

Resolution Relating to

**INVESTMENT OF UNASSIGNED FUND BALANCE TO
IMPROVE CITY SERVICES AND DRIVE OPERATIONAL
EFFICIENCIES**

RESOLUTION

Sponsor(s): Mayor Weinberger; Bd. of Finance
Introduced: _____
Referred to: _____

Action: _____
Date: _____
Signed by Mayor: _____

CITY OF BURLINGTON

In the year Two Thousand Eighteen

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

1 That WHEREAS on June 15, 2015 the City Council passed a resolution adopting a Fund Balance
2 Policy, the purpose of which is “to establish a target level of unassigned fund balance for the General Fund
3 and to establish a process and criteria for the continued evaluation of that target level as conditions warrant,”
4 as well as to “establish a process for reaching and maintaining the targeted level of unassigned fund balance,
5 and the priority for the use of amounts in excess of the target;” and

6 WHEREAS the City’s Fund Balance is the accumulated difference between assets and liabilities within
7 General Fund; and

8 WHEREAS a sufficient fund balance allows the City to meet its contractual obligations, provide funds
9 for new and existing programs established by City Council, mitigate negative revenue implications of federal
10 or state budget actions, mitigate economic downturns, fund disaster or emergency costs, provide funds for
11 cash flow timing discrepancies and fund non-recurring expenses identified as necessary by City Council; and

12 WHEREAS the Policy states that “The targeted balance is 10%, and the maximum balance is not to
13 exceed 15%. Any amount in excess of 15% is to be appropriated as assigned fund balance, or to be used to
14 reduce property taxes, or other fund balance categories;” and

15 WHEREAS the General Fund’s Unassigned Fund Balance as reported in the FY17 Audit Report was
16 \$8,409,087, equal to 14.2% of the General Fund Expenditures for that fiscal year; and

17 WHEREAS the City seeks to use a portion of that unassigned fund balance to support projects that
18 reduce ongoing annual expenses, improve operational efficiencies, and/or create new opportunities for
19 revenue, improve or expand the provision of City services;

20 NOW, THEREFORE, BE IT RESOLVED that \$848,000 of the Unassigned Fund Balance shall be
21 moved to the 110-00 Non-Departmental Dedicated Fund in the FY19 Mayor’s Budget to be used for the
22 following purposes:

23 \$18,000 for the Heineberg Senior Center, to address the unexpected loss of grant funding that was
24 critical to the provision of meals, programs, and services to our aging population;

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25 \$500,000 to be dedicated for use to pay expenditures associated with a State-mandated property
26 reappraisal, work for which is anticipated to occur in FY19, FY20, and FY21. These monies are in addition to
27 the dedicated funding already set aside for this purpose;

28 Up to \$80,000 to be dedicated for legal and professional services required to support the evaluation
29 and implementation of a proposed District Energy system, led by the City Attorney's and Clerk Treasurer's
30 Offices;

31 Up to \$75,000 to address the FY17 audit recommendation to improve capital project accounting
32 practices. Work will include hiring a professional consulting or audit firm to provide recommendations for
33 best practices, develop procedures, and create an implementation plan for those practices. Work will be led by
34 the Clerk Treasurer's Office, in partnership with DPW, CEDO, and Parks staff;

35 Up to \$100,000 to support a full-time Community Engagement Specialist and a half-time Engagement
36 Support Associate in the Community and Economic Development Office for one year, to enhance the
37 department's engagement and communication efforts;

38 Up to \$50,000 to contract with a professional consultant to evaluate needs and develop a plan to
39 digitize and archive the City's records, in an effort to preserve records, open space for other purposes, and
40 improve customer service. Following the study, additional funds may be requested to fund implementation of
41 the recommendations; and

42 Up to \$25,000 to fund an updated Jobs and People study, which will look at trends in the working age
43 population and in employment and provide indicators that show where a local economy has competitive
44 advantages, to be led by the Community and Economic Development Office.

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