

Finance Committee Minutes

DRAFT

Date: December 10, 2025

Start Time: 6:06pm

Location: Town Hall

Members Present:

X	Jonathan Moore	X	Rohit Arora
X	Ken Earley	X	Jack Walsh
X	Edward P. Hart	X	Chantal Kokaram
X	Anton Tikhomirov		

Joint Meeting with School Board and Select Board

Call to Order - Open Session:

1. J. Moore called meeting to order at 6:06 pm. School Board and Select Board chairs called respective boards to order.

Discuss FY 27 Budget:

- The Town Manager introduced the meeting and provided background on near-term and multi-year fiscal conditions. The purpose of the meeting was to review FY 2027 budget scenarios and provide direction on potential override options.
- The Superintendent presented an overview of the Ashland Public Schools FY 2027 budget outlook. No new positions are proposed in the school budget. Personnel reductions would be required under all scenarios. A level-service school budget would require an increase of approximately 7.2%. A 3.75% increase would not maintain level services. Under a level-service scenario, approximately 20–25 personnel reductions would be required. A level-funded budget (no increase over the prior fiscal year) would require approximately 30–40 position reductions. The difference between a level-service and level-funded budget is approximately \$3.4 million.

- The Town Manager reviewed municipal finances and noted that health insurance and pension costs are growing faster than Proposition 2½ revenue. Our paths for FY 2027 were presented, including a level-funded budget resulting in significant service reductions. Three override options were outlined:
 - Option 1: \$3.75 million general override funding most of the school level-service budget and certain municipal enhancements.
 - Option 2: \$3.5 million “menu” override funding slightly more of the school level-service budget.
 - Option 3: \$2.75 million permanent override combined with reallocation of \$750,000 debt exclusion. Option 3 would require revisiting the prior commitment to fund \$750,000 of the the public safety building through the levy rather than a debt exclusion.

- The Boards discussed the merits of Options 1 and 3. Members noted that significant funding would be required to stabilize the Town’s finances under any option.

- It was noted that overrides are not indicative of mismanagement, but reflect the structural limits of Proposition 2½ relative to inflation.

- Concern was expressed that Option 2 could create an “us versus them” dynamic and weaken general government services. The Fire Chief also expressed concern that Option 2 would divide departments and undermine collaboration. The Police Chief noted that Ashland’s interdepartmental cooperation is not typical and should be preserved. The Superintendent shared his perspective, noting that Option 2 should not be pursued and expressing concern that under Option 3 the School Department could become the primary focus of public debate.

- The Boards discussed whether the 70/30 allocation split embedded in Option 1 should be retained or abandoned.

- The possibility of increasing Option 3 from \$2.75 million to \$2.95 million was discussed.

Advisory motion to provide directional support for Option 3 with a base override amount of \$2.75 million and a ceiling of \$2.95 million, with the final amount to be determined by Town Manager. Note: Select Board to take final action at 1/7/26 meeting.

- Motion: Claudia Bennett
- Second: Paul Kendall
- Vote: Unanimous in Favor
- Motion Approved

Motion to Adjourn:

- **Motion to adjourn meeting 9:05 pm.**
- Motion: J. Moore
- Second: R. Arora
- Vote: 7-0