Board of Finance
11/24/2014

Board of Finance (Monday, November 24, 2014)

Generated by Amy Bovee on Tuesday, November 25, 2014

Present: Miro Weinberger, Sharon Bushor, Jane Knodell, Joan Shannon, Karen Paul (phone)

Also Present: CAO Bob Rusten; City Attorney Eileen Blackwood; ACAO Rich Goodwin; Susan Leonard, HR; John Irving, BED; Paul Irish, Schools; Colin McNeil, McNeil, Leddy, Sheahan

1. Agenda

Action, Minutes, Procedural: 1.01 Adopt/Amend Agenda

Approve the Agenda

Motion by Joan Shannon, Second by Sharon Bushor

Final Resolution: Motion Passes

Ayes: Miro Weinberger, Joan Shannon, Sharon Bushor, Jane Knodell, Karen Paul

2. Public Forum

No one came forward to speak.

3. Approval of the Board of Finance Minutes

Action, Minutes: 3.01 November 10, 2014

Approve the Minutes

Motion by Sharon Bushor, Second by Joan Shannon

Final Resolution: Motion Passes (vote taken by roll call)

Ayes: Miro Weinberger, Joan Shannon, Sharon Bushor, Jane Knodell, Karen Paul

4. For Approval and Recommendation to City Council

Action, Resolution: 4.01 Authorization for Burlington Board of School Commissioners to Sell 59 Murray St. - School

Paul Irish, Schools, stated the School District purchased a two bedroom house about two years ago. At the time, it seemed like an opportunity to expand the School property. They have not found an adequate use for the property and it does not make sense to hold on to it and underutilize it.

City Council President Shannon stated there were problems with the zoning. She inquired if they had pursued the idea of re-zoning the property. Mr. Irish stated they looked into converting it to school space. It would have cost about $40,000 to convert it, but the property was only valued at $210,000. They were also limited by the number of bathrooms. The cost would have been too high per square foot.

Councilor Bushor inquired if they had intended to utilize the green space to offer more play area for the School. Mr. Irish stated they had talked about acquiring properties around the perimeter of the School to increase their green space. Since this property became available it seemed like a good start in the process. Councilor Bushor inquired if they are currently renting the space. Mr. Irish stated it has been vacant since June. They found it troublesome to be a landlord for that property. Councilor Bushor inquired if drawing rental income over time would have a positive impact on the schools. Mr. Irish stated they did profit by renting it, but they had to invest a lot of time in it. Managing property is not their core mission.

CAO Rusten inquired if they have held any public meetings to discuss this. Mr. Irish stated it was discussed at a number of public School Board meetings. They will sell it at the appraised value.

Approve and Recommend City Council Approval

Motion by Sharon Bushor, Second by Joan Shannon

Final Resolution: Motion Passes (vote taken by roll call)

Ayes: Miro Weinberger, Joan Shannon, Sharon Bushor, Jane Knodell, Karen Paul

Action, Resolution: 4.02 Authorization for Interruptible Gas Agreement

Councilor Bushor requested more information about the agreement. John Irving, BED, stated they have to accept and agree to the revised rate in the contract. Councilor Bushor noted a section of the contract that refers to the discontinuance to service and inquired if that has been a problem. Mr. Irving stated they have interrupted their gas before. They have not had problems with that. They use gas to warm up boilers if there was a shutdown or outage. They use natural gas when they can because it is the most affordable option. They are only interrupted about once per year and have a backup in place for when that happens.

Approve and Recommend City Council Approval

Motion by Joan Shannon, Second by Jane Knodell

Final Resolution: Motion Passes (vote taken by roll call)

Ayes: Miro Weinberger, Joan Shannon, Sharon Bushor, Jane Knodell, Karen Paul

Action, Resolution: 4.03 Authorization for Creation of Information Technology Chief Innovative Officer Position - HR

