Board of Finance
6/8/2015

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 MEETING

June 8, 2015

APPROVED – 7/6/15

MEMBERS PRESENT: Mayor Miro Weinberger

Jane Knodell

Sharon Bushor

Kurt Wright

Karen Paul

OTHERS PRESENT: Bob Rusten, CAO

Rich Goodwin, Assistant CAO

Chapin Spencer, Public Works Director

Eileen Blackwood, City Attorney

Martha Keenan, DPW

Ann Barton, C/T

Jesse Bridges,Parks

Richard Haesler, Assistant City Attorney

Lise Veronneau, Police/Fire

Peter Owens, CEDO

Mike Kanarick, Mayor's Office

Councilor Roof

Couniclor Giannoni

[Note: Minutes reflect the order of the published agenda.]

1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the meeting of the Board of Finance to order at 5:05 PM.

1.01 Agenda

MOTION by Jane Knodell, SECOND by Kurt Wright, to approve the agenda with the addition of the ambulance purchase as Item 3.10. VOTING: unanimous; motion carried.

2.0 PUBLIC FORUM

There were no comments from the public.

3.0 APPROVAL/RECOMMENDATION TO CITY COUNCIL

3.01 Accept VTrans Class 2 Highway Grant and Award Construction Contract for FY2016 Street Reconstruction Program

MOTION by Sharon Bushor, SECOND by Kurt Wright, to approve and recommend to City Council acceptance of the VTrans Class 2 Highway Grant and award the construction contract for the FY2016 Street Reconstruction Program. VOTING: unanimous; motion carried.

3.02 Authorize Contract with DC Energy Innovations

MOTION by Sharon Bushor, SECOND by Jane Knodell, to approve and recommend to City Council the contract with DC Energy Innovations for lighting improvements at Fletcher Free Library.

<u>DISCUSSION</u>: It was noted paragraph 10.1 (indemnification) in the MOU should be paragraph 8.1. Staff will make the necessary corrections before the contract is sent to City Council for approval. There were no further comments.

VOTING: unanimous; motion carried.

3.03 Set Public Hearing at the June 15th City Council Meeting for the Recommended FY2016 Common Area Fee

MOTION by Karen Paul, SECOND by Jane Knodell, to approve and recommend to City Council to set a public

hearing at the June 15, 2015 City Council meeting for the recommended FY2016 Common Area fee. VOTING: unanimous; motion carried.

3.04 Authorize Continuum of Care Contract

MOTION by Sharon Bushor, SECOND by Karen Paul, to approve and recommend to City Council the Continuum of Care contract. VOTING: unanimous; motion carried.

3.05 Authorize Conservation Easement with VHCB for 28 Archibald Street

MOTION by Jane Knodell, SECOND by Karen Paul, to approve and recommend to City Council the conservation easement with VHCB for 28 Archibald Street. VOTING: unanimous; motion carried.

3.06 Authorize Extension of the UVM Agreement for Payment for Services

MOTION by Kurt Wright, SECOND by Jane Knodell, to approve and recommend to City Council the extension of the UVM Agreement for Payment of Services.

<u>DISCUSSION</u>: There was discussion of the need to move the matter forward. The agreement is separate from the MOU, but the two are linked. Miro Weinberger noted the housing agreement is also expiring so it is time for a broad conversation of issues. The negotiating team will be ready in July. All the councilors in the districts will want to be involved. Councilor Bushor stated that she is disappointed that this is the second year that we have moed forward with assesing if the funds are adequate. There were no further comments.

VOTING: unanimous; motion carried.

3.07 Approve Revised FY2016 Capital Budget

MOTION by Sharon Bushor, SECOND by Kurt Wright, to approve and recommend to City Council approval of the revised FY2016 Capital Budget.

<u>DISCUSSION</u>: The following was noted:

- **Feedback was only received from some commissions and boards prior to the approval.**
- **It is realistic to spend the money that is available even though all items are a priority.**
- **The Flynn Ave. property allocation seems doable, but is not necessary at this time because negotiations are ongoing with Chittenden Solid Waste District.**
- **The additional funding for the bike path will address various sections of the path.**
- **Postponed project are not necessarily in priority order.**

There were no further comments.

