

**Litchfield Board of Finance
Annual Budget Hearing Minutes
April 27, 2023 ~ 7:00 p.m.
Litchfield Intermediate School**

Call to Order: Chairman Erich Marriott called the public hearing to order at 7:00 p.m.

Members Present: Erich Marriott, Pat Donovan, Patty Dauten, Elliot Fuessenich, Matthew Tobin (alternate), S. Olmstead (alternate)

Members Absent: Jim Stedronsky, Richard Quay

Chairman Marriott explained the proceedings for the evening and noted the public notice had been published in the Republican-American. He then turned the meeting over to First Selectman Denise Raap, who reviewed and summarized the proposed Selectmen's Budget for 2023/2024 in a power point presentation. Total budget is \$8,826,283, an increase of \$135,154 over last year, or 1.56%. If this budget is approved as submitted, it will show a 0.1 mill decrease in property taxes. She then highlighted accounts that were major drivers in increases and noted areas of decreases as well.

Next, she summarized the requests from the Capital Improvement Plan, showing a total budget of \$5,433,298. After grants and pay-as-you-go funding, the total amount to be bonded is \$1,504,339. She then presented a slide show of many groups who contribute to the success of the town, including volunteers and fire and EMS personnel. She concluded that this is a responsible and conservative budget, and dedicated the volunteer presentation posthumously to long-time volunteer John Post.

E. Marriott then gave a short summary of the Board of Education's proposed budget and said its chairman, Matt Terzian, was present to answer questions. Total proposed budget is \$20,024,237, a change of \$746,737 or 3.87%. He then noted the key drivers behind the increases. Projected enrollment is low, and contractual increases and health care costs have increased.

Mr. Marriott then addressed debt service that has dropped because the school bonds are maturing, so we can use savings to avoid borrowing. Fund balance was up around 23%, and since policy dictates it should be between 15% and 18%, some has been applied to the new budget in order to reduce fund balance to 18%.

Public

David T. Wilson, Wilson Road, had several questions and received answers and clarifications to his satisfaction.

Jay Bolton and Ray Schmid of the Park and Recreation Commission asked that the \$7,600 taken out of the budget two years ago be put back in to fund the special events that are free to the public. Without it, the Park and Rec Coordinator becomes a fund raiser. Ray Schmid contended that, although they were told to use Fund 22, Contingency, that fund is for programs and has been depleted by one third. He felt it limits their ability to think about different programs. Although the auditors told them to pay down that account, he felt it is in the Town's best interest and by Ordinance to allow the Commission to decide where the money goes. He asked that the money be reinstated. Michael Lyn Cappello said they are on track to raise \$26,000 to pay for special programs this year. Instead of always asking the same donors, she asked that the Town provide something back to the community. D. Raap explained that the Finance Director and auditors asked three years ago that Fund 22 be paid down, and now three years later it is still at \$73,000. She said they are asking us to tax the taxpayers so they can have free programs, but it is not free because we are taxing the taxpayer for programs that are also open to people outside of Litchfield. The programs should be self-sustaining. She

asked that they bring the fund down to about \$50,000, and then next year they will revisit. Additionally, of the \$26,000, about \$5,000 is from a private donor. It is ultimately up to the Board of Finance to decide on this request. E. Marriott said this will be addressed at the special meeting after the hearing.

Jeff Zullo asked the Finance Director, Amaechi Obi, for the current debt level, as the debt service is declining. E. Marriott said they are down to about \$26 million. At the end of 2023, it should be \$23 million. Peak of debt was about \$30 million per Mr. Obi.

Motion: J. Torrant moved to adjourn the budget hearing at 7:46 p.m. and J. Zullo seconded. All voted aye and the motion carried.



Ann D. Combs
Recording Secretary