

Board of Finance  
Regular Meeting- May 18, 2010  
Minutes

**Attending:**

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

Others: Sandy Dennies (CFO), TJ Buzzeeo, The Daily Wilton, Sarah Taffel, (HR), Michael Lindberg, Energy Commission, Joan Lownds, Wilton Bulletin and Bill Brennan, First Selectman.

**Call to Order:**

Chairman Warren Serenbetz called the meeting order at 7:35pm.

**Approval of Minutes:**

A Motion was made by Al Alper to approve the April 13, 2010 BoF regular meeting minutes. The motion was seconded by Gail Lavielle and approved unanimously.

**Crossways Plaza Funds:**

Sandy Dennies, CFO, stated as the result of Bill Brennan's strong negotiations, Wilton has received a check for \$75,000 from Crossways Plaza. This check represents Wilton's 20% local share associated with the required sidewalk installation related to the Rt. 7 widening. These funds will be given to the State of CT who will pay the remaining 80% share of the project. A motion was made by Andy Pforzheimer to accept the \$75,000 check from Crossways Plaza. The motion was seconded by Al Alper and approved unanimously.

**RFP, Professional Auditing Service :**

Ms. Dennies stated the RFP for Wilton's new audit contract went out 5/14/10 and four responses were received. All candidates are scheduled to make presentations. Mr. Meinhold and Ms. Lavielle will represent the BoF and along with Ms. Dennies and Wilton's Town Controller they will conduct the interviews. Ms. Dennies is concerned waiting until the next BoF meeting in

June will delay the selection process. She would like to have the contract documents put in place so once the decision is made the process can move forward. She acknowledged it's a bit late in the game to be looking for new auditors and ideally March would have been a more appropriate time to begin the search.

The RFP is for a three year contract with two, one year renewal options. This is a longer timeframe than the contract Wilton just finished with its' current auditors but is consistent with timeframes used in other municipalities.

A motion was made by Al Alper to officially place Gail Lavielle and Jim Meinhold on the committee to interview and subsequently recommend the new auditors for the Town of Wilton. The motion was seconded by Lynne Vanderslice and approved unanimously.

The BoF members agreed in order to move the process along, once the committee made its' final recommendation and assuming they were in unanimous agreement, an e-mail would be routed soliciting the go-ahead to contract with a vote in June. If there was not unanimity then perhaps a meeting would be required. Mr. Alper requested there be full disclosure of the e-mails circulated.

### **Sterling Planet Agreement:**

Mike Lindberg of the Energy Commission updated the BoF on the clean energy program. Wilton's initial commitment in 2008-09 was to purchase \$11,573 in clean energy from Sterling Planet, which was then put into the overall grid. This cost was split evenly between the BoE and the BoS and has lead to over \$150,000 / year in energy cost savings. An audit process showed Wilton is due a \$3,415 credit from Sterling Planet, which is recommended be applied to the upcoming 2009-10 contract. Many CT communities have committed to the clean energy program and continue to stay involved.

Mr. Alper made a motion to apply the \$3,415 credit from Sterling Planet to future contracts. The motion was seconded by Ms. Vanderslice and approved unanimously.

### **Financial Status Report:**

Ms. Dennies reviewed Wilton's financial status as of 5/13/10. There is a \$913,000 balance to be collected on the revenue side before year end 6/30/10.

The tax collection rate is doing well at 99.4%, however licenses and permits have not even reached 50% of the budget, currently short about \$336,000. Interest income is also drastically short at \$94,500 collected compared to the budgeted \$750,000. This is the current situation for many municipalities.

Ms. Dennies commented the expenditures are on target and any savings here will offset the decrease in revenue for the year-end. Hopefully the town can end the year slightly “in the black” but may need to tap the Charter Authority.

Mr. Pforzheimer inquired about the BoS unspent capital budget and Ms. Dennies answered it was probably related to roads (many asphalt companies just opened for the season) and carry over projects.

### **Budget FY 2011:**

The BoF members were pleased with the voter turnout at both the Town Meeting and the polls. The number of voters was 2,087 of which 1,383 voted in favor of the budget. Those voting “no- too high” were 595 and those voting “no-too low” were 108. Ms. Vanderslice commented those voting: “no-too high” were a consistent percentage of voters over previous years, about 27-30%.

Mr. Brennan commented Wilton’s mill rate increase was “in the middle” compared to other surrounding towns. Mr. Alper complimented Mr. Brennan and Ms. Taffel with their negotiations with the union and town employees and the related wage freezes.

Mr. Alper made a motion to maintain a running 10 year history of the voting results posted on the BoF website to assist in keeping voters informed. These numbers would be updated annually. The motion was seconded by Gail Lavielle and approved unanimously.

### **Proposed Five Year Operating Plan:**

Mr. Serenbetz introduced the idea of a long term operating plan, an idea presented by Chris Stroup, former BoF candidate, at the Town Meeting. Mr. Serenbetz believes looking forward is a good idea but perhaps starting with 3 years then progressing to 5 years is more realistic. Mrs. Vanderslice and Mr. Pforzheimer agreed it was a smart idea. Mrs. Vanderslice added when she brought up the subject last year there was push back from Joe Dolan, CFO at the time.

