

**SUMMARY MINUTES OF THE WORK SESSION MEETING
PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL
BLOOMINGTON, ILLINOIS
SATURDAY, MARCH 20, 2010; 8:09 AM**

The Council convened in a Budget Work Session in the Council Chambers, City Hall Building, at 8:00 AM.

1. CALL TO ORDER

Mayor Stockton called the Work Session Meeting to order at 8:09 a.m., and directed the City Clerk to call the roll.

2. ROLL CALL

Council Present: Aldermen Stearns, Huette, Anderson, Sage, Hanson, McDade, Purcell, Schmidt, Fruin, Schmidt, and Mayor Stephen F. Stockton.

Staff Present: David A. Hales, City Manager, Barbara Adkins, Deputy City Manager, Tim Ervin, Director of Finance, Craig Cummings, Water Director, Mike Kimmerling, Fire Chief, Mark Huber, Planning and Code Enforcement Director, Ben McCready, Administrative Office, Seasonal Staff, Tracey Cover, City Clerk and Renee Gooderham, Deputy City Clerk.

RECOMMENDED FISCAL YEAR 2011 BUDGET DISCUSSION

Mayor Stockton cited the Work Session topic and reviewed the agenda. He recommended discussion of the proposed \$1.6 million budget reduction after the department presentations.

David Hales, City Manager, opened the meeting. He recommended amending the agenda to reflect Bloomington/Normal Public Transportation as item seven (7). The Bloomington/Normal Public Transit Board held their meeting on March 19, 2010.

Mr. Hales stated his appreciation to Staff and Council. The goal was to complete department presentations and begin Council discussion. Mr. Hales introduced Craig Cummings, Water Director.

1. Water Fund

Craig Cummings, Water Director addressed the Council. He provided an overview of the water fund. The department consists of five (5) divisions. The meter service and billing division reads approximately 30,000 meters each month. There were currently 90,000 customers and 300 miles of pipes within the City. The department also provides billing for the Bloomington Normal Water Reclamation District and Julie locate services. The projected FY 2011 budget was up \$1 million over the FY 2010 budget. The city's water rates were scheduled to increase on May 1, 2010. Mr. Cummings explained that the weather pattern affects usage which drives revenue. Expenses for FY 2010 had risen but were less then FY 2009. The department produces a product

that is consumed. The Julie locate program was an example of an unfunded mandate. They respond to over 16,000 requests per year. Staff had not been increased to meet the demand. Mr. Cummings noted that work was driven by safety standards i.e. underground trench, chemical safety. Both of these areas affect the budget. Reducing spending was a priority. Maintenance remains an area of concern. He cited fire hydrants as an example. There were thirty (30) hydrants out of service. On line bill payment was introduced in April 2009, currently there were 5,000 customers.

Mr. Cummings cited the FY 2011 goals: 1.) Proactive maintenance of water infrastructure; 2.) Ensure cost effective measures for infrastructure improvements; 3.) Self-fund all capital projects. He discussed radio reading water meters. The introduction of these radios would eliminate one (1) position with the remaining two (2) positions phased out in subsequent years

The Water Department also provides for services and maintenance on and around Lake Bloomington. Service examples like plowing snow on the roads, salting, and picking up dead animals were cited. The residents paid toward those costs through their lease. Mr. Cummings recommended that lake leases recover the full amount for those services.

Alderman Huette questioned lease increases. Mr. Cummings responded leases were in effect for ninety nine (99) years. An original lease holder would not have the potential for an increase until 2029 or unless the property sold. He suggested increasing lease fees with proper notice.

Alderman Anderson questioned if there was a time table to review leases. Mr. Hales responded that a lease study was currently underway. Ben McCready, Administrative Office, Seasonal Staff, addressed the Council. The comprehensive report would be reported back to Council. Mr. Hales stated that lease amounts should support services and maintenance at the lake. Alderman Anderson inquired if leases were revenue generating. Mr. Hales responded that that could be a policy option.

Alderman Huette questioned the courtesy patrol. Mr. Cummings stated that Ranger Rick retired. The current position was part time. Residents were asked to contact the Sheriffs Department. Mayor Stockton commented that Ranger Rick was well liked and was missed by the residents.

