

Finance Committee Meeting Minutes

Thursday, February 5, 2026 7:00 PM

Hybrid Meeting

In Attendance: Ben Thomas, Philip Prince; Mark Bailey; Allen Jimmerson; George Lee; Tom Rowan; Matthew Hanson, Town Manager; Amy Fidalgo, Assistant Town Manager; Paul Mortenson, Select Board Chair; Daniel Brosgol, Select Board Member; David Williams, 17 School Ave

Via Zoom: Karen Dunn; Vincent Xu arrived 7:39 PM

Regular Business

1. Chair Ben Thomas called the meeting to order at 7:02 PM. Mr. Thomas took a roll call of the members: Ms. Dunn, present; Mr. Lee, present; Mr. Prince, present; Mr. Thomas, present; Mr. Rowan, present; Mr. Jimmerson, present; Mr. Bailey, present.
2. Public Comment – David Williams, 17 School Avenue, spoke against the decrease to the COA budget given that 25% of the town’s population is over 60. He also spoke in favor of the funding request for a handicap van for the BLT.
3. Select Board FY27 Budget Presentation – Matthew Hanson, Town Manager; Amy Fidalgo, Assistant Town Manager; Paul Mortenson, Select Board Chair presented the FY27 Select Board budget.

The proposed FY27 budget totals \$25,828,000, a 2% increase over FY26 and below the Finance Committee’s 2.5% guideline, achieved through careful expense management, strategic staffing adjustments, and detailed revenue optimization.

Mr. Hanson highlighted several significant budget changes, including a reduction in Free Cash-funded road spending to \$1.6 million, a substantial increase in Police overtime to address a long-standing deficit, and a reduction of approximately three FTE positions within the general government budget. These staffing reductions will be achieved through a combination of part-time position eliminations and modest hourly adjustments for a small number of part-time and full-time employees. The budget proposes a 2.5% cost-of-living adjustment (COLA) for Salary Bylaw staff, to maintain fairness for approximately 70 non-union employees despite budget constraints.

Mr. Hanson outlined the staffing reductions affecting five departments, including 0.5 FTE reductions in DPW, Fire, the Town Clerk’s Office, COA, and Facilities. Leadership stressed that these difficult decisions were not taken lightly and were made only after thorough review, and that service levels will be maintained with no reduction in services.

Mr. Hanson also reviewed departmental budget adjustments and line-item changes, noting generally flat or modest increases across departments, with notable changes in the Select Board budget. \$60k of the salary for the Energy and Sustainability Manager will be shifted to a consulting line, this is at the request of the ESC Committee and several community members, this will give the town

flexibility for future consulting needs while preserving position funding in the future. An additional \$50k increase is included in merit adjustments. The Finance Department budget reflects increases for postage and auditing.

Within the Fire Department budget, a 0.5 administrative FTE reduction, along with the reallocation of 0.5 administrative FTE and a lieutenant to the Ambulance line to better reflect duties while maintaining service levels. Operating two ambulances as frequently as possible is expected to generate additional transport revenue to offset overtime costs.

The Public Works Department proposes reducing its budget from \$1.75 million to \$1.6 million while maintaining a strong pavement condition index.

The Health Department requested a modest increase to restore in-office therapy services.

The IT budget includes additional funding for a new dedicated fiber ISP for BPS, offset by savings from full conversion to MUNIS.

The elections line reflects an increase due to the number of upcoming elections in the fiscal year.

Mr. Thomas asked for clarification on the merit adjustment. Mr. Hanson reported this maintains fairness among non-union employees, as the average union increase is 3%, and the COLA for non-union employees is 2.5%. The merit funding will be moved from a warrant article into the departmental budget to improve year-to-year tracking.

Mr. Prince asked for clarification on the 8.5% reduction in water usage. Mr. Hanson reported that the Town is in the process of being reassessed by MWRA to determine its classification rate based on connection, volume, and time in the system.

Mr. Bailey inquired about the unfunded COA requests. Mr. Hanson clarified that there will be no reduction in services by not fulfilling this request. Mr. Bailey asked about salary reductions within the COA budget. Mr. Hanson reported the change involves limited weekday part-time hours, with four FTE staff remaining on-site daily and no reduction to Saturday staffing.

Mr. Rowan asked for clarification regarding the use of Free Cash. Mr. Hanson stated that \$1.6 million is proposed for use on road in the current fiscal year, compared to \$1.75 million used on road in FY26. The Committee asked if Free Cash had been certified yet. Mr. Hanson and Ms. Fidalgo stated not yet, but they were confident that the amount that would be certified would appropriately fund the lines within the model that are expected to be funded through Free Cash.

Mr. Prince inquired whether any departments may have deferred necessary requests due to budget constraints, potentially creating future operational or financial impacts. Mr. Hanson responded that

he did not anticipate any negative impacts but noted potential future needs, including food bank relocation, fire station reuse planning, and a projected PEG budget gap of approximately \$90k within three to four years.

Finance Committee members expressed strong support for the new budget format. The Committee thanked Mr. Hanson and Ms. Fidalgo for their work on the proposed budget and recognized the departments' cooperation in balancing service levels with fiscal constraints.

Materials: FY27 – Select Board Budget Presentation to Fincom; FY27 FinCom Scorecard

Recurring Business

1. Review Model –Mr. Hanson reported the biggest change was that the Shawsheen Tech costs have been added. The student count will be up by 8 students; from 45 to 53 students, which is an increase of 22%. With the budget increasing \$300k from \$1.196 million to \$1.529 million for FY27. Mr. Hanson added to the model under the unused levy “excluding use of free cash” so the levy is shown both ways with and without this influx of free cash as it appeared to be artificially inflated.

Mr. Thomas inquired about preemptive actions the town could be taking in the upcoming fiscal year to tighten the budget deficit projected for FY28 in the model. Mr. Hanson spoke about setting up an Enterprise Fund for Water/Sewer.

Mr. Prince asked if the Board of Assessors increase in the overlay was accounted for in the model. Mr. Hason confirmed that the overlay was going from \$850k to \$1 million and that was accounted for in the model. Mr. Prince inquired if there are any of the non-discretionary items still unaccounted for in the model. Mr. Hanson stated all large non-discretionary items are accounted for at this point.

2. Approve Minutes – Mr. Bailey moved to approve the January 29, 2026 meeting minutes. Mr. Prince seconded. Ms. Dunn, aye; Mr. Xu, aye; Mr. Lee, aye; Mr. Prince, aye; Mr. Thomas, aye; Mr. Rowan, aye; Mr. Jimmerson, aye; Mr. Bailey, aye. The motion passed 8-0-0.

Materials: January 29th Finance Committee Minutes

3. Meetings Attended –
 - Ms. Dunn - None
 - Mr. Xu – None
 - Mr. Lee – None
 - Mr. Prince – PEG Access; cable revenue down 2030 looking at 75 to 100 deficit.
 - Mr. Thomas - None
 - Mr. Rowan - None
 - Mr. Jimerson - None
 - Mr. Bailey – None

4. Adjournment - Mr. Prince moved that the Finance Committee adjourn. Mr. Bailey seconded. Ms. Dunn, aye; Mr. Xu, aye; Mr. Lee, aye; Mr. Prince, aye; Mr. Thomas, aye; Mr. Rowan, aye; Mr. Jimmerson, aye; Mr. Bailey, aye. The motion passed 8-0-0.

The meeting adjourned at 8:36 PM.

Respectfully submitted by Rheanna Lanoie

Approved at the 02/12/2026 Finance Committee Meeting