

**BOARD OF FINANCE
REGULAR MEETING – APRIL 22, 2014
MEETING ROOM B
WILTON TOWN HALL**

PRESENT: Warren Serenbetz, Lynne Vanderslice, James Meinhold,
Al Alper, Jeff Rutishauser, Richard Creeth

ALSO PRESENT: Rich McArdle, Phil Damato, Bettye Ragognetti, Patrice Gillespie and
Christopher Burns; Wilton Bulletin.

Call to Order:

Chairman Warren Serenbetz called the meeting to order at 7:30 p.m.

Approval of Minutes for Regular Meeting on March 18, 2014

Motion made seconded and carried to approve the Minutes of March 18, 2014, (Mr. Serenbetz and Mr. Meinhold abstained because they weren't present.)

Approval of Minutes for Special Meeting on March 19, 2014

Motion made seconded and carried to approve the Minutes of March 19, 2014, (Mr. Serenbetz, Mr. Meinhold and Mr. Alper abstained because they weren't present.)

Approval of Minutes for Special Meeting on March 24, 2014

Motion made seconded and carried to approve the Minutes of March 19, 2014, (Mr. Serenbetz and Mr. Alper abstained because they weren't present.)

Approval of Minutes for Special Mill Rate Meeting on April 1, 2014

Motion made seconded and carried to approve the Minutes of April 1, 2014 as Amended (Taking a period out of the Grand List number on page one and replacing it with a coma so that the amount is \$4,262,301,790).

Approval of Minutes for Special Meeting on April 9, 2014

Ms. Vanderslice requested tabling the approval of these Minutes until the next meeting as she had revisions she wanted incorporated.

Approve Suspense List

Mr. Phil Damato, Tax Collector advised that once a year per CGS §12-165 a Suspense List is turned over to the Board of Finance for approval. These are items he feels are uncollectable, although they try to collect them using a Collection Agency. Ninety-five percent of these are for motor vehicle taxes from residents who have moved out of state without a forwarding address. The remaining suspense balance for the past 15 years is approximately \$320,000. In the past

year approximately \$6,000 has been collected towards tax and approximately \$2,200 in interest. A Motion was made by Ms. Vanderslice to approve the transfer of \$25,050.53 to the Suspense List. The Motion was seconded and carried unanimously.

Historic Documents Preservation Grant – Bettye Ragognetti

Ms. Ragognetti, Town Clerk, said that this is a Grant that has been around since 2001 and every year the Town applies for it. They are applying for it again this year and the amount is \$5,000 which will be used for two land record volumes that are falling apart. Mr. Meinhold made a Motion to accept the Grant which was seconded and carried unanimously.

Bright Ideas Grant – Patrice Gillespie

Ms. Gillespie of the Wilton Energy Commission explained that \$10,000 has been awarded to the Town for significant achievement in energy conservation by CL&P. This money will be used for installation of insulation at the antique farm house at Ambler Farm, which is being rented by a private citizen. Ms. Vanderslice asked why this money isn't being put towards a Town Building instead of one that is being used by a private citizen and Ms. Gillespie explained that after consideration, CL&P had selected the farm house because like many houses in the Town it is an antique. They felt it would serve as a good example for home owners saving energy, particularly those with antique homes. The additional benefit is that Ambler Farm is used for educational purposes and hopefully people can learn from this project and be inspired.

Mr. Creeth Moved to approve the Grant and it was seconded and carried with Mr. Meinhold abstaining because he is on the Board of Ambler Farm.

Status Report – Town

Mr. McArdle gave an update of the Town's financial status (attached).He noted that there were two items that he wanted to call the Board's attention to; they are Education Intergovernmental and Town Intergovernmental Revenue. He said that these numbers are through the end of March and he doesn't have the exact numbers for April yet but they received significant funds in April for both.

Board of Finance Resolutions for FY15 Budget

Board of Finance Vote on the FY 2015 Budget April 22, 2014

- 1. Estimated Revenues:** Richard Creeth moved and Jeffrey Rutishauser seconded that estimated FY 2015 revenues, excluding current property taxes, be set at \$6,106,263 consisting of the revenue sources and amounts listed below:

Supplemental Motor Vehicle Taxes	\$ 550,000
Back Taxes	435,000
Tax Liens and Interest	290,000
Grants for Education	1,730,129
Town Grants	859,570
Other Revenues	492,664
Licenses, Permits, Fees and Other	1,543,900
Interest on Investments	205,000
Total	\$ 6,106,263

Motion carried 6 in favor 0 opposed.

