

Falmouth Finance Committee

Hermann Foundation Meeting Room, Falmouth Public Library – January 14, 2026

Meeting – 4:00 pm

MINUTES

Present: *Keith Schwegel – Chair; Ron Dyer; Susan P. Smith – Secretary; Mary Harris; Joseph Lemay; Russell Murphy; Eileen Miskell; Robert B. Dugan; Addie Vaccaro; Peter Hargraves*

Absent: *Kathleen Beriau - Vice Chair; Tim Gordon; Lee Bordick*

Representing the Town: *Mike Renshaw, Town Manager; Peter Johnson-Staub, Deputy Town Manager; Laura Sitrin, Finance Director; Patricia Eaton – Treasurer/Collector; Jed Cornock – Planning Director*

1. Call to Order

Chair Keith Schwegel called the meeting to order at 4:00pm.

2. Presentation: FY2027 Operating Budget Overview

M. Renshaw presented the recommended proposed FY27 Operating Budget.

M. Renshaw – under the key priority area of housing, the proposed budget includes an appropriation of \$950,000 to the Affordable Housing Fund. Within the focus area of Health and Public Safety, the proposed budget seeks to increase staffing by two full-time dispatchers to the emergency communications dispatch. In regard to organizational effectiveness and community engagement, the budget includes the addition of part-time custodial support for the Senior Center to allow for additional programming in the evening and to support extended service hours. The budget also looks to add four months of full-time administrative work assistance to begin implementing the residential tax exemption program. The School budget increased by approximately 5.8%. The operating budget, as proposed, is approximately \$183.87M, which represents approximately a 5.7% increase from FY26, or about \$9.8M from last year. The total proposed revenues are projected at \$191.79M.

The only way to balance the budget without an operating override for this upcoming year was to reduce departmental requests by a little over \$2M. A significant portion of that was for new personnel staffing requests which were not recommended for funding. Also, by utilizing excess levy capacity of \$655,520 of the \$1.5M that exists and increasing the local receipts from the preferred 80% of priors to 84%. This leads to less free cash being available for the FY27 capital budget. This will place continued pressure on operations and staff due to increased responsibilities without increased staffing. This will provide much less flexibility in future budgets with respect to excess levy capacity and use of the local receipts. Also, future budgets may require overrides, reductions in services, and/or new fees for those services.

M. Harris – balancing the budget should be listed as a guiding principal.

K. Schwegel – is there a way to enhance revenues and cut costs to move away from needing an override?

M. Renshaw – yes, the Select Board has started looking into other options. I have advocated for a more competitive position for the Town and also utilizing new technologies to allow for more efficient existing staffing.

K. Schwegel – I did an analysis from FY20-FY26 and noticed that all revenues went up 16% during that period but the budget went up 38%. The capital plan caused a major problem and, in a couple of years,

jumped almost 100%. Mr. Johnson-Staub mentioned during a precinct meeting that we were spending approximately \$18 million on the annual capital improvement budget. The Town cannot sustain that level of expenditure. There are areas which could be found to cut, instead of raising taxes. Also, the Town was not collecting all of its property taxes, to the tune of almost \$2M.

K. Schweigel – is there any discussion about banking the excess levy capacity?

P. Johnson-Staub – a suggestion was made by Heather Goldstone at a recent Select Board meeting to take the same amount of excess levy we were initially discussing spending and putting it into capital and debt stabilization.

M. Renshaw – the capital plan does need to be reviewed at some point.

P. Johnson-Staub - this budget projection is based on reasonable estimates, but no one in administration believes there will be \$40M of overrides.

K. Schweigel - between FY25 and FY27, the free cash dropped off 4%-6% each year. The bright side is that the debt service has also dropped. I would like to see the five year plan.

P. Hargraves - I was offended to hear a Select Board member state during a recent meeting that \$500,000 is available to be spent on discretionary items. The FinCom was elected by Town Meeting to represent a critical view of the budget. Will the FY27 budget review not be closed out until the potential suggestions of FinCom members are considered and reviewed?

