



OFFICE OF THE CLERK/TREASURER

City of Burlington

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BOARD OF FINANCE MONDAY, JUNE 3, 2013

MINUTES

PRESENT: Mayor Weinberger; City Council President Shannon, Councilors Aubin, Bushor, and Knodell; CAO Bob Rusten

ALSO PRESENT: ACAO Rich Goodwin; ACAO Scott Schrader; City Attorney Eileen Blackwood; Ryan Betcher, Airport; Lise Veronneau, Police

1. Agenda

Councilor Bushor requested they add item 9.5 Further Explanation of Church Street Marketplace Fees to the agenda.

Councilor Knodell stated there is an item on the City Council agenda titled Endorsement of IATSE Collective Bargaining Agreement that says it is pending Board of Finance approval. She suggested they add it to the agenda at item 9.7.

On a motion by Councilors Bushor and Aubin, the agenda was adopted unanimously as amended.

2. Public Forum

No one came forward to speak on this item.

3. Approval of the Board of Finance Minutes

a. May 23, 2012

On a motion by Councilors Aubin and Bushor, the minutes were approved unanimously as presented.

4. Authorization for Lead Hazard Control and Housing Trust Fund Budget Adjustments – CEDO

Councilors Knodell and Aubin made a motion to approve the budget adjustments.

Councilor Bushor inquired if they are increasing expenses by \$157,000. ACAO Schrader stated the City Council made this budget amendment in March but an item was inadvertently left off. Councilor Bushor inquired if it was the occupancy location for \$20,000. ACAO Schrader stated it was.

The motion passed unanimously.

5. Authorization for Stormwater Budget Adjustment – DPW

City Council President Shannon and Councilor Knodell made a motion to approve the budget adjustment.

City Council President Shannon inquired if this just shifts the accounting to the capital fund and does not increase or decrease expenditures. ACAO Schrader stated that is correct. They will be separating out the capital versus non-capital improvements to the stormwater system. They created the fee for service line to cover the work the street department has done. There is a separate capital line.

Councilor Bushor stated if this is just about moving money to the right line item, the Board of Finance should be able to do that. She suggested they review this process in the future. ACAO Schrader stated City Council could grant that power to the CAO, Mayor, or Board of Finance. Mayor Weinberger stated he would like to have that conversation at the next meeting.

The motion passed unanimously.

6. Authorization to Enter Local Match Agreements – DPW

Mayor Weinberger requested an explanation about where the local match will come from. Nicole Losch, DPW, stated these projects are within the street capital local match fund and there will be no change to that line item. Councilor Bushor inquired if these are already included in the budget as a line item. Ms. Losch stated that is correct. In the past they have just had one line item in the budget, but next year they will break it out by project. Councilor Bushor inquired if this will need Council approval. ACAO Schrader stated it needs to go to City Council because they are authorizing agreements.

Councilors Bushor and Aubin made a motion to approve the local match agreements. The motion passed unanimously.

7. Authorization for Easement with Green Mountain Power – Airport

The Board addressed an item to allow the Airport to grant an easement to Green Mountain Power to allow boats to manoeuver around the hydroelectric dam on the Winooski River.

Councilors Bushor and Aubin made a motion to authorize the easement. The motion passed unanimously.

8. Authorization for Budget Amendment for RAD Class – Police

Councilors Aubin and Knodell made a motion to approve the budget amendment.

Councilor Bushor inquired about the total of the amendment. Lise Veronneau, Police, stated it is listed on the deposit slips. ACAO Schrader stated there are other items on the deposit slips and they are only interested in the RAD Class portion.

The motion passed unanimously.

9. Budget Amendments Report for May 2013 – C/T

Mayor Weinberger stated this is a report of budget transfers that have occurred under the Budget Adjustment Resolution authority.

Councilor Aubin inquired about the differences between the totals of increases and the decreases and if this means there was about \$600,000 of overspending. ACAO Schrader stated there are instances where the amount being added is revenue. It shows as an increase but it is revenue. Mayor Weinberger stated by definition these changes are budget neutral. ACAO Schrader stated the only exception is when there were resolutions passed authorizing increased spending for unanticipated expenses. Mayor Weinberger stated the resolution that authorized them to make these adjustments required them to provide a report to Board of Finance and City Council. ACAO Schrader stated they could change the format of the report in the future.