- 2. Debt Service:** Jeffrey Rutishauser moved and Al Alper seconded that \$9,102,764 be appropriated for Debt Service. *Motion carried 6 in favor 0 opposed.*
- 3. Board of Education:** Al Alper moved and Warren Serenbetz seconded that \$78,401,125 be appropriated for the Board of Education operating budget. *Motion carried 4 in favor 2 opposed. Ms. Vanderslice and Mr. Alper voting no.*
- 4. Board of Selectmen Operating:** Warren Serenbetz moved and Lynne Vanderslice seconded that \$30,582,460 be appropriated for the Board of Selectmen's operating budget. *Motion carried 5 in favor 1 opposed. Mr. Alper voted no.*
- 5. Board of Selectmen Capital:** Lynne Vanderslice moved and Jim Meinhold seconded that \$1,184,307 be appropriated for the Board of Selectmen's capital budget. *Motion carried 6 in favor 0 opposed.*
- 6. Charter Authority:** Jim Meinhold moved and Richard Creeth seconded that \$1,192,707 be appropriated for the Charter Authority including \$298,177 under the jurisdiction of the Board of Selectmen, and \$894,530 under the jurisdiction of the Board of Finance for Charter Authority. *Motion carried 6 in favor 0 opposed.*
- 7.** Richard Creeth moved and Jeffrey Rustishauser seconded a motion to recommend to the Annual Town Meeting a Fiscal 2015 General Fund Total Operating budget of \$120,463,363. *Motion carried 4 in favor 2 opposed. Mr. Alper and Ms. Vanderslice voted no.*
- 8. Ending Fund Balance:** Jeffrey Rutishauser moved and Al Alper seconded that the June 30, 2015 estimated General Fund Balance be set at \$13,403,336 which is 11.13% of the FY 15 Total Operating Funds Required. The June 30, 2014 estimated General Fund Balance be set at \$16,647,561, leaving \$3,224,225 to be used to finance the FY 15 budget. *Motion carried 5 in favor 1 opposed. Mr. Alper voted no.*
- 9. Tax Relief:** Al Alper moved and Warren Serenbetz seconded that tax relief for the elderly or disabled be estimated at \$1,100,000 and WVAC/Georgetown at \$23,250. *Motion carried 6 in favor 0 opposed.*
- 10.** Warren Serenbetz moved and Lynne Vanderslice seconded that the estimated rate of tax collections due on the October 1, 2013 Net Taxable Grand List of \$4,263,060,704 be set at 99.3%.

Motion carried 6 in favor 0 opposed.

11. Lynne Vanderslice moved and Jim Meinhold seconded a motion to levy a tax of 25.9896 mils on the Net Taxable Grand List of October 1, 2013 and that the tax be payable one-half on July 1, 2014 and one-half on January 1, 2015, except for bills of \$100 or less, and for personal property taxes on automobiles, which shall be payable in one installment on July 1, 2015. *Motion carried 5 in favor 1 opposed. Al Alper voted no.*

A Motion was made seconded and carried to move the Votes on the Bonded Capital Projects up on the Agenda before Budget Discussion.

Vote on Bonded Capital Recommendations

The following are the votes by the Board of Finance of their recommendations to the Voters on the Bonded Capital Projects:

1. Resolution Appropriating \$595,000 For Acquisition Of An Engine-Tanker Fire Truck And Associated Costs And Authorizing The Issuance Of \$595,000 Bonds Of The Town To Meet Said Appropriation. Mr. Alper Moved to recommend this expenditure which was seconded by Ms. Vanderslice and carried 6-0.
2. Resolution Appropriating \$250,000 For The Planning, Design, Construction, Renovations And Improvements For The White House At Ambler Farm And Authorizing The Issuance Of \$250,000 Bonds Of The Town To Meet Said Appropriation. Mr. Creeth Moved to recommend this expenditure which was seconded by Mr. Serenbetz and carried 5-0 with Mr. Meinhold abstaining because he is on the board.
3. Resolution Appropriating \$500,000 For The Planning, Design And Installation Of District Wide School Security And Emergency Management System Upgrades And Authorizing The Issuance Of \$500,000 Bonds Of The Town To Meet Said Appropriation. Ms. Vanderslice said that she wished that they knew what the BoE was going to do with their budget regarding security because one of the items they were considering cutting was security. A brief discussion ensued and Mr. Serenbetz Moved to recommend this expenditure which was seconded by Mr. Meinhold and carried 4-2 with Ms. Vanderslice and Mr. Alper voting no.
4. Resolution Appropriating \$9,900,000 For Design, Engineering, Planning and Construction of Renovations And Improvements At The Comstock Community Center And Authorizing The Issuance Of \$9,900,000 Bonds Of The Town To Meet Said Appropriation. Ms. Vanderslice Moved to recommend this expenditure which was seconded by Mr. Creeth and carried 6-0.

