



**CITY OF
BLOOMINGTON
COMMITTEE OF THE
WHOLE MEETING
OCTOBER 16, 2017**



City Logo Design Rationale

The symbol for the City of Bloomington is multifaceted in its visual and conceptual approach. Visually the symbol and the City's identity represent a modern progressive style which is consistent with the City's government. The symbol is based on three different concepts which combine to represent the City in a contemporary and appropriate way.

First and foremost is the chevron. The City government is a respected agency dedicated to serving the public. In this way, the chevron represents service, rank and authority.

The symbol may also be seen as a three dimensional building. This represents growth and diversity in our community.

Finally, the flower or plant derived from the original name "Blooming Grove," represents a community that is friendly and safe. Progress and growth are also associated with plant life as well as regeneration and renewal.

The symbol's positive upward movement is representative of the City's commitment to excellence!

Brief Summary of Five Council Priorities

Five Priorities

At the September retreat, Council informally selected its top five priorities, and since that time staff has seen that these five areas are the dominant focus of the Council's policy deliberations. The selected priorities are:

1. Economic Development
2. Infrastructure
3. Financial Planning
4. Reduced Emergency Response Times
5. Downtown Implementation Plan

The value in naming priorities is to establish policy direction, make that direction known to stakeholders and guide policy, budget and operational decisions. As we work to develop the City's FY17 budget, staff would find value in formalizing the five priorities for the next fiscal year.

Prior to formalization, we have prepared this brief summary to begin the dialogue about what each priority means, where it stands and what it will take to advance each going forward.

1. Economic Development

- A. Economic development was overwhelmingly recognized by the Council as **essential to the financial sustainability** of the community. It is our prime means to diversify our tax base and expand our revenue streams.
- B. City of Bloomington economic development is undertaken in parallel with **regional collaboration** and economic development initiatives of the EDC, B/N Advantage and others.
- C. The time is right to review our **economic development strategic plan and incentive policy**. Tools such as TIF are invaluable for the redevelopment of areas such as Colonial Plaza, and will be key to our success.
- D. Economic development cannot stand alone and depends on sound infrastructure and quality of life to successfully ensure a financially-sound future for our community.

2. Infrastructure

- A. The City is decades behind in funding much-needed **infrastructure maintenance**, estimated to total \$400M or more. Reliable infrastructure with the capacity to handle growth is essential to economic development, quality of life and the City's financial long-term stability.
- B. Our City's recently completed **infrastructure Master Plans**, encompassing streets, sanitary sewers, storm water, facilities, sidewalks and more provide detailed inventory, condition rating and make it possible for us to assess and prioritize critical needs.
- C. The next essential step is to develop a **five year Capital Improvement Plan** to address the most urgent/timely needs, AND a funding strategy.
- D. Some projects included in the City's Master Plans are prime candidates for borrowing. Financing options are many, and Council will determine a preferred strategy, ranging from conservative to aggressive.

3. Financial Planning

- A. Since the Great Recession, we are all adapting to a new economy that requires us to have a **long-term, continuously evolving plan for financial sustainability**, including a plan for appropriate reserves. We must have a balanced budget to avoid the pitfalls and reputational damage that many other governments continue to experience.
- B. A deficit in the City's General Fund was averted in the near term through Budget Task Force recommendations and the Council's recent adoption of a 1% sales tax increase. However, the City's expenses, especially those tied to Police and Fire pensions and labor costs, will continue to increase over the years. The **potential for a General Fund structural deficit** will continue to threaten future budgets.
- C. It will take all of us, including our citizens, to develop solutions for achievement of financial sustainability. We must focus on refining our financial projections, re-forecasting when appropriate, identifying programs and services, establishing appropriate levels of service performance measures, and prioritization.
- D. A **Capital Improvement Plan and funding** is critical to the City's financial strategy now and going forward.

4. Reduced Emergency Response Times

- A. Despite the excellent efforts of our first responders, the Fire Master Plan identified that **service to the City's northeast portion is inadequate and response times are below our standards**. Long-term, the Master Plan recommends a new Fire Station facility to serve the northeast area of the City. In the short-term, we must identify creative and innovative methods to reduce EMS and fire suppression response times.
- B. Quality public safety services are essential to a community's Economic Development and, with so many financial resources devoted to public safety, **finding efficient solutions to public safety issues** contributes to the long-term financial health of the community.

5. Downtown Implementation Plan

- A. The Downtown Master Plan was adopted by the City Council in 2013 without an Implementation Plan. Increased interest in Downtown economic development, notably in the proposed addition of hotel and/or convention center space, indicates this is the time to **design the City's role** in success of the Downtown.
 - a. It will take inside and outside **resources to vet potential Downtown projects**.
 - b. We must determine the amount and type of **public engagement** that is appropriate for Downtown development proposals.
 - c. Traditionally, municipalities play a role in Downtown **streetscape improvements** and meeting its **parking needs**.
- B. We can **build upon the qualities that make our Downtown special**, such as our ties to President Lincoln and Route 66, both expertly displayed in the new Visitors Center at the McLean County Museum of History. Smart economic development in Downtown will expand on existing assets and attractions like the Museum, the BCPA and the Coliseum.



RESOLUTION NO. 2016 -29

A RESOLUTION ADOPTING A MISSION, VISION AND VALUES STATEMENT FOR THE CITY OF BLOOMINGTON

WHEREAS, the City of Bloomington ("City") is an Illinois home-rule municipality; and

WHEREAS, the City is known as the "Jewel of the Midwest;" and

WHEREAS, the City is a great place to live, work and play; and

WHEREAS, the City Council desires to adopt a statement expressing the Organizational Mission, Vision and Values of the City.

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 formally adopt the following as the City's Organizational Mission, Vision and Values:

Mission: To lead, serve and uplift the City of Bloomington

Vision: A Jewel of Midwest Cities

Values: Service-centered, results-driven, inclusive.

Section 3. All resolutions in conflict with this Resolution, as well as any previous statements adopted on the mission, vision and values of the City are hereby repealed.

Section 4. This Resolution shall be in full force and effect immediately after its passage and approval.

APPROVED by the City Council of the City of Bloomington, McLean County, Bloomington, Illinois, July 25, 2016, by a vote of 7 to 1. (Nay: Alderman Kevin Lower) (Absent: Alderman David Sage)

CITY OF BLOOMINGTON

Tari Renner, Mayor

ATTEST

Cherry L. Lawson, City Clerk

AGENDA



**CITY COUNCIL COMMITTEE OF THE WHOLE
MEETING AGENDA**

**CITY HALL COUNCIL CHAMBERS
109 EAST OLIVE, BLOOMINGTON, IL 61701
MONDAY, OCTOBER 16, 2017, 5:30 P.M.**

1. Call to Order
2. Roll Call of Attendance
3. Public Comment

(Each regular City Council meeting shall have a public comment period not to exceed 30 minutes. Every speaker is entitled to speak for up to 3 minutes. To be considered for public comment, complete a public comment card at least 5 minutes prior to the start of the meeting. Names will be randomly drawn from the cards submitted. Public comment is a time to give comment. It is not a question and answer period and the City Council does not respond to public comments. Speakers who engage in threatening or disorderly behavior will have their time ceased.)

