

Resolution Relating to

ANNUAL APPROPRIATION AND BUDGET
FOR FISCAL YEAR BEGINNING JULY 1, 2020
AND ENDING JUNE 30, 2021

RESOLUTION _____

Sponsor(s): Mayor Weinberger;
Bd. of Finance

Introduced: _____

Referred to: _____

Action: _____

Date: _____

Signed by Mayor: _____

CITY OF BURLINGTON

In the year Two Thousand Twenty.....

Resolved by the City Council of the City of Burlington, as follows:

1 That WHEREAS, Section 157 of the City Charter requires that the Mayor, on or before June 15 of each
2 year, provide to the City Council an estimate of the necessary appropriations to cover the expenses of each
3 department and branch of the City government for the next fiscal year to be known as the “budget;” and

4 WHEREAS, because of the COVID-19 emergency, the Administration was unable to convene the
5 same number of budget meetings as have been held in past years, but the Administration discussed summaries
6 of proposed budget changes with the Board of Finance and City Council on April 27, May 18, and May 21,
7 2020 and then publicly presented a CAO-reviewed FY21 general fund budget to the Board of Finance on June
8 1, 2020; and

9 WHEREAS, an additional public budget meeting was held to discuss councilor questions and receive
10 public comments on the general fund budget on June 4, 2020; and

11 WHEREAS, public presentations on the enterprise and revenue funds were made to the Board of
12 Finance/Council on June 8 and 12, 2020; and

13 WHEREAS, on June 15, 2020, the Mayor provided to the Board of Finance and the City Council the
14 Mayor’s Recommended Budget for the Fiscal Year beginning July 1, 2020 and ending June 30, 2021
15 (“FY21”), which is an estimate of the necessary appropriations to cover the expenditures of each fund,
16 department and branch of City government, an estimate of the revenues from sources other than property
17 taxation, including certain operating transfers, and an estimate of the amount to be raised by taxation upon real
18 and personal property within the City of Burlington (“the Mayor’s Budget”); and

19 WHEREAS, pursuant to Section 157 of the City Charter the City Council must adopt a budget and
20 make annual appropriations by June 30, 2020, for FY21; and

21 WHEREAS, it is now appropriate to make cost of living compensation adjustments for Fiscal Year
22 2021 for eligible City employees who are not covered by a collective bargaining agreement; and

23 WHEREAS, the City Council having decided not to re-invest any of the proceeds of the 2019 sale of
24 Burlington Telecom into Champlain Broadband, LLC and the final sale funds that had been held in escrow

25 having been released in May 2020, the final sale proceeds of \$7,009,456 may now be accounted and
26 distributed; and

27 WHEREAS, as part of the sale, the City reserved the right to require Burlington Telecom to move its
28 assets out of Memorial Auditorium, but agreed to contribute up to \$800,000 for that move, and therefore,
29 those funds should remain in reserve; and

30 WHEREAS, following the sale of Burlington Telecom, the Burlington Employee Retirement System
31 (BERS) continues to be liable for the pension benefits of eligible former BT employees; the unfunded liability
32 associated with those employees must be resolved; and the retirement system actuaries have now determined
33 that \$308,689 must be paid into the BERS to resolve that unfunded liability; and

34 WHEREAS, the City is facing an unprecedented economic crisis that warrants extensive use of the
35 City's financial reserves including the Burlington Telecom proceeds;

36

37 NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Burlington, that the
38 estimates of the revenues and expenditures shown, the schedules, and the accompanying narrative and tables
39 of the Mayor's Budget are hereby adopted as the annual appropriation and budget of the City of Burlington for
40 the Fiscal Year beginning July 1, 2020 ("the FY21 Budget"); and

41 BE IT FURTHER RESOLVED that no General Fund department or program is authorized to make
42 any expenditure unless sufficient unexpended funds to cover the expenditure remain in the FY21 Budget line
43 item from which that expenditure is to be made; and

44 BE IT FURTHER RESOLVED that for all departments or programs other than the General Fund
45 departments or programs noted in the previous paragraph ("non-General-Fund departments"), including but
46 not limited to all Special Revenue Funds and all Enterprise Funds, the appropriations in the budget are not
47 available for expenditure until a corresponding revenue amount is received or unless additional revenues are
48 reasonably expected to be received within six months of the expenditure; and

49 BE IT FURTHER RESOLVED that the unexpended balances from prior years' appropriations made
50 for any non-General-Fund departments, as well as all reserve funds, debt service reserves, and insurance
51 reserves, except as otherwise provided below, shall be carried over to the FY21 Budget upon determination by
52 the Chief Administrative Officer of the availability of such unexpended balances; and

53 BE IT FURTHER RESOLVED that pursuant to section 65 of the City's Charter, a dedicated BT
54 Memorial Auditorium Move Fund of \$800,000 is created, using funds from the sale of Burlington Telecom, to