Councilor Knodell stated this position will head up a new department. Three existing positions and two new positions will be hired into that department. Mayor Weinberger stated they did pass a resolution creating this new Department. It stated they would return with job descriptions. He sees this department as working across departments to help them improve. Councilor Knodell stated she sees this as a combination of internal functions of services to City Departments. There is also an external side which will facilitate public access to information. She inquired where they see the emphasis lying for this position. Mayor Weinberger stated early on they will focus more on the IT side of things, but they do want to make progress on both sides. As they hire the additional positions, they will be able to expand their capacity. CAO Rusten stated they need to continue to discuss whether or not they want to have an internal network system or a cloud system. They also need to think about what system will create more access for their citizens. Councilor Knodell stated there is reference to a re-organization in Clerk/Treasurer's Office and inquired if there are staffing questions that need to be addressed more broadly. CAO Rusten stated with the announced resignation of the Assistant CAO, they have the opportunity to look at the best structure to meet the needs of the Clerk/Treasurer's Office. They will be having conversations about the best structure for their office to meet statutory and regulatory requirements while meeting citizen requests. Councilor Knodell stated it seems like an essential City function and it seems unusual that it is tied to Mayoral appointment. Mayor Weinberger stated he does not see this as a technical job focused on keeping City software functioning properly. They put this position in the budget to create a Department focused on innovation and progress towards making the City more reliant on data and analysis. They have opportunities for budgetary savings and expansion of services to citizens.

City Council President Shannon stated they previously had a director appointed by the Mayor. The previous administration cut that position and put that function in the Clerk/Treasurer's Office. She believes they will be better served by having someone focused solely on technology. Susan Leonard, HR, stated they had a Director of IT, but that person reported to the CAO. It was a sub-department of the Clerk/Treasurer's Office. She sees this as an important Department and does not see the harm of this being a mayoral appointment.

Councilor Bushor stated she understands the concerns about having this position appointed by the Mayor. She believes that there are too many tasks included in this job description. They are asked to serve both as a Department Head and to improve the system. She sees this position as more of a project manager for IT projects at a big picture level. There is an opportunity to save money if the IT Department deals with problems that do not allow them to effectively communicate with each other. She supports this but feels the job description will be near impossible.

Approve and Recommend City Council Approval

Motion by Karen Paul, Second by Joan Shannon

Final Resolution: Motion Passes (vote taken by roll call)

Ayes: Miro Weinberger, Joan Shannon, Sharon Bushor, Karen Paul

Nays: Jane Knodell

Action: 4.04 Review Monthly Financial Reports as October 2014 - C/T

CAO Rusten stated things are going well in all Departments. There are still concerns about CEDO's revenues. They are doing better in Gross Receipts and Local Option Tax revenues than budgeted. They are on track for salaries.

Councilor Bushor inquired if they intentionally try to underestimate Local Option Tax and Gross Receipts tax. They typically do better than what was budgeted. CAO Rusten stated revenue from the Local Option Tax went down, so they had lowered the amount in the budget. In the last two quarters they have seen an increase. They will watch to see if this trend continues before making an adjustment. The Gross Receipts tax was significantly increased between FY2014 and FY2015.

Action: 4.05 Review Sweep Account Report as of November 20, 2014 - C/T

ACAO Goodwin stated there were few substantial changes. The only major change was an increase to $19.5 million in available cash due to the November 12 tax collection date. The Airport owed $2.2 million as of October 31, but they reimbursed the City $1 million on November 6. He created a new account for the Cemetery to segregate it from other accounts. Only the interest from that account can be utilized for improvements at the Cemetery.

5. Discussion

Discussion: 5.01 Review Airport Audited Financial - C/T

This item was removed from the agenda.

6. Expected Executive Session

Action, Discussion: 6.01 Update on Contract Negotiations

Finding that an executive session is needed for discussion of contract negotiations

Motion by Jane Knodell, second by Joan Shannon

Final Resolution: Motion Passes (vote taken by roll call)

Ayes: Miro Weinberger, Joan Shannon, Sharon Bushor, Jane Knodell, Karen Paul

Enter Executive Session at 5:50pm

Motion by Jane Knodell, second by Joan Shannon

Final Resolution: Motion Passes (vote taken by roll call)

Ayes: Miro Weinberger, Joan Shannon, Sharon Bushor, Jane Knodell, Karen Paul

Without objection, the Board left executive session.

7. Adjournment

Action, Procedural: 7.01 Adjournment

Without objection, Mayor Weinberger adjourned the Board of Finance meeting.