

**BOARD OF FINANCE
REGULAR MEETING – September 16, 2014
MEETING ROOM B
WILTON TOWN HALL**

PRESENT: Warren Serenbetz, Al Alper, Jeff Rutishauser, Richard Creeth, Lynne Vanderslice

ABSENT: John Kalamarides

ALSO PRESENT: Sandy Dennies, Andy Pforzheimer, Chris Stroup and Kendra Baker

Call to Order:

Warren Serenbetz called the meeting to order at 7:30 p.m.

Approval of Minutes:

Motion to approve the Minutes of the June 17, 2014 Meeting was made, seconded and carried unanimously.

Motion to approve the Minutes of the July 22, 2014 Special Meeting was made, seconded and carried unanimously.

Motion to approve the Minutes of the July 29, 2014 Special Meeting as amended, (under Miller Driscoll in second paragraph change “2016 to 2018”), seconded and carried unanimously.

FY 14 Status Report

Ms. Dennies explained that after the Report was sent out there were some minor adjustments that had to be made which shouldn't make any significant change to the numbers. In October, the auditors will be adjusting the journal entries. (Please see her complete report attached for details).

Lowthert Email and Status of Misappropriation Investigation

Mr. Serenbetz referred to an email sent to the Board of Finance on August 29, 2014 from Ms. Lowthert regarding an email she received from Ken Bernhard of August 14, 2014. Mr. Bernhard's email was responding to questions about a misappropriation of funds allegation. Ms. Lowthert characterized the email as a threat. Mr. Serenbetz said that he doesn't see it this way. He sees it as a statement of facts and doesn't think any further action by the BOF is required. Ms. Vanderslice added that the Board of Finance is responding to all the Freedom of Information Act requests.

Regarding the status of misappropriation of funds investigation, Ms. Vanderslice reported that the first thing she did was to look at the invoices of the private investigator that was hired by the Board of Ed to investigate the allegation. The invoices relate to work that was done a couple of years ago and she went into detail as to what they covered. The second thing was to look at all the related operating expenses and beyond which she did and found that there was no significant change after the person departed, therefore nothing to lead her to believe that anything material had occurred. As a result, Ms. Vanderslice moved that the BoF not hire the

forensic auditor since the work done by the private investigation was adequate and there is nothing to indicate a further review is necessary. The motion was seconded and carried unanimously.

Status of Special Ed Investigation

Ms. Vanderslice reviewed one of the decisions at the previous BoF meeting, which was to have a letter of recommendation regarding the Board of Education Policies and Procedures concerning Special Education, be approved by Town Counsel prior to being sent to Dr. Smith and the Board of Ed. Mr. Bernhard was contacted to be sure that everything was legal and within the rights of the Board of Finance. Attorney Bernhard stated that he believes that the Board of Finance has the legal right to express its opinion. Reasonable people can differ on whether the Board of Finance should be reviewing Board of Education procedures and offering recommendations to the Board of Education as to how it should be fulfilling its statutory responsibilities. However, if asked he would not conclude that the Board of Finance has violated state law by its actions. The other concern from the previous meeting was whether or not the letter of recommendation would harm the BoF relationship with the BoE. Ms. Vanderslice indicated that she had forwarded the draft to BoE Chairman Likely and Superintendent Kevin Smith and that they both received it as very positive. An e-mail from Chairman Likely reiterated how well our boards work together. Ms. Vanderslice added that in response to something that appeared in *Good Morning Wilton*, that the work that was done on this subject “was not an audit, it was a limited scope preliminary review”. She said that the next step is to send out the letter but that she wants the July date maintained, to which the Board members agreed. During this discussion the Chairman reminded everyone that questions or information requests to Attorney Bernhard, Chairman Likely and First selectman Brennan and others outside of the BoF be cleared with him before going directly to that person.

FOI Commission Hearing

Mr. Serenbetz addressed the FOI # 20 complaint made against the members of the Board of Finance for improperly posting an Agenda item on June 17, 2014 that didn't properly explain the nature of the Executive Session that was on it. Mr. Serenbetz said he was unaware of the correct way to word an Executive Session item on an Agenda until he attended a CCM meeting on FOIA, (which occurred after the meeting). During the discussion Ms. Dennies informed the Board that although all of the Board members were individually named in both FOI requests she doesn't think they will all be required to attend the hearing. Associate Town Attorney, Patricia Sullivan of Cohen and Wolf will be representing them.

With respect to the other FOI # 23, which has to do with Misappropriation of Funds, specifically for not providing Marissa Lowthert with the forensic audit, Mr. Serenbetz explained that since the forensic audit was never done, it couldn't be provided to Ms. Lowthert. A brief discussion ensued which included a request by Mr. Alper that the BoF identify what the myriad of FOI complaints is costing the Town. Ms. Vanderslice made a suggestion that if possible the person who made complaint regarding the forensic audit consider retracting that complaint.

Assign Representatives to Subcommittees

Mr. Serenbetz said that he recommended Ms. Vanderslice be appointed to the subcommittee on the negotiating team with the Board of Ed and the teachers representing the Board of Finance. A motion was made to appoint her to this committee by Mr. Rustishauser it was seconded and carried unanimously. Mr. Serenbetz then recommended Mr. Rutishauser and Mr. Creeth to the Board of Ed subcommittee on Planning representing the Board of Finance. A motion was made by Mr. Serenbetz to appoint Mr. Rutishauser and Mr. Creeth to the Planning Subcommittee of the Board of Education, it was seconded and carried unanimously.

Report From and Direction for the Operations Subcommittee

Mr. Rutishauser gave a report on the Board of Ed Planning Subcommittee referring to a letter he sent to the members of the BOF. He said that the purpose of this subcommittee is to see if there are ways to make the BoE budget process more streamlined and efficient. He is part of another subcommittee within the Planning Subcommittee on budget guidance. He reviewed the discussion that took place at that subcommittee meeting. A lengthy discussion ensued over keeping the budget increase for FY16 at 1.75% and the projections for the coming year and beyond.

Committee Reports

Mr. Rutishauser reporting on the Investment Committee, said that there were no changes and therefore little to report.

Mr. Serenbetz reported on the OPEB Committee saying that the heavy cash position in the OPEB portfolio was rebalanced and the cash allocation was reduced.

Other Business

Ms. Dennies reported that funds with Janney Montgomery were reinvested per directives given by the Board at the July 22nd Special Meeting. She is putting together an Investment Policy for the Board.

There being no further business, the meeting adjourned at 9:08 PM.

Respectively submitted,

Mariana Corrado
(from video recording)