

**Litchfield Board of Finance
Regular Meeting Minutes
September 10, 2012**

Call to Order: Chairman David Geiger called the meeting to order in the LIS Art Room at 7pm with Ed Gadomski, Mitchell Fishman, Ed Weik, and Anne Dranginis (Alt.) present. Chairman Geiger appointed Anne Dranginis a full voting member until the arrival of other full members. David W. Wilson arrived at 7:05pm and Brenda Barnes and David Pettinicchi (Alt.) arrived at 7:08pm.

Also present were Karl Fisher, Frank Simone, Deborah Wheeler, Jason Lathrop, Michelle Merlin and John McKenna from the media.

Approval of Minutes:

Motion: Ed Weik moved to accept the 7-9-12 meeting minutes with one grammatical change: Under Public Comment, the word “going” should be changed to “go.” Anne Dranginis seconded the motion. All voted aye and the motion carried.

Public Comment: There was no public comment.

Board of Selectmen Update:

Leo Paul said the BOS met with BOE members and the Superintendent of Schools to discuss details of the transfer of inside school maintenance to the Town. The total annual cost of inside school maintenance is \$1,060,000 which includes salaries, fringe benefits, supplies and services. The amount to be transferred is \$854,244 since the BOE paid invoices and salaries for July and August. Jason Lathrop, BOE Director of Business Operations, said the process involved transferring A/P including payroll from BOE to the Town of Litchfield.

Mr. Paul said a new contract is being negotiated with town employees that impacts salaries and pensions. The Town tried to achieve coalition bargaining but not all unions agreed to this. All new hires after July 2012 will be in a defined contribution plan. The 457 plan currently in place will be used so the Town does not have to create a new plan.

Year-to-Date Financial Review:

Karl Fisher, Director of Finance, presented the financial overview as of June 30, 2012. The unaudited fiscal year end amounts show a projected and unaudited \$402,076 going back into the fund balance. The biggest reason for this is that the Town collected 99.9% of all revenue that was budgeted, including prior year tax collection of 140%, FEMA reimbursement and the collection of 100.1% (98.1%) of current year taxes. The Board of Education also unencumbered approximately \$70K which goes into revenue.

There were several reasons for the expenditure amount of 98.5% being committed: First, the BOE turned back to the Town approximately \$107K; due to the refinancing of two bonds this year, the Town saved approximately \$64K in the debt line items, and there were savings in the medical and

liability accounts. There were also savings in the Public Works Department due to a mild winter and Storm Irene reimbursement.

The Financial Overview summary as of July 31, 2012 shows the Town has collected 45.6% of all revenue and has spent 10.3% of its budget approximately 8.3% through the year. The Tax Collector collected 50.8% of current year taxes and 40% of the prior year tax budget number. Planning and Zoning has also collected 51% of budgeted revenue for its department.

Pertaining to Expenditures, the BOS budget currently shows the Town being 21.9% committed. Mr. Fisher explained the reason for this high percentage is that half of all the third party amounts have been paid to their respective recipients. The other half has been encumbered for January.

BOE Financials:

Mr. Lathrop presented BOE year-end results for FY 2011-12 showing the Unencumbered and Unexpected amount of \$107,160 plus prior year Lapsed Encumbrances of \$67,492 resulting in a total of \$174,651 being returned to the Town of Litchfield. He said the BOE has spent more than 50% of the \$293,000 budgeted for the wireless project. He noted the BOE is mandated to spend a certain \$ amount per pupil.

Deborah Wheeler said as of September 4, 2012 there were 1,044 students but October 1 will be the official enrolment number. She said the BOE continues discussions with Wamogo through their respective principals.

New Business:

a. Financial Transfers:

- i. The Finance Department requested a year-end transfer to adjust the General Fund departmental budgets, including salaries, to be within approved spending limits. Mr. Fisher noted the \$184,124.86 figure is lower than last year's number.

Motion: Ed Weik moved to approve the Budget Transfer of \$184,124.86 from the accounts listed. Brenda Barnes seconded the motion. All voted aye and the motion carried.

- ii. The Town Assessor requested a transfer of \$20,846 from the Collector/Assessor System line item to the Revaluation line item (specifically from 57630 CAMA Software to 42007-007 Revaluation).

Motion: Mitchell Fishman moved to approve this Budget Transfer of \$20,846 and Ed Weik seconded the motion. All voted aye and the motion carried.

- iii. Concerning the transfer of \$1,060,000 balance from BOE to BOS, Mr. Paul requested, and Chairman Geiger agreed, to table this decision to the next monthly BOF meeting.

- b. **Correspondence:** There was no correspondence.

- c. **Payment of Bills:** There were no bills to be paid.

- d. **Town Hall Building:** Mr. Geiger suggested the BOF might want to have input in the early stages of planning for a new town hall. Mr. Fishman distributed a list of items for consideration and, following Board discussion, the amended list was informally agreed upon: Needs Assessment for existing town hall; Repair Costs for existing building including ADA requirements and energy costs; Options for Relocation of Bantam Annex employees;

Estimated Annual Cost of \$5Mil bonding and effect on mill rate; Possible Income from Sale of Bantam Annex. Chairman Geiger will write to the BOS outlining the BOF's concerns so all data can be considered to make an informed decision. Mr. Fishman and Ms. Barnes will review this letter before it is sent to the BOS.

Committee Reports: There were no Committee reports.

Future Agenda Items: Mr. Fishman suggested the BOF should get Pension Committee meeting results. Ms. Barnes, a PC member, said she will share those results once she receives the appropriate information.

Adjournment:

Motion: Ed Weik moved to adjourn at 9:17pm and Mitchell Fishman seconded the motion. All voted aye and the motion carried.

Respectfully submitted,

Jo Ann Jaacks
Recording Secretary