4. Consideration of approving the Committee of the Whole Meeting Minutes of September 18, 2017 and August 21, 2017. *(Recommend that the reading of the minutes be dispensed with and approved as printed.)*
5. Presentation and discussion on the FY 2019 Budget and Long-term Financial Sustainability Planning. *(Presentation by David Hales, City Manager and Patti-Lynn Silva, Finance Director, and Melissa Hon, Assistant to the City Manager 15 minutes. City Council discussion, 45 minutes.)*
6. Discussion regarding the City Manager Recruitment Process. *(Presentation by David Hales, City Manager and Nicole Albertson, Human Resource Manager 10 minutes; and Council discussion 20 minutes.)*
7. Executive Session
 - A. Personnel - Section 2 (c) (1) of 5 ILCS 120/2) *(approximately 30 minutes)*
8. Adjournment *(approx. 2 hours)*

Note: Although no formal action will be taken on any matters at this meeting beyond approval of the minutes, direction may be provided to city staff on agenda items.



**COMMITTEE OF THE WHOLE MEETING
AGENDA ITEM NO. 4**

FOR COUNCIL: September 18, 2017

SUBJECT: Consideration of approving Committee of the Whole Meeting Minutes from August 21, 2017

RECOMMENDATION/MOTION: that the reading of the minutes 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.

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:

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

David A. Hales
City Manager

Attachments:

- August 21, 2017 Committee of the Whole Meeting Minutes

**SUMMARY MEETING MINUTES
COMMITTEE OF THE WHOLE SESSION
PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL OF
BLOOMINGTON, ILLINOIS
MONDAY, SEPTEMBER 18, 2017; 5:30 P.M.**

1. Call to Order

The Council convened in Committee of the Whole Session in the Council Chambers, City Hall Building, at 5:30 p.m., Monday, September 18, 2017. Mayor Pro Tem Schmidt called the meeting to order and directed the City Clerk to call the roll.

2. Roll Call

Aldermen Present: Mboka Mwilambwe, Amelia Buragas, Joni Painter, Karen Schmidt, Scott Black, Diana Hauman, Jamie Mathy, Kim Bray and Mayor Tari Renner (Absent).

Staff Present: David Hales, City Manager (Absent); Steve Rasmussen, Assistant City Manager; Jeffrey Jurgens, Corporation Counsel; Cherry Lawson Clerk; Brendan Heffner, Police Chief; Scott Sprouls, Information Services Director; and other City staff were present.

3. Public Comment

Mayor Pro Tem Schmidt opened the meeting to receive Public Comment. One comment card was received.

Donna Bolen

4. Consideration of approving the Committee of the Whole Meeting Minutes of August 21, 2017.

Motion by Alderman Bray, second by Alderman Painter, that the minutes of the Committee of the Whole Meeting of August 21, 2017 be approved and dispensed with noted corrections.

Mayor Pro Tem Schmidt directed the Clerk to call the roll which resulted in the following:

Ayes: Aldermen, Mwilambwe, Sage, Painter, Schmidt, Black, Hauman, Buragas, Mathy, and Bray.

Nays: None.

Motion carried.

5. Presentation and discussion on unfunded general capital projects and available and alternative funding sources. (*Presentation by Steve Rasmussen Assistant City Manager and Finance Director Patti-Lynn Silva, 15 minutes. City Council discussion, 30 minutes.*)

Ms. Silva presented a refresher on both the unfunded and funded parts of the Capital Budget. There are the Enterprise and Non-enterprise and the specific projects that belong in each. On unfunded, the Water Department would like to do more and sanitary sewer is the maintenance that we are not quite hitting right now. The focus will be on the Non-enterprise Fund Capital Projects. Staff has identified specific projects and stated that these are nothing that Council has decided but needs that are out there. The question is if we do not have a specific user fee for these types of capital needs, where do you look. Those areas are where you get into your general taxation, and a lot of that has been earmarked for some capital projects like streets and funding mental health. We also have some deficit issues that we have been dealing with.

Mayor Pro Tem Schmidt asked Ms. Silva if she could put a dollar amount on the structural deficit.

Ms. Silva stated that roughly for 2019, it is about \$1.6 million; the question is if it is \$1.6 without having any Capital Maintenance in it. The policy decision is Capital Maintenance going to be a discretionary part of the budget or not. If not then how can we maybe get something going for not just basic infrastructure but also building the tax base.

Alderman Buragas inquired as to the numbers on sanitary/sewer, and whether they include any projections based on what we may or may not do with fees. If any narrowing of projects had been done off the master list received. Is staff making any recommendation yet in terms of what a full CIP budget might look?

Alderman Mathy stated he had not seen an update yet of where we are with funding of Police and Fire Pensions. He stated we were on an accelerated payment schedule to try to get ahead of those payments, and whether we were still on track with that.

Alderman Mwilambwe asked where the General Fund Reserve stands.

Ms. Silva stated at the end of April, we had about 15% Fund Balance and finished the year with a modest surplus.

Alderman Black stated that looking at fee increases for sewers, storm water and other things we were talking about, it is just pieces of the puzzle and would prefer when we do the full vote in March that it includes all of those things at once.

Mayor Pro Tem Schmidt asked Ms. Silva to speak about the sales tax increase.

Ms. Silva then explained the various areas that profited from the sales tax increase.

6. Presentation and discussion on proposed sanitary/storm sewer rates. (Presentation by City Manager David Hales, Public Works Director Jim Karch, and Finance Director Patti-Lynn Silva, 5 minutes. City Council discussion, 25 minutes.)

Mr. Karch noted that the Sewer Master Plan was approved by Council two years ago, and it recommended funding levels. We are suggesting that the Council move forward with action on the Enterprise Fund for both the storm and sanitary. He presented two options of a five (5)-year roll-out of 11.6% a year for sanitary sewer rates and an 8.2% increase over five (5) years for storm water rates. Staff is presenting a modified rate that would allow for year 1 for those rates to be put into place, and then we would have that same ongoing 3% moving forward.

Alderman Sage asked what the ultimate ask that would be suggested that Council would have to make on the taxpayers to cover infrastructural deficit.

Alderman Hauman asked if we wait three to four (3 to 4) months for a more strategic view, what would happen to the plan going forward.

Mr. Karch stated that there would not be a decision in three or four (3-4) months and the real concern from the staff perspective is that there are needs right now. Even for this rate increase, we are suggesting May 1, 2018.

Mayor Pro Tem Schmidt added that we are still talking about May of 2018 whether we would vote next week or a month from now.

Alderman Black stated his worst case scenario would be that we pass something in October, November or December and then we do not have the capital to handle some of the other things that are coming along with the whole budget for next year and the next capital improvement projects, and would like to do it as part of the budget adoption.

Alderman Buragas asked whether it was correct that no matter what was done with the General Fund, those decisions will have zero impact on this Fund and our ability to begin chipping away at our sewer/storm water needs. She stated the need is so apparent, and this decision needed to be addressed as soon as possible.

