

**Litchfield Board of Finance  
Regular Meeting Minutes  
December 12, 2022 ~ 7:00 p.m.  
Litchfield Firehouse**

**Call to Order:** Chairman Erich Marriott called the meeting to order at 7:02 p.m.

Members Present: Erich Marriott, Pat Donovan, Patty Dauten, Richard Quay, Jim Stedronsky, Matthew Tobin (alternate), Sam Olmstead (alternate, 7:04 p.m.)

Members Absent: Elliot Fuessenich

M. Tobin was seated as a regular member for Elliott Fuessenich.

Others Present: First Selectman Denise Raap, Finance Director Amaechi Obi

**Approval of the 11/14/22 Regular Meeting Minutes: Motion:** J. Stedronsky moved to approve the meeting minutes of 11/14/22, and P. Dauten seconded. All voted aye and the motion carried.

**Public Comment:** None

**2021/2022 Town Audit Review with Auditor:** David Cappelletti of Clermont Associates LLC summarized the Annual Financial Report dated June 30, 2022 and distributed a highlights sheet. Since board members just received the audit and did not have a chance to review it, Mr. Cappelletti agreed to return at the January meeting for further discussion. He summarized, as per Exhibit F in the audit, that in the general fund, revenue less expenses leaves \$1,568,000 operating surplus for the year. Of that surplus they transferred \$1.2 million to capital reserves, \$195,000 to special projects (tree pruning), and \$98,000 to the nonlapsing BOE capital account. The General fund unassigned fund balance was \$7.5 million, or 23% of the 2022 budget appropriations. The BOE nonlapsing capital reserve June 30, 2022 balance was \$352,000.

He pointed out that we are sitting on a healthy general fund balance and starting to build up surpluses around that fund balance. The self-medical reserve fund is still being spent down, with \$1.3 million left and is being used to pay the current medical premiums.

J. Stedronsky asked about current trends. Mr. Cappelletti said that with the increase in building permits, the grand list should be greater next year. With interest rates going up, there might be some investment income. The bond market is difficult to project, and there are many forces involved. In order to keep the fund balance between 15% and 17%, D. Raap estimated \$2.2 million could be taken from the \$7.5 million unassigned fund balance to be used as pay as you go for Capital, and D. Cappelletti encouraged the Town to look at that.

**Review and Vote on Hourly Rate for Recording Secretary:** E. Marriott said the rate has been \$20/hr. for many years, and there has been talk about increasing it to \$25/hr. The impact on the budget is de minimis. J. Stedronsky and R. Quay said they preferred a higher rate. A. Obi cautioned that whatever decision is made here will cause the other recording secretaries to want more. After discussion, he then agreed \$25 is fine, and it can be increased gradually, maybe next year. **Motion:** J. Stedronsky moved to increase the Recording Secretary rate to \$25/hr., and P. Dauten seconded. R. Quay felt it should be \$30. Upon voting, all voted aye except R. Quay, who voted nay, and the motion carried.

**Review of 2023 Board of Finance Meeting Schedule:** E. Marriott noted that the January meeting must be a special meeting because the schedule will not be filed 30 days in advance of that meeting. J. Stedronsky

questioned the need for a June and August meeting. E. Marriott said he would like to have a monthly meeting if only to review the financial statement. **Motion:** P. Dauten moved to accept the 2023 Board of Finance meeting schedule, and M. Tobin seconded. All voted aye and the motion passed.

**ARPA Funds Distribution Review and Action:** D. Raap explained each award approved by the Board of Selectmen in its 11/15/22 special meeting minutes. **Motion:** R. Quay moved to approve the total amount of \$926,152 for distribution of ARPA funds. J. Stedronsky seconded. All voted aye and the motion carried. **Motion:** R. Quay moved to approve the transfer of the remaining \$45,000 from loss of revenue back to the ARPA funds. P. Dauten seconded, all voted aye and the motion carried. The approved funds have to be allocated by 2024 and spent by 2026. The allocations will next be considered by Town Meeting.

**Finance Director's Monthly Report:** For revenue A. Obi reported the Town is doing well. We have collected 58% of revenue so far compared to 56% last year at this time. Investment income is growing. E. Marriott asked what the bank puts it in, and A. Obi deferred to Treasurer Fran Carpentier, who makes sure that whatever we do with it, the funds are secure. Building and inspection fees are at 77%. D. Raap asked what the tuition was for the BOE this year. A. Obi said it should be in last year's revenue, he thought \$80,000 of which the Town pays half. For expenses, we are doing well and are spending conservatively at 42% of budget so far. **Motion:** J. Stedronsky moved to approve the Finance Director's report, and P. Dauten seconded. All voted aye and the motion passed.

**c. Payment of Bills:** E. Marriott said he just received the final invoice from the auditor for \$22,325. They are within Board of Finance budget that has \$26,057 left. **Motion:** J. Stedronsky moved to approve payment of the final invoice from Clermont & Associates, LLC. R. Quay seconded, all voted aye and the motion carried.

**d. Future Agenda Items:** None

**Adjourn:** Chairman Marriott declared the meeting adjourned at 7:46 p.m.

Ann Combs, Recording Secretary