

ADDENDUM



CITY COUNCIL MEETING AGENDA

CITY HALL COUNCIL CHAMBERS

109 EAST OLIVE STREET, BLOOMINGTON, IL 61701

MONDAY, FEBRUARY 26, 2018; 7:00 P.M.

7. “Consent Agenda”

- A. Consideration of approving the Minutes of the February 12, 2018 Regular City Council Meeting, and **the November 4, 2017 Special Retreat Meeting Minutes**. *(Recommend the reading of minutes be dispensed and approved as printed.)*

8. “Regular Agenda”

- B. Presentation of Proposed Interim City Manager FY 2019 Budget – for informational purposes only. *(Recommend presentation and discussion only.) (Presentation by Steve Rasmussen, Interim City Manager and Scott Rathbun, Budget Manager, 10 minutes, City Council discussion, 15 minutes.)* ***Correction to the PowerPoint Presentation***

NOTE: Action may be taken by the City Council on the agenda’s action items (those items listed on the Consent Agenda and Regular Agenda) beyond the motions listed and/or staff recommendations. Ordinances and resolutions listed on the agenda may further be amended and/or revised prior to adoption by the City Council. No action will be taken if the agenda item is listed as only informational.



CONSENT AGENDA ITEM NO: 7A - REVISED

FOR COUNCIL: February 26, 2018

SUBJECT: Consideration of approving the Minutes of the February 12, 2018 Regular City Council Meeting, and **the November 4, 2017 Special Retreat Meeting.**

RECOMMENDATION/MOTION: The reading of minutes be dispensed and approved as printed.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: The minutes of the meetings provided have been reviewed and certified as correct and complete by the City Clerk.

In compliance with the Open Meetings Act, Council Proceedings must be approved within thirty (30) days after the meeting or at the Council's second subsequent regular meeting whichever is later.

In accordance with the Open Meetings Act, Council Proceedings are made available for public inspection and posted to the City's web site within ten (10) days after Council approval.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: N/A

FINANCIAL IMPACT: N/A

Respectfully submitted for Council consideration.

Prepared by: Cherry L. Lawson, C.M.C., City Clerk

Recommended by:

A handwritten signature in black ink that reads "Steve Rasmussen". The signature is written in a cursive, flowing style.

Steve Rasmussen
Interim City Manager

Attachments:

- February 12, 2018 Regular City Council Meeting Minutes
- November 4, 2017 Special Retreat Meeting

**SUMMARY MINUTES OF THE SPECIAL RETREAT MEETING
PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL
OF BLOOMINGTON, ILLINOIS
SATURDAY, NOVEMBER 4, 2017 7:30 AM**

The Council convened in Special Session at the Den Council at Fox Creek Golf Course 3002 Fox Creek Road, Bloomington, IL 61705 at 7:30 a.m., Saturday, November 4, 2017.

The Meeting was called to order by Mayor Renner who directed City Clerk Cherry Lawson to call the roll and the following members of Council answered present:

Aldermen Joni Painter, Diana Hauman, Mboka Mwilambwe, Jamie Mathy, Scott Black, Kim Bray, Karen Schmidt, David Sage, Amelia Buragas and Mayor Tari Renner.

Staff present: David Hales, City Manager; Steve Rasmussen; Assistant City Manager; Jeffrey Jurgens, Corporation Counsel; Cherry Lawson, City Clerk, Jay Tetzloff, Parks, Recreation and Cultural Arts Director; Eric Veal, Parks, Recreation and Cultural Arts Assistant Director and Melissa Hon, Assistant to the City Manager.

Public Comment

Angela Scott

Retreat Activities: General discussion and exercises on Council Priorities and Procedures, Priority Based Budgeting, General Fund Projections, Roles and Responsibilities of Officials, debriefing and evaluation.

Diane Crutcher, Vice President, Programs, Center for Performance Development, Inc. provided opening comments regarding the work session. She had worked with 14 city departments to help them create and develop its value statement. Mr. Hales stated he had each of the department to craft its own value statement as well as create those values that are most important to them in their department.

Alderman Bray stated, you are going to have to discuss some points around whether or not we can afford some additional things or not.

Mr. Hales, some City Department have placed its value statement in its department, and some have been very aggressive in moving along and talking about these values in their staff meetings on a regular basis. He thanked Ms. Crutcher for her time and assistance, as well as Council for participating in the retreat session.

Hales, one of the most important things Council will do is develop a long-term budget balancing strategy. Council knows what the next five years are going to be, as well as the challenges the City is currently facing. This is a great opportunity for the Council to participate in this work session to review those items staff provide as a priority, and for the City to receive

direction from Council.

There will be discussions on priority-based budgeting, on labor costs, etc. It is hopeful that Council come away from the meeting being committed to a long-term budget balancing strategy. There has been a lack of clarity on the part of the City Manager and the directors about what your direction is on how we're going to deal with the structural imbalance in the budgets over the next five years. That is a critical part as staff are looking for some clarity, some security, some answers as to what is going to happen to their jobs. A clear message needs to be conveyed to the employees so to help them understand what they can expect in the future.

Another concern that Council needs to clarify the role of the City Manager in its City Manager / Council form of government, the roles of the Mayor, the City Council, the City Manager and staff. It is important as there exist too much confusion over the role of the City Manager and it is critical that it be defined. There is too much lack of productivity. There's too much inefficiency. There's too much lack of progress in too many areas especially where Council and City staff are not united as a team.

Mr. Hales reflected on the Core Values of the City, and expressed his love and appreciation for the community, and the city staff as City Manager. He spoke of the critical nature of the role of the City Manager as well as the reporting relationship to Council. Council needs to begin looking at the role of its next city manager, as well as how the Council move forward in implementing those ideas and plans that it has adopted. If these core values are only adopted, you the elected officials, need to be the leaders. Council need to embrace each and every one of these values, and to adopt the behaviors and to set the example first for yourself and then amongst yourselves as a team and then ultimately as setting the example for the staff and the community. Mr. Hales stated there is much work to be done for this Council to gain a level of respect among the team, and community in order to improve team effectiveness to be a high-performance City Council.