5. Resolution Appropriating \$3,464,000 For Road Restoration And Authorizing The Issuance Of \$3,464,000 Bonds Of The Town To Meet Said Appropriation. A lengthy discussion ensued over the merits of keeping the Road Restoration costs in Operating vs bonding for the costs. Mr. Meinhold said that he wasn't in favor of bonding because of the interest on the bonds. Mr. Creeth said that he wasn't opposed to bonding and that ideally the bonding would be used to catch up to get the roads repaired and then in the future, maintaining them would be taken out of operating expenses. Ms. Vanderslice said that she was opposed to going from operating to bonding for the roads Ms. Vanderslice made a Motion not to recommend the expenditure of \$3,464,000 for Road Restoration. The Motion was seconded by Mr. Meinhold and carried 3-0 with Mr. Serenbetz and Mr. Creeth voting no and Mr. Rusthauser abstaining.

Budget Discussion FY 15

Mr. Creeth said that with the assistance of Ms. Vanderslice he would like to have a macro model [on the budget in the future] so that known items such as union increases could be plugged in. He would like to see the model go deeper.

Committee Reports

Mr. Meinhold said that the main topic at the latest Miller Driscoll Building Committee Meeting was on improving communication with the public as to what the Miller Driscoll Renovation Project is all about.

Other Business

Mr. Serenbetz said that one of the items from the last meeting requiring follow-up was their request to the Board of Education for copies of their Policies and Procedures with respect to what is appropriate or not appropriate for the Board of Finance to do in cases requesting audits of the Board of Education, specifically Special Education. Ken Bernard joined the meeting and distributed a memorandum sent to him from one of the Senior Partners at Shipman & Goodman [the firm representing the Board of Ed]. Mr. Bernard said that it was sent to him in confidence but he felt that the public should have access to it and they agreed. (It is attached herewith).

Mr. Bernard answered questions from the Board regarding procedures. Ms. Vanderslice said that the emails being sent to them suggested that an inappropriate offer had been made to the Lowtherts disguised as a Special Ed offer and that it was an inappropriate use of Special Education funds for something other than Special Ed.

Mr. Bernard explained the process to the Board saying that the process commenced by her [Ms. Lowthert's] counsel submitting documentation and an application to the BoE for Special Education for her two children on the initial grounds that she felt the air quality at Miller Driscoll was harming her children and she wanted them to go elsewhere. She pulled her children out of school and made the application. Mr. Bernard said that he had reviewed (confidential) emails and it was fair to say from them that there was an application for Special Ed and there was a process undertaken (as shown in the Memo from Shipman & Goodman on file) that is

common, that upon evaluation of the cost of rejecting an application that it was settlement negotiations that were commenced. In this process, numbers were discussed as to what the cost would be in providing this Special Education. At some point, the discussions stopped and the conversation turned from seeking Special Ed to the allegations that this was something else. The offer is now being characterized as something different from what was initially discussed. Ms. Vanderslice said that if this is in fact a Special Education cost then it's none of their business but if something is being done under the Special Education umbrella that is inappropriate, then they should look into it. Mr. Meinhold asked, were the Policies and Procedures followed? Mr. Creeth added that if there was an unusually large amount of money being offered then it should be looked into.

Mr. Bernard said that they can see from the memo from Shipman & Goodman how they received the application and how they handled the process. He added that this is in their purview. Ms. Vanderslice suggested that they speak with another law firm that specializes in education other than Shipman & Goodman. Mr. Bernard said that he knew of such a firm and he would contact them about their fees. Ms. Vanderslice requested that he contact Berchem, Moses & Devlin in Westport and get a bid from them as well. Mr. Bernard said that he would speak with both. Mr. Meinhold asked if they could get a copy of the Policies & Procedures from the Board of Ed. Mr. Serenbetz said he had made that request but would ask them for it again.

On another subject, Ms. Vanderslice said that she and Mr. Creeth would form a committee to change the financial statements. They would work with Ms. Dennies on this.

Public Participation

There was no public participation.

Executive Session

The Board went into Executive Session at 8:55 PM and invited Ken Bernard to discuss Misappropriation of Funds. They came out of Executive Session at 9:30 and no actions were taken.

Respectively submitted,

Mariana Corrado
(From audio recording).