



**CITY COUNCIL COMMITTEE OF THE WHOLE
MEETING AGENDA
CITY HALL COUNCIL CHAMBERS
109 E. OLIVE STREET, BLOOMINGTON, IL 61701
TUESDAY, JANUARY 19, 2016, 5:30 P.M.**

- 1. Call to Order**
- 2. Roll Call of Attendance**
- 3. Public Comment**
- 4. Consideration of approving the Committee of the Whole Meeting Minutes of October 19, 2015.** *(Recommend that the reading of the minutes of the Committee of the Whole Proceeding of October 19, 2015 be dispensed with and the minutes approved as printed.)*
- 5. Council discussion regarding Budget Task Force Committee Recommendations** *(David Hales, City Manager 10 minutes presentation, Council discussion TBD)*
- 6. Adjournment**

Note: No action will be taken on any matters at this meeting beyond approval of the minutes.



AGENDA ITEM NO. 4

FOR COUNCIL: January 19, 2016

SUBJECT: Consideration of approving Committee of the Whole Meeting Minutes from October 19, 2015.

RECOMMENDATION/MOTION: That the reading of the minutes of Committee of the Whole Proceedings of October 19, 2015 be dispensed with and the minutes 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:

In compliance with the Open Meetings Act, Committee Proceedings must be approved within thirty (30) days after the meeting or at the Committee's second subsequent regular meeting whichever is later. The C.O.W. Meeting for November 16, 2015 was canceled and there was no meeting held in the month of December 2015.

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

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Committee consideration.

Prepared by: Cherry L. Lawson, City Clerk

Recommended by:

David A. Hales
City Manager

Attachments:

- October 19, 2015 Committee of the Whole Meeting Minutes

Motion: That the reading Recommend that the reading of the minutes of Committee of the Whole Proceedings of October 19, 2015 be dispensed with and the minutes approved as printed.

Motion: _____ Seconded by: _____

	Aye	Na	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Buragas				Alderman Painter			
Alderman Fruin				Alderman Sage			
Alderman Hauman				Alderman Schmidt			
Alderman Lower							
				Mayor Renner			

**COMMITTEE AS A WHOLE SESSION
PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL OF
BLOOMINGTON, ILLINOIS
MONDAY, OCTOBER 19, 2015; 5:30 P.M.**

1. Call to Order

Mayor Renner called the meeting to order at 5:30 PM and asked City Clerk Lawson to call the roll.

2. Roll Call

Aldermen: Jim Fruin, Kevin Lower, Mboka Mwilambwe, Amelia Buragas, Joni Painter, Karen Schmidt, Scott Black, Diana Hauman

Absent: David Sage

3. Public Comment

Mayor Renner opened the floor to public comment.

Alderman Black asked for a motion that would push the Public Comment section back to after Item 9. Alderwoman Schmidt seconded this.

The Mayor directed the Council to verbally vote, which resulted in the following:

Ayes: Aldermen Fruin, Lower, Mwilambwe, Buragas, Schmidt, Black, Hauman, and Painter

Nays: None

Motion approved.

- 4. Consideration of approving the Committee of the Whole Meeting Minutes of September 21, 2015.** *(Recommend that the reading of the minutes of the Committee of the Whole Proceeding of September 21, 2015 be dispensed with and the minutes approved as printed.)*

The Mayor directed the Council to vote, which resulted in the following:

Ayes: Aldermen Fruin, Lower, Mwilambwe, Buragas, Schmidt, Black, Hauman, and Painter

Nays: None

Motion approved.

- 5. Presentation: “Best Practices for Public-Private Partnerships”** *(Stephen Friedman, SB Friedman Development Advisors, 20 minutes Presentation and Council discussion 20 minutes)*

Mayor Renner introduced Mr. Friedman. Mr. Friedman gave a presentation on Best Practices for Public-Private Partnerships.

6. Developer Presentation: Jeff Giebelhausen (*Presentation 20 minutes, Council discussion 10 minutes*)

Mayor Renner introduced Mr. Giebelhausen. Mr. Giebelhausen gave a presentation on Front & Center Building and Commerce Bank Building--Is a Partnership Desired: A Final Resolution.

7. Developer Presentation: David Bentley (*Presentation 20 minutes, Council discussion 10 minutes*)

Mayor Renner introduced Mr. Bentley, who gave a presentation on Downtown Bloomington Redevelopment.

8. Council Discussion and direction regarding next steps on further review regarding Downtown Redevelopment and Public / Private Partnerships.

A. Discussion: City Council, Stephen Friedman, City Manager and City Staff
(30 minutes)

Alderwoman Schmidt, Alderman Black, and Alderwoman Buragas suggested that the City seek experts on these redevelopment topics so that they can filter the information appropriately. Alderman Fruin wanted an Executive Session to discuss further items in detail. Mayor Renner mentioned that they may need to split the policy items into possibly different meetings.

City Manager Hales, we need to have another public session regarding the high level details, and then the City Council needs to consult with myself and City Staff. Mayor Renner stated that the policy decisions would have to be an Open Session.

Mr. Friedman, the question to ask: are you ready to get engaged into this process? He recommended that the City Council figure out what they wanted to do and then speak with experts to understand the specifics. This might help determine any "fatal flaws" with any of the projects. This determination process can encompass priorities and public involvement.

Alderman Black suggested that the City Council take a direction and look at these presentations as potential opportunities, to seek an analysis as soon as possible with all appropriate parties to weigh in on Mr. Friedman's approach as well as the City's own economic staff and Economic Development Council in a Work Session or public meeting. No resolution was fine.

City Manager Hales said that he felt that he had enough direction to move forward.

9. Public Comment

The following citizens offered comments to the Council:

Alton?

10. Council discussion regarding Budget Priorities (*Alderman Schmidt 5 minutes presentation, Council discussion 15 minutes*)

Alderwoman Schmidt reviewed findings from the voting chart.

PROGRAM OR SERVICE	NUMBER OF VOTES
1. Downtown hire back cost recovery	10
2. School resource officer cost recovery	0
3. Explore forming park district	1
4. Ordinance/policy for Parks & Rec revenue covering X% of expenditures	2
5. End SLBB	7
6. End spring fertilizing and summer watering in parks	1
7. Solid waste changes: charge for all buckets, no charge for yard waste or city yard drop-off, consider increase in 35 gallon costs, outsourcing solid waste services, costs to landlords	6
8. Department reductions	0
9. BCPA audit with 501c3 impact considered	3
10. Sell creativity Center	1
11. Sell BCPA	3
12. Convert BCPA to enterprise fund	2
13. Reduce BCPA budget	2
14. Establish & hold to budget line for legal counsel	0
15. Find farmer who will take leaves for free	2
16. Significantly cut back on printing	3
17. Cost recovery – CIRA aircraft rescue & fire	0
18. ETSB revenue sharing	3
19. Police firing range	2
20. Itemize regional services that BLM provides (zoo, Lake BLM, cyber crime unit, etc.)	0
21. Consider single solid waste service program for B/N	1
22. Outsource golf operations	7
23. Consider selling golf course by FY17 budget adoption	5
24. Revise golf enterprise policy to establish trigger so that any revenue transfer = review	0
25. Explore combining management of BCPA & USCC (whether managed internally or externally)	7
26. Outsource IT operations	0
27. All departments develop 5% contingency plan for FY17	2
28. Allocate budget resources to look at operational efficiencies in all departments	2
29. Compensation plan & job audit review for all city employees	5
30. Fewer outside consultants	1

31. Share staff resources among city departments for advertising, marketing, recruiting	1
32. Review the various ways the city communicates, often by department – look for efficiencies	0
33. Move staff as needed among departments – cross-training – at least within the same union	1

11. Adjournment

Motion by Alderman Black, seconded by Alderman Schmidt to adjourn Regular Session. Time: 6:15 p.m.