Ms. Crutcher referred to the document entitled, "City Manager Next Step to Support City Staff and Work Life Balance," and stated Mr. Hales would review that document. One of the issues that this whole letter deals with, is how can we improve the clarity of what is policy and what is administration, not only for us, but for the citizens and how can we make sure that we all know exactly what we should be doing. We have created a culture of dependency on the citizens that when you want to deal with the problem, when you want to kind of access the city services, when you feel grieved on something dealing with what the city is doing, you go to the Council, you go to the Mayor and the Council and get it done, to get the problem resolved.

Mr. Hales, Council has to work better for the sake of the staff, as well as the community to try to come up with procedures of how to resolve citizen questions, problems, and concerns. The City have created too much the citizen's dependency that if they want something done, call an elected official. When the elected officials get involved, they think that their request is going to be put in the top of the line ahead of everyone else who could have just called in to the Department that is working with staff. He suggested that Council should adopt a policy if that is how they wish for the process to work, as city staff is being inundated with calls from residents as well as Council.

Mr. Rasmussen stated the calls from Council to public works was nearly 400 calls.

Mr. Hales spoke about the My Bloomington app that was developed to allow Council and the public to report or make a request; however, only a small number of Aldermen are using the app. Operation department has complained as it affects them on vacation time, on weekends, on evenings; that is, excluding emergencies. He expressed concern that city staff does not have a balance of work life versus home life, as he has received many comments from the staff.

Alderman Black stated this issue had been previously discussed, and thought that it was settled. Whenever he would receive a call or email from a constituent, he would forward it to the department or to another Alderman if it were a resident in that Ward. Mr. Hales stressed the importance of using the My Bloomington app for those such situations.

Alderman Schmidt ask that the app gets tweaked so that the person submitting the issue is notified that the concern has been resolved or has completed the process. Alderman Bray stated that she has tried to work with her constituents who are new to this. When she attempts to use it, doesn't fit their situation. Many of her constituents do not put these apps on their phone and that's not going to be a viable alternative for them and so try to guide them to the internet site and it's clunky.

Mayor Renner stated actually the complaints he receives from some constituents that overlaps, certainly a few of the Aldermen Wards. Alderman Buragas, oftentimes when a resident reach out to her or other Aldermen, it is out of frustration. It is not her intent to advance anyone's concerns to the first of the line or pile. Alderman Schmidt spoke of a brochure the City used to publish called, "Who Do I Contact?"

Alderman Sage, it is best to put action items in writing and forward to the appropriate department for follow-up. There has to be accountability among the Council. Alderman Mwilambwe, he has no expectation of expediency on my part rather than just hey this needs to be taken care of.

Mr. Rasmussen, in speaking for the directors, when a comment comes down from a Council member and even if you are passing it on, it does move to top of the pile and it moves to the top of the pile because Department heads don't want to be accused of being unresponsive.

Ms. Crutcher, the main focus on the My Bloomington App is to tweak it so that it is a functioning so to permit putting in a call from a constituent. To prioritize a request and when it's not an emergency. It should clarify the response back to the requestor, to whom or which department the request was routed to.

Mr. Hales, Steve can work with directors on this item. There are directors that who receives email in the evening, weekend, they respond to it. What we probably need to do is be more forceful in saying you will not unless it's an emergency because I think why should some directors say – you know it's like me, I'll wait until Monday you know because it doesn't appear to be an emergency. Some directors are not as consistent with that, so I think we also need a policy for the directors so that some are not responding, and others are and again if it's not an emergency so I think we need to do our part as well with that understanding.

Alderman Mathy, in terms of the special projects that we are discussing. Council currently

receives weekly City Manager reports. However, if Council should submit anything in particular to staff that takes a considerable amount of time, and another Alderman submit a request for a project, it is included on that list. Should the requests of staff becomes uncontrollable, Council could address it at that point so that it does not become a bigger discussion than it needs to be.

Alderman Buragas, how much of this issue has been alleviated by the development of the Council member request form? The discussion is more of a policy process regarding the use of resources. Council continued to discuss the Council member Request form and brainstorm to improve that process.

Alderman Mathy, asked whether the use of the My Bloomington app will be included into the new Alderman training as he was not aware that he was supposed to be using it. Alderman Sage offered support to Alderman Mathy comments asking whether a set a date that we're going to report back or update the Council back on what pages you would suggest or rounding out the process, documenting the process, and then report back.

Alderman Mathy suggested the first meeting in January 2018 depending upon the workload of City staff. Alderman Sage, he would like to see the requirements—business; not necessarily technical requirements. He suggest some form of an ordinance that would provide documented accountability.

Council discussed having this item brought soon to Council so that it would be in place for use immediately.

Ms. Crutcher indicated that she has two notes for accountability, one was to publicly hold one another accountable. If one does that with integrity and respect based on those values, we are helping step up to the plate. If Council doesn't help one another step up to the plate, you continue to undo what you wished done.

Alderman Bray expressed concern over the manner in which Council treatment of others in public, rather than handling difficult conversations privately. The only way to build respect, is out of mutual respect, as she is not in favor of public wronging of one another if mistakes were made as Council is a team and should operate in that manner.

Ms. Crutcher, respect allows one to take our issues to the source, not to others. When necessary we escalate our issues through appropriate channels. That's what we do and includes staff time spent on non-priorities and that was on the monthly report. That gives Council a sense of special projects and staff time being spent is critically important Council. She asked whether the My Bloomington app can be used to allow for special requests are going to the Department heads for those pet projects.

