantly more to be safe – perhaps 1,000 in this case).

B. Election

If the petition drive succeeds, the question of establishing a Charter Commission is put on the ballot. In addition, any resident who wishes to serve on the Charter Commission must collect at least 25 signatures to place their name on the ballot. If the Commission question passes, the top nine candidates are elected to the Commission.

C. Charter Commission

The Charter Commission has up to 18 months to hold public hearings, compile information, and draft a Home Rule Charter for the Town.

D. State AG Review

The preliminary Home Rule Charter must be presented to the Massachusetts Attorney General for review and approval.

E. Another Election

Lastly, the finalized Home Rule Charter is placed on the ballot for adoption by majority vote of the Town.

Adopting a Home Rule Charter may seem like a complex task. Nevertheless, many towns (including many Southborough neighbors) have created a well-worn and clearly marked path to this result, and the Committee strongly urges that we follow suit.⁵

Recommendation #2: Increase the Board of Selectmen to Five

For the reasons discussed above in this Report (more focused liaison between the Town and State, minimizing split decisions, avoidance of Open meeting violations, continued functioning in the absence/incapacitation of a member), the Committee recommends that **the number of Selectmen in the Town be increased from three to five**. Southborough has the sole remaining three-member Board of Selectmen in the area.

Recommendation #3: Hire a Human Resources Specialist

In order for the Town to more efficiently recruit employees, conduct performance reviews, provide professional development and training to staff, update policies and compensation, and strategize for collective bargaining, the Committee recommends the **appointment of a Human Resources professional**.

⁵ Again, a Charter Commission would surely more fully explore the length and breadth of our Town's governance and operations, even beyond that scope which our Committee has covered.

Recommendation #4: Make Procedural Changes to Town Meeting

The Town Moderator has sponsored an Article on this year's Town Meeting warrant seeking to **reduce the number of voters necessary to establish a quorum at Town Meetings**. For the reasons discussed above, the Committee strongly supports this Article and urges its adoption.

In addition, the Committee recommends that **Town Meetings be moved to Saturday morning**, in order to maximize the opportunity for (i) reaching a quorum, (ii) conducting the Town's business briskly, and (iii) increasing voter participation generally. The Committee also recommends that the Town consider **splitting the Annual Town Meeting into two meetings**, with one being held in the Spring to consider budget issues only, and the other in the Fall for all other matters.

This is a unique time in Southborough's history, and an exciting time to be a resident of this magnificent town. We encourage all of the citizens of Southborough to participate in this process, which is a rare opportunity to frame our Town's governance in a way that will give us the tools we need to meet the challenges of governing ourselves in the upcoming decades.

Respectfully submitted,

Southborough Town Governance Study Committee

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APPENDIX A

CURRENT DATA: SOUTHBOROUGH AND BORDERING COMMUNITIES

| | Form of Government | Population (rounded) | Annual General Fund Expenditures |
|--------------|---|----------------------|---|
| Marlborough | <ul style="list-style-type: none"> ● City Charter ● City Council ● Mayor | 18,000 | \$83.2 million \$4,622 per capita |
| Westborough | <ul style="list-style-type: none"> ● Home Rule Charter ● 5 Selectmen ● Town Manager ● Open Town Meeting | 17,800 | \$65.2 million \$3,663 per capita |
| Southborough | <ul style="list-style-type: none"> ● By-Laws ● 3 Selectmen ● Town Administrator ● Open Town Meeting | 9,500 | \$34.0 million \$3,580 per capita |
| Hopkinton | <ul style="list-style-type: none"> ● Home Rule Charter ● 5 Selectmen ● Town Manager ● Open Town Meeting | 14,300 | \$50.4 million \$3,524 per capita |
| Northborough | <ul style="list-style-type: none"> ● Home Rule Charter ● 5 Selectmen ● Town Manager ● Open Town Meeting | 14,000 | \$38.0 million \$2,714 per capita |
| Ashland | <ul style="list-style-type: none"> ● Home Rule Charter ● 5 Selectmen ● Town Manager ● Open Town Meeting | 15,300 | \$41.0 million \$2,680 per capita |
| Framingham | <ul style="list-style-type: none"> ● Home Rule Charter ● 5 Selectmen ● Town Manager ● Representative Town Meeting | 67,000 | \$173.2 million \$2,585 per capita |

Source: Mass. Department of Revenue and Mass. Department of Housing and Community Development