

**BOARD OF FINANCE  
PUBLIC HEARING – BOARD OF EDUCATION BUDGET  
Middlebrook School, Wilton, CT  
March 27, 2013**

**PRESENT:**

Board of Finance: Warren Serenbetz, Lynn Vanderslice, Jim Meinhold, Al Alper, Jeff Rutishauser    ABSENT: Andy Pforzheimer

Board of Education: Superintendent Dr. Gary Richards, Bruce Likly, Karen Birck, Lory Rothstein, Laura Schwemm, Gil Bray, Christine Finkelstein

**ALSO PRESENT:** Sandy Dennies, CFO; Bill Brennan, First Selectman; approximately 30 members of public

Board of Finance Chairman Warren Serenbetz called the hearing to order at 7:30 p.m. and gave an overview of the proposed budget and its impact on the tax rate (attached). Board of Education Chairman Bruce Likly then gave a 36 slide presentation overview of the proposed FY 14 Schools Budget,

Mr. Serenbetz then opened the floor to public comment.

Mr. Joe Brenner, 72 Indian Hill Road – there is growing support in Wilton, as well as across the country, for spending restraint. He believes data presented tonight could have different interpretations than those given.

Mr. Joe Burton, 22 Old Nursery Road – moved here a year ago for the schools. He understands there are those who do not want a 3% budget increase, but it is the excellent schools that draw people here. He recommends a full time employee for the Miller Driscoll pre-school.

Mike Ochapina (?), 99 Chicken Street – also moved here for the schools. He balances a budget for his own business and knows it is difficult but he supports the budget as proposed. He commended public officials for the amount of data provided on the budget.

Alex Ruscewich, 22 Calvin Road – has gone through the Board of Education budget detail. Feels there has to be a limit on how much we can do. There are a lot of programs and they cost a lot of money. In the past ten years, Wilton has had the largest education budget increases of surrounding towns. He feels that a 1.75% increase is the maximum that the town can afford.

Steve Francia, 28 Old Highway – had been hearing that full day kindergarten was going to be a cost savings but it seems that the cost has now gone up and he questions the benefit. Urged BOF to think about that extra cost.

Maria Wilcox, 2 Brandon Circle – supports BOE budget. A lot of cuts have been made in past years. The BOE is making vital changes now and has tried to keep costs down. Special Ed aides in classrooms help all of the students, not just the ones they are assigned to.

Elissavet Constantine, 135 Whipstick Road – supports the budget. She disagrees with the BOF slide showing budget increases over ten years. We have to maintain quality of education.

Marissa Lowthert, Keelers Ridge Road – supports the schools but opposes full day kindergarten. She feels that Wilton is spending more than the averages per student but performance is falling at the lower grades, especially in math. She feels that FDK is an added cost without value.

Janis Hess, 92 Drum Hill Road – supports the budget and appreciates all of the work done to prepare. The people who are advocating for cuts should think about who would be buying their houses if they decide to sell – families looking for a good school system.

Margaret Kotos – supports the budget. Her son, at 18 months, did not speak. Then she moved to Wilton and he received the help he needed. Wilton should be proud of the program.

Maggie Felts, 15 Crowne Pond Lane – supports the budget. Her son was born prematurely and the preschool program has helped him. It is important to keep the student to teacher ratio low for the best results.

Steve Hudspeth, 6 Glen Hill Road – strongly supports the budget. Special Ed is necessary for the students and the state law requires it.

Marilyn Gould, 10 Chicken Street – noted that participation at these hearings has dropped significantly since she moved here 37 years ago. Enrollment in the schools is now decreasing, so why are costs continuing to rise. The actual costs of full day kindergarten have not proven to be accurate and it should not be in the budget. The value is not proven.

Chris Onthank, 20 Old Boston Road – has a 4 year old child with a hearing impairment in the preschool program. This program helps children with hearing impairments so that they can later be mainstreamed in the school system. It is a very important program.

Lisa Mannix, 32 Forge Road – supports the budget. She moved here three years ago for the schools. She is most concerned about the increasing class sizes and does not feel that reading should be taught by paraprofessionals.