Mr. Hales commented about the structure and roles of the Council, Mayor and City Manager. He said it is time for action, time for the Mayor and Council to deal with its conflicts, confusion and disagreements. He provided some examples of Mayor and Council conflicts that had an impact on the City and staff. Council discussed process improvement as it relates to the

roles of the mayor and council.

Ms. Crutcher, there is a consensus on economic development, as well as the suggestion from Alderman Schmidt to have a social media protocol of which an SOP has been developed by the Communications Manager, Nora Dukowitz.

[Minute: 9:53 a.m.] Break

[Minute: 10:30 a.m.] Meeting Resume

Ms. Crutcher directed Council to review the Priority Based Budgeting Program which contains 160 programs that City staff need direction on narrowing the list by priority and being state mandated to provide. She asked Council to provide its top 10 to 15 programs that are a priority for the Council. Below are the programs Council identified as being a priority for the City and Council.

- **ASSUMPTION ON PRIORITIES: Outcome: Based on input from Council, the five Priorities below are confirmed and will not be debated at this Retreat but rather will be built upon.**

- Financial Management.
- Downtown Implementation.
- Economic Development.
- Infrastructure.
- Public Safety.

- **CITY STAFF VALUES/ASSOCIATED BEHAVIORS: Based on the Council's Mission, Vision and Values approved 7/25/16, Department Heads developed with their staff, department-by-department, Values and associated behaviors for their consistent follow-through. Those Values/associated behavior statements were aggregated into the top four Values which appeared most consistently across all departments in tandem with their associated behaviors. Recommendation to Council that they embrace and role model these same four Values and associated behaviors in support of City staff. Outcome: Council supported in theory these values and associated behaviors and their role in assuming them.**

Outcome: Review and receive approval from Department Heads that the aforementioned aggregated listing does, indeed, reflect the overall Values and associated behaviors for City staff.

- **DAVID HALES REQUESTS/COMMENTS TO COUNCIL: Key points below. See formal minutes for more detail.**

➤ **Official Roles** discussed with the following outcomes:

- ✓ **Economic Development:** The potential new requirement that Council must have four members of Council plus the "author" (and, potentially, require the Mayor to have five Council Members in support of an item he would like to enter on a Council agenda) to

support a proposed agenda item before that item is placed on the Council's agenda will allow for more significant support for any potential Economic Development strategy. **Outcome: Council support, for the most part, any potential Economic Development opportunity being vetted initially through Austin Grammer and the City Manager before staff spend any kind of significant time on the concept.**

- **Involvement with City staff:** David Hales presented a significant number of premises and ultimate requests of Council on behalf of City staff particularly Department Heads--their workloads, work priorities, availability, quality of life, etc. **Outcome: Council Members acknowledged that the use of an enhanced "My Bloomington" app for either their requests/questions and/or that from their constituency will allow Council Members to better relay requests/questions from their constituency to Department Heads for appropriate attention.** Individual Council Members acknowledged that they send off-hours emails, texts, etc. to Department Heads as that is when they have the time to do so. **Outcome: Council Members acknowledged that they do not expect an immediate response (unless it is a true emergency) from Department Heads/key City staff to whom they send an off-hours request but acknowledge they often get one.**

✓ **Outcomes: Recommendations from Council on improving "My Bloomington":**

- ❖ Provide a "Priority" setting so that whomever is entering the request/question, can so note the extent of urgency easily by checking a "box".
- ❖ Provide a narrative section so that if the issue does not easily fit into the "boxes"/options provided, the "Comments" section will allow for further details on the request/question.
- ❖ Modify the response to the author allowing for these options as examples:
 - "Received" (date noted).
 - Status of request/question:
 - "Forwarded to XXXXXX" for handling.
 - "Contact information" for the individual to whom the request/question was forwarded: XXXXXXXXXXXXX.
 - "In process."
 - "Completed."
- ❖ Decide the ultimate "My Bloomington" user group and associated "read" and "write" privileges with a recommendation to include City staff to write a request.
 - Provide a phone app.

Allow the option for Council/Mayor/City staff to forward an email

➤ **Involvement with City staff (cont'd.):**

✓ **Outcomes: Recommendations from Council on improving "My Bloomington" (cont'd.):**

- ❖ Provide the option for Aldermen/Mayor to make a request/pose a question to City staff that is of special interest to the author vs. a point of resolution for a constituent. The purpose will be to officially record such requests/questions and to make them viewable by Department Heads, City Administration and Council/Mayor.
 - ❖ Include "My Bloomington" in Alderman Orientation.
 - ❖ Aldermen Jamie Mathey and Dave Sage will work with City IT Leadership on modifications and will report back to Council on progress at the first meeting in January 2018.
- **Union negotiations:** David Hales highlighted that when Council/Mayor get involved in sensitive union negotiations beyond City staff, it complicates such negotiations. **Outcome: This topic was agreed that it needs further exploration.**
 - **Outcome: Media Protocol Standard Operating Procedure (SOP) was accepted as written and a commitment made by Council to follow it holding one another accountable through proactive and respectful feedback.**
 - **Outcomes: Council accountability for meeting standards established during Retreat discussions including interactions with City staff and Media Protocol SOP are as follows:**
 - ✓ Staff time spent on requests/questions from Council Members (individually, from small groups or in total) will be collected and put on the Monthly Report from the City Manager so that the impact on staff time/City expense even at a preliminary level can be assessed for continuing such investigations.
 - ✓ Council/Mayor will embody the concept of respect in all of their interactions with one another and City staff and will hold one another privately accountable for adhering to such behaviors consistently.
- **IDENTIFICATION OF KEY CITY PROGRAMS FROM THE 160 PRIORITY-BASED BUDGETING PROGRAMS:**
 - **DEFINITION: "Program"** (as it relates to the 160 programs identified and to be analyzed at this Retreat through the Priority-Based Budgeting process): "Not as small as a work task but not as large as a division in a department."
 - **Potential criteria against which to assess the 160 programs to the "highest priority/most critical" include but are not limited to":**
 - ✓ Links to one or more of the five Council-approved Priorities.
 - ✓ Is a financially-sound investment.
 - ✓ Budget is already available or will be made available in 2018.
 - ✓ Needed staff/talent is available.
 - ✓ Is a continuation of a program (in process now).
 - ✓ Is nearing completion.
 - ✓ Is integral to other high priority/most critical programs.
 - ✓ Is mandated by State and/or Federal law/regulations, i.e., not within the power of the Council to amend.

