

Board of Finance
Regular Meeting- January 25, 2011
Minutes

Attending:

Board of Finance Members: Jim Meinhold, Lynne Vanderslice , Warren Serenbetz, Gail Lavielle and Al Alper. Andy Pforzheimer was an excused absence.

Others: Sarah Taffel (HR - Town of Wilton), Sandy Dennies (CFO) and Wilton Residents: Alex Ruskewich, Dottie Jankowski, Heather Herve, Stacy Crameri, Tiffany Tecce, Steve Hudspeth, Anne McCann, Jerusha Vogel, Laura Ryan and Gary Gerard.

Call to Order:

Chairman Warren Serenbetz called the meeting to order at 7:34pm.

Approval of Minutes:

A Motion was made by Al Alper to approve the December 16, 2010 minutes from the Special Meeting. Motion seconded by Lynne Vanderslice and approved with Mr. Alper abstaining from the vote because he left the special meeting at 9pm prior to the meeting being adjourned.

A Motion was made by Lynne Vanderslice to approve the December 21, 2010 regular meeting minutes, as amended. Motion seconded by Al Alper and approved unanimously. The amended wording is found in the Committee Reports section at the end of the 3rd paragraph. "Ms. Vanderslice and Mr. Alper indicated they would vote against the motion as neither was comfortable investing in mortgage backed securities, including short term Fannie Mae and Freddie Mac securities."

Purchasing Committee:

Ms. Vanderslice reviewed the purchasing committee's report and the positive confirmation there are already many shared purchasing arrangements going on between the various town and school offices. The biggest area for savings opportunities appears to be in the operational areas, for example - payroll. The schools have a computerized payroll system while the town still uses a more complicated, manual payroll.

Ms. Vanderslice and Ms. Rita Garland are willing to continue this committee work, focusing on operations expense savings rather than purchasing. There can be short term and long term possibilities for savings. Mr. Serenbetz inquired about the appetite of the BoF to review the operations side of shared savings. The group agreed circulating the

initial report to the other Boards and discussing their interest in exploring areas for potential savings would be a good place to start.

Mr. Alper gave kudos to the boards already working together in the purchasing areas to find savings.

Town Finance Report:

Sandy Dennies, CFO, reported the financial results as of 1/20/11 were straightforward and nothing abnormal to report. The revenues are continuing to come in on target and the 62% tax collection rate is normal for this time of year. Her only concern at this point regarding revenues is money owed from the State may not come in as predicted causing a deficit in that category.

Budget Discussion:

Mr. Alper stated the BoE public hearing at Cider Mill School was well attended with good comments made. Mr. Meinhold questioned the timing for running the next version of the mill rate model using updated assumptions and information. The answer was possibly by the Feb. meeting but Ms. Dennies cautioned the BoS budget is not due until March 3rd so the Feb. meeting might be premature.

Ms. Vanderslice repeated her request to have the BoE and BoS provide 2013 and 2014 estimates to help put into context the 2012 numbers. Without these additional numbers highlighting items such as teachers' contracts, enrollment and capital deferment it will be very difficult to accurately interpret the 2012 numbers. Mr. Alper and Ms. Lavielle agreed with this point.

Mr. Alper asked if there might be opportunity to bond certain projects rather than have them charged to operating capital. The board agreed that this decision should be based on the useful life of the asset being purchased as well as the total amount of funds being bonded.

Ms. Vanderslice also expressed her concern about the upcoming BoE / BoF work sessions not being televised live due to being held in the WHS Professional Library where live video production is not available. The meetings held in the Professional Library seem to take a long time before they are televised. Mr. Serenbetz will speak with Gil Bray about a quicker turnaround time or moving the meeting to Trackside or the Wilton Library and bring in video equipment.

Committee Reports:

Mr. Serenbetz reported the Investment Committee and OPEB met last week and reviewed and confirmed their current investments. Apparently the Investment Committee is bumping up against the 65% maximum of equity allocation in the portfolio, which the Pension Trustees do not want to exceed so it will be closely monitored. A quick

discussion on mortgage - backed securities confirmed the earlier concerns with these investments, principally that the term can go longer than initially expected.

