



Board of Finance Meeting, Tuesday, January 17, 2023, 5:00 pm
****Contois Auditorium, 2nd Floor, City Hall OR remotely via ZOOM**
1/17/2023

BURLINGTON BOARD OF FINANCE

CITY HALL, CONTOIS AUDITORIUM *OR*

REMOTE MEETING WITH CALL-IN NUMBER

BURLINGTON, VERMONT

MINUTES OF MEETING

DRAFT

January 17, 2023

MEMBERS PRESENT: Karen Paul

Zoraya Hightower

Joe Magee

Miro Weinberger

OTHERS PRESENT: Katherine Schad

Rich Goodwin

Alina Korsak

Ashley Parker

Chapin Spencer

Brian Pine

Cindi Wight

David G White

Gene Bergman

Kimberly Sturtevant

Laura Wheelock

Megan Moir

Sarah Carpenter



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1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the Board of Finance meeting to order at 5:11 PM.

MOTION by City Council President Paul, SECOND by Councilor Magee, to amend/adopt the agenda as follows:

- **remove from the agenda item 3.04. Reclassifications and Retitling Requests - Police (per CAO Schad)**

VOTING: unanimous; motion carries (Councilor Hightower absent for vote).

2.0 PUBLIC FORUM (VERBAL)

2.01 Verbal Comments

Sharon Bushor spoke about the TIF item and that there are decisions to be made around how the reimbursed money from the district will be spent. She said that they could pay back the deficit and have it paid off in the ten-year timeline, which she would be in favor of. She said that she would like to see reimbursed money unencumbered and available for use by the community.

3.0 FOR APPROVAL AND RECOMMENDATION TO THE CITY COUNCIL

3.01 Authorization to Amend Contracts with On-Call Water Resources Excavation Contractors - DPW/Water Resources Division

Division Director Moir said that DPW is seeking authorization to amend its on-call Main Agreements with the current on-call contractors for water resources excavation services, to increase the maximum amounts from \$200,000 to \$400,000 and increasing the cumulative maximum amount from \$500,000 to \$750,000. They said that the services performed under these contracts is for urgent repair projects that can't be performed by City staff due to staff availability or equipment limitations.

MOTION by Councilor Hightower, SECOND by City Council President Paul, to recommend that the City Council authorize the Director of Public Works to execute an on-call contract amendment with five qualified water resources excavation contractors (Courtland Construction Company, Dirt Tech Company, Engineers Construction, Parker Excavation, and SD Ireland Companies) for emergency repair services with a maximum limiting amount of \$400,000.00 for each on-call contract, and amend the cumulative maximum limiting amount to \$750,000.00 for all five contracts in total, resulting in a total authorized expenditure not to exceed \$750,000.00, subject to review and approval by the Chief Administrative Officer and City Attorney.



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VOTING: unanimous; motion carries.

3.02 Waterfront TIF - Application for Substantial Change - CEDO

Mayor Weinberger noted that this is to return to VEPC and secure a major amendment to the initial Waterfront TIF plan. David White, a consultant for the City, began by noting that the life of the underlying TIF district expires in 2025, but that the life of the TIF district for the CityPlace project has been extended by 10 years. He said that the City has retained a \$12 million federal earmark for the reconstruction of Cherry Street, which requires a \$3 million match. He also noted that the City has applied for a Reconnecting Communities Grant and they are optimistic that they will secure it (and it will also require an approximately \$4 million match). He noted that the original related costs authorized by VEPC are no longer sufficient and that more dollars are needed. He said that they will be seeking to increase the amount of related costs (though still within the overall \$21 million budget). He noted that there are also fees that the developers are obligated to pay. He further noted that in this application they are including the Phase 2 of CityPlace in addition to Phase 1.

Councilor Magee asked about what the difference in the bonding amount would have been between including both Phase 1 and Phase 2 of CityPlace and just including Phase 1. Mr. White replied that the bonding amount is around \$16 million. He said that if they didn't include Phase 2 they would project a surplus of around \$1 million, and that Phase 2 would entail a surplus of around \$8 million.

Director Pine noted that the deadline for submission is February 3, 2023.

3.03 Review Of The FY 2022 Audit - C/T

Chief Administration Officer Schad noted that this item pertains to the General Fund audit results, but that the auditor and her team will come back with other components of the audit for review and acceptance in the coming weeks.

Ms. Korsak began by reviewing the summary of Fiscal Year 2022 General Fund audit results. She noted that the unassigned fund balance for the Fiscal Year ending June 30, 2022 was approximately \$8.6 million, and that it has been consistently around that amount for the last 6 years. She walked through comparisons between FY 2022 and FY 2021 in terms of the nonspendable, restricted, committed, assigned, and unassigned balance classifications. She noted that the assigned fund balance includes a new \$1 million for general liability insurance in 2022. She said that the overall total general fund balance was around \$22 million for 2022 (compared to around \$21 million for 2021). She spoke briefly about the budget versus actuals for FY 2022, noting a budget surplus of approximately \$1 million.

Ms. Korsak noted an audit recommendation to adopt official internal service funds, which would report the Medical Self Insurance and Liability Self Insurance as Internal Service Funds instead of as part of the General Fund. She said that this would simplify reporting and streamline the general fund's budget versus actual reporting and prevent significant variation in the budget versus actuals, since claims can be hard to predict.



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Ms. Korsak then spoke about the management letter draft. She spoke about the previous year's 3 comments and the current year's 3 comments. She said that the current comments include improving general ledger monitoring and adhering to a formal closing schedule, improving Community Economic Development office (CEDO) Capital Project accounting, and reviewing City ordinance language in comparison to collective bargaining agreements in relation to pensions, to ensure aligned language.

City Council President Paul said that the improved general ledger monitoring has been a comment for the last four years, and though it isn't a material deficiency, it should be addressed. She said that she hopes that the City identifies a plan for mitigating this concern and not having this as a comment for the next year. Chief Administration Officer Schad said that this is a high priority for City staff and that they are working on a plan for improving monitoring when they ask the Board of Finance and Council for approval and acceptance of the audit results.

3.04 Reclassifications and Retitling Requests - Police ****AGENDA ITEM REMOVED****

No discussion; agenda item removed.

4.0 ADJOURNMENT

4.01 Motion to Adjourn

With no further business and without objection the meeting was adjourned at 6:01 PM.

RScty: AACoonrad