Alderman Hanson stated his belief that residents were willing to pay for services. He understood the concerns at the lake. This was not an easy fix. He reminded Council that the residents were not the only benefactors, it was community wide. Alderman Hanson believed that the Lake Bloomington Association was willing to partner with the City.

Alderman Purcell questioned policy when buildings were built on City property. Mr. Cummings stated that past practice was to keep peace and wait for the lease to renew. He asked for policy direction from the Council. Alderman Purcell questioned the ability to collect additional lease income. Mr. Cummings responded only when the lease renews.

Alderman Anderson questioned construction. Mark Huber, Planning and Code Enforcement Director addressed the Council. The McLean County Board approved structures and the City

issued the building permits. He noted that building code standards were hard to enforce. The area was large and removed from the city.

Alderman Purcell questioned the amount of staff for FY 2009 – 2010. Mr. Cummings stated seasonal employees were reduced last year. Seasonal staff free up full time staff to focus on other projects. He gave the example of inspections. This would reduce the need for consultants. He inquired about Water Treatment plant changes.

Mr. Cummings stated that a new carbon dioxide system was on the capital improvement projects list. Next year the goal would be to replace old filters. The plan would identify a safe capacity level. Consumption was down due to water conserving fixtures like low flush toilets. Mayor Stockton inquired if the city had reached capacity. Mr. Cummings replied that in 2005 the city reached twenty two (22) gallons. It was believed that this was brought on by the drought. Mayor Stockton suggested a drought ordinance.

Alderman Sage expressed interest in a conservation policy

Alderman Hanson suggested placing unfunded mandates on the city's web site.

Alderman Sage requested the number of unfunded mandates. Alderman Fruin suggested listing them by department. Mr. Hales responded that he trusts Staff to work out the details and communicate the information to the citizens.

2. Debt Service Funds

Tim Ervin, Finance Director addressed the Council. He referred to the city's long term debt on page 291 of the FY 2011 Recommended Budget. He spoke about each bond background and provided information on individual rates. The debt per capita comparing core cities was provided on page 293. In FY 2009 our debt per capita was \$1,041 based on a population of 74,975. Our debt ratio was below cities close to our population. He suggested using the debt per capita a performance measure.

Mr. Ervin referred to Exhibit A on page 294, Bond Payment Schedule. Bond payments were made twice a year June 1st and December 1st. He explained that payments would fluctuate for the next five (5) years as the principle was paid down. For example the total bond payment for FY 2011 was \$7.2 million, the 2012 payment drops to \$4.5 million and then hovers around \$5.6 million.

Mr. Hales asked when the principal payment begins on the U S Cellular Coliseum (USCC) bond. Mr. Ervin responded FY 2012. He reminded Council that these bonds were taxable.

Mr. Hales inquired about refinancing the 2001 bond. Mr. Ervin explained that refinancing would move \$900,000 into the City's cash flow. It was better to payoff the bond.

Mayor Stockton asked about a debt policy and the need to strike a balance. Mr. Ervin suggested three major policies: 1.) investment; 2.) reserve; and 3.) debt service (to formally set performance measures).

Mayor Stockton stated that the City's debt service was below most for a home rule municipality and includes city's not home rule.

Alderman Hanson requested a percentage chart showing debt per equalization accessed value. He realized the chart would be projections.

Alderman Purcell cited a Barron's article which stated that cities had issued too much bond debt. Fees were raised and people were out of work. He mentioned the Tea Party.

Mr. Hales stated a debt policy would assist citizens with understanding general fund vs. enterprise fund.

Alderman Stearns arrived at 9:15 a.m.

3. Capital Projects

Mr. Ervin provided an overview of Capital Projects from page 299. A small table at the bottom of page 309 indicated funds which when paid off would be closed. The tax increment district (TIF) for the Downtown remained listed. As the fund was paid the expenses would be reduced and the fund eventually closed.

Alderman Schmidt questioned Downtown TIF property tax dollars. Mr. Ervin explained that Mike Ireland, Township Assessor would reassess the TIF area. The funds would be redistributed based on tax levies submitted. He reminded Council that tax dollars for 2010 would be collected in 2011.

