

MIDDLEFIELD BOARD OF FINANCE
405 Main Street
Middlefield, Connecticut 06455

Minutes of the April 7, 2022 -- Budget Workshop #7
**** Not Approved At the time of Filing ****

Michael Skelps, Chairman, called the workshop of the Board of Finance to order at 7:02 pm.

Attendance:

Members		Others	
X	Skelps, Michael	X	Rusilowicz, Al
A	Kowal, Melissa	X	Anne Olszewski, Tax Collector
X	Lowry, David		
X	Boyle, Kevin		
X	Lee Matterazzo		
X	Wolak, Mary		

A=Absent

X=Present

Pledge of Allegiance

The Pledge of Allegiance was recited.

Approval of the Agenda

Mary made motion to approve the agenda with the change of correcting the spelling of Anne's name and adding item 5A which is the discussion of the Board of Education. Dave seconded. Approved unanimously.

Public Comment

Nick Faiella submitted a letter which was read aloud. He felt that the unassigned fund balance was very high at 20%. He felt that in today's inflationary environment it would be almost impossible to keep the school budget flat. He felt like using \$1 million of the unassigned fund was a good start but not enough. He also felt that the school budget should immediately put the full allowed amount starting immediately and that capital investments by the school was overdue. He felt that the unassigned fund balance could be brought down to 10-12% to offset the tax increase. He also stated that Middlefield's share of the education budget was due to a shift in enrollment which was known in the fall.

Al and the BOE referenced the policy document (available online) setting the target for the unassigned fund at 12.5% - 17%. Al felt that spending it down to 12% was not a good idea, particularly with the culvert replacement project which would not be funded by FEMA. Instead we will use funds from ARPA and the general fund to the amount of several hundred thousand dollars. Al said that spending \$1 million out of unassigned fund was sufficient.

Mike stressed that the total municipal budget was planned to be flat – including town expenses, capital contributions and debt service. However capital contributions are down, debt service is down, and town expenses are up 5.7%.

Review and Discussion of the Tax Collector's Budget

The state changed the certification requirements for Tax Collectors. Anne said that she felt it was not worth the expense, and therefore she was no longer certified. That would have no effect on her ability to perform her job as Tax Collector nor did it effect her payscale. Her budget is mostly flat. Tax Collector salary increased by 2.5%. Tax Collector Assistant line item was reduced from \$3500 to \$2000. System software license increased by \$423.

Mike asked about tax suspensions. Anne said it removes those items from collectible taxes, although she still continues to try to collect. Al said it had no impact on the budget, but by lowering collectible taxes, it can lower the tax collection rate. Since the amount is only \$20,000 (typical) to \$40,000 (this year), it will have a minor effect on the tax collection rate. Anne said she was going to work with a debt collector this year, and there would be no cost to the town for doing so. We are not going to budget any amount for debts that the collector may potentially bring in.

The FY 23 collection rate is set at 99.5% and we are including the motor vehicle supplement in this year's budget, whereas it has never been included in the past. Because this "found money" is no longer available (as it is already in the budget), this will drive the collection rate down. Anne felt comfortable with the 99.5% collection rate.

Line item 4104 was discussed. This \$127,906 is based on the best information available. Despite that it is somewhat questionable, it was decided to leave it in the budget until it is finalized.

RSD 13 Discussion

Mike recapped the BOE Public Hearing on 4/6/22 and that every speaker opposed the budget but that the BOE approved the budget without any changes.

Upcoming Dates

Upcoming workshop and other relevant dates were reviewed.

Adjournment

Motion to adjourn made by Mary, seconded by Dave. Meeting adjourned at 8:00pm.