Board of Finance - Monday, January 11, 2016 at 5:30 p.m.
Conference Room 12, City Hall
1/11/2016

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 MEETING

January 11, 2016

APPROVED – 1/25/16

MEMBERS PRESENT: Mayor Miro Weinberger

Jane Knodell

Karen Paul

Sharon Bushor

Kurt Wright

OTHERS PRESENT: Bob Rusten, CAO

Rich Goodwin, Assistant CAO

Eileen Blackwood, City Attorney

Susan Leonard, HR

Stephanie Reed, HR

Chapin Spencer, DPW

Laurie Adams, DPW

Neale Lunderville, BED

Ken Nolan, BED

Mike Kanarick, BED

Munir Kasti, BED

Peter Owen, CEDO

Todd Rawlings, CEDO

Adam Roof, City Council

Sara Giannoni, City Council

1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the meeting of the Board of Finance to order at 5:35 PM and announced he will be leaving the meeting early and Bob Rusten will facilitate.

1.01 Agenda

MOTION Jane Knodell, SECOND by Sharon Bushor, to approve the agenda as presented. VOTING: unanimous; motion carried.

2.0 PUBLIC FORUM

There were no comments from the public.

3.0 APPROVAL OF BOARD OF FINANCE MINUTES

3.01 December 14, 2015

MOTION by Sharon Bushor, SECOND by Jane Knodell, to approve the 12/14/15 Board of Finance minutes as presented. VOTING: unanimous; motion carried.

4.0 APPROVAL AND RECOMMENDATION TO CITY COUNCIL

4.01 Use of Generic Interconnection Agreement Forms

MOTION by Sharon Bushor, SECOND by Jane Knodell, to approve use of the generic interconnection agreement forms without requiring additional Board of Finance approval and recommend to City Council for approval.

<u>DISCUSSION</u>: Munir Kasti, BED, explained the requirement under Public Service Board rules to conduct a series of studies to ensure there is no impact on system reliability and safety by solar generation facilities. The development agreements must be provided to perform the studies and the connection agreements are needed for interconnection to the system. There is a strict timeline for the agreements to be signed to remain in compliance with PSB rules so the generic forms are being used along with the request the BED General Manager be authorized to enter into the agreements with each connector generator. There were no further comments.

VOTING: unanimous; motion carried.

4.02 Modify BED Leased Light Program

MOTION by Jane Knodell, SECOND by Karen Paul, to approve and recommend to City Council for approval the modification of the BED leased light program as presented.

<u>DISCUSSION</u>: Neale Lunderville explained mainly larger customers (shopping centers, larger businesses) are involved, but every customer with a leased light is billed and will be notified of the modification. There will be time for the customer to have a smooth transition to their choice of a plan. Staff will work with the customers to ensure they are not adversely impacted. The lights have been under billed for a while and need to be brought up to current levels. There were no further comments.

VOTING: unanimous; motion carried.

4.03 Retitle BED Senior Network Analyst Position

MOTION by Kurt Wright, SECOND by Jane Knodell, to approve the retitling of the BED Senior Network Analyst position and recommend to City Council for approval.

VOTING: unanimous; motion carried.

4.04 Retitle BED Customer Care Representative Position

Mike Kanarick explained the need to hire a new Customer Care Representative due to an internal promotion that vacated the position and the request by staff to create two part-time Customer Care Representative positions rather than one full time position to better handle surge times. The salary for the position will not change, but simply be divided into two. BED will incur the additional health care costs. No retirement costs are incurred because the positions are part-time. HR has been informed of the request for two part-time hires and agreed there would be no additional costs other than those already mentioned. Staff is requesting approval of the retitling and will return for approval of hiring two part-time representatives.

MOTION by Kurt Wright, SECOND by Jane Knodell, to approve the retitling of the BED Customer Care Representative position and recommend to City Council for approval.

VOTING: unanimous; motion carried.

4.05 FY2016 Budget Amendment for Additional Awarded Funds

MOTION by Sharon Bushor, SECOND by Karen Paul, to approve and recommend to City Council for approval the FY2016 budget amendment for additional awarded funds.

DISCUSSION: There was discussion of the penny on the tax rate going into the Housing Trust Fund as a dedicated tax or as a discretionary budget decision. The voters have to approve the increase in the tax for housing and City Council decides on the additional transfer from the General Fund. Mayor Weinberger stated the Administration is prepared to seek the increase at the appropriate time. The FY2017 budget includes full funding (penny). There were no further comments.

VOTING: unanimous; motion carried.