Alderman Mathy agreed with Alderman Buragas and stated if we cannot fix the foundation, how we talk about everything else on top of it.

Alderman Painter stated she would like to move on aggressively, as well, and wondered if we paid for it in three (3) years, maybe tacking the fee on a sliding scale and get all the money in three (3) years and just do it.

Alderman Sage stated, it was concerning to him to hear that this was going to be done a piece at a time because at the end of all of those pieces, it is a significant total increase on the tax burden that we put on our citizens.

Alderman Mwilambwe stated, he recognized the importance of the issues and any other time would be for a very aggressive plan, but at the same time when it is other peoples' money, he is very cautious about that. He also considered the fact that we are not the only body that is going to increase fees, so looking at the totality of property tax bills, sales taxes and other fees; he wanted to be sure that people feel like they can meet all their obligations without too much frustration.

Alderman Bray stated this issue involves public health and our infrastructure, which are two top priorities for her. For that reason, she does not see this as something that we bargain away later. When looking at the numbers, the typical residential bill will go up \$6 a month, which is nominal.

Mayor Pro Tem Schmidt asked for a consensus vote at that time and if those in favor of having this on the agenda next week would please indicate whether they were looking at the larger increase or the longer increase.

Alderman Bray - Next week, immediate.

Alderman Hauman – Next week, immediate.

Alderman Black – Budget process, immediate.

Mayor Pro Tem Schmidt - Budget process, immediate.

Alderman Painter - Next week, immediate.

Alderman Buragas - Next week, immediate.

Alderman Mwilambwe - Next week, both.

Alderman Sage – Not next week.

Alderman Mathy - Next week, both.

7. Presentation and discussion on the Budget Calendars for the FY2019 Operating Budget and 5-Year CIP Budget. (Presentation by City Manager David Hales and Finance Director Patti-Lynn Silva, 5 minutes. City Council discussion, 10 minutes.)

Mayor Pro Tem Schmidt stated when we make some of these critical decisions, we have not prioritized a lot of our capital improvement wish list and asked Mr. Rasmussen and Ms. Silva to speak about this.

Ms. Silva stated everyone had a handout on our normal proposed budget cycle and if anyone had preferences of what they might like to see modified, they would like to hear that. She spoke about the pre-budget presentation and stated going over the major parts of budget, filling everyone in on the condition of all parts of the budget; and make sure everybody has the facts before the fall retreat, and leave enough time before the tax levy should you want to act on that.

Alderman Hauman asked how we can talk about the tax levy when we do not have a budget.

Ms. Silva responded that she hoped to set the stage prior to the discussion of the tax levy.

Alderman Black suggested that we carve out every Committee of the Whole a half hour, pick a topic, and talk about the budget.

Mayor Pro Tem Schmidt stated we need to figure out a process for prioritizing the capital projects.

8. Adjournment.

Motion by Alderman Mwilambwe, seconded by Alderman Hauman, to adjourn the Committee of the Whole Session. Time: 6:45 p.m.

Motion carried. (Viva voce)

CITY OF BLOOMINGTON

ATTEST

Karen Schmidt, Mayor Pro Tem

Cherry L. Lawson, City Clerk

**SUMMARY MEETING MINUTES
COMMITTEE OF THE WHOLE SESSION
PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL OF
BLOOMINGTON, ILLINOIS
MONDAY, AUGUST 21, 2017; 5:30 P.M.**

1. Call to Order

The Council convened in Committee of the Whole Session in the Council Chambers, City Hall Building, at 5:30 p.m., Monday, August 21, 2017. Mayor Pro Tem Schmidt called the meeting to order and directed the City Clerk to call the roll.

2. Roll Call

Aldermen Present: Mboka Mwilambwe, Amelia Buragas, Joni Painter, Karen Schmidt, Scott Black, Diana Hauman, Jamie Mathy, Kim Bray and Mayor Tari Renner (Absent).

Staff Present: David Hales, City Manager; Steve Rasmussen, Assistant City Manager; George Boyle, Assist. Corporation Counsel; Renee Gooderham, Chief Deputy Clerk; Brendan Heffner, Police Chief; Bob Yehl, Water Director, Scott Sprouls, Information Services Director; Tom Dabareiner, Community Development Director; and other City staff were present.

3. Public Comment

Mayor Renner opened the meeting to receive Public Comment.

4. Consideration of approving the Committee of the Whole Meeting Minutes of April 17, 2017.

Motion by Alderman Schmidt, second by Alderman Black, that the minutes of the Committee of the Whole Meeting of May 15, 2017 be dispensed approved with a correction to the minutes.

Mayor Renner directed the Clerk to call the roll which resulted in the following:

Ayes: Aldermen, Mwilambwe, Sage, Painter, Schmidt, Black, Hauman, Buragas, Mathy, and Bray.

Nays: None.

Motion carried.

5. Fire Service Strategic Planning. (*Presentation by Fire Chief Brian Mohr 20 minutes, Council discussion 20 minutes.*)

Mr. Hales stated, Chief Brian Mohr will be speaking tonight on fire strategic planning.

Chief Mohr gave a presentation on the Fire Department's strategic plan to address the emergency response time issues that we have been seeing.

Mr. Hales asked a question about the slide presentation concerning EMS response time. Chief Mohr presented information on the history of the Bloomington Fire Department Ambulance service. Mr. Hales asked several questions concerning the staffing and use of a second ambulance.

Chief Mohr explained that they were currently down eight personnel, and that he would like to get staffing increased by October. We has two ambulances last budget year, and both are in currently and are in operation.

Mr. Hales added that we want to continue to work on how both Normal and Bloomington can work together for the betterment of the communities such as with automatic vehicle locators or location technology. We are trying to go beyond this mutual aid and see how we can be functionally integrated with one another. The biggest cost we have in the fire service delivery whether it is EMS or suppression, is not the bricks and mortar, it is the manpower.

Alderman Buragas stated that a number of conversations in the past have focused on the response times in the northeast and southwest quadrants as being an issue and those conversations created the impression that that was where the majority of the response time issues were. But, when it comes to the point map, it drives home that this is an issue facing the entire City, and it looks like the recommendations are focused on staffing. She asked Chief Mohr what his level of confidence was that those staffing issues and ramping up our staffing could be effective at achieving reduced response times in the central portion of our City.

Chief Mohr stated he is confident in knowing that we have the right resources. It is all about concentration and distribution of those resources and how we can fine-tune those.

Mr. Hales added that he and the Chief has had many discussions. We have high expectations. We have an integrated fire suppression and EMS; though it sometimes can be a challenge from hiring.

Alderman Mathy asked whether Chief Mohr would comment on the rate of increase of ambulance calls that are outpacing the rate of increase in population.

Chief Mohr agreed and stated that we have three extended care facilities that are going to be opening up here very shortly, the northeast has two and that is going to impact us two hundred calls in that service area alone in the next year.

Alderman Mathy stated that we use the paramedic/firefighter model and asked if Normal did that also.

Alderman Mwilambwe asked about what is involved in a location study. Chief Mohr explained that you would need to look at the street and whether it is a thoroughfare and has accessibility; bridges, rail, and travel distance from areas of other stations from boundaries and the future growth of the community.

