

**BOARD OF FINANCE
PUBLIC HEARING ON
BOARD OF EDUCATION BUDGET
March 26, 2018
7:30 P.M.
MIDDLEBROOK SCHOOL AUDITORIUM**

RECEIVED FOR RECORD
TOWN OF WILTON

2018 APR 12 P 1:14

BY: LK

PRESENT

Board of Finance: Jeff Rutishauser, , Richard Creeth, Peter Balderston, John Kalamarides, Walter Kresss,

Absent: Stewart Koenigsberg

Board of Education: Christine Finkelstein, Laura Schwemm, Lori Rothstein, Glenn Hemmerle, Gretchen Jeanes, Deborah Low, Kevin Smith

ALSO PRESENT: Anne Kelly-Lenz (Wilton and BoE CFO) and members of the press and public

Board of Finance Chairman Jeff Rutishauser called the Public Hearing to order at 7:30 p.m.

Mr. Rutishauser introduced the Board of Finance. He noted that there will be an overview of the Town's financial position and projected mil rate reviewed by the BoF and Christine Finkelstein, Chair of the Board of Education will present the BoE budget followed by an opening to the public for their comments.

Mr. Rutishauser spoke in detail on the slides (presentation attached) depicting Budget Highlights, the role of the Board of Finance in the town budget, and how the Board assesses resources and financial condition. He noted that prior to Mil Rate deliberations, total funds requested for both the town and school budgets is approximately a 2.56% increase over last year. The Grand List is up approximately 65 basis points over last year. He noted that there is a budget deficit of \$2.33 million or 1.95% of the budget. The deficit can be closed by budget cuts, tax increases or a combination of both.

Mr. Rutishauser thanked, on behalf of the BoF, the BoS for coming in under the 1.5% recommended guidance

Mr. Rutishauser concluded his comments at approximately 7:40 p.m., at which time he turned over the podium to Christine Finkelstein, Board of Education Chair.

Ms. Finkelstein introduced the members of the Board of Education and commended the BOE for their hard work. She also thanked the administration and teachers that work in the Wilton School system. He thanked the citizens for their support of Wilton Schools. Ms. Finkelstein next gave a slide presentation overview of the proposed FY19 School Budget, which is also posted on the school website.

Mr. Rutishauser then opened the floor to public comment. Approximately 13 citizens spoke and expressed their views on the BOE budget; most of whom supported the Budget.

Mr. Rutishauser invited all to the Board of Finance hearing on the Board of Selectmen Budget that will take place on Tuesday March 27, 2018 at Middlebrook School. He also noted the BoF Mil Rate Meetings that will take place on April 3 & 4, 2018 as well as the Annual Town Meeting on May 1, 2018 and the Adjourned Vote on May 5, 2018.

The hearing adjourned at 9:15 p.m.

Respectfully submitted,

Jacqueline Rochester
(from video recording)

Att: Board of Finance slide presentation

BOARD OF FINANCE
FY 19 BUDGET - PUBLIC HEARING
MARCH 26, 2018

AGENDA

- Introduction
- Overview and Preliminary Mill Rate
Projection
- Budget Presentation - Board of Education
- Public Comment

FY 19 BUDGET HIGHLIGHTS

- Prior to Board of Finance deliberations, total funds required is up \$3.05 million (2.56%)
- Net Taxable Grand List is up \$0.72 million (0.65%)
- Budget Deficit of \$2.3 million (1.95%)
 - Requires Budget Cuts or Tax Increase
- BOE budget request is up \$1.8 million (2.24%)
- BOS budget request is up \$0.3 million (0.88%)
- Tax Relief for Elderly/Disabled increased to \$1.15 Million

FY 19 BUDGET HIGHLIGHTS

(CONT'D)

- FY19 General Fund balance (reserves) is set at 10.0%
- Pension is funded at 96% of liabilities, leaving a \$4.1 million net liability (June 30, 2016)
- Other Revenues are down \$287,000, mainly from State cut of Municipal Aid to Wilton
- Debt Service is down 845,749 (7.2%) as fewer bonds were issued than were retired
- Moody's reaffirmed Wilton's Aaa bond rating – Feb 2018

THE ROLE OF THE BOARD OF FINANCE IN THE TOWN BUDGET

The Town Charter governs the Board of Finance's actions

- The BOF is required to hold hearings on both the BOE and BOS budget requests
- The BOF considers the following when developing the Mill Rate:
 1. The views of the voters expressed at the Town hearings and in direct communication (boardoffinance@wiltonCT.org)
 2. The financial resources of the Town
 3. Whether the BOE and the BOS can find savings in their respective budget requests
 4. The appropriateness of revenue, debt service and General Fund balance amounts

HOW THE BOARD OF FINANCE ASSESSES RESOURCES AND FINANCIAL CONDITION

Debt, General Fund Balance and Pension Fund Levels

- Bonds Outstanding are \$82 Million – Debt Service at 8.5% of Budget
- Maintaining Aaa rating – Minimum 10% General Fund Balance
- Unfunded Pension Liabilities – \$4.1 Million; 96% Funded

Operating Expenses

- Evaluate budget requests versus prior actual expenditures
- Focus on Efficient Staffing and Headcount Control

FY 2019 BUDGET SUMMARY

\$ Thousands

	FY 18 BUDGET	FY 19 REQUEST	\$ FROM FY 18	% FROM FY 18
Education	80,573	82,376	1,804	2.24%
Selectmen Operating & Capital	33,209	33,502	293	0.88%
Debt Service	11,768	10,922	(846)	(7.2)%
Charter Authority	1,255	1,268	13	1.0%
Tax Relief for Elderly & Disabled*	1,121	1,121	--	--
TOTAL OPERATING REQUIREMENTS	127,925	129,189	1,264	0.99%
Non-tax Revenue	(4,746)	(4,459)	(287)	(6.1)%
Drawdown of previous year's ending fund balance	(4,115)	(2,616)	(1,499)	(36.4)%
TOTAL TO BE FUNDED FROM PROPERTY TAX	\$119,064	\$122,114	3,050	2.56%

* Not including \$50,000 increase approved by BOS & BOF

FY 2019 PRELIMINARY MILL RATE

\$ Thousands

	FY 18 BUDGET	FY 19 REQUEST	\$ CHANGE FROM FY18 BUDGET	% CHANGE FROM FY18 BUDGET
TOTAL TO BE FUNDED FROM PROPERTY TAX	119,064	122,114	3,050	2.56%
Grand List	4,314,084	4,342,154	718	0.65%
Collection Rate	99.4%	99.4%	--	--
REQUIRED MILL RATE*	27.7685	28.3091	2,332	1.95%

* Including \$50,000 increase in Tax Relief for Elderly and Disabled, the FY19 Mill Rate would increase to 1.99%

BOARD OF FINANCE BUDGET SCHEDULE

March 26 & 27	Board of Finance Public Hearings
April 3 & 4	Board of Finance completes deliberations on budgets and mill rate
May 1	Annual Town Meeting
May 5	Adjourned vote of ATM