Alderman Stearns questioned obtaining TIF accounting through the Freedom of Information Act. Mr. Ervin responded that each TIF was shown on the Comprehensive Annual Financial Report (CAFR) individually.

Mr. Hales pointed out that a general template and project description was provided. He used the street resurfacing project as an example. This project consisted of two (2) funding streams \$ ½ million from motor fuel tax (MTF); and \$1 million from the general fund.

Alderman Sage questioned if these projects were linked to annexation agreements. Mr. Hales responded affirmatively. Alderman Anderson believed that the City was experiencing pain due to past agreements.

Alderman Hanson requested a road map for potential bond issues. He cited the Colton Combined Sewer Overflow (CSO) as an example. Mr. Hales stated that Jim Karch, Public Works Director was currently working on a capital improvement plan to prioritize and balance projects. Alderman Schmidt requested clarity on project completion dates.

Major Stockton expressed his interest in the creation of a fee subsidy study, and capital expense policy. The question to be answered was what portion of the budget should be invested in the infrastructure. Mr. Ervin stated that polices create goals.

Alderman Hanson raised concerns about infrastructure decay. The mode of spending and the revenue generated had not been balanced.

Alderman Stearns questioned if the Route 66 plan was tied with the Town of Normal. Mr. Hales responded affirmatively.

Alderman McDade suggested placing the capital projects list on the city's web site with links to the associated maps. Mr. Hales thanked the Engineering Division of Public Works for the maps.

Alderman Fruin challenged Council to find a balance of catching up current capital projects before new ones begin.

Mr. Hales asked Council to manage expectations of him and staff. It was his belief that there was continuous improvement and the action agenda was very aggressive.

Major Stockton urged balance suggesting Council complete these items first: 1.) maintenance; 2.) economic development; and 3.) quality of life. It was his belief that without these the community would not thrive.

4. Pension

Mr. Ervin began the Pension overview by referring to the articles beginning on page 481 of the FY 2011 Recommended Budget. He found the article Historic Public Safety Pension Enactments referencing timelines very interesting. He encouraged reading the articles. The Fire and Police and Illinois Municipal Retirement Fund (IMRF) pensions were in separate funds. IMRF was mixed with general funds and enterprise funds. He reminded Council that State Statue determined the amount of funding. The pensions had increased twenty to thirty percent (20 – 30%) across the board. The tax levy increase of 8.58% was tied to the pensions.

Mr. Hales presented a Full Cost Analysis for Entry Level Position(s). The handout represented the suggested four (4) new staff positions. He pointed out that IMRF pensions were 1/3 in cost when compared with Fire and Police Pensions.

Alderman McDade stated her appreciation for the handout. She questioned a tolerable level of pension funding. She inquired how the City compared with other counties and public employers. Mr. Ervin stated the City was a little above average. Alderman McDade asked if there were best practices and or changes to fund pensions. Mr. Ervin stated that City of Evanston fund pensions through licenses and food and beverage.

Alderman Sage questioned if the practice to hire new employees going forward would factor in the amount of pensions. Mr. Hales responded affirmatively.

The Council took a break to attend the ribbon cutting and open house for the West Bloomington Revitalization Project at 10:15 a.m.

5. PACE

Mayor Stockton called the Work Session back to order at 10:46 a.m. Mr. Hales introduced Mark Huber, Planning and Code Enforcement Director.

Mr. Huber addressed the Council. He provided a brief program description. The budget was less last year. The department had four (4) divisions: 1.) Code Enforcement; 2.) Planning; 3.) Community Development; and 4.) Facilities and Parking Management. Eleven (11) employees had taken early retirement or were laid off. The goal was to be 100% funded through permit fees. Every three to four (3 – 4) years fees were reviewed when the new code is adopted. New construction had decreased in the last quarter of 2009 and had bottomed out the first (1st) quarter of 2010. Permits had increase during the same timeframe. More people were remodeling their homes. Permits fees in 2009 were the lowest in twenty (20) years.