Mr. Brennan, based on previous BoS 10 year plan attempts, agreed a 2-3 year plan would yield more accurate results. Mrs. Lavielle concurred stating the town differs from a growth oriented long- term business planning model.

There was lively discussion as differing viewpoints were expressed on how to structure a long term plan. Mr. Pforzheimer believes it's imperative to build a model from the revenue side, not starting with expenses and backing into the revenue number needed which is the pattern of the past. He believes a useful model will include an acceptable tax increase to obtain the related allocation on expenditures.

Mrs. Vanderslice countered the exercise of the plan is to determine revenues and expenses at the same time and make needed adjustments along the way. It's important to take the first step, gather the facts then make the related decisions. Mr. Alper is concerned the town is limited in its ability to increase revenues other than through fees and increased commercial zoning, which is regulated through the P & Z Board.

Mr. Brennan commented the BoS wants to establish an economic development commission similar to Ridgefield's to determine possible revenue sources. Mr. Brennan commented that the forthcoming Avalon housing development will generate new revenue.

Mrs. Vanderslice made a motion to develop a 3 operating plan with a possible extension to 5 years. The BoF will provide the plan's format and details to the BoE and BoS. Mrs. Vanderslice volunteered to spearhead the project. Motion seconded by Al Alper and approved 4 to 2. Mr. Pforzheimer and Mr. Meinhold were the two dissenting votes. Mr. Meinhold explained that he could not vote for something for which the cost of preparing was unknown.

### **Committee Reports:**

Mr. Alper stated the Tri-Board has only met once and has otherwise not been able to meet. As an aside, he suggested since the telephone contracts for the town will expire in less than a year an audit should be done to determine the BoS and BoE phone usage and perhaps a switch be made to the VOIP system similar to what other towns are now using.

Mr. Meinhold expressed maybe it's time to reconstitute the Tri-Board because its' not effective. Perhaps find new members who have more time. There was

extensive discussion by all BoF members on the need for a better scope and purpose of the Tri-Board, which was first charged to find purchasing efficiencies. Mr. Alper said he would rather hire a consultant to find the efficiencies and the Tri-Board would oversee the consultant.

There was general agreement that Mr. Serenbetz would ask Susan Bruschi of the BoS to get the Tri-Board people together and focus on charge, not the mission.

Mr. Meinhold stated the Pension Committee met, the fund is up and it was agreed to leave the assumptions the same for the upcoming year.

Mr. Serenbetz reported both the Investment and OPEB (Other Post Employment Benefit Committees) met. The OPEB trustees believe there is now enough money in the trust to ask the investment committee to invest in stocks and bonds. The investment committee believes another member is needed and the BoS will pursue finding a candidate.

### **Other Business:**

Mrs. Vanderslice introduced the topic of the 2012 Budget. She did some preliminary financial analysis keeping the year 2011 as a baseline and adjusting only the required debt obligation. The various scenarios showed a 0-4% increase in expenditures would result in a 2.8-6.1% mill rate increase.

There was agreement in conversation between Mr. Brennan and the BoF members that the BoS union concessions was a band-aid to this year's problem and the same budget issues will continue to be a problem in future years. Personnel costs and related union contract obligations and federal and state mandated requirements are basically unsustainable if they continue to grow at the same rate and something needs to give. It's important all areas of the town cooperate in addressing these growing costs.

Mr. Meinhold wished to close the loop on earlier discussions regarding the Elderly Tax Relief and related 3% rate set by the BoS for the deferral of taxes. It was decided at an earlier BoF meeting to inquire why the BoS selected 3%. The resulting discussions indicated 3% was close to the town's cost of funds and at this rate perhaps more interest would be generated.

A motion was made by Jim Meinhold to accept 3% as the number suggested by the BoS for Elderly Tax Relief. The motion was seconded by Al Alper and

approved unanimously. Mr. Meinhold suggested that next year there will be earlier discussions between both boards on how the number is pegged.

Mr. Meinhold introduced two topics brought up by citizen Deborah McFadden at the town meeting. The first was the idea of forming a committee to seek grants on behalf of the town. While a good idea, it would most likely require a full time position. Ms. Dennies stated while Stamford had some luck with grants there were 2 grant writers employed. Both she and Mrs. Vanderslice believe for a wealthier town like Wilton it will not be as successful a venture and therefore not worth hiring a person. Mr. Serenbetz summarized if Ms. McFadden would like to pursue finding volunteers, that's fine but guidelines and the proper structure need to be followed and procedures (such as coming to the BoS and BoF in advance) should be followed.

The second idea suggested was to pursue fundraising on behalf of the town. There were differing opinions amongst the BoF members. Mr. Alper and Mrs. Vanderslice believe there are already multiple fundraising efforts going on with organizations in town to help defray expenses and this activity shouldn't be a BoF task. Mr. Pforzheimer believes anything to generate more revenue should be considered.

Finally, Mr. Meinhold entered 6 public letters received since the last meeting into the record and stated that he had already given them to Mariana Corrado at Town Hall.

The meeting was adjourned at 10:03pm

Respectfully Submitted,  
Amy Roberts  
Recording Secretary