- ✓ Is best practice which could lead to reduced expense and/or increased revenue.
- ✓ The risk of not continuing the program is significant.

➤ **Scoring criteria:**

- ✓ 4 points: Program is essential to City's goals in the next year.
- ✓ 3 points: Program has a strong influence on the City's goals for the next year.
- ✓ Anything not meeting these aforementioned scoring options will not be considered as a highest priority/most critical program.

➤ **Outcome: Ultimate initial assessment of "highest priority/most critical" programs in order by Department with number of "votes" in parentheses per program with the following acknowledgement--early table contributors did not necessarily include all of their priorities and some didn't think "Administration" was an option to not do so didn't so note the importance of any of those "Programs". (Top programs with 4 or more votes noted in Green):**

- ✓ ADMINISTRATION:
 - Communications. (1)
 - Communications-Outreach. (2)
- ✓ CLERK:
 - Freedom of Information Act (FOIA). (1)
 - City Council & Open Meetings/Law Support. (1)

• **IDENTIFICATION OF KEY CITY PROGRAMS FROM THE 160 PRIORITY-BASED BUDGETING PROGRAMS (cont'd.):**

➤ **Outcome: Ultimate initial assessment of "highest/most critical" programs (cont'd.) (Top programs with 4 or more votes noted in Green):**

- ✓ COMMUNICATIONS CENTER:
 - Emergency Call Processing. (6)
 - Non-Emergency Call Processing. (3)
 - Police Dispatching. (4)
 - Emergency Medical Dispatching. (4)
 - Emergency Fire Dispatching. (4)
 - System Maintenance. (3)
 - False Alarm Ordinance. (3)
 - Records Management. (3)
 - Record Requests. (3)
- ✓ COMMUNITY DEVELOPMENT:
 - Grant Coordination. (1)
 - Planning. (1)
 - Code Enforcement. (2)
- ✓ ECONOMIC DEVELOPMENT:
 - Local Retail, Property Development and Business Retention and Attraction Initiatives. (5)

- Retail Sales Tax Rebates. (1)
- Tourism Promotion Initiatives. (3)
- Regional Major Employer Business Retention and Attraction Initiatives. (2)
- Downtown Bloomington Revitalization Initiatives. (2)

✓ FINANCE:

- Annual Audit(s) and Comprehensive Annual Financial Report (CAFR) Preparation. (1)
- Pension Administration. (1)
- Financial Reporting and Budget Analysis. (1)
- Budget. (3)
- Delinquent Tax. (2)
- Debt Management. (1)
- TIF Administration/Economic Development. (1)

✓ FIRE:

- Emergency Medical Services (EMS). (3)
- Fire Suppression. (4)
- Public Information. (1)

• **IDENTIFICATION OF KEY CITY PROGRAMS FROM THE 160 PRIORITY-BASED BUDGETING PROGRAMS (cont'd.):**

➤ **Outcome: Ultimate initial assessment of "highest/most critical" programs (cont'd.)**
(Top programs with 4 or more votes noted in Green):

✓ HUMAN RESOURCES:

- Compensation and Benefits. (3)
- Employee Safety/Workers Compensation. (1)
- Recruitment and Hiring. (2)

✓ INFORMATION SERVICES:

- Shared Common Technology Infrastructure. (1)
- City-Wide Enterprise Applications. (1)
- Strategic Technology Planning and Management. (1)

✓ LEGAL:

- Administrative Court. (2)
- Human Resources Support. (1)
- Consultation and Advisory. (2)
- Administration. (1)
- Civil Litigation. (1)
- Municipal Legal Services. (2)
- Eminent Domain. (1) (ADDED)
- Contract Administration. (1)

✓ POLICE:

- Criminal Investigation Division (CID). (1)
- Public Information Officer. (PIO) (1)

- Patrol Division. (3)
 - Street Crimes Division. (3)
 - Neighborhood Focus Team (NFT). (2)
- ✓ PR & CA:
- SOAR. (1)
 - Parks Maintenance. (7)
 - Pepsi Ice Center. (4)
 - Miller Park Zoo. (6)
 - Bloomington Center for Performing Arts (BCPA). (6)
 - Golf. (3)

• **IDENTIFICATION OF KEY CITY PROGRAMS FROM THE 160 PRIORITY-BASED BUDGETING PROGRAMS (cont'd.):**

➤ **Outcome: Ultimate initial assessment of "highest/most critical" programs (cont'd.)**
(Top programs with 4 or more votes noted in Green):

- ✓ PUBLIC WORKS:
- Solid Waste-Refuse Collection. (4)
 - Solid Waste-Recycling Collection. (4)
 - Snow and Ice Removal. (4)
 - Storm Water-Water Quality. (1)
 - Sanitary Sewer Cave-Ins. (2)
 - Sanitary Sewer Inlets. (1)
 - Sanitary Sewer Manholes. (1)
 - Construction Inspection. (1)
 - Potholes. (4)
 - Street Panels. (3)
 - Mill & Fill. (2)
 - Storm Water Cave-Ins. (1)
 - Sidewalk ADA Compliance. (1)
 - Traffic Engineering. (2)
 - Storm Water-Maintenance. (1)

- ✓ WATER:
- JULIE Locating. (1)
 - Water Supply. (5)
 - Water Treatment. (5)
 - Transmission & Distribution. (1)
 - Billing & Collection. (2)

✓ 76 programs selected as potential "highest priority/most critical".

