

**Litchfield Board of Finance
Regular Meeting Minutes
March 13, 2017**

Call to Order: Chairman David Wilson called the meeting to order in the LIS Art Room at 7:00p.m. with Mitchell Fishman, Anne Dranginis, Helen Bunnell, Matt Terzian, Sky Post (Alt.) and Rose Blondin (Alt.) present.

Late: Ed Gadomski arrived at 7:03p.m.

Also present: David T. Wilson, Amaechi Obi, Stacey Dionne, Nancy Southard, Kathy Brown, Paul Parsons, John Tarrant, and Raz Alexe

Chairman Wilson appointed Sky Post as a full member in the absence of Ed Gadomski.

Approve Meeting Minutes

Motion: Anne Dranginis moved to accept the 2-27-17 regular meeting minutes. Helen Bunnell seconded the motion. All voted aye and the motion carried.

Public Comment

There was no public comment.

Tax Collection Status and Review – Nancy Southard, Tax Collector

Nancy Southard noted the current year property taxes collected at 98.7% are slightly lower than the 99.2% for the same time last year. She said a sale of the Donohue property would be a one-time benefit to revenues. Motor Vehicle taxes are approximately \$225,000, which is higher than the \$180,000 budget for this item. Total taxes collected for FY17 are at 98.4%. In reply to a question, Mrs. Southard said some of the large commercial accounts are difficult to collect and that could skew the revenue results. Over the past five years she has averaged a 98.25% collection of taxes. She noted there would be a big impact on taxes if the mil rate is substantially increased.

Grand List for the 2017-2018 – Kathy Brown, Tax Assessor

Kathy Brown said the net taxable Grand List for October 1, 2016 as filed is \$1,044,837,002. This is prior to any Board of Assessment Appeals changes and represents a 1.12% increase over the 2015 Grand List after a \$753,870 decrease made by the Board of Assessment Appeals. She noted there were numerous glitches from DMV records which caused problems with supplemental motor vehicle taxes. She is doing re-evaluations every year for motor vehicles and personal property. Bids will be taken for a revaluation of homes in 2018. For the five-year revaluation, Kathy Brown conducts on-site visits to properties and speaks with the building inspector.

James Stedronsky explained the function of the Board of Assessment Appeals and noted the reason for re-evaluations is to equalize all property values every five years. He said there are 12 appeals this year but they will probably not affect the Grand List or the mil rate.

Assistant Director of Finance Report of Revenues & Expenditures

Assistant Finance Director Stacey Dionne said that as of February 28, 2017 the town has collected 96.1% of revenue compared to 94.3% same time last year and had expended 78.1% of the BOS budget compared to 67.05% last year. The ending fund balance is \$4,655,377.10 or 15.33%. The town employees' Pension Plan is 100% funded and the overall budget will have an excess of revenues over expenses.

2017-2018 Budget Review by the Numbers

Finance Director Amaechi Obi supplied a spreadsheet depicting assumptions for the budget numbers. The BOE budget has not been formally presented to the BOF but this will show an approximate \$550,000 increase. Helen Bunnell noted that the loss of \$1.6Mil from the state is still a possibility and it might be premature to review the budget without having the BOE budget. David T. Wilson asked whether a possible \$900,000 for teachers' pensions was included in these figures, and Stacey Dionne said that it was not.

Nancy Southard said First Selectman Leo Paul asked her about sending supplemental tax bills if the budget is too severely impacted by the state budget. This would cost approximately \$6700. David T. Wilson said the Governor's budget is most likely not going to receive enough support to pass.

Discussion and Consideration of the Proposed 2017-2018 Capital Budget

David T. Wilson said the proposed 2017-2018 Capital Budget under consideration was the version dated December 13, 2016 and Public Works is the largest part of this. He answered questions about major road projects, noting that not all the projects bonded in prior years were completed.

Public Works Director Raz Alexe said roads to be repaired included those most in need, taking into consideration traffic volume. Mitchell Fishman asked if the Capital Committee could suggest possible cuts to this budget and Raz Alexe said some cuts have already been made by deferring certain road repairs and doing some of the repairs with their own crew. He said there are 20 miles of unimproved (dirt) roads and the cost to maintain those is 30-40% more than to maintain asphalt roads. The total is \$1,250,000 for major road projects and a grand total for the capital budget of \$3,302,351. In response to a question from Anne Dranginis, Mr. Alexe said that he planned to complete all the road projects budgeted for FY17-18 in that fiscal year.

Motion: Mitchell Fishman moved to approve the proposed 2017-2018 Capital Budget. Sky Post seconded the motion. All voted aye and the motion carried.

Chairman David Wilson requested an electronic copy of the Pro Forma for town hall and Amaechi Obi said he can send copies of this. He also requested the Fire Commissioner to provide photos of equipment listed in the capital budget.

New Business

- a. Financial Transfers: There were no financial transfers.
- b. Correspondence: There was no correspondence.
- c. Payment of Bills: There were no bills for payment.

Future Agenda Items

- a. Discussion of actuarial reports
- b. March 20, 2017 BOE budget review

Adjournment

Motion: Helen Bunnell moved to adjourn at 9:05p.m. Mitchell Fishman seconded the motion. All voted aye and the motion carried.

The next meeting will be a special meeting on Monday, March 20, 2017 at 7:00p.m. in the LIS Art Room, and if needed, another budget meeting on Monday, March 27, 2017.

Respectfully submitted,

Jo Ann Jaacks
Recording Secretary