

**Litchfield Board of Finance  
Special Meeting Minutes  
April 24, 2014**

**Call to Order:** Chairman David Geiger called the meeting to order in the Litchfield Intermediate School Library at 7pm with David Wilson, Anne Dranginis, Ed Gadomski, Mitchell Fishman, Ed Weik (Alt.) and Sky Post (Alt.) present.

Late: Brenda Barnes arrived at 7:02pm

Also present: Rose Bouchard, Stacey Dionne, Leo Paul, Deborah Wheeler

**Appointment of Alternates:**

Chairman Geiger appointed Sky Post a full member until Brenda Barnes arrived.

**Discussion on the Proposed Budgets and Take Any Action Deemed Necessary:**

It was agreed there were approximately 66 attendees at the April 23, 2014 town budget hearing and Chairman Geiger said both Superintendent Wheeler and Leo Paul made excellent presentations for their respective budgets. The majority of the 20+ speakers were in favor of the spending plan but Chairman Geiger said he was still leaning towards modifications to the individual budgets. Although the re-evaluation of homes affected the Grand List, he feels a 25mil rate is too high.

David Wilson also expressed concern about the mil rate since the median increase in property taxes would be \$640 (for a \$200,000 assessed home). In comparing last year's budget, he said the town does not need that large of an increase at one time.

In reply to a question from Mitchell Fishman, David Wilson said he did not have specific places to cut the budgets and the BOF would not recommend line item changes. Sky Post and Brenda Barnes both agreed there was a large approval rating at the town budget hearing for the BOE budget.

Ed Gadomski questioned the necessity for a pre-K expansion and suggested the teacher:student ration could be reduced. Mitchell Fishman noted the capital non-recurring account had approximately \$400,000 and perhaps that "cushion" could be reduced to \$200,000.

Chairman Geiger said part of the budget approval process is to approve the bonded monies and Leo Paul said not all of these monies will be spent. Mr. Paul said that monies taken out of the capital non-recurring account and fund balance will allow for pay-as-you-go projects. Once the budget is approved, Leo Paul and Treasurer David T. Wilson will review the capital budget to recommend to the BOF which items should be pay-as-you-go.

Anne Dranginis said the BOE and BOS members have gone to great lengths to make their budgets right-sized since they have been lean for the past several years.

Ed Weik said he has spoken to taxpayers who did not attend the hearing and are not in favor of the budget increases. He suggested the BOE could cut by \$100,000 and the BOS might be able to use the \$400,000 as Mitchell Fishman suggested.

Chairman Geiger said the Board appears to be evenly divided on this issue. Last year, the BOF proposed a smaller number to the BOE and they came back with a decrease. He distributed a summary showing that the BOF helped reduce the BOE increase by 55%. He agreed with Ed Weik that \$100,000 could be trimmed, to lessen the impact on the mil rate. He said that last year, the BOE overspent their budget rather than return the unspent dollars.

David Wilson said he did not believe that the \$193,000 in the BOE Discretionary Fund was the only place where cuts could be made, as stipulated by Superintendent Wheeler.

Chairman Geiger distributed two scenarios for BOF action: The BOF could reduce the proposed budget increases by 10% to lower the tax burden, thus giving the BOE and BOS 90% of everything they asked for OR use \$100,000 from the Fund Balance to soften the increasing tax burden and tend to level the tax increase with next year's. (One year Fund Balance injection, only) and verbally commit now to use \$150,000-\$200,000 from the Fund Balance to pay shorter life capital items as-we-go, to reduce bonding. This option addresses concerns expressed at the budget hearing about bonding.

Leo Paul said this second scenario would be an inappropriate action and would be viewed as such by Moody's.

Ed Weik proposed that this year the BOF could accept both BOE/BOS budgets and let the taxpayers decide at the town budget meeting on May 7, 2014.

**Motion:** Brenda Barnes moved to accept both BOE and BOS budgets. Anne Dranginis seconded the motion. A roll call vote resulted in the following:

<u>Ayes</u>	<u>Nays</u>
Anne Dranginis	David Geiger
Mitchell Fishman	David Wilson
Brenda Barnes	Ed Gadowski

**Motion:** David Wilson moved to reduce the BOE budget by 10% and pass the BOS as is. That motion failed for lack of a second.

Chairman Geiger called for a ten-minute break and the meeting reconvened at 9:07pm.

Chairman Geiger said it is the BOF responsibility to see that the town budgets are efficient. Leo Paul said a member of the public can make a motion at the town budget meeting to reduce the various budgets but they cannot be increased at the town meeting. Chairman Geiger said the BOF has to make a recommendation so it can be printed in the newspaper and there currently is a tie vote.

**Motion:** Mitchell Fishman moved that the BOE budget of \$16,641,000 be reduced by \$20,000. Anne Dranginis seconded the motion. Chairman Geiger said he received a letter from Jason Lathrop today stating that the BOE could make some budget reductions and that one person retiring may not have to be replaced. Chairman Geiger asked Mitchell Fishman if he would amend his motion to \$33,000 but that was declined. A roll call vote resulted in the following, with Chairman Geiger electing his option not to vote:

Ayes

Brenda Barnes  
Anne Dranginis  
Mitchell Fishman

Nays

David Wilson  
Ed Gadomski

The majority voted aye and the motion carried.

**Motion:** David Wilson moved that the BOS budget be accepted as presented to go to the town budget meeting. Brenda Barnes seconded the motion. All voted aye and the motion carried.

**Motion:** Mitchell Fishman moved that the Capital/Debt Service budget be accepted as presented to go to the town budget meeting. Ed Gadomski seconded the motion. All voted aye and the motion carried.

**Adjournment:**

**Motion:** David Wilson moved to adjourn at 9:24pm and Ed Gadomski seconded the motion. All voted aye and the motion carried.

Respectfully submitted,

Jo Ann Jaacks  
Recording Secretary, Board of Finance