Motion carried. (Viva voce)

CITY OF BLOOMINGTON

ATTEST

Tari Renner, Mayor

Cherry L. Lawson, City Clerk



AGENDA ITEM NO. 5

FOR COUNCIL: January 19, 2016

SUBJECT: Budget Task Force Recommendations

RECOMMENDATION/MOTION: The City Manager seeks direction from Council on Budget Task Force recommendations.

STRATEGIC PLAN LINK: Goal 1. Financially Sound City Providing Quality Basic Services

STRATEGIC PLAN SIGNIFICANCE: Objective a. Budget with adequate resources to support defined services and level of services, and d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: Last year, the Budget Task Force compiled a list of potential cost savings recommendations, which were then presented to Council for further discussion and consideration. The City Council ranked some of these recommendations and have since publically discussed or acted upon some high-priority items such as Sick Leave Buy Back, Downtown Hireback and Golf.

Tonight's discussion is part of the continuing dialogue about the Budget Task Force recommendations, providing additional direction to the City Manager on both priority and non-priority items.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable

FINANCIAL IMPACT: Not applicable

Respectfully submitted for Council consideration.

Prepared by:

Nora Dukowitz, Communications Manager

Recommended by:

A handwritten signature in black ink, appearing to read "David A. Hales".

David A. Hales, City Manager

Attachments:

- Budget Task Force (BTF) Tally Sheet
- BTF PowerPoint Presentation

- Sick Leave Buy Back Resolution
- Police Hireback for Downtown Handout
- Golf Course Handout

Motion: The City Manager seeks direction from Council on Budget Task Force recommendations.

Motion: _____ Seconded by: _____

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Buragas				Alderman Painter			
Alderman Fruin				Alderman Sage			
Alderman Hauman				Alderman Schmidt			
Alderman Lower							
				Mayor Renner			



Item 5

BUDGET TASK FORCE TALLY SHEET

VOTING RESULTS

City Council Budget Template voting results

Following is a summary of the budget template voting results. The items on this list contain the Budget Task Force Recommendations, along with recommendations from several (but not all) aldermen from the September/October 2015 exercise. Not included here are items from the Spring 2014 itemized list.

The purpose of this voting template is to identify those areas of greatest Council interest to guide City staff. As agreed at our 10-19-15 Committee of the Whole discussion, items receiving few or no votes are not to be neglected, but are not identified as our first priority for staff work.

These are listed in rank order.

7 or more votes:

BCPA changes (including items 9, 10, 11, 12, 13, 25 from the template)	18 votes
Golf operational changes (including items 22, 23, 24 from the template)	12 votes
Downtown hireback cost recovery (BPD)	10 votes
End of Sick Leave Buy Back	7 votes

3-6 votes:

Solid waste changes & efficiencies	6 votes
Compensation plan & job audit review	5 votes
ETSB revenue sharing	3 votes
Cut back on printing	3 votes

1-2 votes:

Policy for Parks & Rec revenue to cover x% of expenditures	2 votes
Find farmer to take leaves for free	2 votes
Police firing range cost share change	2 votes
All departments develop 5% contingency plan	2 votes
Look at operational efficiencies in all departments	2 votes
Explore forming park district	1 vote
End spring fertilizing, summer watering in parks	1 vote
Consider merging BLM and Normal solid waste program	1 vote
Fewer outside consultants	1 vote

Share staff resources among departments	1 vote
Move staff across departments, cross-train	1 vote

No votes:

School resource officer cost recovery
Department reductions
Establish & hold line on legal expenses
CIRA aircraft fire & rescue cost recovery
Itemize services and amenities that BLM provides regionally (e.g. zoo, Lake
Bloomington, cyber crime work)
Review city communication avenues and look for efficiencies

FOCUS	PROGRAM or SERVICE	UPDATES, IN-PROCESS STATUS, ETC.	Ward 1 Lower	Ward 2 Sage	Ward 3 Mwilambwe	Ward 4 Buragas	Ward 5 Painter	Ward 6 Schmidt	Ward 7 Black	Ward 8 Hauman	Ward 9 Fruin	Mayor	Tally
Program change/reduction/elimination													
1.	Downtown hire back cost recovery	Full cost and recovery options to be determined as part of Fee Study.		1 vote	1 vote	2 votes	1 vote	1 vote	3 votes	1 vote			10
2.	School resource officer cost recovery	Recommend City Manager and School Superintendents commence negotiations on full cost recovery.											
3.	Explore forming park district	Refer to Jeff Jurgens Memo dated _____.								1 vote			1
4.	Ordinance/policy for Parks & Rec revenue covering X% of expenditures (currently @ 50%) with low-income considerations	Full cost and City Council policy on recovery will be determined as part of Fee Study.		1 vote						1 vote			2
5.	End SLBB	Policy options scheduled for City Council action on Oct. 26 th .		1 vote				1 vote	3 votes	1 vote	1 vote		7
6.	End spring fertilizing and summer watering in parks	Full consequences of service level reduction not yet determined.					1 vote						1

FOCUS	PROGRAM or SERVICE	UPDATES, IN-PROCESS STATUS, ETC.	Ward 1 Lower	Ward 2 Sage	Ward 3 Mwilambwe	Ward 4 Buragas	Ward 5 Painter	Ward 6 Schmidt	Ward 7 Black	Ward 8 Hauman	Ward 9 Fruin	Mayor	Tally
Service change/ reduction/ elimination													
7.	Solid waste changes: charge for all buckets, no charge for yard waste or city yard drop-off, consider increase in 35 gallon costs, outsourcing solid waste services, costs to landlords	Efficiencies of \$450,000 annually have been achieved with biweekly bulk and brush collection. Remaining Total General Fund Subsidy, including brush waste collection and disposal, for the Solid Waste Fund is projected to be \$2.1 million.				2 votes		1 vote	2 votes	1 vote			6
8.	Department reductions	Need clarity on what amount of reductions are requested.											
9.	BCPA audit with 501c3 impact considered	BCPA audit underway.			1 vote	2 votes							3
10.	Sell creativity Center										1 vote		1
11.	Sell BCPA								2 votes		1 vote		3
12.	Convert BCPA to enterprise fund									1 vote	1 vote		2
13.	Reduce BCPA budget			1 vote							1 vote		2
14.	Establish & hold to budget line for legal counsel	Legal expenses will be closely monitored and managed in accordance with budget authority.											