Alderman Black stated, he had heard the subject of collaboration with Normal many times, but the last thing he had heard was that Normal had walked away from the table and asked if that was still the case. Mr. Hales stated that we have continued to have conversations especially on the administrative and the fire. We continue to talk about the AVL and others, but it just has not moved as quickly as we would like.

Alderman Black stated, there is political support to continue these discussions. Mr. Hales stated that we may also have to revisit a serious discussion of the communication centers. Chief Mohr stated in terms of the AVL issue, part of the delay was for Normal to actually get to that same level with that. They are working to improve those times.

Alderman Bray inquired about any analytics that align with population. Chief Mohr stated, he could not say exactly that there was an analytic that he could go out and grab, but that he had talked about other communities and their population base and how our call volume and the number of firefighters we have per capita compare. We are on the high side of calls per capita and we are on the low side of staffing per capita.

6. Five Year Capital Improvement Plan. (*Presentation by David Hales, City Manager, and Patti-Lynn Silva, Finance Director 20 minutes, Council discussion 20 minutes.*)

Mr. Hales presented information on the Capital Improvement Plan stating, staff has updated our revenue numbers, which is such a key part of what we can project. Tonight we want to focus on two scenarios.

Ms. Silva presented information on the different projects in the packet and the funds budgeted for them and explained the two graphs that were presented in the packet.

Mr. Hales then presented information on the infrastructure bond. Ms. Silva stated that Normal is doubling their sewer rate over a 5 to 6 year period and are not just doubling their usage rate but their fixed rate.

Mr. Karch presented information concerning the sewer rates and asked for the temperament of Council if the City implemented some of the rate increases that recently the Town of Normal

has done. What if we just matched exactly what they did? It is so much more cost effective to be proactive rather than reactive.

Alderman Buragas asked if we could set some numbers on this issue. When we talk about doubling rates, it sounds like a very extreme solution. Mr. Karch stated initially we would be looking at going from \$9.50 for an average user to \$11.60 May 1st of 2018, and that would incrementally increase over time.

Mr. Hales added that he believes residents do understand that we have a serious problem with infrastructure and thinks it is because we have been very vocal in sharing that information with all these master plans. The successful approach in working with our rate payers and those who are ultimately going to pay the bill is to say if we do nothing what can we accomplish in the way of utility improvements and be specific with it.

Alderman Buragas stated that we have not discussed this since December 14, 2015, but we have to address this issue.

Mr. Karch stated we have put a high priority in this community on the need to keep driving forward economic development. We have talked about the importance of streets, but you cannot neglect what is underneath it. It is time we really need some action or we are getting beyond the crisis point.

Mr. Hales stated part of tonight's discussion is to get some direction from the Council. We have all got to keep in mind, it took decades or probably a half century to get to where we are today. We are not going to get out of it in 5 years, 10 years or even 20 years. Mr. Karch stated they needed five years. They need a communication plan, so to inform citizens of what we are going to be doing.

Alderman Mwilambwe stated that his impression was that the rate increase was over a much longer period of time as opposed to what we have in front of us.

Mr. Karch replied that it was a five-year with an on-going recommendation. One thing we have talked about that the City has not done well is a continuation of small incremental increases. Once we get to a fair level, we forget about it.

Alderman Mwilambwe stated one of things he was thinking about was many other bodies, institutions and groups have a reserve fund so that they can avoid this sort of crisis situation. It will be something we need to explore in the future because I think it does set the expectation of what we want to do.

Mr. Hales stated, the City had been for decades subsidizing residential development and being the banker instead of doing what we should have done and that is paying attention to reinvesting into our existing utilities.

Alderman Mwilambwe stated he would be curious to see what those numbers would look like over a longer period of time but taken into consideration that we want to build up a reserve fund that allows us to address issues as they come up rather than having this crisis situation every so often. As we double rates, or change rates, are we taking into consideration the fact that people might make adjustments as well to their consumption.

Alderman Mathy commented on an article he read that said Comcast says raised their rates for basic cable and has outpaced inflation on average of 60 something percent over the last decade. So, people are willing to pay for basic cable but have we ever asked them are they willing to not have their sewer back up into their house? When we are looking at things like that, it is just keeping things in perspective.

Alderman Sage stated it is okay to ask our residents, are you not willing to pay to not have sewers back up in your house, but residents then have the right to say City Council what are you doing to reduce expenses elsewhere in order to reallocate money into these core services. That's just as fair question if probably a lot more pertinent question to ask.

Mayor Pro Tem Schmidt asked Mr. Hales what do you need from us and when do you need it? Mr. Hales stated he would like to see if there was general support for staff to bring back a five (5) year projection of what we could do if, and we are going to start with sanitary, sewer and storm water fees, if we were to look at say 100% increase but phase it in, what exactly could we do in five (5) years? What could we not do? The other thing is we are also going to bring back some recommendations how to address the non-enterprise fund projects.

7. Update on Priority-Based Budgeting. (*Presentation by Melissa Hon, Assistant to the City Manager 15 minutes, Council discussion 15 minutes.*)

Mr. Hales stated there is a reason for how we put these together. Studies across the nation have demonstrated that when you look to the electorate and where their threshold is on how much taxes they want to pay, too often they are saying hey, I'm already drowning in federal, state and local taxes. They are saying enough is enough.

Ms. Hon provided a general overview and talked about the importance of priority-based budgeting and what we have accomplished so far and what we plan to do moving forward. She gave the definition of priority based budgeting and explained its importance. She also went through accomplishments talked about at the Saturday budget work session back in March.

Mayor Pro Tem Schmidt thanked Ms. Hon for the priority-based budget briefs that were sent out.

8. Adjournment.

Motion by Alderman Mwilambwe, seconded by Alderman Hauman, to adjourn the Committee of the Whole Session. Time: 7:40 p.m.

Motion carried. (Viva voce)

CITY OF BLOOMINGTON

ATTEST

Karen Schmidt, Mayor Pro Tem

Cherry L. Lawson, City Clerk



**COMMITTEE OF THE WHOLE MEETING
AGENDA ITEM NO. 5**

FOR COUNCIL: October 16, 2017

SUBJECT: Presentation and discussion of Budget and Long Term Sustainability Planning

RECOMMENDATION/MOTION: Discussion Only

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

STRATEGIC PLAN SIGNIFICANCE: Objective 1.A-Budget with adequate resources to support defined services and level of services; Objective 1.D-City services delivered in the most cost-effective, efficient manner.

BACKGROUND: In preparation of the FY'2019 budget it has been determined that the City has an estimated General Fund deficit of approximately \$1.5 million, not including the recommended funding levels for Capital Maintenance. The mission of the City of Bloomington is to be financially responsible providing quality, basic municipal services at the best value. As part of this effort the City is implementing the Priority Based Budgeting initiative.

Cost management includes budgeting for want to keep or Priority Based Budgeting by either trading another priority, reducing a service level or examining revenue.

Priority Based Budgeting will provide a systematic bottom-up approach that will align the budget with the desired results and is critical to advancing the City's sustainability.