• **ADDRESS "GENERAL FUND PROJECTIONS" THROUGH FY2022:**

- Instead of narrowing the 76 initially-selected programs to the top 40 - 50 highest priority/most critical programs within the aforementioned list per the planned Retreat Agenda, the Group

moved to General Fund Deficit discussion with a focus on any **opportunities to gain revenue and/or reduce expenses in the next year and ensuing years with the following outcomes:**

- ✓ **Outcomes: Potential options identified for cost reduction/revenue increase are:**
 - Fully fund an existing program or recommended program.
 - Reduce funding for all existing programs across-the-board.
 - Reduce funding for existing programs selectively--perhaps fully funding programs designated as "highest priority/most critical" and applying a more aggressive funding reduction to other programs.
 - Eliminate some programs altogether.
 - Put select programs on hold with no funding for now.
 - Seek outsourcing options.
 - Seek partnership options for funding support.
 - Seek immediate and easily-identifiable efficiencies including meeting State and Federal mandated programs but not spending more time/money in exceeding required expectations; assessing Charter/IGA/City Code, Resolution, Ordinance or Policy mandates for options to adjust/eliminate the mandate.

- ✓ **Outcomes: Potential broad options to begin addressing the General Fund Deficit:**
 - Whatever we decide, engage the public for input.
 - Assure that we maintain the "Vision" of the City through any "cuts".
 - Assure the focus remains on Bloomington as a whole--all areas of the City are important.
 - Consider increasing taxes/fees.
 - Assess labor costs for potential reductions.
 - As expenses go up on required functions and associated labor, continually identify what we must do differently to keep the deficit in control, i.e., what can be reduced down/out.
 - Reduce capital purchases.
 - Partner with the Town of Normal where appropriate.
 - Benchmark how we can grow the shows/audiences for the BCPA and Coliseum.
 - Be creative in which programs in total or which functions can be outsourced to reduce employee-associated costs.
 -

• **ADDRESS "GENERAL FUND PROJECTIONS" THROUGH FY2022 (cont'd.):**

- ✓ **Outcomes: Potential broad options to begin addressing the General Fund Deficit (cont'd.):**
 - Outsource bulky waste.
 - Reduce bulky waste services and/or increase fees.
 - Outsource regular garbage collection.
 - Establish more resident cost-sharing across-the-board (monthly payments).
 - Improve revenue collection.
 - Improve cost recovery.

- Assess expenses and potential revenue associated with "special" events. Increase fees to cover City costs. Limit events?
- Assess Public Works, PR & CA, Police and Fire for efficiencies/ways to reduce expense since they are the four "big-hitters".
- Increase downtown residents.
- Concentrate on redeveloping older neighborhoods.
- Add "impact fees" for "sprawl" build outs.
- Create an incentive method for automated payments and a fee for those who pay "manually".
- Seek new technology.
- Assess whether things like the SWAT training we provide can be shared with other entities to reduce costs.
- Any consulting must have practical/applicable outcomes.

✓ **Outcomes: Potential first steps to begin achieving any of the above:**

- For things like the SWAT training, benchmark options to share with neighboring communities? Research IML options.
- Establish and enforce neighboring communities' cost-sharing on "joint ventures".
- Assure that Directors are very diligent in legitimizing the need for any position to be filled and particularly for any new FTE. City Manager will ultimately approve all job postings.
- Assure that Directors are assessing their internal structures, realigning appropriately for efficiency and effectiveness, constantly seeking "low-hanging fruit" improvement opportunities.
- Privatize the golf courses.
- Automate parking enforcement.
- Outsource regular garbage pick-up.
- Require a fee for inspections.

• **ADDRESS "GENERAL FUND PROJECTIONS" THROUGH FY2022 (cont'd.):**

✓ **Outcomes: Potential first steps to begin achieving any of the above (cont'd.):**

- ❖ Perform a City of Bloomington facilities assessment to either retain as is, use more appropriately, divest, etc.
- ❖ Re-evaluate the business case for the Creativity Center.
- ❖ Whatever we decide, gather public input.

➤ **Outcome: As the Interim City Manager, Steve Rasmussen committed to report back to Council after Thanksgiving on progress related to the "to do's" in this report that are the responsibility of City staff.**

Mr. Hales suggested Council adopt a resolution that is going to set the stage for this sense of urgency city-wide. That would demonstrate Council's leadership by putting it in writing in this resolution stating what the City is facing. He expressed concern with how Executive Session Meeting discussion are discussed with members of the public as well as City staff when the meetings are confidential. His is a critical problem among this Council.

Alderman Mwilambwe expressed the same sentiment regarding Council members disclosing the content and discussions of confidential Executive Session Meetings with the public and others, as he, too, has been a victim of Council disclosing confidential information to others outside of the session.

Mr. Hales, Council is disrespecting the process, the subject matter discussed as well as the entire body by disclosing confidential information. The act of disclosing such information is intentional. Ms. Crutcher, Council is all about integrity, honesty and respect and excellent service and what I would suggest, it is intentional. Ms. Lawson stated that she, too, had been confronted by staff over discussions that were held in an Executive Session that it was an uncomfortable situation as those are confidential sessions.

Mr. Hales, Council have to have some progressive discipline. Ultimately if you can find out who, confront them privately. However, Council will have to keep ratcheting it up just like we do to employees because you are ultimately answerable to citizens. The citizens deserve to know if you can keep confidence or not and if you can't, you shouldn't be serving. City staff are in the same position. If we can't keep confidences to employees, and whether it is police, fire, or ambulance, then we need to suffer the consequences and you do, too.

Mayor Renner, there's something that will come out of this retreat. Council have some very tangible things. We have agreement or disagreement in some cases and there are reputable ways to handle it. If they are responsive, they are responsive and if they aren't, they aren't. We just move forward and continue to work through it.