4.06 FY2016 Budget Amendment for Unspent Money

MOTION by Sharon Bushor, SECOND by Jane Knodell, to approve the FY2016 budget amendment for unspent money with the change in the date on the resolution to January 11, 2016 and recommend to City Council for approval. VOTING: unanimous; motion carried.

4.07 Authorize Re-Organization of Water Department

Mayor Weinberger noted the Administration had a briefing on the reorganization and is in support. Mayor Weinberger left the meeting at 5:56 PM. Bob Rusten assumed facilitation of the meeting.

Sharon Bushor noted the resolution is silent on the hiring of the engineer. Laurie Adams, DPW, explained the two extra people in the chart are Steve Roy and another engineer.

MOTION by Sharon Bushor, SECOND by Jane Knodell, to approve and recommend to City Council for approval the reorganization of the Water Department with the stated rationale by HR and the Water Department and with the modified language in the resolution that would include hiring a second engineer. VOTING: unanimous; motion carried.

4.08 Authorize Non-Union Contribution toward Retirement

MOTION by Jane Knodell, SECOND by Kurt Wright, to authorize the non-union contribution toward retirement and recommend to City Council for approval.

DISCUSSION: Bob Rusten explained the contribution partly follows the Retirement Committee that looked at Class B employees contributing at 3% where the national average is 5%. The city is trying to achieve as close to the national average as possible. It was clarified the employees are non-union people within the Class B employee group. All employees will receive a memo outlining the changes to the retirement system. There will be opportunity for feedback prior to the item going to City Council for approval. Jane Knodell asked if the changes apply to the higher salaried employees as well. Bob Rusten said the changes apply to management or positions that are exempt. There were no further comments.

VOTING: unanimous; motion carried.

4.09 Review Sweep Account Report as of November 30, 2015

Rich Goodwin reported the bond payments on November 1st of $5.5 million were the driver for the drop in cash-on-hand from 81 days to 56 days. Similarly, Water and Waste Water depository dropped by $900,000 due to bond payment on November 1st. Airport cash flow has improved due to the grant anticipation note and the cash difference between October and November.

The report was accepted by the Board of Finance.

4.10 Review Monthly Financials as of November 2015

Bob Rusten reported the following:

- An assessment of CEDO financials will be presented.
- There are more notes from department heads on financials.
- Comparison of revenues collected and expenditures for FY16 at this point in time to the same time last fiscal year in the following departments is as follows:

o Police Department has collected 34% of revenues budgeted and expended 33% of expenditures budgeted (previous year showed 30% revenues and 41% expenditures).

o DPW revenues collected are 49% and expenditures are 39% (last year was 40% collected and 37% spent).

o Parks and Rec revenues are 56% collected and 42% expended (last year was 54% collected and 46% expended).

o Fire revenues are at 38% and expenditures are at 33% (last year revenues were at 38% and expenditures were at 38%).

o Planning & Zoning revenue collected is at $975,000 (last year was $393,000).

Peter Owen, CEDO, reported the CEDO budget is on target. Staff time is the largest variable, but there is now a tracking system in place to follow how actual hours align with the budget. The Housing position has not yet been hired. Bob Rusten added staff members bring in revenue to support their activities. For those bringing in less than budgeted, CEDO has a system to increase the number of hours for non-General Fund money (grants) to achieve the budgeted numbers. Grant funded pieces are where it was expected revenues would lag because billing is not done until the work is done.

Sharon Bushor asked about collection year-to-day and what remains to be collected. Rich Goodwin pointed out there are separate revenue and expenditure pages in the financials. Sharon Bushor asked if the overall financials can be shown for easier understanding. Bob Rusten explained there are four different CEDO departments and three are special revenue funds that do not intermingle with each other or with the General Fund or the Administrative General Fund. Comingling all the funds would not provide an accurate picture of how the funds are performing. Jane Knodell summarized the bottom line is the General Fund piece is on track and the expectation is that over time there will be ongoing General Fund support for CEDO that will remain constant going into the future. The goal is not to increase.

The report was accepted by the Board of Finance.

5.0 DISCUSSION

5.01 Agenda for 1/25/16 Meeting

Agenda items for 1/25/16 will include:

- PFM to discuss bonding
- Scott McIntyre to review the audit and management letter
- Budget discussion after the audit is complete

It was noted the Board of Civil Authority will meet at 6:30 PM on 1/25/16 to discuss Contois chairs.

6.0 ADJOURNMENT

With no further business and without objection the meeting was adjourned at 6:22 PM.

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