FOCUS	PROGRAM or SERVICE	UPDATES, IN-PROCESS STATUS, ETC.	Ward 1 Lower	Ward 2 Sage	Ward 3 Mwilambwe	Ward 4 Buragas	Ward 5 Painter	Ward 6 Schmidt	Ward 7 Black	Ward 8 Hauman	Ward 9 Fruin	Mayor	Tally
15.	Find farmer who will take leaves for free	In progress			1 vote		1 vote						2
16.	Significantly cut back on printing			1 vote	1 vote			1 vote					3
Shared Services													
17.	Cost recovery – CIRA aircraft rescue & fire	Negotiations are in progress with CIRA.											
18.	ETSB revenue sharing				2 votes						1 vote		3
19.	Police firing range			1 vote				1 vote					2
20.	Itemize regional services that BLM provides (zoo, Lake BLM, cyber crime unit, etc.)												
21.	Consider single solid waste service program for B/N										1 vote		1
Alternative Service Delivery													
22.	Outsource golf operations	In progress.		3 votes	1 vote		1 vote	2 votes					7
23.	Consider selling golf course by FY17 budget adoption					2 votes	1 vote			1 vote	1 vote		5
24.	Revise golf enterprise policy to establish trigger so that any revenue transfer = review												

25.	Explore combining management of BCPA & USCC (whether managed internally or externally)			1 vote	1 vote	2 votes	1 vote			1 vote	1 vote		7
FOCUS	PROGRAM or SERVICE	UPDATES, IN-PROCESS STATUS, ETC.	Ward 1 Lower	Ward 2 Sage	Ward 3 Mwilambwe	Ward 4 Buragas	Ward 5 Painter	Ward 6 Schmidt	Ward 7 Black	Ward 8 Hauman	Ward 9 Fruin	Mayor	Tally
26.	Outsource IT operations	IT internal audit is underway.											
Operational Efficiencies in Service Delivery													
27.	All departments develop 5% contingency plan for FY17				1 vote		1 vote						2
28.	Allocate budget resources to look at operational efficiencies in all departments	Programmatic training and resources to be included in FY 2017 budget.			1 vote			1 vote					2
29.	Compensation plan & job audit review for all city employees						1 vote	2 votes		1 vote	1 vote		5
30.	Fewer outside consultants									1 vote			1
31.	Share staff resources among city departments for advertising, marketing, recruiting						1 vote						1
32.	Review the various												

	ways the city communicates, often by department – look for efficiencies												
33.	Move staff as needed among departments – cross-training – at least within the same union						1 vote						1

What service or programs cuts will the Council seriously consider? Using 10 votes total, indicate the items you would support as a priority cut or change. Votes can range from 1-10 for any item, with 10 votes being the total available to each elected official.



Item 5

BUDGET TASK FORCE

POWERPOINT PRESENTATION

Budget Task Force Recommendations



Members

- Alan Dodds
- Dave Fedor
- Deanna Frautschi, Chair
- Dontae Latson
- Jamie Mathy
- John Zeunik

Aldermen

- Scott Black
- Amelia Buragas
- David Sage, Chair

Purpose

- Approved by Council May 11, 2015, and designed to examine and make recommendations that outline different approaches to address the City's long-term structural budget challenges, work with City staff to produce budget scenarios that provide the City Council with options to address the long-term structural deficit, and present a report to the City Council at its work session in September.

Budget Task Force Process

- Met 9 times from 5/26-9/14
 - 1 meeting for process
 - 2 meetings of background information
 - 4 meetings primarily spent discussing cuts
 - 1 meeting primarily spent discussing revenue increases
 - 1 meeting summarizing recommendation
- Several Council touch points throughout summer

Process – Next Steps

9/21/15 – Present recommendations to City Council

Starting in October, staff will craft resolutions for each recommendation for the Council to vote for approval

Recommendation – High Level

- The higher the consumption, the higher the individual cost
- Fees should be in line with service costs

Recommendation

Police and Fire Pension Funding

Fiscal Year 2017 (starting in May 2016)

- No changes (new estimates per Lauderbach & Amen, LLP)

Fiscal Year 2018 and beyond

- Review Ramp Up payment schedule while maintaining required state minimum and supplemental payments and supporting Council policy of 100% funding by 2041

Solid Waste

Fiscal Year 2017 (starting in May 2016)

- Implement 1st bucket charge for curbside bulk waste pick-up (not branch/shrubbery)
- Increase bucket charge for additional curbside bulk waste pick-up
- Bulk waste at city drop-off yard is free

Additional BTF Suggestions:

- Review a 35-gal refuse can fee increase
- Outsource entire solid waste program
- Special bulk waste charge for landlords

Comments:

Funding solid waste with property taxes penalizes businesses as they already must pay these expenses

General Fund covers only brush/shrubbery bulk waste

Solid Waste -

Fiscal Year 2018 and beyond

- Review Bucket Charge Increases
- Review potential landfill closing on solid waste program costs

Program Reductions or Eliminations

Fiscal Year 2017 (starting in May 2016)

- Seek full reimbursement - School Resource Officer Program (-\$300K)
- Recover full cost of Downtown Police Hire Back from Downtown beneficiaries (-\$120K)

Additional note

- Study impact of eliminating School Resource Officer Program

Program Reductions or Eliminations

Fiscal Year 2017 (starting in May 2016)

- Misc. department reductions (-\$43K)
 - Complete BCPA operational audit including potential Foundation impact

Additional BTF Suggestions

- Sell Creativity Center
- Sell BCPA, eliminating \$1M in annual operating expenses
- Convert the BCPA to an enterprise fund
- Reduce BCPA budget (-\$250K)

Program Reductions or Eliminations

Fiscal Year 2018 and Beyond:

- Explore formation of a Park District (City, City/Town, City/Town/County)
- Adopt Ordinance/Policy for Parks/Rec revenues covering X% of expenditures (Currently 50%) with low-income considerations.

Shared Services

Fiscal Year 2017 (starting in May 2016)

- Seek maximum cost recovery of total \$480K estimated expense for CIRA Aircraft Rescue & Firefighting

Shared Services

Fiscal Year 2018 and Beyond:

- Review Police firing range cost recovery
- ETSB (Emergency 911) Revenue Sharing

Alternative Service Delivery

Fiscal Year 2017 (starting in May 2016)

- Initiate a review of outsourcing golf operations by FY17 budget adoption.
- Review selling all three city golf courses by FY17 budget adoption.

Alternative Service Delivery

Fiscal Year 2018 and Beyond

- Revise policy for golf enterprise fund that if any outside fund transfer is needed, triggers review to contract out golf course operations
- Explore combining (both internal and external) management for Coliseum and BCPA

Operational Efficiencies in Service Delivery ***Fiscal Year 2017 (starting in May 2016)***

- As FY17 budget process starts, all departments should develop contingency 5% reduction plans

Operational Efficiencies in Service Delivery

Fiscal Year 2018 and Beyond

- Allocate budget resources to investigate operational efficiencies in all departments
- Total compensation plan and job audit review for all city employee positions

Revenues

As a principle, there is a BTF preference to consider city license/fee increases, Home Rule Sales tax, and Property taxes.

Principles

- As proposed revenue increases are reviewed, stay below central Illinois communities, and using Town of Normal as benchmark.
- By ordinance/policy new revenues to be targeted for specific, new budget expenditures (infrastructure, pensions, capital expenses, etc.)