M. Renshaw – these discussions could occur after Town Meeting in the spring or summer.

P. Hargraves – this seems too late and I do not think I can do my duty on the Committee without better understanding what is guiding the future overspending. The Committee is here to keep a hand on the tiller. I have been told that the Select Board can do whatever it wants in terms of tax exemptions. What happens when you shift the load without raising taxes, because that cannot be done due to Proposition 2 ½, and then there is an override. In five years, my taxes will double on this track. There is an item on the Assessor's budget which adds up to \$80,000 to enable people to move the tax exemption forward. I will not be comfortable with this being reviewed as part of the agenda until the additional items can be considered.

R. Dugan – I would like to see a list of the departmental requests.

3. Discuss/Vote: General Government – Treasurer/Collector

MOTION by A. Vaccaro/R. Dyer to move \$829,562 for the Treasurer/Collector.

Discussion:

A. Vaccaro - there are not many changes other than contractual expenses which are going up by \$10,000. The credit card fees are increasing pretty significantly in bank fees likely due to beach stickers.

M. Harris – I'm wondering about the proposed \$70,000 for postage.

Patricia Eaton, Treasurer/Collector – this amount is more accurate as to what is actually being spent on postage.

All in favor.

4. Discuss/Vote: General Government – Town Accountant

MOTION by A. Vaccaro/R. Dyer to move \$375,685 for the Town Accountant.

Discussion:

A. Vaccaro – an RFP is pending for the annual audit and the budget proposed for it is \$85,000. The Admin Clerk position was increase to full-time.

All in favor.

5. Discuss/Vote: General Government – Finance

MOTION by P. Hargraves/R. Dyer to move \$193,492 for the Finance Office.

Discussion:

P. Hargraves – the only change is to the printing budget, as anticipated for the Annual Comprehensive Financial Report.

All in favor.

6. Discuss/Vote: Reserve Fund Request: Town Manager \$4,500 (Fireworks: Forgot to budget for endangered shorebird monitoring)

MOTION by K. Schwegel/R. Dyer to approve \$4,500 for a reserve fund transfer for the endangered shorebird monitoring to the Town Manager budget.

Discussion:

K. Schwegel – a reserve fund transfer, per the statute, can be used for extraordinary or unforeseen expenditures. \$15,000 is usually given for the fireworks, but this year it is going up to \$20,000.

M. Renshaw - we were advised through the Conservation Office that Mass Audubon had new shorebird mitigation plan requirements for firework shows. Resources were cobbled together to pay for this in calendar year 2024. The Fireworks Committee was notified that this would be an ongoing expense, but in budgeting for calendar year 2025, the additional funding for this plan was not included. Thus, his office received a bill from the Fireworks Committee for this amount.

P. Hargraves - the fireworks volunteer group is responsible for managing the fireworks, putting them on, and paying the expenses. It is the group's responsibility to pay for this item and not the Town's.

M. Renshaw – the chair of the Committee understands that, going forward, July 4th 2026 and beyond, they are responsible for all fees associated with putting the show on, including the shorebird plan. This is being requested due to an invoice that my office is currently sitting on.

A. Vaccaro – the cost of this invoice could be covered by two less 8" shells. The Committee could call the firework company and make this right.

M. Renshaw – I was told that the show cannot be scaled back due to contractual obligations.

8 in favor with 2 opposed (Vacarro and Hargraves).

7. Discuss/Vote: Reserve Fund Request: Planning Department \$5,500 (Forgot to budget for GIS Platform)

MOTION by K. Schwegel/R. Dyer to approve \$5,500 for a reserve fund transfer to the Planning Department for GIS Platform.

Discussion:

J. Cornock – this is a function of the reorganization of the office. This was an unforeseen expense.

All in favor.

8. Review & Vote Approval of Meeting Minutes

- November 17, 2025

MOTION by S. Smith/R. Dyer to approve the meeting minutes of November 17, 2025, as amended. All in favor.

9. Chairman Report

K. Schwegel – we will meet next Tuesday at the Library.

10. Adjourn

The meeting was adjourned at 5:34pm.

Respectfully Submitted,
Kristan Patenaude, Recording Secretary