Special Board of Finance - Monday, June 13, 2016 at 5:15 p.m.
Conference Room 12, City Hall
6/13/2016

MINUTES SUBJECT TO CORRECTION BY BURLINGTON BOARD OF FINANCE. CHANGES, IF ANY, WILL BE RECORDED IN THE MINUTES OF THE NEXT MEETING OF THE BOARD.

BURLINGTON BOARD OF FINANCE

CITY HALL

BURLINGTON, VERMONT

MINUTES OF SPECIAL MEETING

June 13, 2016

DRAFT

MEMBERS PRESENT: Mayor Miro Weinberger

Jane Knodell

Karen Paul [arrived 5:34 PM]

Sharon Bushor

Kurt Wright

OTHERS PRESENT: Bob Rusten, CAO

Rich Goodwin, ACAO

Eileen Blackwood, City Attorney

Richard Haesler, Assistant City Attorney

Gregg Meyer, Assistant City Attorney

Brian Lowe, Mayor's Office

Chapin Spencer, DPW

Martha Keenan, DPW

Pat Cashman, DPW

Beth Anderson, CIO

Sara Giannoni, City Councilor

Max Tracy, City Councilor

Adam Roof, City Councilor

Selene Colburn, City Councilor

Joan Shannon, City Councilor

Kelly Devine, Burlington Business Association

Jack Wallace, Northern Waterfront Marina

[Note: Minutes are in the order of the published agenda.]

1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the special Board of Finance meeting to order at 5:17 PM on June 13, 2016.

1.01 Agenda

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

2.0 PUBLIC FORUM

There were no comments from the public.

3.0 DISCUSSION

3.01 Development Agreement and Lease Terms for Northern Waterfront Marina

It was noted the development agreement has not yet been released to the public. The city drafted the document consistent with the voters' approval of approximately $500,000 of TIF dedicated to marina improvements comprised of 60% for the east parking lot, 50% for the public park and the remainder for the drop-off plaza with a roundabout and parking and handicap spaces serving the pier. TIF public improvements total $800,000 of which $500,000 are directly related to the marina, $150,000 to New Moran and $150,000 to waterfront access north.

4.0 EXECUTIVE SESSION

4.01 Development Agreement and Lease Terms for Northern Waterfront Marina

Executive Session was not held.

5.0 APPROVE AND RECOMMEND TO CITY COUNCIL

5.01 Development Agreement and Lease Terms for Northern Waterfront Marina

MOTION by Councilor Bushor, SECOND by Councilor Wright, to approve and recommend to City Council for approval the development agreement and lease terms for the northern waterfront marina.

<u>DISCUSSION</u>: Councilor Wright asked if the next City Council meeting will be the first public hearing on the details of the agreement. Mayor Weinberger stated the document is ready to become public and the vote by City Council to be held at the 6/27/16 meeting. The document will be posted on Board Docs and visuals will be posted online. There were no further comments.

VOTING: unanimous [Councilor Paul not present for vote]; motion carried.

5.02 Discuss FY17 Budget, Budget Resolution, Knodell/Wright Memo

Councilor Knodell asked about the following:

- Change in the summary numbers on the worksheets dated May 2, 2016 and June 2, 2016 - Bob Rusten explained the latest version includes carry forward revenues and expenses. Once the true numbers were known minor changes were made, but the bottom line did not fundamentally change.
- Achieving in FY16 the goal in the fund balance policy of 5% of operating expenditure of the previous fiscal year prior to the target year of FY19 - Bob Rusten confirmed the minimum percentage has been achieved earlier than the target year of FY19.
- Using all the operating budget surplus in FY16 as unassigned fund balance - Bob Rusten explained the rough estimate of surplus in FY16 of the budgeted $1 million plus the assumption of an additional $2 million in FY16 added to the $3 million at the end of FY15 is a total of approximately $6 million. The proposal is to use $1.2 million as carry forward and create a reserve fund for DPW. The state is owed $300,000 which will leave an unassigned fund balance of approximately $4.5 million.
- Operating expenditure for FY16 – Bob Rusten said operating expenditures in FY15 were $55 million and the estimate for FY16 is approximately $56 million. There is a difference between budgeted expenditures and operating expenditures. The auditor removes many of the "pass-throughs" (i.e. the $2.4 million is not an operating expense).

Councilor Wright reiterated the city is three years ahead of achieving the 5% minimal balance figure. The 10% figure is a goal that is in city policy, but not clearly defined. Bob Rusten said there is no specific target date for hitting the target amount of 10%. The policy says to at least hit a minimum by 2019 so it does make sense to ask when to hit the optimum target of 10%.

Councilor Bushor stated there needs to be further discussion of the carry forward in the general contingency fund of $400,000 for a study of organizational structure. The IT position is fine, but moving forward with both would be confusing to employees and may not add value right away. Councilor Bushor acknowledged receipt of information on the revenue generated by the extended parking hours of 6 PM to 10 PM and noted that most of the money is generated up to 7 PM. Councilor Bushor said she cannot support a budget that enforces parking to 10 PM and suggested rolling back the hours to 7 PM. Chapin Spencer, DPW, pointed out typically a parker pays for their space at 5 PM or 6 PM through to the 10 PM hour. Over a third of all revenue in the downtown core is from evening enforcement of downtown meters. It is a policy question of turnover. The highest demand is between 5 PM and 7 PM. DPW is doing data collection and expects to bring forward revised enforcement hours. The plan is data driven. If there is not 85% occupied on average then decreasing the price or not enforcing needs to be considered. Councilor Bushor urged continued discussion and doing a proposal that cuts back the hour. Mayor Weinberger pointed out DPW is committed to review of the policies and to seek changes. The budget can be voted knowing there is that commitment.

Councilor Wright said he has also heard concerns about parking, and has his own concerns that when the matter goes to the Public Works Commission there should be a role by City Council such as a resolution to encourage DPW to ask the Public Works Commission for shorter parking enforcement hours.

6.0 ADJOURNMENT

MOTION by Councilor Wright, SECOND by Councilor Knodell, to adjourn the special meeting. VOTING: unanimous; motion carried.

The meeting was adjourned at 5:55 PM.

RScty: MERiordan