Revenues

Fiscal Year 2017 (starting in May 2016)

- Complete the City's comprehensive fee and rate study and prepare for cost recovery policy decisions with phased implementation, using Town of Normal as a benchmark and align for actual costs
- Increase Home Rule Sales tax up to ½% to help address the FY17 structural deficit with consideration for the Council to explore up to an additional ½% to address other specific targeted expenses for example capital, pensions, etc.
- Property tax rate increase to 1.35 equating to about \$645K annually, tied to Police & Fire pension funding
- Increase golf course fees

Revenues

Fiscal Year 2018 and Beyond

- Review sending overdue parking tickets to a collection agency
- Review implementing a computer system and hardware to move the operations of the 3 parking decks the City owns to 24 by 7 pay by hour operations.
- Review Downtown Master Plan – Parking Recommendations

Conclusion

The Budget Task Force attempted to review the City's budget structure at a high level. This recommendation should not be interpreted as a solution to Council. Rather, this recommendation presents key ideas for Council consideration, review and action.

Questions and Discussion



Item 5

BUDGET TASK FORCE

SUGGESTED BUDGET SCENARIOS REPORT

Suggested Budget Scenarios

Consistent with the charge and based on June 8th Council feedback, the BTF has worked with City Staff, task force members, and citizen suggestions to look at different approaches and has developed some ideas for addressing budget challenges including:

- FY17 budget cuts to start closing the projected \$7M deficit
- FY18+ budget items for sustainable budget reductions and
- Revenue increases

Police & Fire Pension Funding

(Blue indicates BTF Consensus)

FY17 Budget

- **Suspend FY17 Ramp Up payment while maintaining required state minimum and current supplemental payments** (-\$1.5M)

FY18+ Budget (Sustainability)

- Adjust 5-year Ramp Up payment schedule while maintaining required state minimum and supplemental payments and supporting Council policy of 100% funding by 2041

Solid Waste

(-\$1.5M)

FY17 Budget

- **Implement 1st bucket charge for curbside bulk waste pick-up (not branch/shrubbery)**
- **Increase bucket charge for additional curbside bulk waste pick-up**
- **Bulk waste at city drop-off yard is free.**

Additional BTF Suggestions

Review a 35-gal refuse can fee increase
Outsource entire solid waste program
Special bulk waste charge for landlords

Comments

Funding solid waste with property taxes penalizes businesses as they already must pay these expenses. General Fund covers only brush/shrubbery bulk waste.

FY18+ Budget (Sustainability)

- Review bucket charge increases.
- Review potential landfill closing on solid waste program

Using five groupings the BTF also tried to bring new context around balancing our suggested budget saving ideas including:

- Program Reductions or Eliminations
- Service Reductions or Eliminations
- Shared Services
- Alternative Service Delivery
- Operational Efficiencies in Service Delivery

Program Reductions or Eliminations

FY17 Budget

- **Seek full reimbursement - School Resource Officer Program (-\$300K)**
- **Recover full cost of Downtown Police Hire Back from Downtown beneficiaries (-\$120K)**

Additional BTF Suggestions

Study impact of eliminating School Resource Officer Program

FY18+ Budget (Sustainability)

- Explore formation of a Park District
- Adopt Ordinance/Policy for Parks/Rec revenues covering X% of expenditures (Currently 50%)

Service Reductions or Eliminations

FY17 Budget

- **Misc. department reductions (-\$43K)**
- Complete BCPA operational audit including potential
- Foundation impact

Additional BTF Suggestions

- Sell Creativity Center
- Sell BCPA, eliminating \$1M in annual operating expenses
- Convert the BCPA to an enterprise fund
- Reduce BCPA budget (-\$250K)

FY18+ Budget (Sustainability)

Shared Services

FY17 Budget

- Seek maximum cost recovery of total \$480K estimated expense for CIRA airport Aircraft Rescue & Firefighting

FY18+ Budget (Sustainability)

- Police firing range
- ETSB (Emergency 911) Revenue Sharing

Alternative Service Delivery

FY17 Budget

- Initiate a review of outsourcing golf operations by FY17 budget adoption.
- Review selling all three city golf courses by FY17 budget adoption.

Additional BTF Suggestions

FY18+ Budget (Sustainability)

- Revise policy for golf enterprise fund that if any outside fund transfer is needed, triggers review to contract out golf course operations
- Explore combining management for Coliseum and BCPA

Operational Efficiencies in Service Delivery

FY17 Budget

- As FY17 budget process starts, all departments should develop contingency 5% reduction plans

FY18+ Budget (Sustainability)

- Allocate budget resources to investigate operational efficiencies in all departments

**Total -\$1M
in budget cut ideas outside pension
funding and solid waste.**

Revenues

As directed by the Council the BTF also reviewed various revenue options. There is a BTF preference to consider city license/fee increases, Home Rule Sales tax, and Property taxes.

Principles

- As proposed revenue increases are reviewed, stay below central Illinois communities, and using Town of Normal as benchmark.
- By ordinance/policy new revenues to be targeted for specific, new budget expenditures (infrastructure, pensions, capital expenses, etc.)

FY17 Budget

- Complete the city's comprehensive fee and rate study and prepare for cost recovery policy decisions with phased implementation, using Town of Normal as a benchmark and align for actual costs.
- Increase Home Rule Sales tax up to ½% to help address the FY17 structural deficit with consideration for the council to explore up to an additional ½% to address other specific targeted expenses for example capital, pensions, etc.
- Property tax rate increase to 1.35 equating to approximately \$645K tied to Police & Fire pension funding.
- Increase golf course fees.

FY18+ Budget (Sustainability)

- Send overdue parking tickets to a collection agency
- Implement a computer system and hardware to move the operations of the 3 parking decks the City owns to 24 by 7 pay by hour operations.

Summary / Next Steps

DRAFT



Item 5

**SICK LEAVE BUY BACK
RESOLUTION**

RESOLUTION 2015 - 42

A RESOLUTION DIRECTING STAFF TO CONTINUE EXPLORING POLICIES TO LIMIT
THE CITY'S PENSION LIABILITIES AND EVALUATE THE CITY'S
OVERALL BENEFIT STRUCTURE

BE IT RESOLVED BY THE CITY COUNCIL
OF THE CITY OF BLOOMINGTON, ILLINOIS:

WHEREAS, the City of Bloomington is a home-rule municipality located in the County of McLean, State of Illinois; and

WHEREAS, a memorandum from former City Manager Tom Hamilton, dated March 6, 1995, provided that effective March 8, 1995, the City would permit eligible IMRF City employees to apply "sick leave buyback payments" ("SLBB") over a 3-month payout period rather than receiving a one-time lump sum payment; and

WHEREAS, the City Council began, in 2009, implementing policies and contractual provisions in collective bargaining agreements eliminating SLBB completely for all of its future IMRF employees; and

WHEREAS, when the City stopped the SLBB benefit for future IMRF employees, the benefit remained for several grandfathered employees; and

WHEREAS, the grandfathered employees still entitled to SLBB have raised numerous equity and legal concerns with making further changes to payment of the benefit; and

WHEREAS, the City Council desires that the SLBB benefit continue to be transitioned out in the same manner as allowed by previous City policy, but continues to reserve its right to make changes or modifications to how this benefit, and other employee benefits, are paid in the future; and

WHEREAS, the City Council desires to have the City's Human Resources Department do an evaluation of the benefit packages paid to City employees and investigate ways to ensure it is in line with current practices in both the public and private sector; and

WHEREAS, the City Council does not support pension inflation and wants to continue implementing strong policies that will prevent such inflation for its future employees; and

WHEREAS, City staff has already been working with the Illinois Municipal League, the Illinois Municipal Retirement Fund and others on solutions to pension liability funding issues and the City Council desires that these discussions continue with high priority.