Adjourn (approximately 3:00 p.m.)

Motion by Alderman Black seconded by Alderman Mathy to adjourn. Time: 2:00 PM.

Motion carried (Viva Voce).

CITY OF BLOOMINGTON

ATTEST

Tari Renner, Mayor

Cherry L. Lawson, City Clerk

FY 2019 Proposed Budget

MONDAY, FEBRUARY 26TH, 2018

REVISED



City of Bloomington

City Council FY 2019 Budget Calendar

Pre-Budget Presentation	Monday, Oct. 16, 2017
City Council Fall Retreat	Saturday, Nov. 4, 2017
Presentation of Estimated Tax Levy	Monday, Nov. 13, 2017
Adoption of Tax Levy	Monday, Dec. 11, 2017
Big Picture Budget Discussion	Wednesday, Dec. 20, 2017
Proto Budget Discussion	Monday, Jan. 22, 2018
Council Proto Budget Input Discussion	Monday, Feb. 12, 2018
Special Session	Monday, Feb. 19, 2018

Presentation of the Proposed Budget	Monday, Feb. 26, 2018
Proposed Budget Books Available	Friday, Mar. 9, 2018
(Potential Council Work Session	Saturday, Mar. 10, 2018)
Proposed Budget Public Hearing	Monday, Mar. 12, 2018
Legal Deadline for Budget Books	Thursday, Mar. 15, 2018
Budget Adoption	Monday, Apr. 9, 2018
Budget Adoption backup date	Monday, Apr. 23, 2018
Legal Deadline for Budget Adoption	Monday, Apr. 30, 2018

FY 2019 Proposed Budget

FY 2019 - Highlights

Budget Balanced with a combination of:

- Council Targeted Action Items**
- Departmental Operating Cuts**

Nearly \$26M in Capital Improvements - incorporating Department Operating cuts for capital maintenance funding and Sewer and Storm fee increases.

General Fund - Fund Balance projection of 15% - \$15.8M

FY 2019 Proposed Budget - Balanced Budget

FY 2019 Operating Shortfall Summary	
Originating Deficit * (Increase in original FY 2019 requests over FY 2018)	\$ 2,900,000
FY 2019 Original Operating Shortfall Total	\$ 2,900,000

FY 2019 Operating Shortfall Coverage	
Council Targeted Action Items (Cost Recovery, Bus Reg., Parking, Solid Waste, Vacancy Savings) (All included in General Fund - other than Solid Waste)	\$ 2,125,000
Departmental Operating Cuts	\$ 775,000
FY 2019 Operating Shortfall Coverage Total	\$ 2,900,000

* **Examples of Large Deficit Components:**

Declining Sales Tax Revenues (approx. \$800K)

State of Illinois imposing a 2% Service Fee on Home Rule collections (approx. \$500K)

Compensation increases of approx. 2% = \$1.1M

FY 2019 Proposed Budget - Balanced Budget Actions

Coverage Detail - included in FY 2019 Budget	
Cost Recovery (Fees)	\$ 225,000
Business Registration	\$ 200,000
Parking	\$ 100,000
Solid Waste	\$ 1,100,000
Vacancy Savings	\$ 500,000
Departmental Operating Cuts *	\$ 775,000
FY 2019 Operating Shortfall Coverage Total	\$ 2,900,000

* Examples of Department Cuts - included in FY 2019 Budget	
Clerk (delay in codification)	\$ 50,000
Community Development (plan review delay, consulting)	\$ 145,000
Facilities (engineering services, repairs to averages)	\$ 170,000
Finance (consulting/professional services)	\$ 30,000
Fire (overtime, professional development)	\$ 285,000
Human Resources (tuition, training, consulting)	\$ 95,000
Departmental Cuts Applied to Deficit	\$ 775,000

Total Department cuts are included in the Exhibits

FY 2019 Proposed Budget - Overview

Totals	
City Wide:	
Revenues/Expenditures:	
FY 2018	\$ 214,126,710
FY 2019	\$ 207,894,653
Total Decrease *	\$ (6,232,057)
General Fund:	
Revenues/Expenditures:	
FY 2018	\$ 105,314,471
FY 2019	\$ 103,987,982
Total Decrease **	\$ (1,326,489)

* 2018 to 2019 City Wide Budgetary Decrease:

- \$3.3M - Capital Equipment Lease reduction cost reduction initiative
- \$2.2M - Use of Employee Health Insurance for Capital (one-time use of fund balance)
- \$700K - Misc Operations and Transfers

** 2018 to 2019 General Fund Budgetary Decrease:

Revenues:

- \$525K - Increase related to Target Action Items (Cost Recovery, Bus Registration, Parking)
- \$350K - Increase in Other Revenues (mostly related to increase in Ambulance fees)
- \$2.2M - Decrease related to FY 2018 Use of Employee Health Insurance for Capital

Expenditures:

- \$1M - Decrease related to lowered Bond payments
- \$800K - Decrease in subsidy to the Arena mostly due to lowered Capital Projects
- \$500K - Decrease related to Target Action Items (Vacancy Savings)
- \$975K - Increase in Comp and Other Operating

FY 2019 Proposed Budget - Capital

FY 2019 Capital - funded	
Capital Projects and Maintenance (General Fund and Subsidies) (Primarily Funded from Departmental Operating Cuts)	\$ 1,898,000
Local MFT and Sales Tax - Streets and Sidewalks	\$ 5,500,000
State MFT - Special Projects	\$ 9,200,000
Water - Enterprise Fund	\$ 6,234,400
Sewer and Storm Water - Enterprise Fund	\$ 2,910,000
Golf - Enterprise Fund	\$ 80,000
Total Funded Capital	\$ 25,822,400
Capital Equipment Lease	\$ 4,518,007

FY 2019 Proposed Budget

FY 2019 - Conclusion

Must manage the Council Targeted Action Items aggressively. \$2.125M

Concerns over revenue growth - sales taxes.

