

**Litchfield Board of Finance
Special Meeting Minutes
March 18, 2013**

Call to Order: Chairman David Geiger called the meeting to order in the LIS Art Room at 7:02pm with Ed Gadomski, Mitchell Fishman, Ed Weik, Anne Dranginis (Alt.), David W. Wilson and Brenda Barnes present. David Pettinicchi (Alt.) was absent.

Also present were Leo Paul, Rosalie Bouchard, Frank Simone, Wayne Shuhi, Stacey Dionne, Mary Ellen Spiegel, Patricia Boland, John Boyd, Alan Cohen, Jack Healy, Paul Parsons and John McKenna.

Budget Review of BOS Proposed Operating and Capital Budgets:

Leo Paul said the town has received a good ROI and has maintained a good Moody's bond credit rating. David Geiger noted that the majority of the capital budget items (\$1.8Mil) will be bonded for 15 years.

Mr. Paul said many of the projects listed, such as the Litchfield Handicap Bathroom Upgrade and Northfield Field Makeover, have been deferred in the past but must be done now; therefore, the capital budget is slightly higher. The total proposed town budget of \$27,610,466 for FY 2013/14 represents an overall 1.87% increase over the current budget that would cause taxes to rise from the current mill rate of 22.2 mills to 22.6 under the proposed budget. The Five-Year Capital Plan includes \$350,000 total for BOS SMART Boards for LIS and LHS, with \$95,000 budgeted for FY 2013/14.

The proposed budget includes \$15,826,545 for the BOE, \$8,398,480 for the BOS and \$3,385,441 for debt payment and capital improvements. Mr. Paul said the town is paying down debt quicker than it is being accumulated so Litchfield is in good financial shape.

Mr. Paul and Mr. Healy answered questions from BOF members including the fact that salaries make up 40% of the budget proposal (the increase due to the town taking over school maintenance), the \$66,299 allotted for solid waste recycling represents an account that was underfunded for the past several years and has now been correctly funded. Mr. Paul said a gross savings of \$91,750 will be realized by Public Works taking over school maintenance, with a net savings of \$59,371. Mr. Paul said the BOS is considering turning the recycling center into a transfer station, which would be more cost effective: the more recycling done by residents, the more income is received for Litchfield.

Paul Parsons answered a carry-over question from a previous BOF meeting about the Bantam Volunteer Fire Department not charging for their calls, as do the other Litchfield fire departments. Mr. Parsons said the rationale is that once they start charging, they will lose volunteers and have to hire paramedics. Mr. Paul noted that the entire Fire Commission, which includes Fire and Ambulance costs, only received a 1.8% increase in the proposed budget.

Mr. Paul said the BOS held 6 meetings with the Capital Committee to discuss these projects and the final proposal honors all union contracts and meets all taxpayers' needs. The BOS reduced the

proposed budget by 10% to offset an expected reduction in state funding. He noted that the town will also have to increase the mill rate by 1.5 if the vehicle tax is eliminated. He said the town is trying to regionalize animal control services with other towns, merging regional planning organizations and taking other initiatives to save money.

Rosalie Bouchard distributed a spread sheet depicting the net taxable real estate grand list, personal property and motor vehicle revenue which shows a shortfall between that total and the proposed budget for 2013/14. The Finance Department is recommending a mill rate increase of 0.4 mills to close that gap.

BOF Discussion on Proposed Budgets:

David Geiger said that at the last meeting, the BOF had recommended that the BOE return with a .95% increase in their proposed budget. Frank Simone responded that the BOE decreased their budget by \$286,000 or 1.12% increase.

Motion: Brenda Barnes moved that the proposed 2013/14 budget of \$27,610,466 be sent to a public hearing to be held on April 24 so that comments from town residents can help the BOF determine if the proposal should be reduced before a town meeting on May 8. Ed Weik seconded the motion. All voted aye and the motion carried.

Adjournment:

Motion: Ed Weik moved to adjourn at 9:18pm and Brenda Barnes seconded the motion. All voted aye and the motion carried.

Respectfully submitted,

Jo Ann Jaacks
Recording Secretary