

Town of Litchfield Board of Finance Regular Meeting  
**February 9, 2026 - 7PM**  
Litchfield Firehouse and Remote  
Meeting Minutes

**1. Call to order** Chairman Sam Olmstead called the hybrid meeting to order at 7:02 p.m.

Members Present: Regular members Stephan Krucker, Sam Olmstead, Elliot Fuessenich, John Keilty, Matt Dyer and alternates Patrick Allers and Chris Wright arrived at 7:20 p.m.

Members Absent: Regular member Jennine Lupo, Patrick Allers was seated for Jennine Lupo.

Others Present: Finance Director Amachi Obi, First Selectman Denise Raap, Town Treasurer Erich Marriott, Selectman Jeff Zullo, Assistant to the Finance Director Stacey Dionne, and former Board member Matt Tobin. There was no one attending virtually.

**2. Approval of January 12, 2026 Regular Meeting Minutes.**

**Motion:** E. Fuessenich moved and M. Dyer seconded a motion to approve the meeting minutes of January 12, 2026. All members voted aye and the motion carried.

**3. Public Comment** none

**4. Region 20 Update** S. Olmstead reported that at the recent budget presentation, the Region 20 Superintendent proposed a \$963,694 increase for the Litchfield portion, representing a 4.25% rise for Litchfield from last year. Based on the preliminary grand list, this would result in an estimated 0.65-0.7 mill rate increase for Litchfield's portion, not including the Town budget. He noted that the Governor's proposed budget includes a \$375,000 increase to the Region's Educational Cost Sharing (ECS), though there is no guarantee it will be approved. If it were approved, it would reduce the mill rate impact by approximately 0.25 mills, bringing the increase closer to 0.4 mills.

S. Olmstead continued that at the last Board of Education meeting, Region 20's Finance Department projected a \$325,000 surplus. The Board discussed rolling this surplus into the capital reserve, which is permitted under statute. He expressed support for this, noting that the district cannot fall back on the towns without a district meeting. If the surplus is transferred to capital reserve, Region 20 indicated they could eliminate the \$275,000 capital contingency, of which Litchfield's share is approximately \$155,000. If both the surplus transfer and the ECS increase occur, the mill rate increase for the school budget would be approximately 0.3 mills.

He stated that the Town Assessor confirmed the median assessment this year is \$281,590. At the high end of a 0.7 mill increase, the annual impact would be about \$197, or \$16.43 per month. Under the best-case 0.3 mill scenario, the increase would be approximately \$7 per month at the median. He emphasized that all figures are preliminary.

S. Olmstead encouraged Board members to attend or listen to the Region 20 meetings available online.

D. Raap stated that she had originally requested the formation of a Regional BOF, with two members from each town elected at a Town Meeting. However, the Region 20 BOE expressed concern about having 20 members at the table and the potential confusion it could create. Instead, the

BOE agreed to form an ad hoc finance committee and would contact each town's First Selectman to request a BOF liaison. S. Olmstead and J. Keilty volunteered to serve on the ad hoc finance committee, with S. Olmstead participating for the current budget season and J. Keilty stepping in afterward.

D. Raap also reported that she and the Region 20 Superintendent attended a press conference earlier that day where Governor Ned Lamont announced the reinstatement of monies for mental health counselors after the Federal grants were discontinued. She further noted that she will be in Hartford on February 10, 2026, to advocate with Senator Stephen Harding and State Representative Karen Reddington-Hughes for reimbursement of the costs associated with establishing Region 20, which total close to \$1 million.

- 5. Presentation of FY27 Capital Improvement Plan** E. Marriott presented the Capital Improvement Budget as approved by the Capital Improvement Committee. He stated that the proposed total cost of the capital budget is \$4,501,858, with \$1,611,468 in grants, resulting in a net cost to the Town of \$2,890,390. Of that amount, the Town would fund \$500,000 through pay-as-you-go, with the remaining \$2,390,390 to be bonded. He noted that the Town's fund balance policy requires maintaining a balance of 15%-20% of current year operations, with any reduction below 15% requiring approval at a Town Meeting.

E. Marriott stated that historically the Town has bonded between \$2.1-\$2.4 million annually. Two years ago, bonding was not required because capital needs were funded through the fund balance due to savings from health care and ARPA funds. He contacted the Town's bond advisor, who provided the latest debt service waterfall. Based on current projections, the principal payment would be \$140,000-\$150,000, depending on the final bonded amount, with total principal and interest costs being modestly higher. He did note that it would decrease in FY 2029/2030.

E. Fuessenich asked whether the Park & Recreation project amounts were estimates or bid costs. D. Raap stated they are vendor quotes, as projects do not go out to bid until they are approved. M. Dyer asked whether the grants are state or federal; E. Marriott stated they are a mix of both. D. Raap added that P&R will be returning to the Seherr-Thoss Foundation to request additional grant funding for Community Field.