NOW, THEREFORE, BE IT RESOLVED BY THE City Council of the City of Bloomington, McLean County, Illinois, as follows:

SECTION 1. The above stated recitals are incorporated herein by reference.

SECTION 2. The City Council of the City of Bloomington hereby states its unequivocal position against the ability of employees to artificially increase their compensation preceding retirement, acknowledges that several policies have already been implemented to stop benefits like sick leave buyback, and directs City staff to continue working on potential ways to reduce its overall pension liabilities. The City Council further directs City staff to evaluate the benefit packages provided to City employees in comparison to other public and private sector entities and to recommend necessary changes.

SECTION 3. In the event that any section, clause, provision, or part of this Resolution shall be found and determined to be invalid by a court of competent jurisdiction, all valid parts that are severable from the invalid parts shall remain in full force and effect.


SECTION 4. This Resolution shall be effective immediately after the date of its publication as required by law.

SECTION 5. This Resolution is passed and approved pursuant to the home rule authority granted Article VII, Section 6 of the 1970 Illinois Constitution.

PASSED this 26th day of October, 2015.

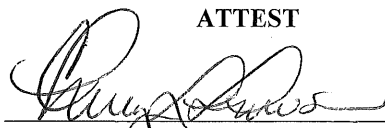
APPROVED this 29th day of October, 2015.

CITY OF BLOOMINGTON



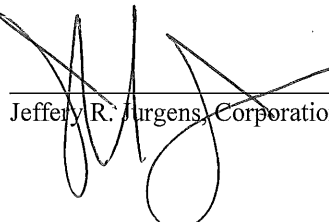
Tari Renner, Mayor

ATTEST



Cherry L. Lawson, City Clerk

APPROVED AS TO FORM



Jeffery R. Jurgens, Corporation Counsel



Item 5

**DOWNTOWN POLICE HIREBACK
HANDOUT**

Downtown Police Hireback

I) MAINTAIN STATUS QUO

Continue to provide extra law enforcement to deal with large crowds and rowdy behavior in the downtown late at night on Thursdays, Fridays, and Saturdays.

Advantages:

Supports established businesses and maintains the downtown nightlife atmosphere that Bloomington is known for.

Contains late night party goes to the downtown where Connect Transit, taxis, and party busses can provide safe and efficient transport home.

Disadvantages:

Continues to support the downtown nightlife atmosphere that Bloomington is known for.

Ongoing cost for the hireback program would need to be built into the Police Department's budget and an ongoing funding source would need to be identified which could result in cuts to other programs in the Police Department or other departments in the City.

II) INCREASE THE "BASE FEE" FOR LIQUOR LICENSES IN DOWNTOWN

In some states, certain neighborhoods are classified as "Alcohol Impact Zones" and the sale of certain types of alcohol are prohibited in those zones and license fees are higher, all to address chronic public inebriation or illegal activity associated with liquor sales or consumption.

Advantages:

Spreads the cost of the hireback program over all downtown licensees.

Disadvantages:

Downtown licensees that close prior to 10pm and are therefore unlikely to be contributing to the need for the hireback program would help pay for the program.

III) ESTABLISH A LATE HOURS LIQUOR LICENSE

Many communities in Illinois and across the nation have created special "Late Hours" liquor licenses that permit the serving of alcohol after a set time (Midnight , 1AM, 2AM, etc.—varies by community and even district within some communities). The fee for a Late Hours license is in addition to the required license to serve prior to the late hour.

Revenue generated from new Late Hours licenses could pay for all or a portion of the hireback program.

Late Hours Option III-A : Limit to the B3 Business District / Downtown

Advantages:

Late Hours licenses would only be required in the downtown where the hireback officers patrol (paid by licensees who play a role in creating the need for the hireback).

Disadvantages:

Places an additional financial burden on a number of small businesses which may be unable to afford the additional license and would need to close early or remain open but stop serving alcohol in the late hours which could negatively affect the profitability of the impacted businesses.

Late Hours Option III-B: Implement a City-wide Late Hours License

Advantages:

Spreads the cost of the hireback program across all licensees city-wide.

Disadvantages:

Places an additional financial burden on businesses which may not be contributing to the need for the hireback program in the downtown.

IV: INCREASE LIQUOR LICENSE FEES CITY-WIDE TO SUPPORT THE POLICE DEPARTMENT

As of December 2015, there are 169 brick & mortar liquor licensed establishments. Increasing the base fee for all licensees City-wide to recover \$130,000 would result in an increase of approximately \$770 per establishment.

Advantages:

The cost for downtown hireback is spread evenly over all licensees in the city and at a lower overall cost per business.

Police Officers working in the downtown may be called upon to respond to altercations in other parts of the city during the late night hours.

Disadvantages:

Licensees who do not likely contribute to the need for the downtown hireback would be paying for it through an increased license fee.

V: INCREASE THE PREPARED FOOD & BEVERAGE TAX .25% City-Wide

A .25% increase in the city-wide F&B tax could generate over \$500,000 in new revenue per year.

Advantages:

The F&B tax is applied to all on-premise consumption sales of alcohol.

Disadvantages:

The F&B tax is applied to all non-alcoholic drinks at restaurants and to meals. An increasing amount of grocery store items qualify for the F&B tax. In 2016, the sales tax rate will increase by 1%, so items taxed at the F&B rate will be taxed at 10.75%. (8.75% + 2%).

Downtown B3 Central Business District Liquor Licenses as of December 2015	Total Number of Licensees	Licensees that close at or before 12AM*	Licensees that close at 1AM*	Licensees that close at 2AM*
Taverns	13	0	1	9
Restaurants	8	4	0	4
Entertainment/Rec Sports Venue & Clubs	4	?	?	?
Package Sales	2	1	?	?
Total	27	5	1	13

*Some establishments do not have posted hours or hours vary based on special events / performances.