Concerns with condition of the State of Illinois :

The Governor has proposed continuing the 10% holdback on Income Tax distributions.

Enactment may mean budget freeze, cuts, or the need to use Fund Balance. \$750K

Must continue to work on reviewing controllable revenue sources to growing expenses.

Department Operational Cuts will not work long term. Total cuts were \$2.2M.

Must continue to review our Priorities/the services we provide -> Priority Based Budgeting.

Good news; we have a great Staff, Council and Community.

FY 2019 Proposed Budget - Additional Exhibits

Exhibit List

General Fund:

A - Revenue Change Detail

B - Expense Change Detail

City Wide:

C - Fund Change

D - Department Cuts

E - Capital Maintenance - Projects

F - Capital Streets, Alleys and Sidewalks

G - Summary of Revenues

H - Summary of Expenses

FY 2019 Proposed Budget - General Fund Revenue Change

FY 2018 to FY 2019 Fund Total Changes

<u>General Fund - Revenues:</u>	<u>Dollar Change</u>	<u>% Change</u>
Taxes	\$ (684,321)	-0.80%
Licenses	\$ 29,050	7.00%
Permits	\$ 68,000	8.50%
Intergovernmental	\$ (11,431)	-5.00%
Charges for Services *	\$ 732,737	6.20%
Fine and Forfeitures	\$ (29,400)	-12.70%
Investment Income	\$ 135,050	158.20%
Misc. Revenue **	\$ 394,497	41.30%
Transfers ***	\$ (2,249,781)	-58.20%
Use of Fund Balance ****	\$ 289,110	-23.40%
Total Decrease	\$ (1,326,489)	-1.26%

* Change mostly due to \$497K increase in Ambulance fees

** Includes \$525K of Targeted Council Items (Cost Rec, Bus Reg, Parking)

*** Reduced by the Employee Health Insurance Use of Fund Balance of \$2.2M

**** Cost Savings from FY 2018 Projections are being used for one-time Capital Projects

FY 2019 Proposed Budget - General Fund Expense Change

FY 2018 to FY 2019 Fund Total Changes		
<u>General Fund - Expenses:</u>	<u>Dollar Change</u>	<u>% Change</u>
Labor Related *	\$ 464,040	0.90%
Contractuals (Outside Services)	\$ (272,137)	-0.80%
Commodities (Fuel, Material, Utilities)	\$ 73,682	1.30%
Equipment Lease Debt Service	\$ 626,187	30.90%
Other Intergovernmental (County, Pensions)	\$ 199,536	1.70%
Other Expenditures (included 500K vacancy savings)	\$ (486,564)	-12.70%
Transfers (Bond, Capital Improvements, Enterprise Subsidy)	\$ (1,931,233)	-23.40%
Total Decrease	\$ (1,326,489)	-1.26%

* Adjusting for Fire retro-pay budgeted in 2018; total labor related increased approximately \$1.2M = 2.5% increase.

FY 2019 Proposed Budget - City Wide Change

FY 2018 to FY 2019 Fund Total Changes

<u>City Wide Funds:</u>	<u>Dollar Change</u>	<u>% Change</u>
General	\$ (1,326,489)	-1.30%
Library	\$ (126,457)	-2.20%
Debt Service (Bonds)	\$ (666,917)	-9.20%
Capital *	\$ (3,938,269)	-16.00%
Enterprise	\$ 2,947,443	6.30%
Insurance (Internal Service) **	\$ (3,132,209)	-14.50%
All Other	\$ 10,841	0.40%
Total Decrease	\$ (6,232,057)	-2.91%

Note: Funds included in Capital above include the Motor Fuel Tax, Capital Improvement and Capital Lease Funds.
Enterprise Funds include: Water, Sewer, Storm Water, Solid Waste, Abraham Lincoln Garage, Golf and the Arena.

FY 2019 Proposed Budget - Department Cuts

Department Cuts - included in FY 2019 Budget	
Clerk (delay in codification)	\$ 50,000
Community Development (plan review delay, consulting)	\$ 145,000
Facilities (engineering services, repairs to averages)	\$ 170,000
Finance (consulting/professional services)	\$ 30,000
Fire (overtime, professional development)	\$ 285,000
Human Resources (tuition, training, consulting)	\$ 95,000
Information Services (temp services, equipment)	\$ 190,000
Parks (seasonals, advertising, memberships, repairs to averages)	\$ 265,000
Police (overtime, professional development, equipment)	\$ 145,000
Public Works (repairs to averages, consulting, overtime to averages)	\$ 680,000
Arena (General Fund Subsidized - repairs to averages)	\$ 175,000
FY 2019 Operating Shortfall Coverage Total	\$ 2,230,000

Included in Deficit exhibit

FY 2019 Proposed Budget - Capital - Operating and Maintenance

FY 2019 Selected Operating Related Capital - funded

Capital Improvement Fund/General Fund Supported

Fire Capital Improvement Projects:

NE Fire Station Land Acquisition	\$	500,000
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Facilities Capital Improvement Projects:

Unforeseen Major Facility Repairs	\$	50,000
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Police Administration Roof & Water Membrane	\$	400,000
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Facility Space & Security Modifications	\$	100,000
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Parks Capital Improvement Projects:

Route 66 Trail Shirley South 1.1 Miles - Const. 1st half	\$	17,000
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Rollingbrook Park Playground	\$	85,000
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Public Works Capital Improvement Projects:

East Side Satellite Facility- Oakland Ave.: Phase I - Design	\$	71,000
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Downtown Wayfinding Signage	\$	250,000
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Grossinger Motors Arena (General Fund Subsidized)

ArcFlash	\$	200,000
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Fire Control Panel	\$	225,000
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	\$	1,898,000
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FY 2019 Proposed Budget - Capital - Streets, Alleys and Sidewalks

