

**Board of Finance
Special Meeting – October 27, 2009
MINUTES**

Attending:

Board of Finance Members: Al Alper, Jim Meinhold (via telephone), Warren Serenbetz, Lynne Vanderslice, Andy Pforzheimer; (Notified Absence: Robert Kelso)

Others: Sandra Dennies, Chris Stroup, Carole Young-Kleinfeld, Lisa Bogan, Amy Harris, Sarah Taffel, John Savarese, Joan Lownds (Villager), Christian Camerola (WiltonPatch.com)

Call to Order:

Warren Serenbetz called the meeting to order at 7:37 p.m.

Approval of Minutes:

- Regular Meeting of September 15, 2009

Al Alper motioned that the Minutes be approved as written; Lynne Vanderslice seconded, and the motion passed 4 – 0.

Financial Report of the Board of Education:

Ken Post reported the highlights of the BOE June year-end financial report as follows:

- BOE ended the '08-'09 fiscal year with an operating surplus of \$369,135, with overages in substitutes, special education contracted services, and student activities, offset by savings in salaries, supplies, special education outplacements and property & liability insurance.
- Special education program ended the year with a deficit of \$935,786 due to the same factors. Outplacements were lower than budget. Contracted services exceeded budget primarily due to a higher number of students requiring outside services than budgeted and an increase in legal fees, which was partially offset by savings in salaries, outplacements and transportation. Excess cost claim was \$1,841,852, and the Town received a total reimbursement of \$1,782,759, which equates to a funding rate of nearly 97 percent and more than offsets special education deficit.
- Health benefit claims for the year exceeded budget by approximately \$400,000 but this was mostly offset by a drawdown of the medical reserve. The medical reserve fund as of June 30, 2009 had a balance of \$3,358,361, and the three components are funded as follows: IBNR of \$960,000 is 100 percent funded, the

corridor of \$2,257,758 is 85 percent funded, and the fluctuation reserve is \$140,603. Based on Ed Nordgaard's projections, anticipate that '09-'10 medical claims will be about the same as budget and that the June 30, 2010 reserve fund balance will be approximately \$3,035,000.

Mr. Post noted that he and Mr. Nordgaard will be talking about the medical reserve fund, the implications of increased health benefit costs, and the importance of maintaining a healthy reserve account at the November BOF meeting.

With respect to the first quarter of this year, Mr. Post stated that there was very little to report but that he is continuing to watch special education, outplacements, and contracted services. He also stated that he was getting some conflicting information about the excess cost grant from the State Department of Education for the coming year and is unsure what the impact will be until the claim is filed in December.

Q&A and discussion followed Mr. Post's report.

Meeting Participation by Telephone:

Mr. Serenbetz said that he had spoken about the issue of board members being allowed to vote by telephone with Ken Bernhard, Town Counsel, who advised that it was permissible but who also recommended setting up parameters if the practice is adopted.

After discussion, board members agreed that they would be in favor of allowing voting via telephone as long as a physical quorum was maintained during meetings, i.e. only two people could participate by phone at any meeting, and limiting the number of times members would be able to vote by phone.

Mr. Serenbetz motioned that the Board of Finance allow voting by phone to the extent that a quorum in physical attendance by members is maintained at the meeting and limiting voting by phone to a maximum of two meetings; Ms. Vanderslice seconded, and the motion passed 4 – 0.

Video Recording of the Meetings of the Board of Finance:

Mr. Serenbetz introduced Carole Young-Kleinfeld and Lisa Bogan, Wilton's representatives to the Area Nine Cable Council, who distributed materials and gave a brief overview of the history and purpose of community access television. They explained that the BOS and BOE currently televise their respective monthly meetings on local channels and encouraged the BOF to also broadcast its meetings to the community on the local government access channel.

Extensive discussion and Q&A ensued.

With respect to cost, Ms. Young-Kleinfeld explained that cable companies are mandated by law to provide funding to communities to operate their local access channels and that the Town receives about \$5,000 in grant money from Cablevision through the Area Nine Cable Council each year for equipment to operate the G channel, on which the BOF meetings would be

broadcast. John Savarese, IS Director, clarified that the funds are for an equipment grant whereby the Town gets reimbursed for purchasing specific equipment; he noted that the town budget also makes a cash contribution for such things as repairs to equipment and video recording the meetings.

Andy Pforzheimer stated he was not in favor of broadcasting the meetings, but if they were televised, he would be interested in exploring something similar to Westport's live coverage which includes an online email system that allows people to send in comments during the meeting as a way to encourage interactive communication and feedback with the public.

Ms. Vanderslice stated that although she had no problem with televising the meetings, she was very concerned that there would be a cost to the taxpayers, especially as the BOF had not solicited public opinion on the issue. She stated she would like to see something done to proactively recruit volunteers to film the broadcasts, especially high school students from a video class or club, and noted that the Town of Darien does its broadcasting at no cost to taxpayers by using volunteers.

Ms. Bogan explained that there have been efforts to recruit volunteers from the League of the Women Voters and from the high school but that there had been reliability issues with student volunteers due to activity conflicts in the evenings.

