

**CHARTER COMMISSION**  
Robert Russell, Chairman  
Michael Kaelin, Vice Chairman



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TOWN HALL  
238 Danbury Road  
Wilton, CT 06897

**CHARTER COMMISSION**  
**September 9, 2008**  
**Meeting Room "B"**  
**Wilton Town Hall**  
**APPROVED**

**PRESENT:** Robert Russell, Michael Kaelin, Alice Ayers, Marilyn Gould, Louise Herot,  
Toni Lee, Chris Weldon **ABSENT:** Doug Levine, Paul Burnham

**OTHERS:** CFO Joseph Dolan, Board of Finance members Robert Kelso and Richard Dubow

No members of the press were present.

**Acceptance of Minutes:** Minutes were not available. Will be on next agenda.

Chairman Robert Russell called the meeting to order at 7:00 p.m. introducing Robert Kelso and Richard Dubow of the Board of Finance, who were invited to speak about their Board and give any other suggestions or comments about the Charter and things they might like to see changed to help the town run more smoothly.

Mr. Kelso had prepared a written statement which he went over with Charter Commission members: *"The Board of Finance, as a board, did not formally adopt recommendations for the Charter Commission, however, some of our individual members have made recommendations and I believe most if not all of these were e-mailed to you. In case you didn't see them or don't recall them I have made copies of the individual recommendations for you. My comments tonight, therefore, are my own and do not represent recommendations of the Board of Finance."*

*Let me take just a moment to discuss the role of the Board of Finance. Everyone is familiar with the Board of Finance's responsibility to recommend a tax rate to the Town, but the Board has a broader role than that. It is the single entity that is in a position to look at and act on the overall financial condition of the Town, balance sheet as well as P&L. In this capacity, it evaluates and recommends the appropriate level of the Town's General Fund. It is responsible for the Town's external reporting including its annual audit and in this role, works with the outside auditors. It also interfaces with the bond rating agency. If the Board of Finance did not exist, something similar to it would have to be created to fill those functions.*

*I am basically of the view that if it isn't broken, don't fix it. Based on its recent track record, I personally think that the BOF has performed its responsibilities well and that the Town's finances are in very good shape. Therefore, I have only a few relatively minor recommendations.*

- 1) Currently applying for and accepting grants on behalf of the Town requires the approval of the BOF. Because of scheduling problems, this has been an awkward arrangement and I recommend that this be modified so that BOF approval is required only for material amounts, say \$100,000 or more, that have not be included in an approved budget.*
- 2) I recommend that a "Shared Services Commission" be created to explore opportunities for the sharing of services between the Town and the schools. Purchasing, facilities management and information technology are examples of possibilities where benefits may be gained by combining operations. I acknowledge that the Town and Schools now do this on an informal basis but doing this more formally might produce new opportunities.*
- 3) Much is made of the poor voter turnout and I agree it is somewhat discouraging to see all of those empty seats at the Annual Town Meeting. However, my own sense is that the poor turnout reflects the absence of dissatisfaction and I don't see it as a reason to change the form of town government. The folks I know in Wilton are not bashful about expressing their views when they have a problem.*
- 4) To me it would make sense to make the term of the First Selectman four years so as to give that individual a chance to really get his or her feet on the ground. Also, I would separate the election of the First Selectman from that of the Selectmen because they are fundamentally different positions.*

*I understand that a recommendation has been made to you to eliminate the Board of Finance's authority to make changes to individual line items in the Board of Selectmen's budget and to conform it to the authority it has over the Board of Education's budget, which is to limit changes to a single change in the overall budget.*

*I'm not sure why this should be an issue because it doesn't relate to the experience I have had on the BOF. In my nine years, I can recall only one line item change proposed by the BOF and ultimately this was incorporated by the Selectmen into their budget. There were probably more but they were relatively minor and more on the order of housekeeping adjustments. Based on the record, you cannot say that the BOF has abused this authority.*

*Normally, when the BOF is of the view that a change should be made to the Selectmen's budget, the path we follow is to sit down with them, discuss the issues and come to some agreement which is then incorporated into their budget. This avoids a public fight and results in a smoother working relationship.*

*Having said that, I would still be reluctant to give up the line item authority because it does provide a backstop for our discussions. It's like the difference between having a rifle versus a*

*shotgun. Ultimately, though the reality is that any changes made have to be saleable to the voters so the BOF has not and cannot act capriciously. I only wish that we had the same authority vis-a-vis the Board of Education's budget."*

**Does the BOF have equal budgetary oversight over the Board of Selectmen budget and the Board of Education budget?** Mr. Kelso - No, because state statutes limit our authority over the BOE. So, that cannot be changed.