FY 2019 Motor Fuel Projects - funded

Local MFT and Sales Tax

Multi-Year Street & Alley Resurface Program	\$ 4,290,000
Emergency Multi-Year Street, Alley & Sidewalk Repairs	\$ 200,000
Multi-Year ADA Sidewalk Ramp Replacement Program	\$ 400,000
Multi-Year Sidewalk Repair Program	\$ 500,000
Multi-Year Sidewalk Replacement 50-50 Program	\$ 110,000
	\$ 5,500,000

State Motor Fuel Tax

Hamilton Rd - Phase II	\$ 200,000
GE Road @ Keaton - Signals	\$ 1,120,000
Fox Creek Rd Bridge and Road Improvements	\$ 7,380,000
Street Lighting Charges	\$ 500,000
	\$ 9,200,000

Total Streets, Alleys and Sidewalks

\$ 14,700,000

CITY OF BLOOMINGTON, IL
2019 BUDGET
Summary of Revenues - All Funds

	FY 2018	FY 2019	Increase	
Revenue (By Source)	Adopted	Proposed	(Decrease)	% change
Property Taxes	\$ 24,744,495	\$ 24,884,988	\$ 140,493	0.6%
Home Rule & State Sales Taxes	\$ 38,176,125	\$ 37,408,347	\$ (767,778)	-2.0%
Other Taxes	\$ 31,843,245	\$ 31,913,000	\$ 69,755	0.2%
License & Permits	\$ 1,258,143	\$ 1,355,193	\$ 97,050	7.7%
Intergovernmental Revenue	\$ 5,265,167	\$ 4,916,558	\$ (348,609)	-6.6%
Charges for Services	\$ 64,321,033	\$ 67,628,476	\$ 3,307,443	5.1%
Fines & Forfeitures	\$ 1,559,812	\$ 1,581,689	\$ 21,877	1.4%
Investment Income	\$ 753,563	\$ 1,129,545	\$ 375,982	49.9%
Miscellaneous Revenue	\$ 3,900,115	\$ 3,286,634	\$ (613,481)	-15.7%
Sale of Capital Assets	\$ 22,000	\$ 19,000	\$ (3,000)	-13.6%
Capital Lease Proceeds	\$ 7,835,514	\$ 4,518,007	\$ (3,317,507)	-42.3%
Transfers In	\$ 17,293,684	\$ 12,754,380	\$ (4,539,304)	-26.2%
Use of Fund Balance	\$ 17,153,814	\$ 16,498,836	\$ (654,978)	-3.8%
Total Revenue:	\$ 214,126,710	\$ 207,894,653	\$ (6,232,057)	-2.91%

	FY 2018	FY 2019	Increase	
Revenue (By Fund Type)				
General	\$ 105,314,471	\$ 103,987,982	\$ (1,326,489)	-1.3%
Special Revenue	\$ 17,722,419	\$ 16,931,277	\$ (791,142)	-4.5%
Debt Service	\$ 7,260,184	\$ 6,593,266	\$ (666,918)	-9.2%
Capital Projects	\$ 15,008,276	\$ 11,491,007	\$ (3,517,269)	-23.4%
Enterprise	\$ 46,666,390	\$ 49,613,833	\$ 2,947,443	6.3%
Internal Service	\$ 21,654,970	\$ 18,522,761	\$ (3,132,209)	-14.5%
Fiduciary	\$ 500,000	\$ 754,527	\$ 254,527	50.9%
Total Revenue:	\$ 214,126,710	\$ 207,894,653	\$ (6,232,057)	-2.91%

CITY OF BLOOMINGTON, IL
2019 BUDGET
Summary of Expenditures - All Funds

	FY 2018 Adopted	FY 2019 Proposed	Increase/ (Decrease)	% change
Expenditures (By Classification)				
Salaries	\$ 53,758,853	\$ 54,119,965	\$ 361,112	0.7%
Benefits	\$ 15,566,014	\$ 16,281,620	\$ 715,606	4.6%
Contractuals	\$ 47,794,088	\$ 48,749,713	\$ 955,625	2.0%
Commodities	\$ 15,508,315	\$ 15,641,757	\$ 133,442	0.9%
Capital Expenditures	\$ 30,838,826	\$ 27,358,237	\$ (3,480,589)	-11.3%
Principal Expense	\$ 9,977,733	\$ 10,633,030	\$ 655,297	6.6%
Interest Expense	\$ 2,840,299	\$ 2,611,866	\$ (228,433)	-8.0%
Intergovernmental	\$ 14,880,254	\$ 15,079,890	\$ 199,636	1.3%
Other	\$ 5,668,643	\$ 4,664,194	\$ (1,004,448)	-17.7%
Transfers Out	\$ 17,293,684	\$ 12,754,380	\$ (4,539,304)	-26.2%
Total Expenditures:	\$ 214,126,710	\$ 207,894,653	\$ (6,232,057)	-2.9%

	FY 2018 Adopted	FY 2019 Proposed	Increase/ (Decrease)	% change
Expenditures (By Fund)				
General	\$ 105,314,471	\$ 103,987,982	\$ (1,326,489)	-1.3%
Special Revenue	\$ 17,722,419	\$ 16,931,277	\$ (791,142)	-4.5%
Debt Service	\$ 7,260,184	\$ 6,593,266	\$ (666,918)	-9.2%
Capital Projects	\$ 15,008,276	\$ 11,491,007	\$ (3,517,269)	-23.4%
Enterprise	\$ 46,666,390	\$ 49,613,833	\$ 2,947,443	6.3%
Internal Service	\$ 21,654,970	\$ 18,522,761	\$ (3,132,209)	-14.5%
Fiduciary	\$ 500,000	\$ 754,527	\$ 254,527	50.9%
Total Expenditures:	\$ 214,126,710	\$ 207,894,653	\$ (6,232,057)	-2.9%