**Lenox Finance Committee Meeting Minutes**

Date: March 17, 2022

Members Present: Dave Carpenter (DC), Kristine Cass (KC), Michael Feder (MF), Mindi Morin (MM)

Guests: Clarence Fanto (CF)

Absent: David Neubert (DN), Blaise Gregory (BG)

Meeting called to order at 6:01pm

KC kicked off the meeting discussing goals for this meeting to have a dialogue around the letter to the town and in meetings to follow, we will review/revise for its due date to the Selectboard on April 4th. We will ensure this is updated on the town site and copies are made and distributed for the town meeting

DC asked if the schools will be a separate warrant and it was confirmed there will be two separate warrants. DC acknowledged that CF had written about this in a past article, which is great.

MF had a previous conversation with KC about what the letter content should be. He suggests that it follow basic sets of facts such as, at the end of the day what drives our property taxes is the legal obligation to balance the budget each year based on state law. This amount consists of the towns revenues and the expenses. That deficit needs to be accounted for; therefore, it is made up in our taxes. Excise and hospitality taxes assist to fund the deficit, but not entirely. When you look at our overall expenses, they become the driver of the town budget. The committee agrees that our town manager does a great job controlling those expenses and we have spent time understanding these line items, but the big area of cost to this town are the school. Our feeling is the budget needs to be done differently compared to what has been done in the past. The school committee recognizes the increase from the 3% proposed target is heavily attributed to HR. We feel it is time for the school committee and admin. to evaluate how they spend money considering programs, people providing the programs and what that means relative to their cost. At the end of the day, if the school continues to cost more and our 3rd party revenues start to flatten, we will have no choice but to increase individual taxes to make up for this deficit.

KC also recognized that it is important that taxpayers understand that these budgets are developed and approved by the School Committee and Selectboard. The school committee controls their budget and the selectboard controls the town budget, but the selectboard does not have control over the school budget.

MF asked if the Selectboard can disapprove the school budget and it was discussed that the taxpayers vote to approve or disapprove the budgets. He feels the School Committee needs to think of their budget differently. Also, discussion regarding the assessor’s office and he suggested a memorandum go out to the town to have clarity on the process. Although they will not do this letter, KC asked if we should touch on this in our letter.

DC is in favor of a sentence in our letter that says we think that the citizens understanding how the big picture impacts their tax bill and that the town do what other towns have increasingly been doing and have someone provide a narrative to the public.

KC asked if this information is in the annual report and that we will check it. DC reiterated that other towns clearly put this on their town website to make it very clear.

MM suggest that KC as the chair let the Board of Assessors know that we would like to add a sentence in our letter and ask them if they would prefer to do this sentence. MF feels it should read that it is a mistake to believe that the appraisal is what is driving your tax bill. What makes your tax bill go up is a bigger budget deficit in the town.

KC feels we captured the school concerns with what MF said previously. Committee also agrees the school committee should evaluate the expenses they can control such as FTE’s.

DC shared two perspectives, one being the capital projects and is encouraged to report they feel this is very important to understand. He also recognized that as a committee last year that 2 of the committee members voted no on the school budget. Where we are today is the same position that we were in last year. Our letter should be direct again this year and should be apparent on how we vote on each warrant. The letter should strongly articulate our stance.

DC reviewed with the group the capital expenditures and what he has been working on in his work group. This is a difficult task for many towns because it is such a large amount with many factors that impact each project individually. Our facilities are old and need replacement to continue to function. He is very encouraged by his meetings.

MF pointed out that construction costs and materials continue to increase. Because of these factors, our numbers are likely to go up.

KC recapped the importance of adding in Capital to our letter, so the town is aware. DC agrees with this and suggests we delineate capital budget expenses and the regular budget expenses and to refer to our letter from last year. We have to say what our advanced thinking.

MF suggested with these large capital projects, we should support adding assistance to this group with a person who specializes in this. DC suggested a shared resource with a neighboring town that also feels the need for this person.

KC asked if we want to take a position on the cost of the public safety center and we discussed have an amount of $20M but with many unknown factors. MF summarized what makes up that budget and that we are a long way from having a hard number. Discussion that we should address our concerns of rising costs and the importance of including the right parties to truly understand what this cost will be for a much-needed project.

KC asked if we should add additional items into the town letter and we all agree we should add that we need committee members. A draft will be circulated to the group prior to our meeting March 31st.

Feb 10th meeting minutes approved.

Meeting adjourned at 6:59pm

Respectively Submitted,

Mindi Morin, Secretary