Board of Finance - Monday, December 16, 2019 at 5:30 p.m. Conference Room 12, City Hall 12/16/2019

BURLINGTON BOARD OF FINANCE

CITY HALL

BURLINGTON, VERMONT

MINUTES OF MEETING

December 16, 2019

APPROVED - 2/3/20

MEMBERS PRESENT: Mayor Weinberger

Council President Wright [arrived 6:05 PM]

Councilor Paul

Councilor Bushor

Councilor Pine

OTHERS PRESENT: Steve Locke, Interim CAO

Rich Goodwin, DFO

Eileen Blackwood, City Attorney

Brian Lowe, CIO

Olivia LaVecchia, Mayor's Office

Deanna Paluba, HR

Lynn Reagan, HR

Laura Wheelock, DPW

Lucas McGowan, CEDO

Cindi Wight, Parks & Rec

Scott McIntire, Melanson Heath & Company

Alina Korsak, Melanson Heath & Company

1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the Board of Finance meeting to order at 5:30 PM on December 16, 2019.

1.01 Agenda

MOTION by Councilor Paul, SECOND by Councilor Bushor, to approve the agenda as presented. VOTING: unanimous [Council President Wright not present for vote]; motion carried.

2.0 PUBLIC FORUM

There were no comments from the public at this time.

3.0 BOARD OF FINANCE APPROVAL

3.01 Early Learning Initiative Contract Amendment with Let's Grow Kids – IT, CEDO

CIO Lowe explained the six month contract extension with Let's Grow Kids, noting milestones have been reached with the program.

MOTION by Councilor Bushor, SECOND by Councilor Pine, to approve the Let's Grow Kids contract amendment as recommended and authorize the CIO to execute any/all documents necessary to fulfill the contract.

DISCUSSION:

- **Councilor Bushor asked about the priorities for the contract (i.e. supporting families for the program, helping with the application process). CIO Lowe explained the four priority areas that identify families for the program and determine a path forward for the program.**
- **Councilor Pine asked about the way to deliver service to the community going forward. CIO Lowe said an RFP will be done to ensure there is no other organization that can deliver the service. Councilor Pine mentioned having discussion at some point when the initiative will be a function of a city department. CIO Lowe stated in the long term the program should likely be part of CEDO.**

VOTING: unanimous [Council President Wright not present for vote]; motion carried.

4.0 APPROVE AND RECOMMEND TO CITY COUNCIL

4.01 CEDO Reorganization – HR, CEDO

MOTION by Councilor Bushor, SECOND by Councilor Paul, to approve and recommend to City Council to approve the resolution authorizing the CEDO reorganization as presented.

DISCUSSION:

- **Councilor Bushor said having the new CEDO Director organize the department based on input from the people in the department is good. Councilor Bushor asked about the interface of Planning and CEDO and showing that interaction on the organizational chart. CEDO Director McGowan assured there will be many areas of interface. Councilor Bushor mentioned clarifying the resolution to state the organizational changes will not impact the CEDO budget in FY2021 (i.e. no changes in grade or compensation). CEDO Director McGowan said what is being proposed is budget neutral with no impact on grades or the budget in general. Clarifying the resolution to state this makes sense.**

AMENDMENT by Councilor Bushor, SECOND by Councilor Paul, to modify Line 6 of the resolution by replacing "are expected to" with "will".

DISCUSSION OF AMENDMENT:

- **Councilor Paul spoke about not having need to have future discussion of the reorganization and suggested the title ("Community Works") be changed to more accurately reflect economic development work. CEDO Director McGowan said there will be cross-training and the goal is to have the reorganization work.**
- **Mayor Weinberger said clarifying language is good and more consideration can be given to the title. There will be some integration of Planning and CEDO.**

VOTING ON MOTION AS AMENDED: unanimous [Council President Wright not present for vote]; motion carried.

4.02 City Hall Park Budget Update/Amendment and Procurement of Benches – Parks & Rec, DPW

Councilor Bushor suggested dividing the question to vote separately on the budget amendment and benches.

MOTION by Councilor Paul, SECOND by Councilor Bushor, to approve and recommend to City Council to authorize the Parks & Rec Director to execute a contract with Landscape Forms for procurement of 23 benches for the Great Streets City Hall Park Reconstruction Project at a cost up to $57,830.62 with funds from donations and Penny for Parks subject to approval by the City Attorney.

