

**Litchfield Board of Finance
Regular Meeting Minutes
February 13, 2023 ~ 7:00 p.m.
Litchfield Firehouse**

Call to Order: Chairman Erich Marriott called the regular meeting to order at 7:01 P.M.

Members Present: Erich Marriott, Pat Donovan, Patty Dauten, Richard Quay, Elliot Fuessenich, Jim Stedronsky, Matthew Tobin (alternate)

Members Absent: Sam Olmstead (alternate)

Others Present: First Selectman Denise Raap, Finance Director Amaechi Obi, Board of Education Chair Matt Terzian, LPS Superintendent Chris Leone, Land Use Administrator Spencer Musselman, P&Z Chair Carol Bramley, WPCA Chair David R. Wilson

Approval of the 1/9/23 Special Meeting Minutes: Motion: J. Stedronsky moved approval of the 1/9/23 meeting minutes and E. Fuessenich seconded. All voted aye and the motion carried.

Public Comment: None

Update on Litchfield Public School Budget Expectations for 2023/2024: Chris Leone, LPS Superintendent, began his presentation by saying they are facing the hardest budget year, with declining enrollments (807 students PreK-12) and inflation driving up expenses. They are facing inflation with paper and supplies, oil, diesel, etc. but are happy to have the benefit of the solar arrays. The Board of Ed will receive its budget March 9th and he will be back to the Board of Finance on March 27th.

Revenue projections are on target. Expenses in a balanced budget show \$315,000 in Contingency, and they will hold as much as possible to offset the ask for next year. Because of the declining enrollment, they are 2-3 full time staff members over where they need to be. So they will need to not only increase the budget but make staff cuts. Because of the 40% increase in Connecticare, they are now seeking a new medical insurance provider to not to exceed 23% increase. They are now running 104% against actual this year, and Connecticare no longer wants our business. They are going out to RFP for one year only as a bridge to consideration for Region 20 and will then consider other plans including the State plan. In transportation, they are looking to take one more bus offline. Students will have to be assigned bus stops in the center of town with Region 20. Oil is locked in at \$2.99/gal. through the consortium. Facilities and technology areas need to be more efficient with less vertical management and more horizontal. They plan to build smart management within the staff. They will not be doing as many capital projects, as they are moving to Region 20. They are monitoring HB503, which eliminates tuition among districts, so LPS will realize a \$200,000 positive impact that the State will handle in a grant.

In revenue, next year they are projecting an outside tuition decrease and a preschool tuition decrease. They are monitoring excess cost and have withheld and are using \$200,000 in last year's ESSER funds and will plan to do the same next year to offset increases. He will recommend to the Board of Education to turn back to the Town its non-lapsing capital fund (\$250,000) a year early to offset future costs to the Town. Carry-over funds from FY23/24 of \$200,000 would also go back to the Town. They are looking at \$650,000 of one-time revenue to offset a significant increase.

The budget for 23/24 is looking at a 3-5% increase, which is \$895,000 for 5%. Increases in expenses include contractual salary increases at 3-4%. The budget will also include a decrease of at least 2-3 staff members.

Right now, if at 23% total benefit line, it will go up by 18.4%, and is the biggest driver. There will be no new hires. New mental health staff will be provided by a Federal grant that will be secured at no cost to the district. This is the last LPS budget.

The Board thanked Chris Leone for his presentation. R. Quay noted that regionalization will take care of some of these problems. Other questions were answered and Mr. Leone confirmed there will be no more capital requests. E. Marriott passed on his daughter's thanks for the investment in the music program, as she has a new flute. *[J. Stedronsky left here at 7:30 p.m.]* Matt Tobin was seated as a regular member.

Finance Director's Monthly Report

a. December 2022: Finance Director Amaechi Obi presented the December budget as a compilation within the January budget but did have a separate report for each. **Motion:** R. Quay moved and E. Fuessenich seconded a motion to approve the December 2022 financial report. All voted aye and the motion carried.

b. January 2023: Mr. Obi presented the January financial report, which included changes from December. Taxes collected are at 91% and on target for 100% collection. Total revenue is at 89.3% with expectation of collecting it all. Expenses are on track at 83% used so far. **Motion:** E. Fuessenich moved to accept the January financial report and R. Quay seconded. All voted aye and the motion carried.

New Business

a. Financial Transfers

i. Transfer #2 - \$3,000: D. Raap explained the need for the Fire Marshal's request for a badge maker for the tag system at fires as an important piece of equipment. **Motion:** P. Dauten moved and E. Fuessenich seconded a motion to approve Transfer #2 for \$3,000. All voted aye and the motion passed.

ii. Transfer #3 - \$19,500: Land Use Administrator Spencer Musselman explained the components of the transfer that covers Land use legal, salary and training expenses. He said CAZEO training is required now for all staff. Some has been accomplished, but more will take place. They have overspent by \$3,080 to use Dennis Tobin for transition training for S. Musselman. Legal estimates were not solicited for recent work, and the budget was overspent. They also had the expense of an interim land use administrator. C. Bramley explained they only had \$2,000 in the budget, and D. Raap explained that the budget was intentionally low so that the Selectmen could have oversight on the legal expenses. **Motion:** R. Quay moved to approve Transfer #3 for \$19,500 and P. Dauten seconded. All voted aye and the motion carried.

b. Correspondence: None

c. Payment of Bills: None

d. Future Agenda Items: E. Marriott is hoping to have a draft copy of the town report for 2021/22. A. Obi said March will be busy with the Boards of Selectmen and Education budgets.

Adjourn: Motion: R. Quay moved to adjourn at 7:56 p.m. and E. Fuessenich seconded. All voted aye and the motion carried.



Ann Combs, Recording Secretary