

BURLINGTON COMMUNITY DEVELOPMENT CORPORATION

MONDAY, JUNE 27, 2011
4:00 P.M.
CONFERENCE ROOM 12, CITY HALL

MINUTES

PRESENT: Mr. Bob Kiss, Mr. Bill Keogh, Mr. Kurt Wright, Ms. Mulvaney-Stanak, Ms. Paul (after item 2), Mr. Leopold

ALSO PRESENT: Mr. Richard Haesler

1. Agenda

Mr. Leopold requested to add item 3, update on finances.

Mr. Keogh and Ms. Mulvaney-Stanak made a motion to accept the agenda as amended. The motion passed unanimously.

2. Election of Officers

Mr. Leopold stated the current officers are Mr. Kiss as president. Mr. Leopold as the treasurer and secretary, and there is no Vice President. Attorney Haesler stated there is a provision for a Vice President in the By-Laws. Mr. Leopold stated after he departs, Mr. Goodwin will serve as treasurer with Mr. Schrader as an alternate. Mr. Keogh inquired if there is a provision for an alternate. CAO Leopold stated they could add that to the By-Laws. Mr. Keogh inquired if there is a secretary. Mr. Leopold stated they have been treating the position as Treasurer/Secretary. The same person can serve as both. It would also be possible to make Mr. Goodwin the Treasurer and Mr. Schrader Secretary. Mr. Kiss stated that he would be the President, Mr. Keogh would be Vice President, Mr. Goodwin would be Treasurer, and Mr. Schrader would be Secretary.

Mr. Keogh and Ms. Mulvaney-Stanak made a motion to appoint the officers as stated above. The motion passed unanimously.

3. Discussion – Amendment to the Corporation By-Laws

Mr. Leopold stated the issue is that the BCDC board of directors is the City Board of Finance. The by-laws stipulate there are 5 members, but there are now 6 on the board of finance with the CAO as an ex-officio, non-voting member. The by-laws should be changed to reflect the composition of the Board of Finance. You could stipulate that the Treasurer is a non-voting member. At minimum, the by-laws should be amended to

have 6 members instead of 5. The plan would be to meet again in July to adopt the amendment. Tonight the discussion can take place and then the City Attorney will draft new by-laws. Mr. Keogh stated there are 5 people on BCDC with the Treasurer as a non-voting member. CAO Leopold stated he would recommend having 6 members and stipulate the Treasurer is non-voting.

Ms. Mulvaney-Stanak stated that officers have to be members of the Boards. Mr. Leopold stated that is not a legal requirement, but the by-laws need to be expanded to 6 members to include the non-voting CAO. The current laws can remain in effect until June 30. Ms. Mulvaney-Stanak inquired if the officers can be non-voting members. Attorney Haesler stated that is allowed. CAO Leopold stated he has served on many boards where the Treasurer is non-voting. The current by-laws do not stipulate that the Officers have to be a member. Mr. Keogh stated the names of people are in the by-laws. They could be changed to say the President of BCDC will be the Mayor. Mr. Leopold stated that would not a good idea because it is too direct of a link to the City. The more independent it is, the better it is to conduct business. In theory, someone else could serve as President of BCDC. Although unlikely, it should not be precluded. The Minutes should refer to members as Mr. or Ms. Not with their City titles.

In response to an inquiry, the CAO is still a member of the Board of Finance, just a non-voting member.

Mr. Leopold and Mr. Keogh made a motion to request an amendment to the by-laws to stipulate that the Board of Directors be 6 individuals and the person holding the office of Treasurer shall be a non-voting member. The motion passed unanimously.

4. Update on Finances

Mr. Leopold stated there is an update of the narrative that was previously given to the Board of different projects that BCDC is involved with. There is a preliminary income and expense statement. This shows what is projected for finances for the next fiscal year. There is little that is discretionary and no new projects will be initiatives. The income is for existing projects and the expenses are for debt service. Because of successful refinancing in the industrial park and the Westlake project, there is a projected positive cash flow that has not existed in the past few years. He suggested the Board look at this and approve it as a budget for FY12 at the next meeting. There is also a projected balance sheet for FY11. It breaks out the separate projects. The projected equity at the end of the fiscal year will be \$2,128,000. The South End Transit or Gilbane Project, is involved with a transaction for the City to reacquire the property with state and federal transit funds. It would reimburse the City about \$355,000. The Traffic fund is paying interest on that loan. That transaction should be completed in the next year when certain issues are resolved. The City will receive money from VTRANS for the transaction and will enhance BCDC's liquidity.

Mr. Leopold and Mr. Keogh made a motion to accept the report and included the budget as an item for the July meeting. The motion passed unanimously.

The meeting adjourned at 4:24 pm.