Ms. Dennies commented that according to the State, the two budget authorities of the town – the BoS and the BoF are authorized to approve the investments she makes for the town. These parties will all be getting together shortly for a meeting on this topic.

Mr. Meinhold said the Pension Trust Committee met and reviewed the portfolio but no changes were made.

Mr. Serenbetz stated Vanguard recommends moving from extended term bond funds to intermediate term bond funds but the recommendation of the Investment Committee was to move from extended term to short term bond funds.

New Business:

Ms. Vanderslice reported she had received a call from a taxpayer questioning why more wasn't being done to increase the business climate in town. The BoF members then questioned the status of Bill Brennan's long- term economic plan, which he referenced at last year's budget meetings. Mr. Serenbetz will ask Mr. Brennan for an update.

The BoF can only recommend, not organize a review or plan. Mr. Alper believes P&Z, not the BoS is the originator of these discussions and there is already a great deal of information on the subject.

Mr. Meinhold stated it would be good to publicize the Grand List growth importance and how it would impact the mill rate.

Ms. Vanderslice said it's important to pull together all available information on Wilton's development plan and have a working document as a starting point.

Public Participation:

Alex Ruskewich of Calvin Rd. stated he's attended many meetings and is not hearing facts, rather many emotional statements about the importance of educational spending to maintain property values. He used the internet source "Zillo" to gather property value and educational spending information on Wilton and 5 surrounding towns. He then compiled this data into a graph. He believes the data shows it's a fallacy to directly relate the two as property values increase and decrease with the economic climate regardless of spending. His data shows of the current homes on the market in Wilton, 2/3 of the homeowners are above the age of 50. He also believes it's important for good schools to give measurable results for the money they've been given. He stressed it's the data, not opinions that need to be given attention.

Gary Gerard of Musket Ridge Rd. believes it's important to address building up the tax base asap and gave the example of building up Rt. 7. He believes it's the job of the First

Selectman to bring business to town and there are deferred projects within the town and schools that can no longer be put off.

Stacy Crameri of Belden Hill Rd. stated the BoE numbers may seem high but the budget is covering class size and building maintenance, which are worth it. She encouraged the BoF members to see the places within the schools needing improvements,(ex. the bathrooms at Middlebrook.) She believes the parents are not asking too much for an affluent town like Wilton. She sees political games being played amongst the boards and it's important to remember it's about the kids. She stated an increase in taxes that doesn't cover the requested school budget is harmful. Her challenge to the BoF is to put the BoS and BoE budget out there and let the voting public decide, which would remove the politics involved.

Jerusha Vogel of Dirksen Dr. stated the education budget keeps getting cut away and already too much has been lost and class size is now at risk. It's the town's responsibility for public education and to support the schools. She questioned the meaning of "silent majority" and encouraged the budget goes to the town for a vote as presented and let the public decide.

Dottie Jankowski of Wickes End is a 16 year resident with 4 kids in the schools and is concerned about what's going on. She feels strongly there have been cuts to the core of public education and the town is responsible for caring for the future of education. She commented other towns have new high schools and other needs and issues which can't be directly compared to Wilton. It's important to maintain a level of teaching quality and an increase in class size would be overwhelming for kids and teachers. Her request was for the BoF to please consider the BoE budget where submitted.

Steve Hudspeth of Glen Hill Rd stated he respectfully requests Wilton schools are such a vital source of our community that it's important to invest in our youth and our future. He asks serious weight be given to the consequences of not supporting the 5.35% BoE budget. An increase to the class size would be detrimental to the schools as would a loss of teachers.

Laura Ryan of Nod Hill Rd. thanked the BoF for their hard work and recognizes the shades of gray involved in the budget process. She is in favor of increasing taxes to cover the BoE budget and loves Wilton enough to "put her money where her mouth is." She inquired about compromise possibilities and if a line item could be inserted in a tax bill for those who want to pay more for schools. The BoF didn't know if something like this was legal in CT but will investigate. Ms. Ryan commented there needs to be a creative effort made to cover the requested BoE budget.

The meeting was adjourned at 9:03pm.

Respectfully Submitted,
Amy Roberts
Recording Secretary

