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*Town of Ludlow, Massachusetts*  
*Finance Committee Meeting*

Minutes of February 18, 2026

Meeting began at 6:00 p.m.

Members Present: Tony Sanches, Susan Boyea, Mike Kelliher, and Chad Mullin

Also Present: Marc Strange, Town Administrator (Remote), and Cheryl Allen, Finance Director (Remote)

Members Absent: Michael Kelley, Aneta Lombardi, and Bill Nicoll

First Order of Business: The Pledge of Allegiance

**OLD BUSINESS**

Committee to review current fiscal YTD Municipal Expenditures:

Mr. Sanches questioned the Board of Assessors 'purchased contractual services at 95% and Ms. Allen told him that is the service the Assessors use for setting the tax rate. The Treasurer/Collector overspent by 880%. It was budgeted at \$25,000 and is currently \$195,000 overspent.

Ms. Allen stated the Treasurer/Collector may be covered by an inter-fund transfer from the insurance line.

Mr. Kelliher asked if this will still go to town meeting to use free cash?

Ms. Allen stated it will only go to town meeting if there is not enough left in the budget.

Mr. Strange stated that the monthly expenditure for the school insurance line is about \$8 million and we have \$4.8 million spent. We have been averaging about \$600,000 per month. At

year end we should have about \$700,000 left. We probably have about a month, and a half left with Mass Munifin and then the new Treasurer will begin.

Mr. Kelliher stated that the school is at about 52% for insurance but the town side is almost 62%. Is this paid ahead?

Mr. Strange said they will have to take a deeper diver on that.

Ms. Allen said that they are running a little tight for the town's side, but the school should have extra and she can do a transfer at year's end.

Mr. Sanches asked about the public safety complex duplication on the expenditures list.

Ms. Allen stated that the public safety issue has been corrected.

Mr. Sanches also stated that the property liability insurance was overspent by 94% but based on prior years the insurance payment is made on the first of the month at the beginning of the fiscal year.

Mr. Kelliher stated that there are some employee benefits that are overspent by 185% and wanted to remind them to be aware of that if they are going to use money from that line item.

Ms. Allen stated that the whole department for the employee benefits has 30% left in the budget and believes they will be okay.

Mr. Mullin asked if Mr. Strange has made it clear to the department heads that any further purchases must be on a need basis only.

Mr. Strange stated that other than Mass Munifin and ITP, the rest of the departments are in line with their annual expenditures.

## **NEW BUSINESS**

**FY27 Level 2 Review and Discussion:**

Mr. Strange explained the numbers are still changing but as we sit here, we are working on the school department at 3%. The reclassifications were pushed to next year except the new rec director and one paramedic/firefighter are currently in the budget. Three FTE's on the town

side. We put the summer camp budget back in, but we will clarify by the first week of March if that is actually going to happen. Negotiations are still going on with some of the unions, but we did budget for 2% for LATOSS for FY27. There will be no employee health deductibles increases this year, and we still have \$91,000 in access capacity. We are still considering funding the firefighter/paramedic position from the ambulance revenue fund. Currently we do not need to use the ambulance revenue fund.

Mr. Sanches asked why we wouldn't use the ambulance revenue fund either way.

Mr. Strange stated that it is considered free cash and that's why it continues to be healthy. The Chief needs two more firefighter/paramedics to round out his roster with the three shifts. This will be a couple of hundred thousand dollars. Revenues have gone up every year and the more firefighter/paramedics we employ, the more revenue we can garner through the ambulance revenue fund. It's just not the best practice to use free cash, it should really be in the operating budget. This would be a revolving fund.

Mr. Mullin asked if we are staying with 3% for the school.

Mr. Strange stated that he will be presenting 3% for the school.

Mr. Kelliher is much happier with this position than we were a month and a half ago.

Mr. Sanches stated that after reviewing the Town Bylaws, specifically I13 & I14, the Finance Committee is legally required to review all appropriations, hold a public hearing and issue their recommendations at town meeting. He asked the committee if they feel like they have enough information to do that.

Mr. Kelliher would like to see the actual level 2 budget presentation first.

Mr. Mullin would like FY26 approved versus FY27 submitted.

Mr. Strange said 100% the Finance Committee will have everything they need to make an informed recommendation at town meeting.

**Moved by Mr. Kelliher to approve and sign the meeting minutes from January 21, 2026, seconded by Ms. Boyea. Vote 4-0. All in favor.**

Moved by Mr. Kelliher to approve and sign the meeting minutes from February 4, 2026, seconded by Mr. Mullin. Vote 4-0. All in favor.

**CORRESPONDENCE**

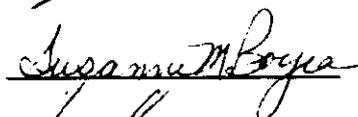
NONE

**CLOSING COMMENTS**

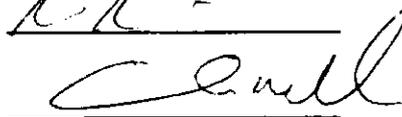
Mr. Sanches is very happy where things stand today and thanked Mr. Strange for all of their hard work. The updated presentations have been received well by the public and the committee.

Moved by Mr. Kelliher to adjourn, seconded by Mr. Mullin. Vote 4-0. All in favor.

 Chairman









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Ludlow Finance Committee