DISCUSSION:

- **Mayor Weinberger mentioned the fundraising effort for the benches.**

VOTING: unanimous [Council President Wright not present for vote]; motion carried.

MOTION by Councilor Paul, SECOND by Councilor Pine, to approve and recommend to City Council to authorize the Parks & Rec Director to execute contract amendments with SD Ireland Brothers Corporation for the total maximum contract amount for the Great Streets City Hall Park Reconstruction to $4,735,286.80 including up to $225,000 in contingency funds for immediate allocation for park finishes and amenities and up to $176,795.80 as additional contingency funds for the duration of the project, and further, to authorize the CAO or designee to do all necessary budget amendments and transfers of funds to/from the referenced funding sources as needed to pay for the referenced project expenses.

DISCUSSION:

- **Mayor Weinberger commented positively on the savings and added value to a project under construction.**
- **Councilor Bushor said she will be consistent with her position on the budget for the project (did not vote in support due to the cost).**
- **Councilor Pine asked if a public bathroom is included in the project. Mayor Weinberger said City Council included the bathroom in the FY20 budget. The unit will function in cold weather conditions (to minus 20°F).**

VOTING: 3 ayes, one nay (Councilor Bushor) [Council President Wright not present for vote]; motion carried.

5.0 COMMUNICATIONS

5.01 Draft Management Letter – C/T

Scott McIntire and Alina Korsak with the audit firm of Melanson Heath & Company reviewed highlights in the management letter pertaining to capital project balances, internal audit of the pension plan, and general journal entries. DFO Goodwin explained the steps taken to meet the recommendations in the audit and the difficulty in filling the accounting position recommended by the auditors. The workload on existing staff is increasing which hinders being able to execute the audit recommendations.

Councilor Paul urged doing the recommendations to improve the controls over journal entries and adhering to the closing schedule.

Councilor Bushor asked if spending on capital projects is being clearly tracked. Scott McIntire said the tracking could be clearer. The project ledger should identify each fund, but this is not always clearly delineated. Councilor Bushor asked what a reasonable amount of time is to close entries after year-end. Alina Korsak said three months. The city does not have enough staff to find errors. High level accountants are needed to review the balance sheets. Scott McIntire said a CPA firm out of Boston was recommended to do the work.

Councilor Pine asked if the plan calls for high level personnel to be hired in the C/T Office. Mayor Weinberger said the city budgeted for a skilled accountant to deal with the management issues, but beyond that there is no plan to add senior level accountant positions. Interim CAO Locke said staff is working on a plan where the position would be funded through a fee structure.

5.02 FY21 Budget – Interim CAO

Mayor Weinberger said the public safety tax increase to support the major service expansion (3rd ambulance with nine EMT firefighters) needs to be on the March ballot. The increase has been modified to only include the fire item so the increase on the public safety tax will be three cents (3.5% increase on the municipal tax).

Councilor Bushor expressed concern the public did not understand that approving the tax increase for the ambulance meant also approving the staff for the ambulance. Going forward the total package needs to be clearly communicated. Interim CAO Locke assured if the voters to not want the tax increase then the ambulance will not happen. Councilor Bushor expressed concern about the increase in fees for park services and programs, and the need to better understand how additional revenue will be generated.

Mayor Weinberger said a decision is needed by the end of January on what will be on the March ballot. A formal proposal will be provided in January. The additional police officers are no longer included in the increase. A different strategy will be proposed.

Councilor Pine asked about safe staffing for fire crews on calls. Mayor Weinberger said the contract has been settled and the Firefighters Association supports the staffing. Interim CAO Locke said staff members on the ambulance are also firefighters who can go on fire calls.

Council President Wright asked about the strategy with the police officers. Mayor Weinberger said the information provided to the Board of Finance shows how to close the budget gap. Department heads have also been asked to provide ideas on how to close the gap. The public safety tax increase will likely be three cents with the rest of the gap covered by savings and other ways of funding.

5.03 Board of Finance Schedule through March 2020 – C/T

Meeting schedule information through March 2020 was provided to the Board of Finance. The next meeting is January 6, 2020.

6.0 ADJOURNMENT

With no further business and without objection the meeting was adjourned at 6:48 PM.

RScty: MERiordan