55 be used for the purposes outlined in Section 29 of the Lease Agreement for Memorial Auditorium effective
56 March 12, 2019; and

57 BE IT FURTHER RESOLVED that the sum of \$308,869, as determined by the actuaries for the
58 retirement system, is hereby transferred to the BERS to resolve the unfunded liability related to those
59 employees; and

60 BE IT FURTHER RESOLVED that the remainder of the proceeds from the sale of Burlington
61 Telecom, not otherwise allocated, amounting to \$4,754,103, is added to the Unassigned Fund Balance for use
62 for general City purposes; and

63 BE IT FURTHER RESOLVED that it has been determined that the \$500,000 reserve fund previously
64 created for initiatives to reduce the cost of health insurance is no longer needed, as the initiatives being
65 contemplated will not be instituted in the near future because of the COVID-19 emergency, and the Chief
66 Administrative Officer is authorized to transfer the \$500,000 to Fund 150 to offset the contributions from the
67 General Fund and respective non-General Funds, based on the approximate percentage of the original
68 contribution in relation to the whole; and

69 BE IT FURTHER RESOLVED that the employee positions and grade levels authorized for Fiscal
70 Year 2021 shall be as set forth in the section of the FY21 Budget titled Personnel Listing, except that because
71 the budgeted positions are based on attrition trends and anticipated staff efficiencies, any determination to
72 reclassify any existing staff position is subject to appropriate approvals according to the City's Personnel
73 Policies and any applicable union contract; and

74 BE IT FURTHER RESOLVED that except as provided in the following paragraph, effective July 1,
75 2020, all eligible regular employees not covered by a collective bargaining agreement that provides otherwise
76 shall receive a 2.5% cost of living adjustment, with a continuation of step movement where applicable; and

77 BE IT FURTHER RESOLVED that notwithstanding the prior paragraph, those eligible regular
78 employees not covered by a collective bargaining agreement who would be making \$100,000 or more in
79 FY21, shall not receive the above cost of living adjustment and shall not receive a step movement in FY21,
80 unless those increases are restored as described below; and

81 BE IT FURTHER RESOLVED that the Mayor has offered to take a 10% pay cut for FY21, and such
82 cut is reflected in the budget; and

83 BE IT FURTHER RESOLVED that no vacancy in any position shall be posted, advertised, or filled
84 without advance approval of the Chief Administrative Officer; and

85 BE IT FURTHER RESOLVED that effective July 1, 2020, all eligible employees, except those
86 employees who have legally opted out of the City’s health insurance program, shall contribute 5.58% of their
87 annual salary to the City’s Health Insurance Fund (Fund 150) to achieve the target of having employees
88 contribute 19% of the total cost of the City’s providing health benefits; and

89 BE IT FURTHER RESOLVED that the City Council hereby agrees that effective July 1, 2020, all
90 Class B employees not covered by a collective bargaining agreement that provides otherwise shall contribute
91 4.84 % of their annual salary, and all Class A employees not covered by a collective bargaining agreement that
92 provides otherwise shall contribute 12.28 % of their annual salary, to the City’s Retirement Fund (Fund 125)
93 to achieve the target of having employees contribute 29% of the total retirement contributions required; and

94 BE IT FURTHER RESOLVED that within the General Fund Budget there is an account line noted as
95 “Contingency,” with an amount of \$100,000, none of which shall be expended without prior approval of the
96 City Council; and

97 BE IT FURTHER RESOLVED that any unspent balance of the emergency funds allocated to the
98 Resource Recovery Center in FY20 shall be carried over and may be expended in FY21, including up to
99 \$97,000 which is committed to the MOU with Church Street Marketplace for small business support services;
100 and

101 BE IT FURTHER RESOLVED that \$20,000 from the FY20 budget for the Racial Equity, Inclusion
102 and Belonging Director shall be carried over and may be expended in FY21; and

103 BE IT FURTHER RESOLVED that included in the budget for general operating purposes is
104 approximately \$6,283,514 from the balance of the Unassigned Fund Balance at the end of FY20; and

105 BE IT FURTHER RESOLVED that within the budget for the Police Department, account number
106 9999_100 requires a reduction of \$121,000 in expenditures to be identified by the Police Chief over the course
107 of the fiscal year, with the approval of the Chief Administrative Officer, who shall provide the Council with an
108 amended budget upon identification of those reductions; and

109 BE IT FURTHER RESOLVED that within the Non-Departmental budget, account number 9999.100
110 requires additional reduction of expenditures and/or increased revenues in the amount of approximately
111 \$1,024,000 that have not yet been identified, and the Chief Administrative Officer shall report to the Board of
112 Finance no later than the end of December on how that account number will be addressed; and

113 BE IT FURTHER RESOLVED that if additional revenues, beyond the total revenue currently
114 projected for each quarter, are received during the fiscal year, they shall be applied as follows:

- 115 - First, to eliminate account number 9999_100 in the Non-Departmental budget referenced in the
116 prior paragraph;
- 117 - Second, to restore normal Human Resources practices, including in such order and to such extent as
118 determined by the Chief Administrative Officer, the cost of living and step increases that have not
119 been granted as provided above in this resolution including the full mayor's salary, awarding
120 reclassifications, filling necessary and previously approved vacancies,; and
- 121 - Third, to restore non-personnel budget lines, outside of the Police Department, up to but not
122 exceeding FY20 budget levels.