Mr. Alper stated he was strongly in favor of televising the meetings and using student volunteers from the high school, and he volunteered to approach the BOE to see if the Town can lever the existing curriculum at the high school to recruit student volunteers to film the broadcasts.

Mr. Pforzheimer motioned that the BOF televise its monthly meetings and endeavor to use volunteers where practical and to reevaluate the issue at the end of the year depending on cost; Mr. Alper seconded.

Mr. Savarese noted that if the next meeting in November is televised, he would need to use the Town's existing paid videographer, as he would not have time to train and certify any volunteers before that time.

After further discussion, Mr. Pforzheimer moved to amend his motion to add the following: and to investigate the email option with an eye towards incorporating that into televising the meetings as quickly as possible.

Discussion continued on the use of email during live broadcast. Jim Meinhold stated that without understanding the pros and cons of the email option, he would not be in favor of including it at this time. He also added that he would strongly recommend putting some rules around the public comment section, such as time limits, during the broadcasts. Mr. Meinhold also stated he wanted to make sure that agreeing to televising the meetings would not obligate the Board to broadcast meetings taking place in other locations that were not set up to do so. Messrs. Serenbetz and Alper both stated that investigating the email option was a good idea, but that without knowing the costs and what was involved, they would not favor including it.

Mr. Pforzheimer withdrew the amendment to his original motion and volunteered to contact Westport to find out how their broadcast email system works.

Ms. Vanderslice reiterated that she felt strongly that she was not favor of televising the meetings “ if we have to pay for it.”

Mr. Serenbetz called for a vote on the motion on the floor, and the motion passed 4 –1 (Vanderslice).

Financial Report of the Town of Wilton:

The Board welcomed Sandy Dennies, the Town’s new CFO.

Ms. Dennies reported that she had spent several weeks discussing budgets with the departments and was pleased to report that expenditures were tracking well. She expressed some concern on revenues, particularly in the building permit, conveyance tax, and interest income areas. She stated that of particular concern was interest income, which had been budgeted at \$750,000, with only \$38,000 having been earned as of last week. She also explained that as a result of the reduction in building permits, there was also a corresponding reduction in health and fire department inspection fees.

Ms. Dennies stated that she had also been discussing the issue with First Selectman William Brennan and will make strong recommendations at the next manager meeting with respect to discussions with department heads about expenditures remaining in line. She commended all department heads on having already done an outstanding job of meeting or reducing actual expenditures.

Q&A and discussion followed Ms. Dennies’s report.

With respect to interest income, the Board was reminded that municipalities are limited in terms of the types of instruments they are allowed to invest in and that other investment options, such as CDs, are not yielding any better returns that the investments in STIF.

Ms. Dennies also reported that she had met with Hooker & Holcombe, with respect to the projected actuarial contribution, who indicated they will get back to her in about six weeks.

Follow up to the Tri-Board Meeting:

Designation of Representatives to Subcommittee on Municipal Cost Sharing:

Mr. Serenbetz reminded the Board that one of the things that had been discussed at the Tri-Board meeting was setting up a subcommittee to look at the potential for municipal cost sharing and that the BOF needed to appoint two members to that committee. After discussion, Messrs. Alper and Meinhold volunteered to participate on the committee on behalf of the BOF. Mr. Serenbetz said that he would pass their names on to the First Selectman and Karen Birck at the BOE.

Budget Discussion:

Mr. Serenbetz opened the floor to discussion on the budget following the Tri-Board meeting wherein the BOF presented and discussed the preliminary mill rate model with the BOE and BOS.

Mr. Pforzheimer stated that he wanted to reiterate the comments he made at that meeting, specifically that he did not think “we can fund what we want to fund this year with last year’s budget and the new number.” He also asked Mr. Post, who was still in attendance, to convey two requests to the BOE – 1, “a serious effort to rethink the way things are done,” and, 2, budgets being submitted to the BOF in the requested format, e.g. actual and projected actual figures, that had been requested in the past.

Mr. Post reminded the Board that if it is making requests of the BOE, it should be directing those requests to the BOE chair. He also explained that with respect to the budget format, some of what is being requested is difficult because of the timing of when information is received from principals.

Mr. Serenbetz said that the Board will make the requests through the proper channels.

Mr. Alper suggested putting together exemplar documents to submit to the boards in the format requested so that there is no miscommunication on what is being asked for. Ms. Vanderslice and Mr. Meinhold volunteered to put one together, and Ms. Vanderslice asked individuals to email her with what they would optimally like to see included. She also recommended running the mill rate model again with the most current data for the December meeting.

Ms. Vanderslice reported that she had attended a BOE meeting recently which had two relevant and interesting discussions with respect to the budget – projections for enrollment predicting a decline in enrollment which was expected to continue, and a discussion on class size practices which was very helpful in terms of answering questions about staffing and average class size. Mr. Serenbetz was asked to request the presentation materials from the BOE and forward them on to the BOF members.

Public Comment:

No public comment.

Adjournment:

Mr. Serenbetz asked for a motion to adjourn. Mr. Alper so motioned; Ms. Vanderslice seconded, and the motion passed unanimously at 9:12 p.m.

Respectfully submitted,

Anna Corra

Recording Secretary