Preliminary Calculations for Cost Recovery of Downtown Police Hireback Program

12/15/2015

Annual Cost of Hireback Program:	\$130,000
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Option II: New "Base Fee" for a Liquor License in the Downtown B3 Zoning Area - "Alcohol Impact Zone"	Annual	Weekly Average
Actual number of brick & mortar licensees in the Downtown as of December 2015:	27	
Cost recovery of Hireback Program if spread evenly among all Downtown licensees via potential new "B3 Liquor License Base Fee":	\$4,814.81	\$92.59

Option III-A: Late Hours Liquor License For Downtown B3 Zoning Area	# Of Licenses	Annual	Weekly Average
Estimated number of brick & mortar licensees that may purchase a Late Hours license:	13		
Estimated cost of a Late Hours license if Hireback Program cost were to be evenly shared by all Downtown Late Hours license holders:		\$10,000.00	\$192.31

Option III-B: Late Hours Liquor License City-Wide	Annual	Weekly Average
Estimated number of licensed establishments City-wide that may purchase a Late Hours license:	130	
Estimated cost of a Late Hours license if Hireback Program cost were to be evenly shared by City-Wide Late Hours license holders:	\$1,000.00	\$19.23

Option IV: Fee Increase for Liquor Licenses City-wide	Annual	Weekly Average
Number of brick & mortar licensees City-wide (non-catering licenses):	169	
City-wide per-license increase to fund additional police services attributed to alcohol sales city-wide:	\$769.23	\$14.79

Option V: .25% Increase to City-Wide Food & Beverage Tax to Fund Additional Police Services City-Wide		
FY2015 Food & Beverage Tax Rate:	2%	
Actual FY2015 Food & Beverage Tax Receipts (May 1, 2014 - April 30, 2015):	\$4,323,167.74	
Estimated annual revenue that could be generated by a .25% Increase in the F&B Tax City-Wide:	\$540,395.97	

Liquor License Detail			
License Type	City-Wide	Downtown	% Downtown
Clubs - All Types	8	1	12.5%
Entertainment / Sports - All Types & Beer / Wine	12	3	25.0%
Gas Station - Package - All Types	23	0	0.0%
Package - All Types	21	1	4.8%
Package -Beer / Wine	5	1	20.0%
Restaurant - All Types	57	7	12.3%
Restaurant - Beer / Wine	15	1	6.7%
Tavern - All Types	28	13	46.4%
TOTAL ABOVE:	169	27	16.0%
Catering	23	6	26.1%
TOTAL ALL CITY-WIDE:	192	33	17.2%



Item 5

**BLOOMINGTON GOLF COURSE
HANDOUT**

OUTSOURCING - TIMELINE OF EVENTS 2016 REQUEST FOR QUALIFICATIONS / REQUEST FOR PROPOSAL

BLOOMINGTON GOLF - HANDOUT 1-11-16

	February	March	April	May	June	July	August	September
RFQ Deadline								
RFP Deadline								
RFP Review & Analysis								
Presentation to Council								
Negotiate Contract								
Award Contract								

Bloomington Golf Fees - Current & Proposed

	2015 Fee 18 hole weekend rate	2016 Proposed 18 hole weekend rate	\$ Fee Increase
Highland Park	\$19.00	\$22.00	\$3.00
Prairie Vista	\$34.00	\$35.00	\$1.00
The Den at Fox Creek	\$42.00	\$43.00	\$1.00
Season Pass (all 3)	\$1,200.00	\$1,250.00	\$50.00

There is no golf cart fee increase proposed for 2016.

Bloomington Golf – Central Illinois Golf Fee Survey June 2015

Averages	18 Hole Weekend Fee	18 Hole Cart Fee	Season Pass
Bloomington Courses (3)	\$31.67	\$14.67	\$1,200.00
Other Area City Owned & Operated Courses (11)	\$18.63	\$11.04	\$559.83
University Owned & Operated Course (1)	\$36.00	\$14.00	\$1,095.00
University Owned Privately Run (2)	\$24.00	\$15.00	\$770.00
Public Courses Privately Owned (6)	\$39.13	\$15.50	\$1,194.00

Area Courses surveyed included:

Bartonville: Coyote Creek / Champaign County Forest Preserve: Lake of the Woods / Decatur: Red Tail Run, Hickory Point, Scovil / El Paso: El Paso / Fondulac Park District: Quail Meadows / Gibson City: Railside GC / Metamora: Metamora Fields / Normal: Ironwood, ISU – Weibring / Pekin: Lick Creek, Parkview / Peoria: Weaver Ridge / Springfield: Bunn, Lincoln Greens, Pasfield/Bergen (9 hole) / University of Illinois: Blue & Orange courses / Urbana: Stone Creek



The Den at Fox Creek, designed by legendary golfer Arnold Palmer, was opened in 1997. It is the only Arnold Palmer Signature Course open to the public in the State of Illinois.

HIGHLIGHTS

- ***Golf Digest* "Places to Play" ★★★★★^{1/2} Star Rated Golf Course**
- **In the top 5% of courses nationwide rated by *Golf Digest***
- **19,237 rounds played in Fiscal Year 2015**
- **Benefits the local community through charity fundraiser golf outings and meeting room events**
- **50% of play at the course is from outside of our community**
- **Hosts numerous multi-day high profile events which brings significant dollars into our community**



PRAIRIE VISTA
GOLF COURSE

Opened in 1991, it's rolling Parkland style design attracts golfers of all levels of play due to its' enjoyable layout.

HIGHLIGHTS

- ***Golf Digest* "Places to Play" ★★★★★ Star Rated Golf Course**
Top 15% of courses nationwide rated by Golf Digest
- **20,916 rounds played in Fiscal Year 2015**
- **Hosts numerous multi-day high profile events which bring significant revenue into the community**
- **Benefits the local community through charity fundraiser golf outings and meeting room events**
- **Cost per acre maintenance and course quality, optimizes revenue**



Opened in 1922, Highland Park serves as the home course for high school golf teams and is preferred by Juniors and Seniors due to its course design and affordability.

HIGHLIGHTS

- 19,466 rounds played in Fiscal Year 2015
- *Golf Digest* "Places to Play" ★★☆☆ Star Rated Golf Course
- Home of the longest running Junior golf program
- Attractive gateway to the South and Southwest of Bloomington
- Home of 6 boys and girls golf teams from 4 area schools: BHS, Central Catholic, Cornerstone Christian, Heyworth



1) **OUTSOURCE - FULL SERVICE CONTRACT (Option 1)**

- Fee range from 4-5 % of gross revenue (plus incentives)
- Terms are typically 3–10 years, plus extensions
- Contract language is crucial to outsourcing

Advantages:

- lower operating costs
- expertise in operations
- maintenance, marketing, & purchasing efficiencies
- City owns economics and reaps potential rewards from profits

Disadvantages:

- less control
- no guaranteed income
- operating risk remains
- staff oversight of private management company
- **City still responsible for Capital Improvements**

TIMELINE:

- Prior to September 2016, decide to outsource in FY17, submit RFQ
- Submit RFP in 2016 and choose private management company



2) OUTSOURCE - OPERATING LEASE (Option 2)

- Lessee pays the city a fee in return for control of the facilities
- Fee determined by number of Capital Improvements
- Terms are typically 10-50 years
- Contract language is crucial to outsourcing

Advantages:

- Operational risk to the lessee
- City relieved of day-to-day operations and maintenance
- Administrative overhead eliminated