Councilor Bushor stated having the numbers is fine. She inquired if the adjustments have to be within a department. ACAO Schrader stated they do. Councilor Bushor stated sometimes it was not clear what was happening. She wants to ensure that there is equity within departments. It would be nice to know what was authorized and the rationale behind it. ACAO Schrader stated these are budget neutral. Councilor Knodell stated the ones that draw down on the fund balance are not. ACAO Schrader stated those were authorized by the City Council. Councilor Knodell stated they should not be included. ACAO Schrader stated they could be eliminated in the future. Mayor Weinberger inquired if they could include a one line explanation of the changes. ACAO Schrader stated they could include that as well as information about how it was authorized. However, there are limitations about how much information they can put in that field. If they need more information, they can either create a new report and add another column to it or copy each budget adjustment request form that was signed by the CAO. Councilor Bushor noted an example where a grant was listed for \$6,000. They then list \$6,000 being used for Travel and Training expenses. She inquired how that works. ACAO Schrader stated in this case revenue and expenses are both increasing by \$6,000. Councilor Bushor inquired why it is listed as an increase. ACAO Schrader stated they are recognizing additional revenue and a corresponding increase in expenses. This means they are both increases. ACAO Goodwin stated that is basic accounting. ACAO Schrader stated they could eliminate the authority for anyone other than City Council to recognize increased revenue. He feels that would be good practice. If they received the \$6,000, they would then have to ask for approval to spend it.

Councilor Knodell stated if they are going to delegate authority, they need to be sure they still have some oversight. CAO Rusten stated it seems that small amounts of revenue could be approved by the CAO. The issue is more about being able to understand what is happening. They want to have a report that is not difficult to prepare but is easy to understand.

Councilor Bushor stated she does not want to go back to the old system of accepting grants and having a delay in time before they could actually be spent. They ran into issues with deadlines. She just wants to be able to understand what was actually done.

Councilor Aubin stated one line item shows that they are receiving money by way of grant. The other line item, even if it is the same money, shows that they are increasing expenses. ACAO Schrader stated they do not spend money from revenue lines and they do not receive revenues through expense lines.

Councilors Aubin and Bushor made a motion to accept the report. The motion passed unanimously.

9.5 Further Explanation of Church Street Marketplace Fees

Councilor Bushor stated there was a reference that City tax dollars cannot be used to fund operations in the Business Improvement District. She inquired if the loan the Marketplace received from the City for their over-expenditures would be violating that requirement. Mayor Weinberger stated it would not be. There is a Charter provision that says explicitly that tax payer dollars are not to be used for certain elements of the Church Street Marketplace. Last summer, there were items that were unique to the Marketplace purchased without a funding source. They solved that problem by having a temporary loan that would be paid back within five years, though they actually plan to pay it all back in FY14. Councilor Bushor stated she still sees this as problematic. She inquired if there are other options, such as using BCDC money. Mayor Weinberger stated they formally reported the violation to the Council. He is satisfied with the way they have resolved it.

9.7 Approval of IATSE Collective Bargaining Agreement

Councilor Knodell inquired if there are any changes to the agreement. City Attorney Blackwood stated there are not. Councilor Knodell inquired if the people in this group do setup for shows in Memorial Auditorium. City Attorney Blackwood stated they do. Mayor Weinberger inquired if the expenses are all pass through. City Attorney Blackwood stated that is correct. Councilor Knodell inquired if this has come before the Council in the past. City Attorney Blackwood stated they met a couple of times and came to an agreement that they would keep the terms the same. Mayor Weinberger stated the outcome is that the agreement will remain unchanged. City Attorney Blackwood stated there were issues about what they were requesting. Councilor Bushor stated this seems cloudy and requested they postpone action to get clarification. Mayor Weinberger stated there should be no harm in doing that.

Councilor Bushor stated she has received phone calls from a reporter in NYC claiming to be with the New York Times looking for information about finances in Burlington. If other Councilors are getting these kinds of calls, she wants to know where they should be referred to. She wants to make sure all information that is going out is accurate. Mayor Weinberger stated they can discuss this further in executive session at a later time.

10. Status of FY14 Budget and FY13 Actual – C/T (Verbal)

Mayor Weinberger stated they are working on the budget and will have another work session on Thursday. They are reviewing the FY13 budget daily. ACAO Schrader stated the intention is to provide 2013 actuals when they present the FY14 budget to the Council. Councilor Bushor inquired how they would like to receive questions about the budget. ACAO Schrader suggested that they be sent via email and they will be forwarded to the appropriate department. Councilor Knodell inquired if the Board of Finance will receive the FY14 budget on Friday, June 14. Mayor Weinberger stated they will and they will review it at their June 17 meeting. Councilor Knodell stated she has not yet seen the big picture and certain revenue projections. She is looking forward to seeing the budget as a whole. They know the direction that departments are receiving. Some departments have received additional resources beyond level funding and she wants to understand this within the context of the big picture. ACAO Schrader stated revenue expectations will be presented with historical data.

Without objection, Mayor Weinberger adjourned the Board of Finance meeting at 5:50pm.