



Board of Finance Meeting, Monday, November 9, 2020, 5:00 pm.
****VIRTUAL MEETING****
11/9/2020

BURLINGTON BOARD OF FINANCE

CITY HALL

BURLINGTON, VERMONT

MINUTES OF MEETING

CORRECTED

November 9, 2020

MEMBERS PRESENT: Max Tracy

Karen Paul

Brian Pine

Ali Dieng

Miro Weinberger

OTHERS PRESENT: Katherine Schad

Rich Goodwin

Jordan Redell

Chapin Spencer

Lee Perry

Brian Lowe

Darren Springer

Emily Stebbins-Wheelock

Tony Berry

Lynn Reagan

Jeff Padgett

Luke McGowan



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1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the Board of Finance meeting to order at 5:03 PM.

1.
 - i. Motion to amend/adopt agenda

MOTION by Councilor Pine, SECOND by Councilor Dieng, to adopt the agenda.

VOTING: unanimous; motion carries.

2.0 PUBLIC FORUM (VERBAL)

2.01 Verbal Comments

None at this time.

Public forum closed at 5:05 PM.

3.0 CONSENT AGENDA

3.01 motion to adopt the consent agenda and take the actions indicated

3.02 Board of Finance Draft Minutes, October 19, 2020 – approve the minutes.

MOTION by Councilor Pine, SECOND by City Council President Tracy, to adopt the consent agenda and take the actions indicated for items 3.01-3.02.

VOTING: unanimous; motion carries.

4.0 PRESENTATION REGARDING FINANCIAL UPDATE

4.01 Presentation: Mayor and CAO, re: Financial Update



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Mayor Weinberger introduced this item, noting that this presentation would be the first look at FY 2021 and how the year is unfolding financially, especially given the impact COVID-19 has had on the City.

Chief Administrative Officer Schad provided an update on the Fiscal Year (FY) 2020 overall General Fund performance, the General Fund unassigned fund balance, the results from Q1 of FY 2021, projections for FY 21, and recommended next steps. She noted that this update does not include enterprise funds nor the audit, which will be discussed at a later meeting. She noted that FY 2020 was better than expected, and that the General Fund will come in between a \$1 million and \$2 million deficit, within the range that was predicted. She gave an update on a current estimate of the General Fund's unassigned fund balance, which has changed since the June 2020 estimates previously provided. She recommended using \$1 million to eliminate non-departmental expenditure control general fund from the FY 21 budget. She noted that an additional \$1 million has already been obligated or isn't liquid, which brings the minimum unassigned fund balance to at least \$6 million. She noted that the drivers of General Fund revenue in this Fiscal Year are property taxes, PILOT and fee-for-service, franchise fees, gross receipts, and local option tax, and that the Q1 actual revenue was more than projected in these areas. She added that there are other, secondary drivers of General Fund revenue, including the Department of Public Works, Permitting & Inspections, the Burlington Police Department, Burlington Parks, Recreation, and Waterfront, the Burlington Fire Department, and Burlington City Arts. She outlined next steps for the Fiscal Year 2021 budget, which include eliminating the expenditure control General Fund as noted previously, approving reclassifications that were put on hold due to COVID-19, revisiting seasonal and temporary hiring as necessary, continuing to be diligent with monthly financial reporting, and presenting to the Board of Finance on the COVID-19 budget at its November 23 meeting.

Councilor Paul asked how much money is outstanding in terms of property taxes due. Chief Administrative Officer Schad replied that of the people who took advantage of the City's deferred tax program, all 22 of them have paid their taxes, and noted that the City is still owed around \$500,000 which is consistent with previous years. Councilor Paul expressed a strong preference to retain as much funding in the unassigned fund balance as possible. She recognized the need to balance the budget, but asked if it would be possible to adopt a phased approach to drawing down the unassigned fund balance to cover those control items over a period of time. CAO Schad said that a phased approach was potentially viable. Mayor Weinberger added that the control items will need to be addressed by the end of the calendar year, whether it be from an uptick in revenue or funding from the unassigned fund balance. Councilor Paul suggested that federal stimulus money could additionally help ease pressure on the unassigned fund balance, if Congress were to approve another Coronavirus relief package in the first quarter of calendar year 2021.

Councilor Pine asked where the largest budget shortfalls are occurring. Chief Administrative Officer Schad replied that the largest shortfalls are in departmental revenue, specifically in Permitting & Inspection, Burlington City Arts, and Parks and Waterfront, but that those shortfalls are almost balanced out by revenues from other sources, such as property taxes. Councilor Pine asked about the feasibility of additional Coronavirus relief funding from the federal government, and Mayor Weinberger replied that the situation at the federal level is fluid, given the upcoming transition in administrations. He added that the City would be able to reimburse itself and shift funding back into the unassigned fund balance if it received additional Coronavirus relief from the federal government. He added that the financial situation for Fiscal Year 22 is also unknown at this time.

City Council President Tracy asked if there is a point at which conversations about budget cuts and potential furloughs and layoffs will occur, if trends don't reverse or federal aid is not received. Mayor Weinberger replied that no, the City does not



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anticipate asking for further budget cuts related to furloughs or layoffs for Fiscal Year 2021.

Councilor Dieng asked about the \$2 million in funds that are being reviewed by the auditors, which could be added to the fund balance. Finance Director Goodwin replied that the funds are currently being reviewed, and may either be added to the unassigned fund balance or determined to be non-spendable. Councilor Dieng asked how much the City is able to use of its debt policy. Mayor Weinberger replied that there is currently still significant capacity in the policy.

