

Board of Finance  
Special Meeting - December 20, 2011  
Minutes

**Attending:**

Board of Finance Members: Lynne Vanderslice, Warren Serenbetz, Andy Pforzheimer, Jim Meinhold and Al Alper. Gail Lavielle was an excused absence.

Others: Sandy Dennies (CFO), Robert Daniele (O'Connor, Davies, Munns and Dobbins), Sanders Davies, (ODMD), Rich McArdle (Finance Dept.), Alissa Smith (Daily Wilton), Matt Coyn (The Hour / Wilton Villager), and Sarah Taffel (HR).

**Call to Order:**

Chairman Warren Serenbetz called the meeting to order at 7:34 pm. He explained this was technically a Special Meeting so the minutes from the November meeting would be approved at the January Regular Meeting.

The need to move the December meeting out a week was based on the conflicting date with the arbitration hearings on 12/13 and to allow an extra week for the auditors to finish.

**Election of Officers:**

Mr. Serenbetz stated it was time for the election of BoF officers. Mr. Alper nominated Warren Serenbetz as Chairman based on his excellent work in 2011. Mr. Meinhold seconded the nomination and it was approved unanimously.

Mr. Serenbetz nominated Lynne Vanderslice to remain as Vice-Chairman noting her work on the mil rate model and her BoF presentation at the arbitration hearing was exceptional. Mr. Alper seconded the nomination commenting her level of detail on everything greatly benefited the town of Wilton. The nomination was approved unanimously.

Ms. Vanderslice nominated Jim Meinhold for the position as Clerk. Mr. Serenbetz seconded the nomination saying Mr. Meinhold has done an

excellent job as Clerk and been very helpful in this role. The nomination was approved unanimously.

### **Audit Report:**

The accounting firm of O'Connor, Davies, Munns. and Dobbins (ODMD) made its presentation of the FY 2011 audit for the Town of Wilton. Rob Daniele and Sanders Davies from the firm made the presentation. Mr. Daniele opened his remarks by thanking Sandy Dennies, Rich McArdle, and their staff for the great help with the audit. He commented there was excellent cooperation from everyone on the town's side. Mr. Davies said this year's audit was the first for the firm in Wilton.

ODMD summarized over 90% of the town's revenues come from taxes and 2/3 of the budget expenses are for the BoE. Given it was the first year for the firm and the town to work together they looked at everything closely from risks to the details of the various Funds.

Mr. Meinhold referred to Westport and the \$50 million pension liability "surprise" they faced with the significant under-counting of their employees which hadn't been accounted for and the auditors didn't catch. He asked how Wilton could avoid the same situation. Ms. Dennies responded working closely with the town's actuarial company and close review of all employees and retirees assures every employee is accounted for.

Mr. Pforzheimer asked the auditors what was found that should be done differently as generally speaking when new auditors are on the job new things are discovered. Mr. Sanders responded there were a few things such as payroll encumbrances that rather be handled as A/P and a different accounting treatment for the workers compensation fund. He indicated the most noticeable thing was the previous auditors were relied upon a bit too heavily to close the year rather than the town's Finance Dept. having everything ready before the auditors arrive.

At this time Chairman Serenbetz suggested Ms. Dennies address each of the control issues the auditors identified.

Ms. Dennies stated the new ERB system will immediately address some of the issues. Some of the other changes to be implemented are:

\*The school lunch fund, now done on a manual basis will be automated.

- \*The workers compensation fund will be treated as accounts payable.
- \*Accrued payroll from the BoE will have a changed accounting format.
- \*The fund for capital projects will be closed out and used for interest payments on bonds going forward.
- \*The Ambulance fund will be transferred over to a separate fund as of 12/31/11 and be treated as a separate entity, much like the library.
- \*There will now be proper board approval required to write-off bad debt.
- \*A new procedure will be put in place to require appropriations approval needed for over spending by any department.

(On this particular point Mr. Meinhold asked about the timeliness of a request and pointed out a request in advance was preferred rather than an after the fact issue. Ms. Dennies explained an emergency exception would be permitted, otherwise an advance request could be expected.)

Mr. Sanders stated in general there was no material weakness or deficiencies and a clean opinion will be generated. Mr. Meinhold said he was pleased with the keen observations by ODMD.

Mr. Alper made a motion for the BoF to approve the distribution of the audit, as submitted, by 12/31/11. The motion was seconded by Ms. Vanderslice and approved unanimously.

### **2012 BoF Calendar:**

Mr. Pforzheimer made a motion to approve the 2012 BoF calendar for regular monthly meetings. Mr. Meinhold seconded the motion and it was approved unanimously.

Regarding the Budget calendar, there was a change of one meeting from 2/7/12 to 2/13/12. There was some discrepancy of dates posted on the BoE website different from the dates confirmed on the Budget calendar. Mr. Serenbetz asked Ms. Dennies to check with Ken Post at the BoE and confirm the dates.

### **FY 13 Budget**

The board believes the work done on the mil rate model by Ms. Vanderslice was a good base for going forward. Mr. Alper suggested waiting until arbitration with the teachers union was finished to sort out any impact of the decision on the mil rate.

Mr. Meinhold asked if anyone / group asked for a BoF presentation based on the offer made by the BoF and the answer was “no”. He asked if there had been any feedback to the 1.75% target increase and Mr. Serenbetz said yes, he’s heard it was too high. Mr. Alper asked the presentation be put on the BoF website.

There was brief discussion on the \$40 million in capital expenditures within the 3 year projections of the mil rate model. It was asked if there was a pent up need for bonded projects, and if so it should be addressed in the mil rate model.

Ms. Vanderslice indicated a recent letter to the editor misrepresented issues and timing regarding teachers union negotiations from the last contract and that she would set the record straight by providing facts on the matter.

#### **Committee Reports:**

Mr. Serenbetz stated the Pension Trust and OPEB trust and the Investment Committees had all met. It was recommended to the Pension Trust that an outside advisory firm be hired. The return assumption on investments was changed from 7.7% to 7.6%.

#### **Public Participation:**

There was no Public Participation.

#### **Adjournment:**

The meeting was adjourned at 8:58pm.

Respectfully Submitted,

Amy B. Roberts  
Recording Secretary