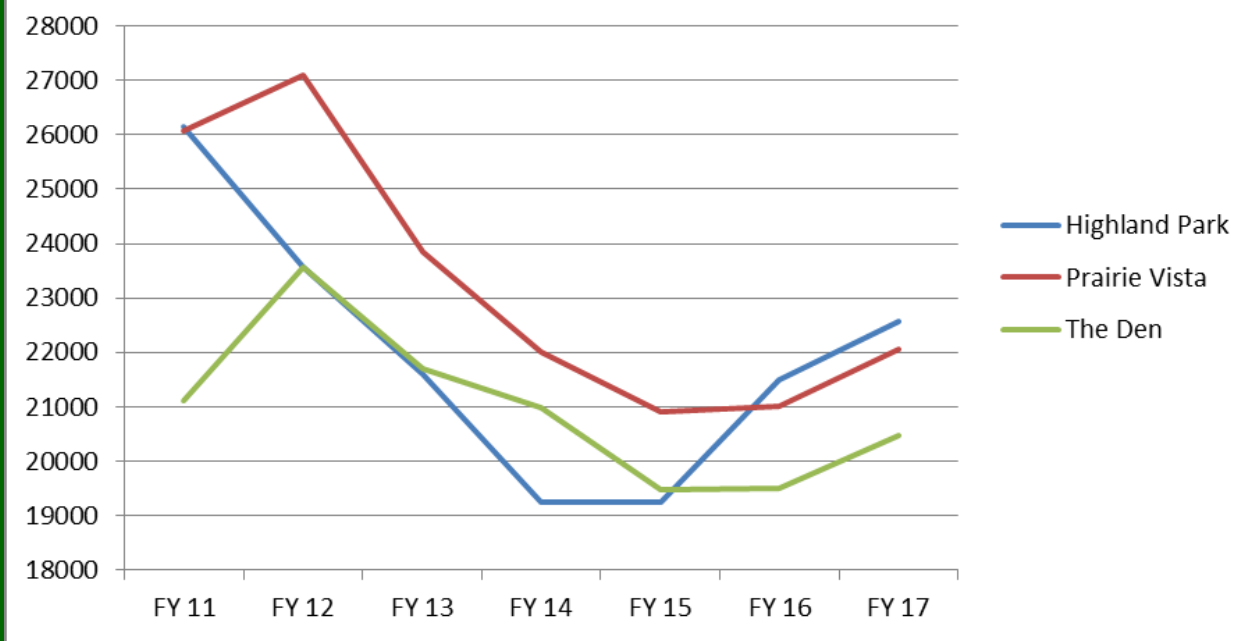
Disadvantages:

- Least control over operation
- Less upside revenue potential
- Leases are long term
- Market downturn may lead to contract re-negotiation

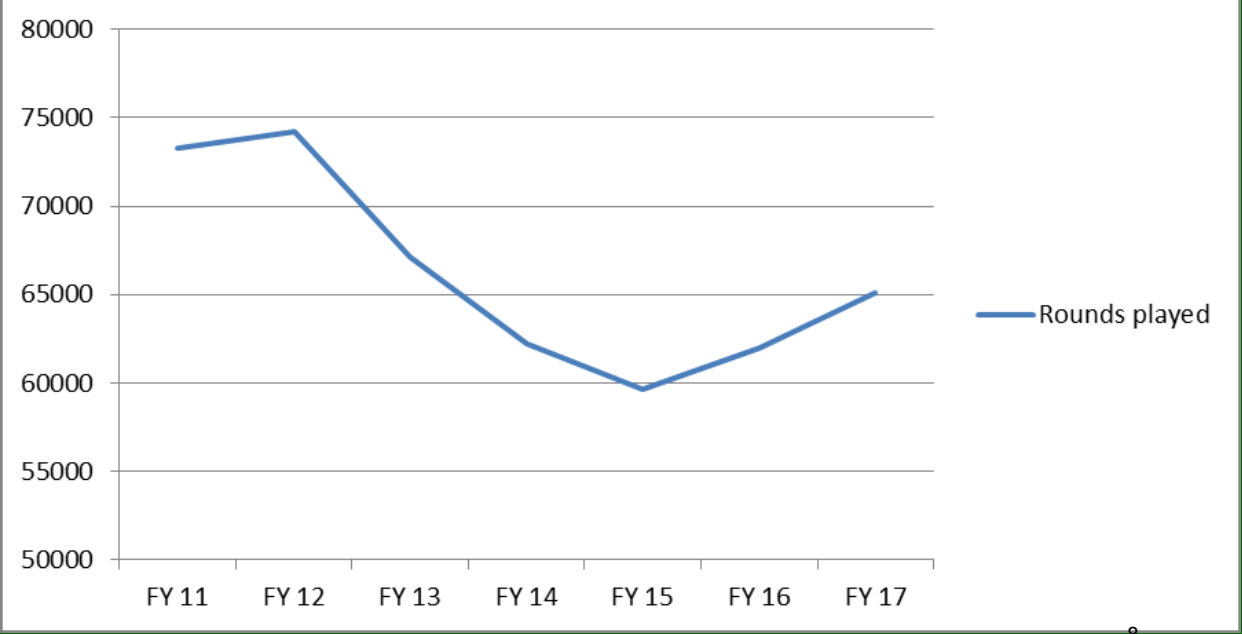
TIMELINE:

- Prior to September 2016, decide to outsource in FY17, submit RFQ
- Submit RFP in 2016 and choose private management company