5.0 FOR APPROVAL AND RECOMMENDATION TO CITY COUNCIL

5.01 Approval to enter into a contract with Cargill for FY21 road salt procurement - DPW

MOTION by Councilor Paul, SECOND by Councilor Dieng, to approve and recommend to City Council that the Director of Public Works enter into a contract with Cargill to supply the City of Burlington with rock salt for winter maintenance of roads and sidewalks for \$70.50/ton for Fiscal Year 2021, subject to review and approval of the City Attorney's Office.

VOTING: unanimous (Councilor Pine not present for vote); motion carries.

5.02 Service Enhancement and Extension of City Enterprise Financial System Contract - I&T

MOTION by Councilor Paul, SECOND by City Council President Tracy, to approve and recommend to the City Council for approval the extension of the NWS contract for three years and authorize the Director of Finance to sign the contract, pending any further modifications by the City Attorney's Office.

VOTING: unanimous (Councilor Pine not present for vote); motion carries.

5.03 Cybersecurity information Non-Disclosure Agreement - BED

MOTION by Councilor Dieng, SECOND by City Council President Tracy, to recommend that the City Council authorize the General Manager of Burlington Electric Department to execute the attached Non-Disclosure Agreement Between Vermont Electric Power Company, Inc., Vermont Transco LLC, Vermont Energy Investment Corporation, Vermont Public Power Supply Authority, The Vermont Distribution Utilities, And The Vermont Department Of Public Service Regarding Cybersecurity Information, subject to review and approval of the City Attorney's Office.



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VOTING: unanimous (Councilor Pine not present for vote); motion carries.

5.04 Franchise Fee MOU and Agreements - CT

MOTION by Councilor Pine, SECOND by Councilor Paul, to approve and recommend to City Council to approve the Chief Administrative Officer to sign Memorandum of Understanding and Agreements regarding payment of Franchise Fees with the Burlington Electric Department (BED) and the Water and Wastewater funds of the Water Resources Division of the Department of Public Works (DPW), subject to review and approval by the City Attorney's office.

VOTING: unanimous; motion carries.

5.05 Reclassification of Payroll Manager, Payroll Administrator II, & Administrative Assistant - HR/CT

MOTION by Councilor Paul, SECOND by Councilor Pine, to recommend that City Council approve the:

- **Reclassification of the Payroll Manager, Clerk/Treasurer, a Regular, Full-time, Exempt, Non-union, Grade 19, position to a Regular, Full-time, Exempt, Non-union, Grade 20, position. Please note this includes Retroactive pay of \$2,945 back to March of 2020.**
- **Reclassification of the Payroll Administrator II, Clerk/Treasurer, a Regular, Full-time, Non-exempt, AFSCME, Grade 16, position to a Regular, Full-time, Non-exempt, AFSCME, Grade 17, position. Please note this includes Retroactive pay of \$2,530 back to March of 2020.**
- **Reclassification of the Payroll Administrator II – Grants & Projects, Clerk/Treasurer, a Regular, Fulltime, Non-exempt, AFSCME, Grade 16, position to Payroll Administrator II, a Regular, Full-time, Nonexempt, AFSCME, Grade 17, position. Please note this includes Retroactive pay of \$2,397 back to March of 2020.**
- **Reclassification of the Administrative Assistant, Clerk/Treasurer, a Regular, Full-time, Non-exempt, AFSCME, Grade 14, position to Purchasing Coordinator & Financial Assistant, a Regular, Full-time, Non-exempt, AFSCME, Grade 15, position. Please note this includes Retroactive pay of \$2,220 back to March of 2020; and to approve and recommend that the City Council approve the reclassification of the Projects and Policy Specialist II- Business Development, CEDO Business Support, a Regular, Full-time, Exempt, Non-Union, Grade 17, position to Business Support and Policy Manager, CEDO Business Support, a Regular, Full-time, Exempt, Non-Union, Grade 20, position. Please note this request also includes Retroactive pay of approximately \$7,770.**

VOTING: unanimous; motion carries.

5.06 Reclassification of Projects and Policy Specialist II - Business Development - HR/CEDO Business Support



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This item was addressed with item 5.05 above.

5.07 Reclassifications And Staffing Updates Department Of Public Works - DPW

MOTION by Councilor Paul, SECOND by Councilor Dieng, to recommend that the City Council approve the attached resolution.

VOTING: unanimous; motion carries.

5.08 General Fund Budget Amendment And Job Description And Reporting Structure Changes For Transfer Of Parking Enforcement Division From Burlington Police Department To The Department Of Public Works – DPW

Assistant Director Padgett provided an update on the migration of the Parking Enforcement Division from the Burlington Police Department (BPD) to the Department of Public Works (DPW), noting that this first phase is administrative in nature and will move the organizational chart from the BPD to DPW and changing titles and budget codes. He noted that the second part of this phase will involve reorganization within the division.

MOTION by City Council President Tracy, SECOND by Councilor Pine, to recommend that the City Council approve the attached resolution.

VOTING: unanimous; motion carries.

5.09 Authorization To Apply For, Accept, And Expend Community Development Block Grant Funds From U.S. Department Of Housing And Urban Development And State Of Vermont - CEDO

MOTION by Councilor Dieng, SECOND by Councilor Pine, to recommend that the City Council approve the attached resolution.

VOTING: unanimous; motion carries.

5.10 Budget Amendment To Satisfy Line 9999_100 Expenditure Control General Fund In The FY21 Non-Departmental Budget – CT



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Councilor Paul said that she prefers not to spend funds when it is not necessary and would recommend deferring this action until a later date. Chief Administrative Officer Schad said that she is comfortable with deferring the decision around this line item.

6.0 ADJOURNMENT

6.01 Motion to Adjourn

MOTION by Mayor Weinberger, SECOND by Mayor Weinberger, to adjourn the Board of Finance meeting.

With no further business and without objection the meeting was adjourned at 6:26 PM.

RScty: AACoonrad