Some programs provide services for the safety, health and welfare of the community, while other programs provide a certain quality of life. The Priority Based Budgeting process will help to determine what programs to keep, and how to allocate the limited resources available.

The following presentation will review budget projections, and discuss long term financial planning. Staff is seeking direction for the FY2019 budget.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: N/A

FINANCIAL IMPACT: For discussion purposes only.

Respectfully submitted for Council consideration.

Prepared by:

Melissa Hon, Assistant to the City Manager

Budgetary and Finance Review by: Patti-Lynn Silva, Finance Director

Recommended by:

A handwritten signature in black ink, appearing to read "David A. Hales". The signature is fluid and cursive, with a large initial "D" and "H".

David A. Hales, City Manager

Attachments:

- FIN 1B Exhibit Budget & Long Term Financial Sustainability Planning
- FIN 1C Priority Based Budgeting: Programs By Priority Level
- FIN 1D Fee & Service Charge Overview

Budget & Long Term Financial Sustainability Planning

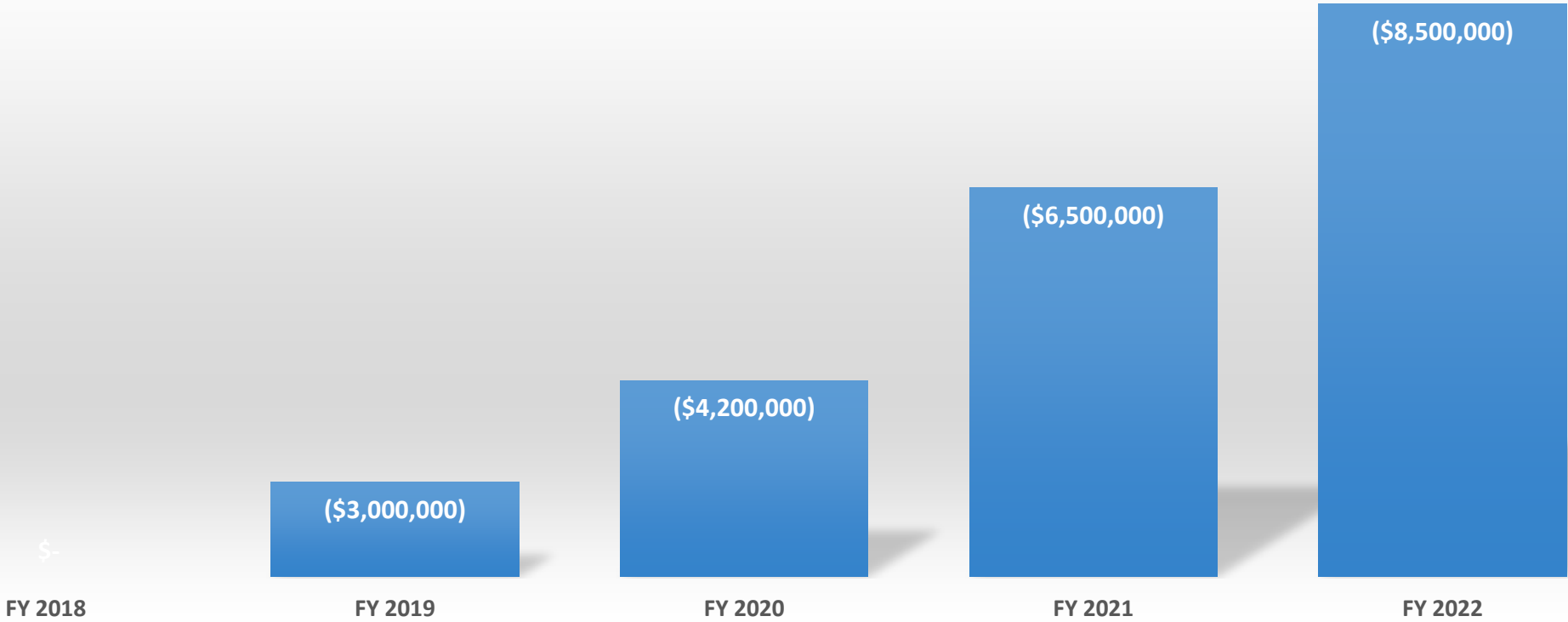
City of Bloomington

MONDAY, OCTOBER 23RD, 2017

Why do we have a funding gap?

The funding gap stems from stagnate revenues versus growing costs

General Fund Projections



Note: General Fund deficit projections include: commitments to pension and debt, subsidies to other funds, rolling stock of equipment & vehicles, \$1.5M in facilities maintenance and funding for streets resurfacing program. Projections exclude: added staff, program enhancements, other capital needs, and increases in commodity and contractual expenses representing 25% of the budget.

How did we balance FY2018?

- No expected revenue growth except captured growth in EAV earmarked for emergency response times.
- Savings in debt service and the expired Metrozone agreement totaled \$2.2M
- Department reduced their budgets by - \$2.7M
- One time transfer of \$2M used to fund facility maintenance, wayfinding and ADA

FY2019 & After

○ Assumptions:

- No rate increases
- No expected growth in revenues
- Impacts of state and federal legislative changes unknown
- No assumption for reduction in services-workforce
- 25% of the budget held to a 1% increase



Priority Based Budgeting: Programs by Priority

| Priority | Program Name | Department | Mandate | Service Level |
|----------|--|------------------------------|-----------------------|---|
| High | <i>Emergency Call Processing</i> | Communications Center | 4 - Fed/State Mandate | Excellent - Exceeds Standards |
| High | <i>Freedom of Information Act (FOIA)</i> | Clerk | 4 - Fed/State Mandate | Excellent - Exceeds Standards |
| High | <i>Emergency Medical Dispatching</i> | Communications Center | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Employee Safety/Workers Compensation</i> | Human Resources | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Mechanical Maintenance & Storage</i> | Water Department | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Transmission & Distribution</i> | Water Department | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Backflow Prevention</i> | Facilities | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Boiler Certification & Inspection</i> | Facilities | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Elevator Certification & Inspection</i> | Facilities | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Fire Alarm; Suppression Cert.; Inspection</i> | Facilities | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Grant Coordination</i> | Community Development | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Administration</i> | Community Development | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Employee and Labor Relations</i> | Human Resources | 4 - Fed/State Mandate | Good - Meets Standards |

| Priority | Program Name | Department | Mandate | Service Level |
|----------|---|-----------------------------|-----------------------|---|
| High | <i>Compensation and Benefits</i> | Human Resources | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Payroll</i> | Human Resources | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Compound Meter Services</i> | Water Department | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>AMR Meter Services</i> | Water Department | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>JULIE Locating</i> | Water Department | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Water Supply</i> | Water Department | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Water Treatment</i> | Water Department | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>City Council & Open Meetings Law Support</i> | Clerk | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>City-Wide Enterprise Applications</i> | Information Services | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Sanitary Sewer Cave-Ins</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Sanitary Sewer Inlets</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Sanitary Sewer Manholes</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Planning and Design</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>GIS and Records Management</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |

| Priority | Program Name | Department | Mandate | Service Level |
|----------|--|-----------------------------|-----------------------|---|
| High | <i>Traffic Signs</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Pavement Markings</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Sanitary Sewer - Contract Maintenance</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Storm Water - Cave-Ins</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Storm Water - Inlets</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Storm Water - Manholes</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Sidewalk Replacement</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Sidewalk ADA Compliance</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Pension Administration</i> | Finance | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Financial Reporting & Budget Analysis</i> | Finance | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Administration</i> | Water Department | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| High | <i>City Council</i> | Admin | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Operations</i> | Admin | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Fire district annexation</i> | Economic Development | 4 - Fed/State Mandate | Good - Meets Standards |

| Priority | Program Name | Department | Mandate | Service Level |
|----------|--|--------------|--|--------------------------------|
| High | <i>Annual Audit (s) & Comprehensive Annual Financial Report (CAFR) Preparation</i> | Finance | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>General Ledger, Project & Grants Management</i> | Finance | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Fuel</i> | Public Works | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Traffic Signal Maintenance</i> | Public Works | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Storm Water - Water Quality</i> | Public Works | 4 - Fed/State Mandate | Good - Meets Standards |
| High | <i>Traffic Engineering</i> | Public Works | 4 - Fed/State Mandate | Poor - Does Not Meet Standards |
| High | <i>Storm Water - Contract Maintenance</i> | Public Works | 4 - Fed/State Mandate | Poor - Does Not Meet Standards |
| High | <i>Delinquent Tax</i> | Finance | 4 - Fed/State Mandate | Poor - Does Not Meet Standards |
| High | <i>Treasury</i> | Finance | 4 - Fed/State Mandate | Poor - Does Not Meet Standards |
| High | <i>Debt Management</i> | Finance | 4 - Fed/State Mandate | Poor - Does Not Meet Standards |
| High | <i>Hazmat</i> | Fire | 3 - Charter; IGA | Good - Meets Standards |
| High | <i>Aircraft Rescue and Firefighting (ARFF)</i> | Fire | 3 - Charter; IGA | Good - Meets Standards |
| High | <i>S.O.A.R</i> | PR & CA | 3 - Charter; IGA | Good - Meets Standards |
| High | <i>Solid Waste - Refuse Collection</i> | Public Works | 2 - City Code, Resolution, Ordinance or Policy | Excellent - Exceeds Standards |

| Priority | Program Name | Department | Mandate | Service Level |
|----------|--|------------------------------|--|---|
| High | <i>Solid Waste - Recycling Collection</i> | Public Works | 2 - City Code, Resolution, Ordinance or Policy | Excellent - Exceeds Standards |
| High | <i>Criminal Investigation Division (CID)</i> | Police | 2 - City Code, Resolution, Ordinance or Policy | Excellent - Exceeds Standards |
| High | <i>Public Information Officer (PIO)</i> | Police | 2 - City Code, Resolution, Ordinance or Policy | Excellent - Exceeds Standards |
| High | <i>Administrative Court</i> | Legal | 2 - City Code, Resolution, Ordinance or Policy | Excellent - Exceeds Standards |
| High | <i>Human Resources Support</i> | Legal | 2 - City Code, Resolution, Ordinance or Policy | Excellent - Exceeds Standards |
| High | <i>Consultation and Advisory</i> | Legal | 2 - City Code, Resolution, Ordinance or Policy | Excellent - Exceeds Standards |
| High | <i>Construction Inspection</i> | Public Works | 2 - City Code, Resolution, Ordinance or Policy | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Potholes</i> | Public Works | 2 - City Code, Resolution, Ordinance or Policy | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Building</i> | Community Development | 2 - City Code, Resolution, Ordinance or Policy | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Planning</i> | Community Development | 2 - City Code, Resolution, Ordinance or Policy | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Code Enforcement</i> | Community Development | 2 - City Code, Resolution, Ordinance or Policy | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Emergency Medical Services (EMS)</i> | Fire | 2 - City Code, Resolution, Ordinance or Policy | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Fire Suppression</i> | Fire | 2 - City Code, Resolution, Ordinance or Policy | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Billing & Collection</i> | Water Department | 2 - City Code, Resolution, Ordinance or Policy | Fair - Meets Some Standards but Needs Improvement |

| Priority | Program Name | Department | Mandate | Service Level |
|----------|--|------------------------------|--|---|
| High | <i>Budget</i> | Finance | 2 - City Code, Resolution, Ordinance or Policy | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Records Management</i> | Clerk | 2 - City Code, Resolution, Ordinance or Policy | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Administration</i> | PR & CA | 2 - City Code, Resolution, Ordinance or Policy | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Local Retail, Property Development, and Business Retention & Attraction Initiatives</i> | Economic Development | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| High | <i>Retail Sales Tax Rebates</i> | Economic Development | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| High | <i>Zoning</i> | Community Development | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| High | <i>Training and Safety</i> | Fire | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| High | <i>Patrol Division</i> | Police | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| High | <i>Police Administration</i> | Police | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| High | <i>License Services</i> | Clerk | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| High | <i>Parks Maintenance</i> | PR & CA | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| High | <i>Civil Litigation</i> | Legal | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| High | <i>Municipal Legal Services</i> | Legal | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| High | <i>Procurement</i> | Finance | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |

| Priority | Program Name | Department | Mandate | Service Level |
|----------|--|------------------------------|--|---|
| High | <i>Contractor Ditch Repair</i> | Public Works | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| High | <i>Shared Common Technology Infrastructure</i> | Information Services | 1 - Best Practice | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Strategic Technology Planning and Management</i> | Information Services | 1 - Best Practice | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Unified Communications</i> | Information Services | 1 - Best Practice | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Street Panels</i> | Public Works | 1 - Best Practice | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Mill & Fill</i> | Public Works | 1 - Best Practice | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Fleet Maintenance</i> | Public Works | 1 - Best Practice | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Emergency Fire Dispatching</i> | Communications Center | 1 - Best Practice | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Aquatics</i> | PR & CA | 1 - Best Practice | Fair - Meets Some Standards but Needs Improvement |
| High | <i>Strategic Planning</i> | Admin | 1 - Best Practice | Good - Meets Standards |
| High | <i>Administration & Council Support</i> | Admin | 1 - Best Practice | Good - Meets Standards |
| High | <i>Communications</i> | Admin | 1 - Best Practice | Good - Meets Standards |
| High | <i>Tourism Promotion Initiatives</i> | Economic Development | 1 - Best Practice | Good - Meets Standards |
| High | <i>Regional Major Employer Business Retention & Attraction Initiatives</i> | Economic Development | 1 - Best Practice | Good - Meets Standards |