Mr. Huber stated that the Legal Department was currently reviewing the City's past practice of waiving fees. He cited the Cedar Ridge development as an example. Alderman McDade questioned if the policy would be used as a guide only. Mr. Hales stated that the expectation was 100% cost recovery. The question was how to make up the difference when fees were waived. The currently policy was too general; a higher level sets a better tone.

Alderman Stearns questioned if most fees were waved for Cedar Ridge. Mr. Huber responded affirmatively and would continue until the threshold was reached.

Alderman Purcell questioned personnel figures from page 144. Mr. Huber explained that he was the .25, split between the four (4) divisions.

Mr. Huber presented the Planning Division overview. The new planner, Mark Woolard had been hired. The budget had shrunk. He highlighted FY 2010 accomplishments. He stated his belief that as the economy turned around the current staffing level would not be adequate.

Mayor Stockton recommended that the comprehensive plan include spots for industry. Create a policy of in fill. He questioned the high priority areas. He stated that the current plan had identified old areas. Mr. Huber responded that the 2010 Census would assist with ideas. He cited the rail yard and the Eureka plant as possibilities.

Tracy Covert, City Clerk arrived at 10:45 a.m. and Renee Gooderham Chief Deputy Clerk left the meeting.

Mr. Huber reviewed the budget and staffing levels for Code Enforcement. He noted that the Community Development Division (CD) had two (2) staff members. \$1.4 million in grants had been received; same would be directed towards infrastructure. Staff was currently working on a vacant housing ordinance.

He cited labor costs. He believed there was a limited ability to raise revenue. The Rental Housing Program goal was to obtain self-sufficiency. A business registration program could assist with the inspector costs. He cited the benefits for same. Mayor Stockton suggested working with the City Clerk's office to prevent redundancy.

Alderman Sage questioned a landlord certification program. Mr. Huber responded same could begin in the future. He noted that landlord training would begin this fall and offered every two (2) years. He questioned incentivizing same. Mayor Stockton believed the inspection program and landlord certification should have balance.

Alderman Stearns questioned the number of rentals. Mr. Huber stated approximately 12,000 units. Each unit was inspected at least once and depending on results every seven (7) years thereafter. He noted that seventy to eighty percent (70 – 80 %) obtained a B rating. Inspections were conducted by region.

The CD worked in conjunction with the Code Enforcement Division related to maintenance and sustainability of housing and programs in the low to moderate income areas designated by the Department of Housing and Urban Development (HUD). The primary funding was the City's Community Development Block Grant (CDBG), distributed by HUD.

Mr. Huber highlighted the programs administered and sponsored under the Division. He noted under same properties too distressed for rehabilitation were demolished. The lots were donated to Habitat for Humanity or Youth Build. Public service activities included: Peace Meals, Homeless Activities – matching money for HUD's Continuum of Care Program and Emergency Services (PATH).

FY 2010 accomplishments were: 1.) successful application for the Single Family Owner Occupied Rehabilitation (SFOOR) funding; 2.) Collaboration with non for profit agencies and local financial institutions to apply for the Neighborhood Stabilization Program (NSP); 3.) Forty (40) housing rehabilitation loans low/moderate income, single family households were provided and 4.) Economic opportunities for local contractors to improve the quality of low to moderate income housing.

\$6,425 was provided to the General Fund (GF) to offset CD staff salary/benefits from the Continuum of Care's administrative budget. \$19,487 was provided to the GF for the Illinois Housing Development Authority's (IDHA) to offset CD staff salary/benefits. CDBG-R Federal stimulus money, in the amount of \$162,505 was used for sidewalk replacement in the West Side Revitalization Partnership area. Mr. Huber noted that two (2) staff members administered these programs and federal/state money associated with same.

Mr. Huber stated that the Facilities Management Division manages building operations, maintenance, and energy consumption, for various city owned building including downtown parking facilities. He noted the following FY 2010 accomplishments: The Coachman Hotel demolition, located at 408 E. Washington St., the federal energy grant application for upgrades to the City Hall HVAC and assisting Fire Station #5, located at 2602 Six Points Rd, construction.