**If you haven't exercised the line item authority on the BOS budget, why do you need it?** Mr. Kelso - Well, it's available to use if we ever got to the point that we needed it.

**How much do you review of the BOE budget before you make a bottom line decision?** Mr. Kelso - We do go through all of their line items. We are given presentations by the BOE. We have public hearings and have individual discussions about specific items when we have questions. The difference is, with the BOS, you can more easily target specific areas of concern and where you would like to see a budget change. You could have that same discussion with the BOE but they have the flexibility to apply that change wherever they wish.

**So you could decide to cut \$100,000 out because you see some area in their budget that you just think is overstated but they can cut it from someplace else where you didn't want to see it cut.** Mr. Kelso - In our discussions, we are allowed to state our opinion about where we believe reductions should be made. Informally, we can only make recommendations to the BOE.

**You clearly feel that you have the right to say to the BOS you should reduce this truck from DPW or this program from P&R? But you also made the decision to increase a specific line item over the BOS. Why do you think that you have the ability to make policy over the BOS?** Mr. Kelso - BOF members attend all BOS budget hearings. It was the consensus of the BOF that we did not agree with the BOS decision to decrease the budget, we wanted to add some dollars back. We felt very reluctant to engage ourselves in policy making and actually communicated directly with the First Selectman and asked him to consider coming back to us with that request and that is what happened.

Mr. Dubow – I also think there is a sense on the BOF, as a group, that part of our mandate is to insure that the taxpayers receive value for their tax dollars. So I think we are looking at how those expenditures are put together and opportunities to save dollars and we will raise those issues as we go along.

**What gets bonded, over what period of time, and at what expenditure? The Charter should contain restrictions on what that should be.** Mr. Kelso – I agree that smaller items with shorter life expectancies should be included in the operating budget and not bonded. There was one instance at Miller-Driscoll where a lot of smaller items, deferred maintenance items, became such a large number that bonding seemed the way to go. That came to us as a request for bonding.

Mr. Dolan - The Charter is the basic law and it doesn't change that often. The discussion we have had the past few minutes about trying to decide the longevity of an item, you would have to be careful of crafting something that would be rigid in the Charter. My experience tells me that

as soon as you put something in stone like that, you immediately come up with something that makes you regret that it is in stone. You need to have some flexibility to handle situations that come up.

At this time, Charter Commission member Chris Weldon arrived.

Mr. Dubow - Communication between the BOF with the BOS and with the BOE is both on-going and constructive. The town has substantial reserves to protect taxpayers from future surprises. Taxpayers have seen a steady decline in the rate of increases in the mill rate and year in and year out, residents have approved BOF recommendations by as much as 2-1 margins. The BOF may recommend or request that the BOE make changes, but in the end, we only have bottom line authority. What exists is an on-going practice that the BOF consults with both the BOS and BOE regarding any proposed adjustments to their respective budgets. For example, should the BOF determine it is necessary or appropriate to reduce either the BOS or BOE budget, they would ask each respective board where and how they would like to make such reductions. That seems to work quite well. He believes that if there is any attempt to curtail the BOF's current authority to adjust individual line items in the BOS budget, it would gradually result in a weaker BOF, a BOF with less accountability to taxpayers, a BOF that over time would see its power to persuade and influence be diminished and a BOF that would no longer have to consider the consequences of any bottom line reduction in spending.

Mr. Dubow responded to a question regarding bonding proposals being required to go to referendum. Since we have a long-standing practice of approving bonding proposals followed by referendum, he believes we should codify that practice by incorporating it appropriately in the Charter.

Mr. Dubow – The current language in the Charter requires that all grant applications, prior to submission, be reviewed and approved by the BOF. The concept of asking the BOF to review grant applications, particularly those where the proposed grant requires the town to spend additional money or creates future obligations to fund a particular program or event, seems to be a wise and prudent practice. There are also many small and routine grants that have no effect on current spending and have no conditions attached to them. Perhaps, we should codify language in the Charter to require that the BOF review and approve only those grants that meet a certain dollar threshold and/or commit the town to additional spending in the future. That way, we could streamline the application process without eliminating the BOF's oversight responsibility.