Katie Cunningham, 336 Mountain Road – believes that the Board of Finance should reject the proposed budget with a strong recommendation that full day kindergarten be

re-considered due to the long-term financial consequences. The proposal is flawed and cannot be financially supported.

Ed Papp, 28 Walnut Place – is pleased to see the analytical review presented tonight by the Board of Finance. He urges the BOF to stick with the 1.75% recommended increase because he feels that is all that the town can afford.

Hearing no further comments, the hearing was closed at 9:15 p.m.

Jan Andras  
Recording Secretary  
(taken from video)

att. BOF presentation

**BOARD OF FINANCE  
FY 14 BUDGET - PUBLIC HEARING  
MARCH 27, 2013**

**AGENDA**

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

**BOARD OF FINANCE  
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MARCH 28, 2013**

**AGENDA**

- Introduction
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- Budget Presentation - Board of Selectmen
- Public Comment

**FY 14 BUDGET HIGHLIGHTS**

**Prior to Board of Finance deliberations, total funds required after tax relief is up 4.1%**

**Net Taxable Grand List is down 17% due to revaluation**

**BOS budget up by 3.625%**

**BOE budget up 3.834%**

**FY14 General Fund balance is set at 11.06%.**

**FY 14 BUDGET HIGHLIGHTS  
(CONT'D)**

**Pension contribution increased by 15% per Board policy to help close the gap on the unfunded liability which currently stands at \$11.2 Million.**

**Tax Relief for Elderly/Disabled remains at \$1.1 Million.**

**Moody's reaffirms Wilton's AAA bond rating – September 2012.**

### 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 must consider the following when developing the Mil Rate

The views of the voters expressed at the town hearings and in direct communication

The financial resources of the Town

Whether the BOE and the BOS can find savings in their respective budget requests

The appropriateness of revenue, debt service and general fund balance amounts

### HOW THE BOARD ASSESSES RESOURCES & FINANCIAL CONDITIONS

#### • Revenue Sustainability:

Grand list Growth.....difficult to calculate in a reval year but not expected to exceed the average 0.54% increase experienced the two years prior to the reval

Tax Collection Rate.....remains consistent with prior years

State Grants and Funding.....down 19.1% vs FY13 funding rates

Interest Income and Fees.....down from 2007 peak but up 16.8% vs FY13

#### • Factors Impacting Future Sustainability:

Real Estate Market.....2012 average sales prices down 17% compared to 2011

Wilton's Unemployment Rate.....slight improvement in 2012 rate however the rate has hovered around 6% since 2009

Impact of 2012 Revaluation.....residential valuations fell more than commercial, shifting the FY14 mil rate impact

State Budget Uncertainty & Fiscal Health.....reductions in General Fund Revenues and projected revenue shortfalls in the State Budget

### HOW THE BOARD ASSESSES RESOURCES & FINANCIAL CONDITIONS continued

#### • Debt....General Fund Balance....and Pension Fund Levels:

Impact of projected bonding needs.....\$48.37 million of new debt through 2018, resulting in a \$2.0 million net increase in debt service for FY 2018 versus current levels

Opportunities to refinance.....No current availability

Maintaining AAA rating.....minimum 10% General Fund Balance rating reaffirmed September 2012

Unfunded Pension liabilities.....\$11.2 million as of 6/30/2012

#### • Operating Expenses:

Requests versus prior actual and budgeted expenditures

Accumulated deferrals of repairs and maintenance

### FY 2014 BUDGET SUMMARY \$ Thousands

	FY 13 ADOPTED BUDGET	FY 14 REQUESTS	% FROM 13 ADOPTED
Education	74,051	76,890	3.83%
Selectmen's Operating & Capital	30,347	31,447	3.62%
Debt Service	8,618	9,150	6.17%
Charter Authority	1,130	1,175	3.98%
Tax Relief for Elderly & Disabled	1,100	1,100	--
<b>TOTAL OPERATING REQUIREMENTS</b>	<b>115,279</b>	<b>119,795</b>	<b>3.92%</b>
Non-tax Revenue	(5,714)	(5,424)	-5.08%
Drawdown of previous year's ending fund balance	(2,711)	(3,151)	16.23%
<b>TOTAL TO BE FUNDED FROM PROPERTY TAX</b>	<b>\$106,854</b>	<b>\$111,220</b>	<b>4.09%</b>