VOTING: unanimous; motion carried.

3.08 Approve Fund Balance Policy

MOTION by Karen Paul, SECOND by Sharon Bushor, to approve and recommend to City Council approval of the Fund Balance Policy.

<u>DISCUSSION</u>: It was noted prior amendments have been incorporated into the policy. There was discussion of maintaining a 10% fund balance versus a 5% fund balance. Staff explained "minimum ratio" and "targeted ratio" and standard language of 5% so spending is only on what is intended. The policy can be changed in the future if needed, but a minimum balance should be maintained for "rainy day purposes". It was suggested if a 15% or greater fund balance should occur, the surplus should be used toward property tax relief. Prior to forwarding the policy to City Council for approval staff will incorporate language relative to a 5% target fund balance and going below the 5% target when necessary (emergency situation). There were no further comments.

VOTING: unanimous; motion carried.

3.09 Approve FY2016 Budget

MOTION by Karen Paul, SECOND by Miro Weinberger, to approve and recommend to City Council approval of the FY2016 Budget.

<u>DISCUSSION</u>: There was mention of the following:

- **Voter approval would be needed to increase the amount of transfer to the Housing Trust that is reflected in the budget.**
- **There is significant increase in payment in lieu of taxes (lines 32 through 46).**
- **Gross receipts increased from 8% to 14%, but the City is not increasing the fee.**
- **CEDO level of funding in the General Fund should be a one year funding mechanism.**
- **The level of detail in the HR resolution may be too high.**
- **Tax anticipation note (not to exceed $5 million) is security for unforeseen expenditures. Base charge for the line of credit is one quarter of one percent of the amount of the note.**
- **Fund balance increase of $1 million is suggested.**
- **Increase in the General Fund is anticipated with property tax reassessment.**
- **PILOT funds are used to reimburse schools for rec programs.**
- **The language in Line 64 of the annual appropriation resolution needs to be modified to clarify the funding this year and next year for CEDO. Line 68 could read: "There will be special review before the FY2017 budget is developed to assess any change in General Fund support." The language needs to say the item will be reviewed to determine the appropriate level of support for CEDO.**

There were no further comments. Staff will modify the language as discussed before presenting the budget to City Council for approval.

VOTING: unanimous; motion carried.

3.10 Approve Ambulance Purchase - Fire

MOTION by Jane Knodell, SECOND by Kurt Wright, to approve and recommend to City Council the purchase of a new ambulance. VOTING: unanimous; motion carried.

4.0 BOARD ACTION

4.01 Award Flynn Avenue Sidewalk Improvement Construction Contract

MOTION by Karen Paul, SECOND by Sharon Bushor, to award the Flynn Ave. sidewalk improvement construction contract.

<u>DISCUSSION</u>: Appreciation was expressed for the work on the contract. There were no further comments.

VOTING: unanimous; motion carried.

4.02 Approve Contract to Replace Library Skylights

MOTION by Kurt Wright, SECOND by Jane Knodell, to approve the contract to replace the library skylights. VOTING: unanimous; motion carried.

4.03 Authorize FY2015 Vehicle Replacement - Parks

MOTION by Sharon Bushor, SECOND by Karen Paul, to approve the vehicle purchase.

<u>DISCUSSION</u>: The Administration was complimented on the plan to pay off the vehicle in three years.

VOTING: unanimous; motion carried.

5.0 EXECUTIVE SESSION

5.01 Civil Litigation

MOTION by Sharon Bushor, SECOND by Jane Knodell, to make a finding that premature public disclosure of the civil litigation would place the city at a disadvantage. VOTING: unanimous; motion carried.

MOTION by Kurt Wright, SECOND by Jane Knodell, to go into Executive Session and invite staff and legal counsel to attend. VOTING: unanimous; motion carried.

Executive Session was convened at 6:15 PM.

MOTION by Jane Knodell, SECOND by Sharon Bushor, to adjourn Executive Session and reconvene the regular meeting. VOTING: unanimous; motion carried.

Executive Session was adjourned and the regular meeting reconvened at 6:31 PM.

6.0 ADJOURNMENT

With no further business before the Board and without objection the meeting was adjourned by Mayor Weinberger at 6:32 PM.

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