



## TOWN OF LENOX

6 Walker Street, Lenox, MA 01240  
[www.townoflenox.com](http://www.townoflenox.com)

## FINANCE COMMITTEE

April 24, 2024

Dear Residents of Lenox,

The Finance Committee has carefully reviewed all aspects of the FY2025 operating and capital budgets and met with department leaders to discuss their current and future funding needs. It is important to note that the effects of inflationary pressures commonly lag a few years for municipal budgets, and this year's budget is impacted by those pressures. We thank the Town Manager, Select Board, school administration, and School Committee for their careful management of costs in an inflationary environment, purposeful investment in town improvements, and proactive approach to long-term planning.

This year's town operating budget reflects an increase of 7.2% over last year. With the increase in commercial business, the budget contains necessary investments in public safety and public health personnel to meet growing demand for police, fire, emergency, and public health services. The operating budget also includes market adjustments to some town salaries that allow us to retain and attract well-qualified employees.

Lenox continues to collect healthy revenue from tourist meals and rooms tax, and the budget utilizes some of those revenues, via the free cash fund, to support capital improvements. In addition to replacing equipment for the public safety and highway departments, the town will invest in trail and field upgrades and a new community skating rink. These investments reflect a proactive approach to keeping Lenox safe, current, and beautiful for both residents and visitors.

The Lenox Public Schools budget represents 55% of the total town operating budget. Our schools face several key challenges that contribute to the 8.4% budget increase in FY2025, including both large, legally mandated increases in special education outplacement fees and the end of Covid relief funding from the state. Lenox used Covid relief funding carefully and has been planning ahead since 2021, so the impact to this year's budget is manageable, allowing LPS to maintain the positions hired to support students post-Covid.

In addition to managing factors outside LPS's control, this year's school budget includes investments in curriculum improvement, administrative staffing, and facilities. These investments will help Lenox remain the district of choice for both students and staff. The Finance Committee appreciates the more transparent approach to budgeting displayed by the LPS administration and School Committee this year. The school budget increases have been significant for the past several years, though, and the Finance Committee is concerned about the town's ability to sustain that growth long term.

Looking ahead, Lenox has several big projects that will significantly impact the town's budget and thus property taxes. In a few years we will begin paying debt service for the new public safety center and wastewater treatment facility, both approved at the special town meeting in December 2022. LPS is in the early stages of exploring options to expand LMMHS, starting with a \$200,000 feasibility study on the warrant tonight. The Town Manager and Select Board have been planning for these large projects for years, and despite carefully financing to minimize the tax burden, taxpayers can expect property tax increases to persist above the previously normal 3% level for at least another two years. We encourage all residents to pay careful attention to the town budget and the choices it reflects.

Respectfully submitted,  
LENOX FINANCE COMMITTEE

