

**BOARD OF FINANCE
PUBLIC HEARING ON
BOARD OF EDUCATION BUDGET
March 28, 2016
7:30 P.M.
MIDDLEBROOK SCHOOL AUDITORIUM**

PRESENT

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

Board of Education: Bruce Likly, Christine Finkelstein, Glenn Hemmerle, Lori Rothstein, Laura Schwemm, Chris Stroup, Kevin Smith

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

Board of Finance Chairman Jeff Rutishauser called the Public Hearing to order at 7:33 p.m.

Mr. Rutishauser introduced the Board of Finance and thanked the audience for their attendance. He 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. Jeff also gave an overview of the Budget Summary and the Preliminary Mill Rate for FY17.

Mr. Rutishauser concluded his comments by stating that the Board is aware there will be disappointment in all corners as they seek to close the deficit gap, of which there are only two ways to accomplish this: budget cuts or a tax increase. His comments concluded at approximately 7:50 p.m., at which time he turned over the podium to Bruce Likly, Board of Education Chairman.

Mr. Likly introduced the members of the Board of Education and spoke of the need for citizens to send a clear message to the Board of Finance on what is tenable and justifiable. Mr. Likly next gave a slide presentation overview of the proposed FY17 Schools Budget, which is also posted on the school website. He detailed past year achievements, as well as 2016-17 instructional priorities and large budget drivers.

Mr. Rutishauser then opened the floor to public comment. Approximately 35 citizens spoke and expressed their views on the BOE budget; most of whom support the Budget.

The hearing adjourned at 10:15 p.m.

Respectfully submitted,

Kris Fager
(from video recording)

Att: Board of Finance slide presentation

BOARD OF FINANCE
FY 17 BUDGET - PUBLIC HEARING
MARCH 28, 2016

AGENDA

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

FY 17 BUDGET HIGHLIGHTS

- Net Taxable Grand List is up 0.19%
- BOS budget request is a 0% increase
- BOE budget request is up 1.27%
- Debt Service is up 8.1% (\$854,750) primarily due to bonding for Miller-Driscoll and Comstock construction
- FY17 General Fund balance is set at 11.2%
- Prior to Board of Finance deliberations, total funds required is up 2.4%
- Budget Shortfall of \$2.6 million (2.27%) – Requires Budget Cuts or Tax Increase to close

FY 17 BUDGET HIGHLIGHTS
(CONT'D)

- Pension is funded at 96.5% of liabilities, leaving only a \$3.6 million shortfall (July 1, 2015)
- Other Non-Tax Revenues are \$5.8 million , a slight decrease from last year
- Tax Relief for Elderly/Disabled remains at \$1.1 Million
- Moody's reaffirmed Wilton's AAA bond rating – March 2015

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 public hearings on both the BOE and BOS budget requests
- The BOF must consider 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

Revenue Sustainability

- Grand List Growth – Slowing, Wilton maturing
- “Real Growth” Needed – Priority on Commercial Development
- Commercial Property Value Improvement – Lease-up Vacancies
- State Grants and Funding – Increasingly Uncertain in Future

HOW THE BOARD OF FINANCE ASSESSES RESOURCES AND FINANCIAL CONDITION

Debt, General Fund Balance and Pension Fund Levels

- Impact of New Bonding for Miller-Driscoll and Comstock
- Maintaining AAA rating – Minimum 10% General Fund Balance
- Unfunded Pension Liabilities – \$3.6 Million; 96.5% Funded (7/1/15)

Operating Expenses

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

FY 2017 BUDGET SUMMARY \$ Thousands

	FY 16 BUDGET	FY 17 REQUESTS	\$ FROM FY 16	% FROM FY 16
Education	79,956	80,973	1,017	1.27%
Selectmen's Operating & Capital	32,432	32,415	(17)	(0.05)%
Debt Service	10,616	11,471	855	8.05%
Charter Authority	1,230	1,249	19	1.51%
Tax Relief for Elderly & Disabled	1,121	1,121	--	--
TOTAL OPERATING REQUIREMENTS	125,355	127,228	1,873	1.49%
Non-tax Revenue	(6,013)	(5,847)	(166)	(2.77)%
Drawdown of previous year's ending fund balance	(4,829)	(4,049)	(780)	(16.15)%
TOTAL TO BE FUNDED FROM PROPERTY TAX	\$114,513	\$117,332	2,819	2.40%

FY 2017 PRELIMINARY MILL RATE \$ Thousands

	FY 16 BUDGET	FY 17 REQUESTS	\$ CHANGE FROM FY16 BUDGET	%CHANGE FROM FY16 BUDGET
TOTAL TO BE FUNDED FROM PROPERTY TAX	114,513	117,332	2,819	2.40%
Grand List	4,293,815	4,302,071	220	0.19%
Collection Rate	99.4%	99.4%	--	--
REQUIRED MILL RATE	26.8302	27.4379	2,599	2.27%

BOARD OF FINANCE BUDGET SCHEDULE

March 28 & 29	Board of Finance Public Hearings
April 4 & 5	Board of Finance completes deliberations on budgets and mil rate
May 3	Annual Town Meeting
May 7	Adjourned vote of ATM