Mr. Dubow would also recommend considering establishment of a vice chairman of the BOF, elected by members of the BOF at the same time as electing a Chairman. Although there is no provision in the Charter, over the past several years, the BOF has chosen to elect a Vice Chairman and the arrangement seems to have worked well. Mr. Dolan will research statutes to see if we have the ability to have a vice chairman of the Board of Finance.

With respect to the BOF's responsibility for selecting the town's auditor, he would recommend that the commission consider incorporating language into the Charter that would require the BOF, on a regular basis, perhaps every 3 years, to change either the audit firm, the audit team, or senior partners who provide the audit. While that is the current practice, incorporating it into the Charter would insure that it is always done.

Regarding written comments from BOF member, Jim Meinhold, that if the “*role of the Board of Finance is narrow to focus only on what the overall town budget should be, then line item authority isn’t needed. If the role is more broad, in effect to have a second set of eyes looking at department budgets, then line item authority should be maintained.*” Ms. Herot thinks that applied not only to the issue of line-item but to what was raised earlier about the whole role of the BOF in town government.

Mr. Kelso – The BOF is the entity which has overall final responsibility for the town’s financial position. In that role, it has to have the means to make changes where they are necessary. So, he thinks he would agree with Mr. Meinhold’s first alternative as opposed to the second, that there is a broad role because it ties into the whole financial position of the Town, not just with the budget but with maintaining the bond rating, with having a clean audit, and with having reliable financial information. It’s much more broad than looking at the single budget. Ms. Herot feels that might be a basis for going further and deciding what the description should be of the BOF role. Mr. Kelso – we don’t want to be in the position of micro-managing. But we do want to have the tools to make significant adjustments.

Mr. Kaelin - is surprised because both (Mr. Kelso and Mr. Dubow) appear to be advocating keeping the line item authority but also both appear to be saying it’s not used and the system’s working well, which suggests to him that all we would really be doing by eliminating line item authority is codifying what has been the practice of the board. He believes doing that is really micro-managing. If the budget has to be cut because the town can’t contribute more to the library, it should be the library board who decides what to cut because they are the ones responsible for the delivery of services. That would be the same on the Board of Ed side.

Mr. Dubow - it is very easy for a BOF to say we’re going to take \$500,000 out of the Selectmen’s budget. Having the line item authority makes the BOF accountable for where those dollars will come from. In a sense, it forces the BOF to think through the process and better understand the budget.

**In Ridgefield and New Canaan, the BOE budget goes to the BOS who cannot act on it but can comment. Do you see any value in that procedure?** Mr. Dubow – the BOF members are really interested in knowing the budget and go to all budget meetings and workshop meetings. The BOS have a lot on the table already, so that would be an amazing chore for them to take on.

**Do you see any benefit in developing funds for future capital projects?** Kelso – if you build up reserves, someone has to pay the taxes for those reserves. He does not believe it is necessary because the general fund is maintained at substantial levels and that really is a reserve. Joe Dolan stated that in the Statutes there is a mechanism for towns to create a Capital Non-recurring Fund. The Charter could not include something that conflicts with that statute so you could incorporate the statute but it would be totally unnecessary.

**Do you think the current form of town government works well and do you think that people not showing up for meetings is a problem?** Mr. Dubow – I think it is a problem, on the other hand, we have evolved into this system for all kinds of reasons. If the public decides they are unhappy they will come out. I really believe in the centrality of an informed electorate and if we have a 10 or 15% turnout but they are fairly uninformed, I’m not sure we gained anything.

Mr. Kelso and Mr. Dubow were thanked for their time and information provided.

Chairman Russell stated that Mr. Steve Hudspeth of the Council on Ethics, had sent a copy of his op-ed article outlining what he thinks about Wilton government, which was distributed to all members of the commission.

Mike Kaelin advised that some of the commission members met yesterday morning with John Savarese, IT Director for the town. He provided a lot of information about what can be done now and what it will cost. One issue is the live broadcasts of meetings, which should be fairly easy if we hook into the Cablevision channel. What gets trickier is providing a means by which people can participate from home. There is a way of doing that where we could contract with an outside agency that can supply webconnect to residents so they could broadcast the meeting live through your computer terminal and can respond.

There was a discussion about the opinions and comments heard tonight and the list of matters that the Commission still wants to discuss.

Having no further business, the meeting was adjourned at 9:40 p.m.

Jan Andras  
Recording Secretary  
(minutes taken from audio recording)