Goals for FY 2011 were upgrading City infrastructure and facilities, conducting a facilities inventory/evaluation and completing the City Hall HVAC system.

6. Parking

The Parking Maintenance and Operations budget was used for operations of the Market Street, Snyder, Pepsi Parking decks, including the Major Butler surface lot. These facilities were unmanned by parking staff. The Market Street Parking Deck had approximately 550 parking spaces, 492 spaces were available for monthly rent. Same was built in 1974. The facility was rated poor by the department. Carl Walker, Inc., recommended \$1 million in structural repairs over the next three (3) years.

Construction of the Snyder Parking Deck was unknown. There were 103 spaces and 93 were available for rent. The Deck was rated poor. \$200,000 was budgeted for repairs. Same was listed as surplus and was listed for sale. The appraised value as of December 2008 was \$310,000.

The Pepsi Ice Center Parking Deck was built in 2005. There were 330 parking spaces and 33 available for rent. The Major Butler Surface Lot had 71 parking spaces with 33 available for rent. Both were rated in good condition.

The Abraham Lincoln Parking Facility was constructed in 1990 and was held in joint ownership with McLean County. According to the intergovernmental agreement the City and County split the bond payment and was financed through the McLean County Public Building Commission. There were 906 parking spaces. The City rented 599 spaces on a monthly basis. The City was responsible for the day to day operations.

Alderman Schmidt questioned facility automation. Mr. Huber stated that Market St. and the Lincoln facility were automated. Staff was still required. Mr. Hales noted that the parking structures were part of Goal #6, Prosperous Downtown Bloomington.

7. Public Transportation

Mr. Hales introduced the topic. The Bloomington Normal Public Transit System (B-NPTS) provided joint operation of a transit system within the corporate limits of the City of Bloomington and Town of Normal. Same was established in 1972. The City's budgeted amount purchases capital equipment needs for the B-NPTS. He noted the establishment of a separate budget exclusively for a bus subsidy. B-NPTS was primarily funded by federal and state assistance. The Board was working on establishing a debt policy. Past practice was to purchase outright. Mr. Hales stated that he had addressed the twenty percent (20%) local funding reduction to the Board. He believed the contribution could be used for the new facility construction, located at 351 Wylie Dr.

Alderman Schmidt questioned advertising on buses to generate revenue.

8. Requested Budget Information

Barbara Adkins, Deputy City Manager, addressed the Council. She reviewed the budget packet and Council requested information from the Work Sessions held on March 13 and 15, 2010. All departments would have performance indicators. Budgets would be reviewed monthly. She noted the Miller Park Zoo attendance included in the packet.

Community Relations Performance Indicators were provided by Fiscal Year versus calendar. The Community Relations was a division of the Human Resources Department. The primary budget focus area was: 1.) the Human Relations Commission; 2.) Ordinance compliance; 3.) Contract compliance; 4.) Internal/External Investigation and 5.) ADA Coordination/Compliance.

The City Clerk technology improvements/recommendations were reviewed. Freedom of Information Management (FOIA) improvements was highlighted. Access, a Microsoft product, was used to track requests. The data base was recently improved upon to provide enhanced automation of FOIA tracking/compliance. The office had been working with Information Services researching potential agenda management technology. It was noted that the City currently owns Laserfische. Same was used for digital imaging and could be used for agenda management.

9. City Manager Comments

David Hales, City Manager, addressed the Council. Fire station six (6), located at the Airport Station - 4040 E. Oakland Ave., response times were provided. Same was obtained by driving the posted speed limits, not calculating traffic light stops. Mike Kimmerling, Fire Chief stated that same was not an exact science. The department was working with the Town of Normal (Town) to improve response times and address call volume. Chief Kimmerling noted that Station three (3), located at 2301 E. Empire St., shared personnel with Station six (6). Three (3) firefighter's positions were required.

Aldermen cited concern with response times and the city expanding. They recommended partnering with the Town to address same. Chief Kimmerling stated that AVL technology enables dispatchers to see where every fire vehicle was located and send the closest unit to an emergency. An add-on to same would provide the best route. Chief Kimmerling stated that patients were provided an opportunity to state their hospital preference.

