

**Litchfield Board of Finance  
Special Meeting Minutes  
February 21, 2012**

**Call to Order:** Chairman David Geiger called the meeting to order in the Litchfield Intermediate School Art Room at 7:04pm with David Geiger, David W. Wilson, Ed Gadomski, Ed Weik, and David Pettinicchi (Alt.) present. Brenda Barnes and Mitchell Fishman were absent so Mr. Geiger appointed David Pettinicchi to full status. Anne Dranginis (Alt.) arrived at 7:10pm. Also present were Karl Fisher, Kathy Brown, David T. Wilson, Denise Parker, Ed Ryle and John Campbell.

**Capital & Debt Service Budget Proposal 2012-2013:**

Leo Paul and David T. Wilson presented a summary of recommended capital projects for the town of Litchfield. Mr. Paul said there may be an increase in road work next year and that would impact Public Works' budgeted expenditure of \$386,893 for Major Road Projects. The largest of the \$1,814,409 total for Capital Project Requests is targeted for the Bridge program. Mr. Paul clarified that anything under a 20' span is the town's financial responsibility.

Mr. Paul said there is no Debt Service tied into the capital budget as presented; that will be decided next year. He is trying to get all town departments to forecast at least five years ahead and Parks & Recreation has budgeted for 5-10 year Engineering Plans.

Mr. Ryle, representing the Sandy Beach Commission, explained the \$42,000 proposed cost of new bathroom facilities encompasses a grant, \$12,000 from Morris and \$25,000 from Litchfield. The new septic system has begun. He acknowledged that regular maintenance has not been performed on the site but the new SBC is committed to proper maintenance.

Mr. Paul noted that the remaining \$250,000 required to replace Litchfield Engine #4 will be put in for next year.

**Motion:** David Wilson moved to approve the Capital Budget of \$1,814,409 presented to BOF as approved by the Capital Improvement Committee and BOS. Ed Gadomski seconded the motion. All present voted aye and the motion carried. Brenda Barnes and Mitchell Fishman were in abstention since they were not present.

**YTD Spending for BOS Budget as of January 31, 2012:**

Karl Fisher presented a summary showing that as of January 31, 2012, the Town has collected 87.9% of revenue and has spent 55.5% of BOS budget. The largest percentage of Revenue was the collection of current year property taxes with 95.7% being collected by January 31. In the preceding FY, the Town had collected 89.8% total revenue and 95.3% of property taxes. On the Expenditures side, the BOS budget currently shows the Town being 62.8% committed and 55.5% spent through the FY.

Mr. Fisher said State funds have been included in this report although it is still uncertain when those will be received.

In answer to Mr. Geiger's query about old bonds still being carried at a higher interest rate, Mr. Fisher said the sewer bonds are only 2% interest from the State, although there are other bonds at a higher rate. David T. Wilson noted there are bonds at 4% or higher but they have recently been re-funded and the Town has paid down some principal on prior bonds, thereby reducing the interest rate and life of the bonding.

In reply to Mr. Wilson's query about Morgan Weir and Tyler Kubish line items under Co-Op Programs, Mr. Fisher said these are third party organizations that are beneficial to the community and he will send out details on these organizations to BOF members.

**Grand List Issues:**

Kathy Brown distributed a news article about a court case in Columbia, CT that could possibly result in loss of property tax revenues. Mr. Fisher said the property tax is current 23.8% but will probably rise in 2012 to slightly above 24%. The average home assessment is \$231,040.

**School Superintendent's 2012-2012 Budget Proposal:**

A copy of this Budget Proposal was Emailed to BOF members. The BOE is requesting \$163,000 more than last year, although there is a decrease of 44 in school enrolment. Mr. Weik said the BOE needs to present a plan of how they plan to counteract this decrease, such as regionalization. The BOE trend of budget history for the past five years has averaged 1.65% increase.

Mr. Wilson asked BOF members for their opinions about BOE maintenance being taken over by the Town as a cost-cutting measure. Mr. Gadomski and Mr. Pettinicchi agreed that would be a good change. Mr. Geiger said there is a legal opinion from the town attorney stating that BOE can relinquish their authority to the Town if they wish but that is the only way this can be accomplished. Mr. Weik noted that the Town would have to prove they could do a better job with maintenance of BOE properties and that it would result in considerable cost savings.

**Adjournment:**

**Motion:** Ed Weik moved to adjourn at 8:50pm and David Wilson seconded the motion. All voted aye and the motion carried. The next regular meeting will be held on Monday, March 12, 2012 at the Litchfield Intermediate School.

Respectfully submitted,

Jo Ann Jaacks  
Recording Secretary