Board of Finance - Monday, January 14, 2019 at 5:30 p.m.
Conference Room 12, City Hall
1/14/2019

BURLINGTON BOARD OF FINANCE

CITY HALL

BURLINGTON, VERMONT

MINUTES OF MEETING

January 14, 2019

APPROVED – 3/25/19

MEMBERS PRESENT: Mayor Weinberger

Council President Kurt Wright

Councilor Jane Knodell

Councilor Karen Paul

Councilor Sharon Bushor

OTHERS PRESENT: Beth Anderson, CAO

Rich Goodwin, DFO

Olivia LaVecchia, Mayor's Office

Jordan Redell, Mayor's Office

Eileen Blackwood, City Attorney

Brian Lowe, IT

Gene Richards, BTV

Nic Longo, BTV

Marie Friedman, BTV

Shelby Losier, BTV

Chapin Spencer, DPW

Norm Baldwin, DPW

Patrick Mulligan, Traffic

Adam Roof, City Councilor

William "Chip" Mason, City Councilor

Richard Deane, City Councilor

Scott McIntyre, Auditor

Alina Korsak, Auditor

1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the meeting to order at 5:34 PM on January 14, 2019.

1.01 Agenda

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

2.0 PUBLIC FORUM

There were no comments from the public.

3.0 BOARD OF FINANCE APPROVAL

3.01 Passenger Boarding Bridge - Airport

MOTION by Councilor Paul, SECOND by Councilor Bushor, to authorize the Aviation Director to purchase a passenger boarding bridge from Keith Consolidated Industries, Inc. for a total of $75,100 including $37,550 already paid by the airport. VOTING: unanimous [Council President Wright not present for vote]; motion carried.

4.0 APPROVE AND RECOMMEND TO CITY COUNCIL

4.01 Budget Amendment FY2019 - Airport

MOTION by Councilor Bushor, SECOND by Councilor Paul, to recommend City Council approve a budget neutral amendment to the FY19 Burlington Airport budget to increase revenue by $690,000 and increase overall expenditures by $690,000.

<u>DISCUSSION</u>:

- **Airport CFO Friedman noted the marketing budget increased $50,000 for the Frontier air service and for the 100 year anniversary of the airport in calendar year 2020.**

VOTING: unanimous; motion carried.

4.02 Preliminary FY18 General Fund Audit Results – C/T

Auditors Scott McIntyre and Alina Korsak via telephone reviewed the FY18 audit results which concluded the unassigned fund balance as of June 30, 2018 is $9.7 million, up from $8.4 million, due to favorable results of operations for FY18 and reprogramming for spending purposes. The relationship of non-spendable fund balance and unassigned fund balance was explained.

Councilor Knodell asked about the bond premium. The auditors explained as of June 30, 2018 the bond premium has not been used, but is restricted for projects or debt service. Councilor Paul asked why bonds that are restricted are shown in the unassigned fund balance. Scott McIntyre explained it is included in the assigned classification. The premium has not been included in the unassigned fund balance. Following further discussion the auditors agreed to modify the cover sheet to facilitate the flow of data and to make the document more understandable.

It was mentioned the annual report is waiting for the school district audit results.

5.0 COMMUNICATION

5.01 Presentation: FY19 Financial Performance – DPW

DPW Director Spencer gave a presentation on the DPW FY19 General Fund and Traffic & Facilities Fund. The General Fund is on track. Revenue deviations are due to revenue postings being slower because of late payments. Two watch areas are building permit fees and engineering billable hours. DPW Engineer Baldwin added it has been a struggle to enter all the work hours because the engineering team is short staffed. There is less expense and less revenue, but tracking better than projected. Within a week engineering will be fully staffed. Trades are short of projections because revenues are falling flat. The current year budget is fine, but permit revenues from Trades for FY20 may need to be revisited. Traffic and Parking are trending well. A positive end is expected at the end of the year.

5.02 FY20 Budget Discussion

There was discussion of exploring ways to increase the General Fund and trim down line items, keeping the tax increase below 5%, looking at program spending and number of people being served, presenting options/scenarios on ratcheting down the numbers and finding opportunities for cutting services/positions if necessary, using some of the unassigned fund balance, setting up a reserve for use as needed.

6.0 EXECUTIVE SESSION

6.01 BT Closing

MOTION by Councilor Knodell, SECOND by Councilor Bushor, to find that premature public knowledge of contract negotiations relative to the BT closing would place the city at a substantial disadvantage. VOTING: unanimous;

motion carried.

MOTION by Councilor Knodell, SECOND by Council President Wright, based on the finding of premature knowledge of negotiations relative to the BT closing placing the city at a disadvantage to go into Executive Session and to invite the City Attorney, the Mayor, and Mayor's Office to attend. VOTING: unanimous; motion carried.

Executive Session was convened at 7:07 PM.

MOTION by Council President Wright, SECOND by Councilor Paul, to adjourn Executive Session and reconvene the regular meeting. VOTING: unanimous; motion carried.

Executive Session was adjourned at 7:59 PM.

7.0 FINANCIAL COMMUNICATION

7.01 November Financial Report – C/T

7.02 November Sweep Report – C/T

Information provided to the Board of Finance.

8.0 ADJOURNMENT

With no further business and without objection the meeting was adjourned at 8:01 PM.

RScty: MERiordan