| Priority | Program Name | Department | Mandate | Service Level |
|----------|--|------------------------------|-----------------------|---|
| High | <i>Downtown Bloomington Revitalization Initiatives</i> | Economic Development | 1 - Best Practice | Good - Meets Standards |
| High | <i>Non-Emergency Call Processing</i> | Communications Center | 1 - Best Practice | Good - Meets Standards |
| High | <i>Police Dispatching</i> | Communications Center | 1 - Best Practice | Good - Meets Standards |
| High | <i>Street Crimes Division</i> | Police | 1 - Best Practice | Good - Meets Standards |
| High | <i>School Resource Officers (SRO)</i> | Police | 1 - Best Practice | Good - Meets Standards |
| High | <i>Downtown Hireback</i> | Police | 1 - Best Practice | Good - Meets Standards |
| High | <i>Strategic</i> | Human Resources | 1 - Best Practice | Good - Meets Standards |
| High | <i>Recreation</i> | PR & CA | 1 - Best Practice | Good - Meets Standards |
| High | <i>Administration</i> | Legal | 1 - Best Practice | Good - Meets Standards |
| High | <i>Snow and Ice Removal</i> | Public Works | 1 - Best Practice | Good - Meets Standards |
| High | <i>Service Desk</i> | Information Services | 1 - Best Practice | Good - Meets Standards |
| High | <i>Information Security</i> | Information Services | 1 - Best Practice | Good - Meets Standards |
| Medium | <i>Emergency Backup Generator Operation</i> | Facilities | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| Medium | <i>ADA</i> | Facilities | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |

| Priority | Program Name | Department | Mandate | Service Level |
|----------|--|------------------------|--|---|
| Medium | <i>HVAC</i> | Facilities | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| Medium | <i>Building Automation System Maintenance</i> | Facilities | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| Medium | <i>Facility Maintenance</i> | Facilities | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| Medium | <i>Training and Development</i> | Human Resources | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| Medium | <i>Sanitary Sewer - Maintenance</i> | Public Works | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| Medium | <i>TIF Administration/Economic Development</i> | Finance | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| Medium | <i>Capital Accounting/Inventory Management</i> | Finance | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| Medium | <i>Indirect Cost Allocation</i> | Finance | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| Medium | <i>Storm Water - Street Sweeping</i> | Public Works | 4 - Fed/State Mandate | Good - Meets Standards |
| Medium | <i>Storm Water - Education</i> | Public Works | 4 - Fed/State Mandate | Good - Meets Standards |
| Medium | <i>Erosion Control Problems</i> | Public Works | 4 - Fed/State Mandate | Good - Meets Standards |
| Medium | <i>Parkway Restoration</i> | Public Works | 4 - Fed/State Mandate | Good - Meets Standards |
| Medium | <i>Storm Water - Maintenance</i> | Public Works | 4 - Fed/State Mandate | Poor - Does Not Meet Standards |
| Medium | <i>Energy Management</i> | Facilities | 2 - City Code, Resolution, Ordinance or Policy | Fair - Meets Some Standards but Needs Improvement |

| Priority | Program Name | Department | Mandate | Service Level |
|----------|---|------------------------------|--|---|
| Medium | <i>Accounts Payable</i> | Finance | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| Medium | <i>Lake Park Maintenance & Infrastructure</i> | Water Department | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| Medium | <i>Investigation</i> | Fire | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| Medium | <i>Solid Waste - Bulk and Brush Collection</i> | Public Works | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| Medium | <i>Local Tax</i> | Finance | 2 - City Code, Resolution, Ordinance or Policy | Poor - Does Not Meet Standards |
| Medium | <i>Community Relations</i> | Human Resources | 2 - City Code, Resolution, Ordinance or Policy | Poor - Does Not Meet Standards |
| Medium | <i>Mail Services</i> | Clerk | 1 - Best Practice | Excellent - Exceeds Standards |
| Medium | <i>Pepsi Ice Center</i> | PR & CA | 1 - Best Practice | Excellent - Exceeds Standards |
| Medium | <i>Administration</i> | Public Works | 1 - Best Practice | Fair - Meets Some Standards but Needs Improvement |
| Medium | <i>Public Information</i> | Fire | 1 - Best Practice | Fair - Meets Some Standards but Needs Improvement |
| Medium | <i>Recruitment and Hiring</i> | Human Resources | 1 - Best Practice | Fair - Meets Some Standards but Needs Improvement |
| Medium | <i>System Maintenance</i> | Communications Center | 1 - Best Practice | Good - Meets Standards |
| Medium | <i>Community Relations</i> | Admin | 1 - Best Practice | Good - Meets Standards |
| Medium | <i>Communications - Outreach</i> | Admin | 1 - Best Practice | Good - Meets Standards |

| Priority | Program Name | Department | Mandate | Service Level |
|----------|--|------------------------------|--|---|
| Medium | <i>Special Weapons and Tactics (SWAT)</i> | Police | 1 - Best Practice | Good - Meets Standards |
| Medium | <i>Crisis Negotiations Unit (CNU)</i> | Police | 1 - Best Practice | Good - Meets Standards |
| Medium | <i>Employee Wellness</i> | Human Resources | 1 - Best Practice | Good - Meets Standards |
| Medium | <i>Miller Park Zoo</i> | PR & CA | 1 - Best Practice | Good - Meets Standards |
| Medium | <i>Bloomington Center for Performing Arts (BCPA)</i> | PR & CA | 1 - Best Practice | Good - Meets Standards |
| Medium | <i>Golf</i> | PR & CA | 1 - Best Practice | Good - Meets Standards |
| Medium | <i>Alley Maintenance</i> | Public Works | 1 - Best Practice | Poor - Does Not Meet Standards |
| Medium | <i>Storm Water - Sump Pump Drain Lines</i> | Public Works | 1 - Best Practice | Poor - Does Not Meet Standards |
| Medium | <i>Contract Administration</i> | Legal | 1 - Best Practice | Poor - Does Not Meet Standards |
| Medium | <i>Neighborhood Focus Team (NFT)</i> | Police | 0 - No Mandate | Good - Meets Standards |
| Low | <i>Record Requests</i> | Communications Center | 4 - Fed/State Mandate | Fair - Meets Some Standards but Needs Improvement |
| Low | <i>Records Management</i> | Communications Center | 4 - Fed/State Mandate | Good - Meets Standards |
| Low | <i>Solid Waste - Drop-off Facility</i> | Public Works | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |
| Low | <i>False Alarm Ordinance</i> | Communications Center | 2 - City Code, Resolution, Ordinance or Policy | Good - Meets Standards |

| Priority | Program Name | Department | Mandate | Service Level |
|----------|---|-------------------------|--|---|
| Low | <i>Lake Bloomington Community Development</i> | Water Department | 2 - City Code, Resolution, Ordinance or Policy | Poor - Does Not Meet Standards |
| Low | <i>Pest Control</i> | Facilities | 1 - Best Practice | Good - Meets Standards |
| Low | <i>Brick Street Maintenance and Repair</i> | Public Works | 1 - Best Practice | Poor - Does Not Meet Standards |
| Low | <i>Curb Replacement</i> | Public Works | 1 - Best Practice | Poor - Does Not Meet Standards |
| Low | <i>Overhead Sanitary Sewer Program</i> | Public Works | 1 - Best Practice | Poor - Does Not Meet Standards |
| Low | <i>Custodial Services</i> | Facilities | 1 - Best Practice | Poor - Does Not Meet Standards |
| Low | <i>Street Lights</i> | Public Works | 0 - No Mandate | Fair - Meets Some Standards but Needs Improvement |

