August 11, 2026 Finance Committee Meeting Minutes

Attendees: Melissa Finateri (BoE), Lou Riolo (BoE), Kristin Cacal (Community Member), Jamie Callanan (Community Member), Victor Karlsson, Matt Wenz, Ann Marie Kovaleski
Presenters: None

Meeting began at 8:03am.

Victor Karlsson began the meeting by reviewing the Charter, which is re-adopted annually by the Board of Education based on BoE Policy 4231: Citizens Advisory Committee. He then referenced the prior meeting minutes, which are available on the District's website.

The Tax Warrant was discussed next, beginning with a review of the five-year Tax Levy history, which averaged 1.69%. The District has been at or below the "Tax Cap" for each and every year since the "Tax Cap" legislation came into effect in 2012-13, averaging 1.89%. The factors included in the Tax Rate setting process were discussed, which include Homestead/Non-Homestead apportionment, School Taxable Assessed Values, and Exemptions. Victor explained that multiple agencies are responsible for each factor:

- Towns control Assessed Values
- State controls State Aid, STAR, and the "Tax Cap" formula
- School District controls Homestead/Non-Homestead apportionment and the Tax Levy (community also controls the Tax Levy through the budget vote)

Beginning with the Tax Levy component, Victor explained that next year's Tax Levy is 2.60% greater than the prior year's, so if there were no changes to any of the other factors, then each taxpayer's bill would simply increase by 1.28%. However, he stressed that this never happens and that there are often many changes to assessments of the properties within the tax base. He added that any change in assessment for one property impacts the tax bill of all other properties.

Victor reviewed the changes to School Taxable Assessed Values, which were reported by the Assessors of each of the three towns. On average, School Taxable Assessed Values increased by 5.4% district-wide. He added that in general, School Taxable Assessed Values and Tax Rates have an inverse relationship so that any increase in School Taxable Assessed Values could limit, or even decrease, the Tax Rate. Since the Tax Levy increase was just 2.60% as compared to the much larger increase in School Taxable Assessed Values, Tax Rates *decreased* across the all municipal segments.

Next, the required Annual Report of Reserve Funds were reviewed. Victor noted that a common theme among recent NYS Office of the State Comptroller audits is a lack of guidance around reserve funds. The Annual Report of Reserve Funds includes information regarding each reserve's creation date, purpose, funding method, uses, recommended funding level, and restrictions.

Victor noted that the annual financial statement audit is scheduled to begin next week, so the figures under review have not yet been audited or finalized. The Annual Report of Reserve Funds reflects the same reserve fund balances as those reviewed by the Finance Committee and approved by the Board of Education in June, with the only exception being the Employee Benefit Accrued Liability Reserve, which acts as a "catch-all" after all other reserves are adequately funded. This balance will be finalized after the audit is completed.

The next Finance Committee meeting is scheduled for Tuesday, December 1st at 8am to review the District's Long Range Financial Plan, the Brewster Vision Capital Project financing plan, and partial property tax exemptions for 2027-28 and beyond. We will be joined by our Fiscal Advisors, who will share an update on capital project financial planning.

Meeting ended at 8:34am.

Respectfully submitted,

Victor Karlsson