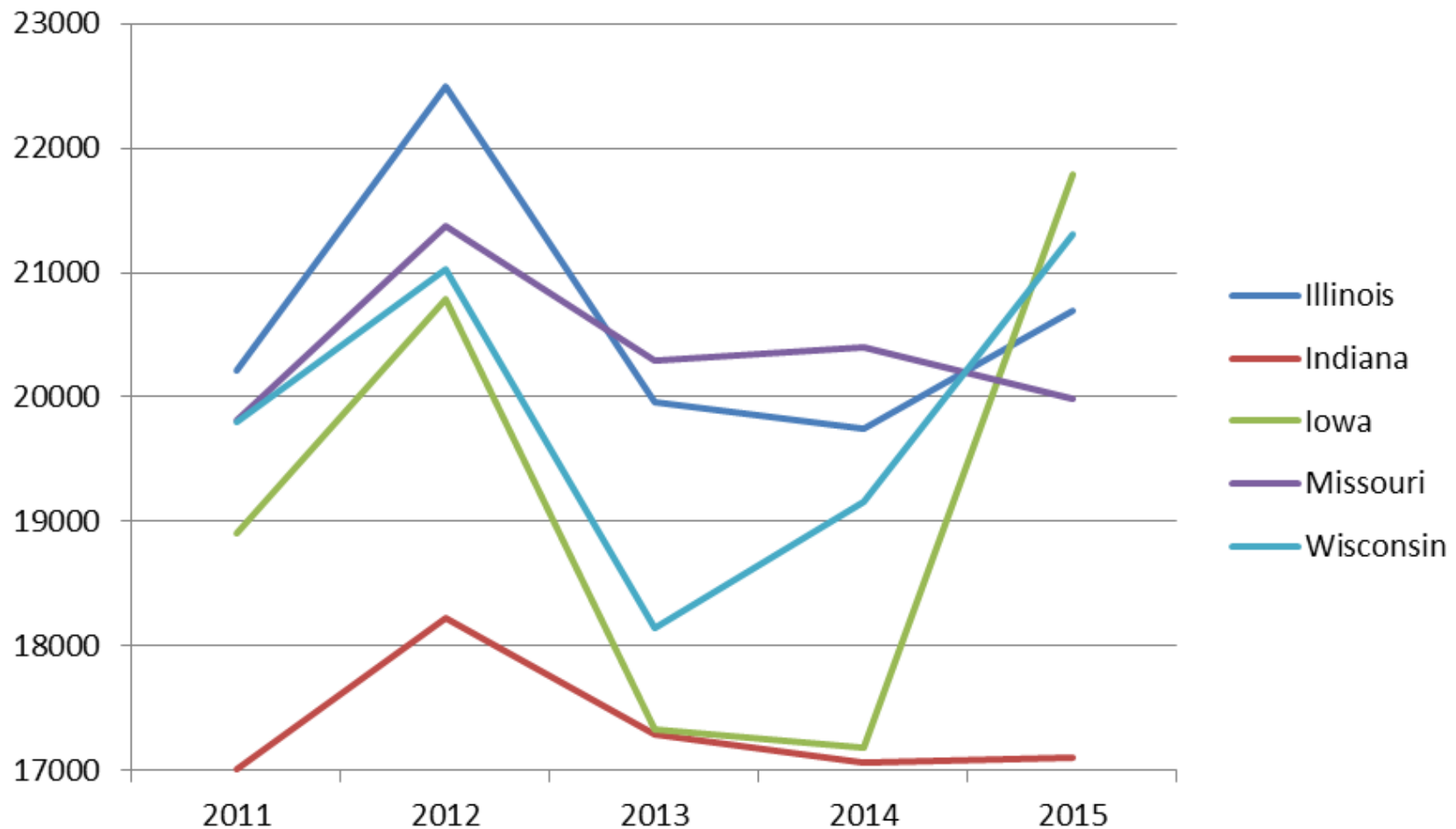
Rounds played by course FY11- FY17



Rounds played



Average Golf Rounds Played Per Course Per State



Data from PGA Performance Track

- All rounds are calendar year
- Rounds are for all facility types
- **Note:** 2015 rounds have December rounds estimated since final rounds counts are only official through November
- Methodology - took numbers through November and added Bloomington Golf average rounds played for December



OPERATIONAL BUDGET — NO CAPITAL INCLUDED

	FY 2013	FY 2013	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016 Projected	FY 2016 Projected	FY 2017 Projected	FY 2017 Projected
	Revenues	Expenses	Revenues	Expenses	Revenues	Expenses	Revenues	Expenses	Revenues	Expenses
Highland	\$496,476.41	\$635,269.70	\$463,978.43	\$660,901.97	\$453,503.05	\$633,961.06	\$547,000.00	\$575,508.27	\$584,000.00	\$598,790.00
PVG	\$940,942.30	\$815,455.22	\$916,346.48	\$815,275.23	\$911,012.20	\$816,980.94	\$957,382.00	\$770,077.88	\$996,382.00	\$821,786.00
Den	\$1,112,755.41	\$1,104,590.80	\$1,278,456.60	\$1,024,363.00	\$918,718.55	\$1,021,372.10	\$961,350.00	\$928,269.24	\$1,073,350.00	\$1,026,321.01
Totals	\$2,550,174.12	\$2,555,315.70	\$2,658,781.51	\$2,510,540.10	\$2,283,233.70	\$2,472,314.10	\$2,465,732.00	\$2,273,385.30	\$2,653,732.00	\$2,446,897.01

	FY 2013	FY 2014	FY 2015	FY 2016 (projected)	FY 2017 (projected)
	Difference	Difference	Difference	Difference	Difference
Highland	(\$138,793.29)	(\$196,923.54)	(\$180,458.01)	(\$28,508.27)	(\$14,790.00)

CITY OF BLOOMINGTON GOLF

1) **OUTSOURCE - Option 1**

to a private management firm

FULL SERVICE CONTRACT

Hire a firm with management responsibility for a fee range from 4-5% of gross revenue (plus incentives). Terms are 3–10 years, plus extensions. Contract language is crucial to outsourcing.

Advantages: lower operating costs, expertise in operations, maintenance, marketing, merchandising and purchasing efficiencies with larger companies. City still owns economics and reaps potential rewards from profits.

Disadvantages: less control, no guaranteed income, operating risk remains with the City, **City is responsible for capital improvements and utilities.** The City would need a staff devoted to oversight of operation to insure that management company was complying with contract terms.

TIMELINE:

Prior to September 2016, decide to outsource in FY17, and submit RFQ.

Submit an RFP to choose golf management company.

(Golf Convergence Webinar – Nov. 2011) & (ERA report 17383 from the City of Palo Alto)

2) **OUTSOURCE - Option 2**

to a private management firm

OPERATING LEASE

Hire firm charged with all management responsibility. Lessee pays City a fee in return for control of facilities. Fee is largely determined by number of Capital Improvements expected to be completed by the lessee. Terms are typically 10-50 years. Contract language is crucial to outsourcing.

Advantages: Shifts burden of operational risk to lessee. City is relieved of day-to-day maintaining and operating facilities. Administrative overhead is eliminated.

Disadvantages: Least control over operation. (pricing and quality) City receives less upside revenue potential. Leases are typically long term. Course operation may conflict with mission of Bloomington Golf. Market downturns often lead to lessee seeking to re-negotiate.

TIMELINE:

Prior to September 2016, decide to outsource in FY17, and submit RFQ.

Submit an RFP to choose golf management company.

(Golf Convergence Webinar – Nov. 2011) & (ERA report 17383 from the City of Palo Alto)

OPERATIONAL BUDGET—NO CAPITAL INCLUDED

	FY 2013	FY 2013	FY 2014	FY 2014	FY 2015	FY 2015	FY 2016 Projected	FY 2016 Projected	FY 2017 Projected	FY 2017 Projected
	Revenues	Expenses	Revenues	Expenses	Revenues	Expenses	Revenues	Expenses	Revenues	Expenses
Highland	\$496,476.41	\$635,269.70	\$463,978.43	\$660,901.97	\$453,503.05	\$633,961.06	\$547,000.00	\$575,508.27	\$584,000.00	\$598,790.00
PVG	\$940,942.30	\$815,455.22	\$916,346.48	\$815,275.23	\$911,012.20	\$816,980.94	\$957,382.00	\$770,077.88	\$996,382.00	\$821,786.00
Den	\$1,112,755.41	\$1,104,590.80	\$1,278,456.60	\$1,024,363.00	\$918,718.55	\$1,021,372.10	\$961,350.00	\$928,269.24	\$1,073,350.00	\$1,026,321.01
Totals	\$2,550,174.12	\$2,555,315.70	\$2,658,781.51	\$2,510,540.10	\$2,283,233.70	\$2,472,314.10	\$2,465,732.00	\$2,273,385.30	\$2,653,732.00	\$2,446,897.01

	FY 2013	FY 2014	FY 2015	FY 2016 (projected)	FY 2017 (projected)
	Difference	Difference	Difference	Difference	Difference
Highland	(\$138,793.29)	(\$196,923.54)	(\$180,458.01)	(\$28,508.27)	(\$14,790.00)