123 BE IT FURTHER RESOLVED that the Chief Administrative Officer may, from time to time, make
124 expenditures, from the General Fund of the City, for the purposes of acquisition, construction and installation
125 of certain capital improvements or other obligations. The City may intend that such expenditures, including
126 but not limited to parking and terminal improvements at the Burlington International Airport, downtown
127 parking, and street capital improvements, be reimbursed through the issuance of tax-exempt bonds or other
128 obligations, and pursuant to Treasury Regulations Section 1.150-2, the City must declare an intent to
129 reimburse such expenditure with the proceeds of bonds or other obligations. The Chief Administrative Officer
130 is hereby authorized and designated as a representative of the City to adopt an *official* intent, on behalf of the
131 City, to determine, in each case, whether an approved expenditure for capital improvements will be
132 reimbursed with the proceeds of bonds or other form of obligation; and

133 BE IT FURTHER RESOLVED that the fees charged by the Department of Permitting & Inspections
134 shall be set as provided on the attached FY21 Fee Schedule; and

135 BE IT FURTHER RESOLVED that effective July 1, 2020, the monthly rates for customers with both
136 water and wastewater connections shall remain the same at \$4.44 per 100 cubic feet and for wastewater at
137 \$6.20 per 100 cubic feet; and

138 BE IT FURTHER RESOLVED that effective July 1, 2019, the monthly rate for water only
139 connections shall remain the same at \$4.53 per 100 cubic feet; and

140 BE IT FURTHER RESOLVED that effective July 1, 2019, the monthly stormwater rates shall remain
141 the same at \$2.47 per ISU (impervious surface unit or one thousand square feet); and

142 BE IT FURTHER RESOLVED that effective July 1, 2020, the solid waste tax shall increase from
143 \$4.20 to \$4.84 per residential dwelling unit to cover the tip fee increase and the cost of the new recycling
144 truck.

145 BE IT FURTHER RESOLVED that investment management fees and related administrative
146 expenditures of the Burlington Employees Retirement System shall be funded from the investment returns of
147 the Retirement Fund and shall not exceed \$500,000 in the fiscal year ending June 30, 2021, but other
148 operating expenses, including retirement employee wages, shall be paid by contributions to the Fund; and

149 BE IT FURTHER RESOLVED that the Medcomp rate for those remaining eligible for it shall be
150 \$152.35 per month for a single person, and \$288.79 for a single + one and the monthly COBRA premium
151 equivalent for health and dental insurance shall be as follows:

	Health	Dental
152		
153	Single \$ 776.87	\$ 33.81
154	Single +1 \$ 1476.05	\$ 64.24
155	Family \$ 2175.23	\$ 94.67

156 and

157 BE IT FURTHER RESOLVED that to address the needs of racial equity a Racial Equity and Justice
158 Fund is created within this budget and funded in the amount of \$1,000,000, which includes funding for
159 securing equal opportunity, cultural empowerment initiatives, and additional position(s) to support the work of
160 the Racial Equity, Inclusion, and Belonging Director, and to further racial equity and justice investments in
161 economic opportunity, public health, housing, and other sectors that result from planned reviews of the City's
162 existing racial equity and justice programs and from an expected formal declaration that racism is a public
163 health crisis; no expenditures shall be made from the Racial Equity and Justice Fund without prior approval of
164 the City Council; and

165 BE IT FURTHER RESOLVED that to consider further changes to the Police Department, a Public
166 Safety Transformation Fund is created within this budget and funded in the amount of \$250,000, which
167 includes funding for a comprehensive operational and functional assessment of the Police Department and
168 possible new investments in services such as Street Outreach, First Call and other t initiatives attempting to
169 respond to public safety needs in new ways; no expenditures shall be made from the Public Safety
170 Transformation Fund without prior approval of the City Council; and

171 BE IT FURTHER RESOLVED that except for hiring of a police chief, no vacancies in sworn officer
172 positions in the Police Department will be filled until a functional assessment of the department is completed,
173 except that if staffing drops to or below 85, it may be restored up to 90 officers; and

174 BE IT FURTHER RESOLVED that City Council approves and authorizes the Mayor to execute the
175 June 29, 2020 Memorandum of Agreement between the City and Burlington Firefighters Association
176 concerning the hiring of firefighters to staff a third ambulance; and

177 BE IT FURTHER RESOLVED that the City Council approves and authorizes the Mayor to execute
178 the Memorandum of Understanding with the Church Street Marketplace for COVID-19 Small Business
179 Recovery Services.

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