

Litchfield Board of Finance
Regular Meeting Minutes
March 12, 2012

Call to Order: Vice Chairman David W. Wilson, in the absence of Chairman David Geiger, called the meeting to order in the Litchfield Intermediate School Art Room at 7:05pm with David W. Wilson, Ed Gadomski, Mitchell Fishman, Brenda Barnes, Ed Weik, Anne Dranginis (Alt.), and David Pettinicchi (Alt.) present. Since David Geiger was on vacation, Mr. Wilson appointed David Pettinicchi to full voting status.

Also present were John McKenna, Karl Fisher, Stacey Dionne, Leo Paul, Chris Blake, Diane Knox and Paul Parsons.

Approval of Minutes:

Motion: Ed Weik moved to accept both the 2-13-12 and 2-21-12 minutes. David Pettinicchi seconded the motion with two changes: “town (hall) meeting” and the fact that Mitchell Fishman and Brenda Barnes were in abstention from the 2-21-12 minutes since they were absent from that meeting. All voted aye and the motion carried, with David Geiger in abstention.

Board of Selectman’s Budget Presentation:

Leo Paul said there was a quorum of BOS members present, so he called a BOS meeting as well.

The BOS municipal budget proposal for 2012-3 calls for a spending increase of 1.75%. The \$7,814,637 proposal shows an increase of \$123,553 over the current budget of \$7,061,084. Mr. Paul said the proposed budget is as lean, yet fair, as possible. All town departments were required to trim their own budgets and the goal was to develop a proposal with minimal spending increase that would allow the town to maintain services. The largest increases came from employee benefits (\$28,283), road maintenance (\$24,057) and public works operations (\$23,750). The proposed public works budget of about \$2.6Mil is the largest component of the proposed budget, representing about 36%.

In reply to Mr. Weik’s question about revenues, Karl Fisher said it is not yet known what the governor will do for the state budget so Litchfield was deliberately conservative to accommodate that.

Mr. Paul said the current recycling center will be remodeled to receive all curbside recyclables and USA Hauling will handle all that. Other cost-cutting initiatives include renegotiating pensions, proposed efficiencies for school maintenance by having the Town take over all interior school maintenance including all necessary maintenance supplies (awaiting BOE approval), a Small Cities Grant for affordable housing (currently working on Wells Run and Tannery Brook will be a 2012 application to rehabilitate 20 houses), better managed and centralized office supplies and one income-producing initiative for a property revaluation in FY13. Mr. Wilson asked if this is a full revaluation or partial and Mr. Paul said he would bring that answer back to BOF.

BOS-approved reductions in their budget proposal include salary savings from Resident Trooper Doyle's retirement, reduced Elections cost since if a special election occurs, funds will be utilized from the Contingency Account, and decrease by half the Library's requested budget increase.

Year-to-Date Financial Review:

Karl Fisher, Director of Finance, presented the financial overview as of February 29, 2012. The Town has collected 92% of revenue and has spent 63.6% of the BOS Budget approximately 66% through the fiscal year. The Fund Balance after the transfer of funds for Pay as You Go Capital (\$327,698) is 12.5% of Total expected revenues of FY2012 (\$27,077,386).

The Town has collected 92% of revenue as of February. The largest percentage was the collection of current year property taxes with 98.4% being collected by February 29. In February of FY 2011, the Town collected 92% total revenue and collected 97.8% of property taxes. Another revenue line of interest is the Prior Year Taxes which is 103.6% collected (80.4% collected in February 2011).

Pertaining to Expenditures, the BOS budget currently shows the Town being 68.9% committed and 63.6% spent through the fiscal year. In FY 2011, the BOS was 67.9% committed and 61.1% spent.

Board of Education YTD Status Report:

This report was not available. Mr. Wilson noted that if the BOF could receive a similar report to Mr. Fisher's from the BOE, it would be very helpful.

Mr. Fishman asked if Mr. Wilson could contact the BOE about getting their Budget books. Mr. Wilson agreed to do this.

Public Comment: There was no public comment.

New Business:

- a. **Financial Transfers:** There were no financial transfers.
- b. **Payment of Bills:** There were no bills for payment.
- c. **Correspondence:** Mr. Wilson received an Email from David Geiger that said Hooker & Holcomb might attend a Fall meeting of the BOF. A one-hour meeting to discuss OPEB would cost \$345, and that would not be portal-to-portal.

Committee Reports:

- a. Ed Gadomski, who attended a meeting of the Pension Commission subcommittee, said their focus was to discover discrepancies in the Litchfield Employees Pension Plan but they did not have clear guidelines for legal and actuarial implications. They are asking the BOS to set a clearer designation of purpose for the subcommittee and until that is provided, they will not be meeting again. Mr. Gadomski also noted there are discrepancies between the actual Plan and the employee handout.
- b. David Wilson, a member of the Northfield Fire House Committee, said he was deposed for the lawsuit concerning a child injured during firehouse construction and it appears this will be going to trial.

Adjournment:

Motion: Ed Gadomski moved to adjourn at 8:50pm and Brenda Barnes seconded the motion. All voted aye and the motion carried. The next special meeting will be held on Monday, March 19, 2012 at the Litchfield Intermediate School to review the BOE budget presentation.

Respectfully submitted,

Jo Ann Jaacks
Recording Secretary