**FY 2014 PRELIMINARY MIL RATE**  
\$ Thousands

	FY 13 ADOPTED BUDGET	FY 14 REQUESTS	% FROM 13 ADOPTED
Property Tax Revenue Required	106,854	111,220	4.09%
Grand List	5,110,660	4,242,033	-17.0%
Collection Rate	99.3%	99.3%	-
Required Mil Rate	21.0555	26.4035	25.4%

**% Change In Total to be Funded From  
Property Tax vs % Change in Mill Rate**



**BUDGET % CHANGES OVER TIME**

		ANNUAL RATES OF CHANGE	
	FY 13 TO FY 14	FY 09 TO FY 14	FY 04 TO FY 14
BOARD OF EDUCATION	3.83%	2.13%	4.84%
BOARD OF SELECTMEN	3.63%	2.05%	4.90%
DEBT SERVICE	6.17%	(.25)%	(.26)%

**Board of Selectmen  
Proposed Bonded Capital Expenditures  
FY 2014-2018  
\$ Thousands**

Town Projects	FY 14	FY 15	FY 16	FY 17	FY 18	Total
- Open Space Acquisition	2,000					2,000
- Road Restoration Program		1,705	1,885	1,678	1,780	6,708
- Fire Apparatus		895				895
- Fire Stn. 2 Renovations			2,076			2,076
- Comstock Renovations	332					332
- Comstock Boiler & Heating	570					570
- Outburst & Bennett Heating	220					220
- Ambler Farm- White House Renov.		125	125			250
Town Total	3,122	2,425	3,885	1,678	1,780	12,828
School Renovations						
- Middlebrook	644		1,000	800		2,444
- Cedar Mt	875	875			1,450	2,900
- Miller Driscoll		14,500				14,500
- High School	182		800	150		1,132
School Total	1,402	15,525	16,300	950	1,440	35,627
GRAND TOTAL	4,524	17,950	20,185	2,628	3,220	48,455

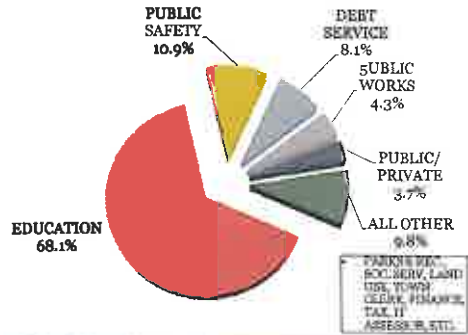
\*Special Town Meeting - June 2013

# BOARD OF FINANCE BUDGET SCHEDULE

• March 27 & 28	Board of Finance - Public Hearings
• April 12	Board of Finance completes deliberations on budgets and mill rate
• May 7	Annual Town Meeting
• May 11	Adjournment vote

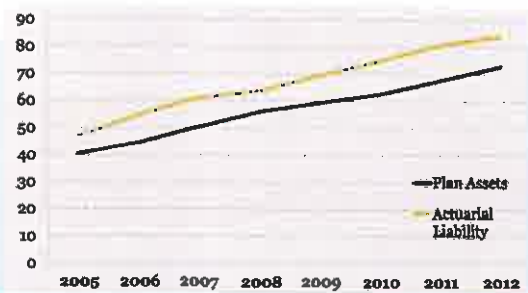
## TOWN OF WILTON PROPOSED FY 14 BUDGET DISTRIBUTION

(All categories include operating capital expenditures)



## PENSION PLAN FUNDING STATUS FY'S 2005-2012

(ACTUARIAL VALUES IN MILLIONS)



HISTORY OF YEAR END UNRESERVED UNDESIGNATED GENERAL FUND BALANCES  
(\$ Amounts in thousands)

FY	AMOUNT	% OF REVENUE
02	1,453	2.1%
03	2,507	3.5%
04	4,465	5.7%
05	8,197	9.6%
06	12,891	14.0%
07	13,868	14.4%
08	13,632	13.6%
09	12,833	12.6%
10	12,223	12.3%
11	14,802	13.0%
12	16,274	14.6%

