

**TOWN OF WILTON
BOARD OF FINANCE SPECIAL MEETING
PRESENTATION OF BOARD OF SELECTMEN BUDGET
March 21, 2012, Meeting Room B, Town Hall**

PRESENT: Warren Serenbetz, Lynne Vanderslice, Al Alper, James Meinhold, Gail Lavielle (via teleconference) **ABSENT:** Andy Pforzheimer

ALSO PRESENT: First Selectman Bill Brennan, Selectman Hal Clark, Selectman Richard Dubow, Selectman James Saxe, Sandy Dennies (CFO), Sarah Taffel (HR), Tom Thurkettle (DPW), Chief Michael Lombardo (PD), Chief Paul Milositz (FD), Deputy Chief Bob Crosby (PD), Deputy Chief Mark Amatrudo (FD), Pat Sesto (Environ.), Richard McArdle (Finance), Steve Schole (Health)

GUESTS: 6 members of public, Joan Lownds (Bulletin), Korey Wilson (Villager)

Chairman Warren Serenbetz called the meeting to order at 7:30 p.m. and asked the First Selectman to give an overview of the FY 2013 Budget proposal.

Mr. Brennan first thanked department managers and board members for all of the hard work that went into the preparation of this budget. After three very lean years, it is not easy to prepare a budget that preserves the services expected by the residents of the Town.

Mr. Brennan then went through a slide presentation (attached to these minutes). In addition, he made a presentation on a Road Restoration Program being proposed for bonding (also attached). Mr. Thurkettle handed out copies of a detailed booklet showing plans by street.

In regards to the slide comparing public to private sector salary increases, Mr. Serenbetz does not believe this is "comparing apples to apples". People in the private sector are losing jobs and possibly taking jobs with smaller salaries, while the people who held their jobs are the ones getting increases. Ms. Vanderslice added that she had testified as to Wilton earnings on behalf of the BOF at the BOE Arbitration hearing and in 2008, 60% of Wilton residents had an Adjustable Gross Income of less than \$200,000. Those taxpayers earning over \$200,000 experienced an average decrease of 18.6% in 2008 and an estimated average decrease of 20% in 2009.

Mr. Brennan reminded that in FY 2011, Town employees gave up increases, as did school employees with the exception of teachers.

Questions from BOF members:

Mr. Meinhold:

- 1) A part-time employee was requested by Human Resources and removed by the Board of Selectmen. Could there be a documented savings if this part-time position was funded? Sarah Taffel answered that part-time help would free up some of her time so that she could handle more of the legal work, which could result in a savings in legal fees.
- 2) Telephone expenses have been consistent for the last several years, including this year. Yet, we are budgeting again for more than history has shown is needed. Ms. Dennies will look into that and report back.
- 3) What is the rationale for increasing "miscellaneous contractual services" in the IT department? Ms. Dennies stated that the IT Director has been unable to fill the Assistant IT position with the salary being offered. As a result, we have to rely on outside consultants coming in to assist. We need to look at how to resolve this issue.
- 4) Regarding questions about the New World software, Ms. Dennies assured that there are "segments" open to allow the Board of Education to share the system, however, it will take at least a year and a half to get this implemented.
- 5) Right now, there appears to be a \$100,000 surplus in salt and sand - will that be returned to the general fund? Mr. Thurkettle advised that he will be purchasing stockpiles to take advantage of this year's cost which could increase next year.
- 6) Each year, we purchase a dump truck, plow and sander. Could we possibly get better pricing by purchasing two pieces of large equipment every other year? Mr. Thurkettle advised that we have done that in the past, and better pricing is possible.
- 7) The Fire Department proposes to replace one ten year old staff vehicle with over 100,000 miles and the Police Department is replacing six vehicles with less miles. Are there different strategies? Chief Lombardo answered that patrol vehicles are used 24/7, have a lot of "idling" hours on the motors, and are sometimes needed for a high speed response, making high mileage vehicles a concern.

Ms. Lavielle:

- 1) How does the proposed bonding request affect our bond rating and our debt ratio? Mr. Brennan advised that a bond team consisting of himself, Ms. Dennies, Mr. Serenbetz, bond counsel and our financial consultant met to discuss the best strategy for bonding. Mr. Serenbetz confirmed that for the next five years, the debt service will not exceed 10% of the budget, which is the cap we try not to exceed. This is also well below the capability of the Town for bonding that would be considered reasonable by the ratings agencies.
- 2) How were heating/fuel/diesel costs projected in light of the current rising costs? Mr. Brennan answered that we were fortunate our contracted prices were negotiated before the costs began rapidly increasing.

Mr. Alper:

- 1) Group insurance cost have increased by 6%. What about the savings from switching to self-funded insurance and joining with the BOE? Ms. Dennies pointed out that a 6% increase is very favorable over an estimated 11% increase if we had not changed to self-funding. Costs are based on experience. In addition, the Town

has to build up a \$1 million reserve over the next five years, however, that \$200,000 per year is included in a different line account.

- 2) Will the Public-Private Partnership Agreement with the Library include a cap on the percentage of Town funding, i.e. 75%? Mr. Brennan advised that 75% of operating costs is a target but the agreement has not yet been worked out.

Mr. Serenbetz:

- 1) Regarding the chart Mr. Brennan prepared showing a per capita headcount comparing Wilton with surrounding towns, he feels that this is too general and asked that numbers be compared by departments. Mr. Brennan replied that these numbers are available comparing Police Department headcounts in other towns. He will send those to Board of Finance members and try to break out comparisons by departments for next year's budget deliberations.
- 2) The Georgetown Fire District is requesting a 9% increase – don't we have any control on spending? Ms. Dennies advised that she, and the Town Attorney, will be meeting with them soon to discuss that issue.

Ms. Vanderslice:

- 1) The G&B school building is being rented for \$1 per year? Ms. Dennies informed that the Town rents the building to the Georgetown Community Association, a not-for profit group who then charges for use of rooms in the building to offset operating expenses. Mr. Brennan added that this building was under-utilized and there were mounting maintenance issues. The GCA has made a lot of improvements and the building is being well cared for and used. The lease allows the Town to terminate the arrangement if the building is needed for something else.
- 2) Road Recovery Program - Ms. Vanderslice does not understand why we are removing all operating budget funds for repaving, and then bonding the entire amount for this program. Mr. Brennan explained that the proposal is to have all repaving work together in one comprehensive plan; and to take advantage of very low interest rates. There is still \$90,000 in the operating budget for pothole work. Ms. Vanderslice was under the impression that there is a policy whereby anything with a lifespan of less than 20 years is budgeted in operating, and a 20 year or more expected lifespan for a project is necessary to borrow funds. BOF Chairman Serenbetz and Selectman Dick Dubow both agree that there is no such policy, but rather practice has been that the length of the bonds should equal the life expectancy of the project.

Having no further business, the meeting was adjourned at 9:25 p.m.

Jan Andras
Clerk Pro Tem