9b. Sales Tax Collection Update

Mr. Hales noted that Home Rule Sales Tax had increased fifteen percent (15%) over budget for the first (1st) quarter. The third (3rd) quarter was 5.9% which could raise the FY 10/11 budget projection. Sales Tax was a half percent (½%) over projections.

9c. **Final Budget Comments**

Aldermen questioned core and quality of life services. Council recommended the following: 1.) seasonal worker reduction; 2.) review staffing for duplication; 3.) program reductions and 4.) Develop a budget contingency plan.

10. The Council took a lunch break at 11:50 a.m. The meeting reconvened at 12:03 p.m.

11. **City Council Budget Deliberation**

Alderman Sage addressed the funding reduction to the following three (3) entities: 1.) Convention & Visitors Bureau (CVB); Economic Development Council (EDC); and 3.) Downtown Business Association, (DBA). He recommended that \$200,000 be taken from these three (3) entities and the dollars added to the total for street resurfacing. David Hales, City Manager, informed the Council \$170,000 had been removed from the recommended budget. He questioned the Council's support of same.

Alderman Schmidt expressed her concern regarding funding for the SSA (Special Service Area) study. An SSA needed to be established. There needed to be a funding mechanism to sustain the DBA. Mr. Hales informed the Council that there had been discussions with Erika Kubsch, DBA Executive Director. She had requested \$20,000 from the City. He recommended that this cost be included in the DBA's budget. He believed that there were various options to fund this study.

Alderman McDade read from Ms. Kubsch's letter to the Council, (see page 7). She recommended that the DBA's funding level be maintained and that the SSA study funding be included in this figure. The City did not commit to funding the SSA study.

Alderman Schmidt perceived that the true funding reduction to the DBA would be \$60,000. Mr. Hales questioned if the Council's intention was to give the DBA \$195,000 plus \$20,000 for the SSA study. He had budgeted \$156,000. This figure included \$20,000 for the SSA study. The DBA would need to make their own budget adjustments. He acknowledged that the DBA needed to find a permanent funding source.

Alderman Fruin had attended an SSA meeting. He believed that the DBA intended to seek alternative funding for this study.

Alderman Anderson noted that the DBA had approached the City for funding. Mr. Hales had directed the DBA to seek private donations. Alderman Schmidt informed the Council that the DBA has raised \$3,000 from Downtown businesses. McLean County requested the City's commitment (funding level) before it offered same. The City had given the DBA a directive. She found the situation troubling.

Alderman McDade believed that the City needed to inform the DBA as soon as possible. She expressed her support to fund up to fifty percent (50%) of the cost for the SSA study.

Mayor Stockton expressed his support for the idea of pain sharing. However, the City might be perceived as acting like the state. He encouraged the Council to think this matter through carefully. He noted that the funding reduction was at twenty percent (20%) across the board. He questioned if the total amount, (\$170,000) could be customized. The City had intergovernmental agreements with the CVB and EDC. He suggested that the Council consider previous reductions. He noted that the DBA was scheduled for a reduction. In addition, the CVB returned money to the City this fiscal year. He questioned granting the CVB a credit for the FY 2010 – 2011. He recommended that the reductions be customized. He cited that the percentage be set at the same percentage level (of reduction) as the City's budget.

Alderman Anderson noted the current reduction by City departments, (ten percent). He added that these three (3) agencies were requested to reduce their funding request last year. Only the CVB returned funds to the City. All should feel the pain. He cited Council's expectation for the City's employees. He expressed his support for a twenty percent (20%) reduction to the DBA. He recommended that the City fund the SSA study at an adequate amount.

Alderman Sage echoed Alderman Anderson's comments. He restated that this was the second year for budget reduction at the City. It has been business as usual for the outside agencies. He believed that these entities would survive. He acknowledged the CVB's reduction, (\$20,000). Mr. Hales noted that these dollars were budgeted to build a kiosk at the Central Illinois Regional Airport. There was no reduction to the operating budget.

Alderman Fruin believed that the EDC had reduced its staffing level by two (2). Alderman Sage added that no funds were returned to the City. Mr. Hales informed the Council that the EDC reduced expenses due to a decrease in private sector contributions.