S. Olmstead noted that the auditor reported an unassigned fund balance of \$7.6 million. Maintaining the fund balance at 20% of current year operations would leave approximately \$1.1 million in excess. Reducing the fund balance to 15%, which he does not recommend, would result in approximately \$2.24 million in excess funds. He also noted that additional expenses must be considered beyond the capital plan, including the Region 20 budget deficit agreement.

**Motion:** E. Fuessenich moved and J. Keilty seconded the motion to table approving the Capital Improvement Budget for Fiscal Year 2026/2027. **Discussion:** S. Olmstead stated that he would like to see a more complete financial picture before approving the Capital Budget. **Vote:** All voted aye and the motion carried.

- 6. Discussion of Property Tax Homestead Provisions** D. Raap stated that the Property Tax Homestead Provision is currently under discussion by the Board of Selectmen. She noted that House Bill 5524, Public Act 24-155, was passed and allows any municipality to provide an exemption from property tax of not less than 5% and not more the 35% of the assessed value for owner-occupied dwellings, including condominiums as defined in Section 47-68a. She explained that if the Town chose to move

forward with this provision, homeowners who can demonstrate that their residence is their primary home would be assessed at a lower rate, proposed at 60%, which would provide relief to primary homeowners. Properties that are not primary residences, including Airbnbs, would continue to be assessed at the current 70%. While the mill rate would increase slightly, primary homeowners would still experience overall savings. She noted that New Milford has implemented this provision and their Mayor reported no pushback during adoption.

E. Fuessenich asked who determines the percentage. D. Raap stated that the BOS would set the figure and bring it to the BOF. S. Olmstead asked how businesses would be affected; D. Raap stated they would remain at the 70%. E. Fuessenich asked about motor vehicle taxes, and D. Raap clarified that the provision does not address motor vehicles, as they are taxed differently. She also noted that if someone owns multiple homes in Town, only one may be designated as the primary residence.

D. Raap noted that she is working with the Comptroller to explore additional ways to reduce reliance on property taxes, noting that in communities with large commercial bases the burden is different, but in Litchfield it falls primarily on homeowners.

S. Olmstead commented that it would be beneficial if the State allowed room occupancy taxes or entertainment taxes to be returned to municipalities, as residents currently bear the cost of tourism and visitation. D. Raap also noted that restaurants collect an additional 1% sales tax, and she has been advocating for that 1%, or a portion of it, to be returned to the municipality where it is generated. M. Dyer asked whether there is any legislation proposed to amend state law to return tax revenue to municipalities, noting that this issue has been discussed since 1989 without action. D. Raap stated that the Connecticut Conference of Municipalities is advocating for it.

She further noted that she is working to recover the Mashantucket Pequot Mohegan Grant funds that the Town lost in 2019. Litchfield was one of the 44 towns that lost its funding from gambling revenue, and she has not received a clear explanation as to why. She stated that Representative Karen Reddington-Hughes has submitted a bill requesting that the funding be reinstated.

- 7. Monthly financial reports for November and December** A. Obi reported that December revenue collections are at 65%, compared to 63% last year, with total revenue collected at 64.5% versus 61.4% last year. There were no questions. He stated that December expenditures are at 58%, compared to 53% last year. There were no questions.

He continued with the January report, noting that January revenue is 93.1% collected, compared to 95.4% last year. Total revenue collected to date is 90.8%, with last year at 92.6%. S. Krucker asked about the ECS payment, noting it appears significantly behind. A. Obi explained that the State sometimes issues two quarterly payments at once, and the Town will receive the full amount. S. Olmstead asked whether the \$355,000 in interest revenue reflects the past six or seven months. A. Obi confirmed it represents six months. He stated that January expenditures are 70% spent, compared to 68% last year.

A. Obi noted that departments are not being permitted to exceed individual line items, even if their overall budget remains within appropriation, based on auditor recommendations. D. Raap stated that the legal line may exceed its budget this year, and she has added a litigation line to next year's budget due to significant pending lawsuits. In response to S. Olmstead's question regarding weekend snow, she noted that the Town faces higher costs for weekend storms.

**Motion:** E. Fuessenich moved and M. Dyer seconded the motion that the Board of Finance accepts the reports as read by the Finance Director. All voted aye and the motion carried.

**8. New Business:**

**a. Financial Transfers** none

**b. Correspondence**

**i. Letter from Sean O'Dwyer**, received and noted.

**c. Payment of Bills** S. Olmstead stated that the two bills are from the auditor. A. Obi explained that these are the final payments. **Motion:** J. Keilty moved and E. Fuessenich seconded the motion to pay \$24,795 to cover the cost of the invoices. All voted aye and the motion carried.

**d. Future Agenda Items** S. Olmstead stated that the Town Budget Hearing is currently scheduled before the Region 20 Budget Hearing and requested that it be held afterward. A. Obi explained that due to State requirement for publishing the budget in the newspaper, the Town cannot delay its hearing date. S. Olmstead also noted that a FOIA training session will be held on February 17, 2026, hosted by the Planning & Zoning Commission.

**9. Adjourn Motion:** E. Fuessenich moved and M. Dyer seconded the motion to adjourn at 8:09. All voted aye and the motion carried.

Carlissa Bayette, Interim Recording Secretary