Alderman Huette noted that the total dollars (\$170,000) for these three (3) entities. He recognized the return of \$20,000 by the CVB. These dollars have been removed from the budget. If the Council wanted to fund the SSA study, then \$20,000 would need to be removed from the CVB and the EDC. Alderman Anderson noted his view point that the SSA study was a separate program. He informed the Council that he had met with the EDC this week.

Alderman Sage restated that the City did not commit to funding the SSA study.

Alderman Schmidt noted that the City agreement with the DBA was scheduled for annual renewal. The DBA's plan was fund the SSA study with the funds received from the City. The City had given the DBA a directive to start an SSA.

Mayor Stockton believed that a good starting point was the twenty percent (20%) reduction. A key issue for the DBA was SSA study funding.

Alderman Fruin recommended the DBA funding be set at \$156,000 with an additional \$11,000 for the SSA study.

Alderman Schmidt expressed her belief that the DBA would be grateful for any City funds toward this study.

Alderman Sage recommended that the Council retain the \$170,000 reduction. The Council would need to find the \$11,000 from other agencies.

Alderman Hanson expressed his support for the figures presented. He also recommended that the City fund the SSA study in full. The DBA needed to be financially independent of the City. He believed that this was unfortunate but workable.

Mayor Stockton addressed SSA funding. Alderman Schmidt recommended \$15,000.

Alderman Stearns addressed the Citizen's Survey. A lot of money had been invested in the Downtown. The Downtown was not clean and safe. Citizens were least satisfied with a revitalized Downtown. She did not want to fund the study.

Alderman McDade stated that the first phase of the study called for a clean and safe Downtown. She found comfort in the DBA's efforts. The DBA had a vision.

Mr. Hales recommended that each agency be addressed. The Council should question the importance of each one. He reminded the Council that the Bloomington Normal Public Transit System (BNPTS) was still fully funded.

Alderman Sage recommended that the CVB receive twenty percent (20%) less with the addition of \$20,000.

Alderman Huette stated the total reduction, (\$170,000). If \$11,000 was added to the DBA, then the CVB (\$6,000) and EDC (\$5,000) would have to be reduced further.

Alderman McDade supported \$156,000 for the DBA with an additional \$11,000 for the SSA study.

Mayor Stockton noted that the Council had added \$31,000 to the budget. There had not been any discussion regarding the EDC. Alderman Fruin noted that the EDC would be reduced from \$80,000 to \$31,000. He added that the CVB received the largest sum, (estimated at \$500,000). He believed that this agency had the ability to absorb a reduction. Mr. Hales cited the ability for revenue enhancements through memberships (hotel/motel). Alderman Fruin recommended that the CVB receive the largest reduction.

Alderman Purcell noted that the CVB was funded by the hotel/motel tax. Mr. Hales noted the City's debt service for the US Cellular Coliseum and the Bloomington Center for the Performing Arts. Tim Ervin, Finance Director, informed the Council that the Hotel/Motel Tax generated an estimated \$1.6 million. Alderman Purcell noted that the City returned about one third of these dollars to the CVB. He expressed his support for using these dollars, (hotel/motel tax) towards the debt service on these two (2) buildings.

Alderman Hanson recommended that the Council accept the City Manager's recommendation, (twenty percent reduction). Mayor Stockton believed that the Council would support a reduction of \$170,000.

Mr. Ervin presented the Council with the following figures:

Total proposed reduction	= \$167,200
EDC	= 60,500
CVB	= \$448,000
DBA	= \$151,642
SSA study	= 11,000

He also presented percentages:

EDC	= 9%
CVB	= 66%
DBA	= 23%
SSA study	= 1%

Alderman Fruin requested percentage based upon last year's funding level. He believed that the EDC's overall reduction would be thirty percent (30%).

There being no further business the meeting adjourned at 3:15 p.m.

CITY OF BLOOMINGTON

ATTEST

Tari Renner, Mayor for
Former Mayor Stephen F. Stockton

Cherry L. Lawson, City Clerk for
Former City Clerk Tracey Covert