DRAFT

City of Bloomington, Illinois
 Comprehensive Fee Study 2015

FINAL REPORT

| | | Budget Impact | | | | |
|-------|--------------------------|---------------|------------------------------|---|--|-----------------|
| | Revenue (Price x # Paid) | Cost | Cost of billed services paid | Price minus cost to serve paying customers | Revenue / Cost of billed services paid | Dept Recommends |
| Total | \$ 5,496,038 | \$ 7,918,312 | \$ 6,908,123 | \$ (1,412,084) | 80% | \$ 7,125,533 |

| | | | | | | |
|----------------------------|-----------|-----------|-----------|-----------|------|-----------|
| Comm Dev.: Building Safety | 578,664 | 1,517,141 | 1,517,141 | (938,477) | 38% | 578,664 |
| Comm Dev: Planning | 16,371 | 409,979 | 409,979 | (393,608) | 4% | 16,371 |
| City Clerk | 270,249 | 78,894 | 78,894 | 191,355 | 343% | 618,200 |
| Fire Department | 4,192,304 | 4,316,235 | 4,316,235 | (123,930) | 97% | 4,316,235 |
| Police Department | 395,620 | 1,550,948 | 543,406 | (147,786) | 73% | 1,550,948 |
| Public Works | 42,830 | 45,115 | 42,468 | 362 | 101% | 45,115 |

Note: Increases of prices to full cost recovery may have undesirable or unintended consequences in some cases



**COMMITTEE OF THE WHOLE
AGENDA ITEM NO. 6**

FOR COUNCIL: October 16, 2017

SUBJECT: DRAFT Request for Proposal Executive Search Firm for City Manager Candidate Search

RECOMMENDATION/MOTION: City Council consider the recruitment process of a City Manager to include the use of a professional executive recruitment firm. Attached is a DRAFT proposal of RFP to distribute to list of qualified firms to assist with the recruitment process.

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 position of City Manager will become vacant in November 2017, with the duties temporarily performed by an interim City Manager. The recommended action will initiate the process to select a new permanent City Manager.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:

FINANCIAL IMPACT: Specific funding is not being requested at this time; however the cost is estimated to be approximately \$30,000. The specific financial impact to the budget will be requested when Council is asked to consider awarding the consulting contract.

COMMUNITY DEVELOPMENT IMPACT: None.

FUTURE OPERATIONAL COST ASSOCIATED WITH NEW FACILITY CONSTRUCTION: None.

Respectfully submitted for Council consideration.

Prepared by: Nicole Albertson, Human Resource Director

Reviewed by: Cherry L. Lawson, City Clerk

Financial & budgetary review by: Chris Tomerlin, Budget Analyst
Scott Rathbun, Sr. Budget Manager

Legal review by: Jeff Jurgens, Corporate Counsel

Recommended by:

A handwritten signature in black ink, appearing to read "David A. Hales". The signature is fluid and cursive, with a large initial "D" and "H".

David A. Hales
City Manager

Attachments:

- DRAFT Request for Proposal Document
- Executive Summary of Recruitment Process

Executive Search Firm – Request For Proposal - DRAFT Candidate Search – City of Bloomington City Manager

Introduction:

The City of Bloomington is located in the heart of Central Illinois, approximately 125 miles southwest of Chicago, 155 miles northeast of St. Louis, and 64 miles northeast of Springfield, the State Capital. Bloomington is the County Seat of McLean County, the largest county in Illinois (approximately 762,240 acres). Bloomington (pop. 76,610) is a twin City with the Town of Normal (pop. 52,497). Interstates 39, 55 and 74 converge on Bloomington-Normal, as well as US Route 51 and State Route 9.

The twin cities are also serviced by two major railroad lines and Amtrak, as well as air transportation at the Central Illinois Regional Airport, one of the fastest growing airports in the country, which services commuter, corporate, and private aircraft.

Bloomington is located in one of the most productive agricultural areas in the nation, but the economy is diverse and well-balanced. In addition to the major manufacturers and industries, there are two universities, two hospitals, a convention center, one indoor mall, one outdoor mall, and many banks and Savings & Loan Associations located in Bloomington-Normal. The City of Bloomington is one of the fastest growing metropolitan areas in Illinois with an estimated 20.25% increase in population between 1986 and 1995. New construction continues to enhance residential, industrial and commercial growth.

The City Manager is the one direct employee of the City Council. The Council consists of nine members, plus a directly elected Mayor. The City Manager is responsible for leading and directing a full-service municipal organization consisting of about 600 full-time employees and 500 seasonal employees.

For more details about the City of Bloomington, please visit www.cityblm.org

I. Objective

The City of Bloomington (City) is requesting proposals from skilled independent executive search consultants to assist the City with conducting a search that will lead to the selection of a new City Manager. The City is interested in completing the search and selection process for the new City Manager by **April 1, 2018**, or as soon as practical.

II. Time Schedule

The City of Bloomington intends to follow a selection timetable that should result in the selection of a consultant by late December 2017 with an award of contract in early January 2018. The City is interested in an expedited process and in achieving the final selection of City Manager. Firms that are capable of achieving the most efficient process will be given preference.

| | |
|--|--|
| November 17, 2017 | Proposals due by 5pm CST electronically to cmurillo@cityblm.org |
| Week of November 20, 2017 | Selection Committee to review proposals |
| Week of December 4, 2017 | Interview with Selection Committee |
| O/B December 31, 2017 | Award of Contract |
| April 1, 2018 or as soon as practical | Final Selection of City Manager |

III. Scope of Services

- A. Same Consultant for Duration of Project. The individual consultant who submits their proposal, based upon which the City Council awards a contract, will be the individual responsible for all aspects of the project and must not delegate non-clerical work to lower level staff without the prior approval of the City Council and/or the City Selection Committee.
- B. Schedule "A". The consultant will be responsible for providing the following services to the City, referred to herein as Schedule "A".
 - a. Develop a recruiting specification, in conjunction with the City Council and/or the City Selection Committee and other key individuals and sources selected by the City, that addresses the specific duties, responsibilities, operational issues, education and training, personal characteristics and traits, and other factors that are relevant to the position.
 - b. Coordinate recruiting efforts for the position. Develop an agency profile and recruitment brochure, and conduct search, with recruiting activities including targeting mailings, selected advertising, networking and direct inquiries and use of consultant's knowledge of candidates from other searches.
 - c. Assist the City Selection Committee in screening the initial pool of applicants to 8-10 semifinalists. Conduct and/or assist in conducting interviews. Respond to City Selection Committee questions.
 - d. Work with the City Selection Committee to select 4-6 finalists, prepare a summary report on all finalists, to determine an appropriate interview/selection process and to discuss preliminary terms for an employment agreement.

- e. Conduct in depth interviews, detailed background investigations, and verify references and credentials of finalists. Prepare a detailed report on each finalist.
 - f. Coordinate the final interview process. Assist in the final interview and selection process as directed by the City Council, the City Selection Committee or other interview panels.
 - g. Assist in the involvement of other key stakeholders in the selection process as determined by the City Council and/or the City Selection Committee.
 - h. Coordinate and/or conduct any additional assessments, such as executive leadership assessments, as directed by the City Council and/or City Selection Committee.
 - i. Assist in the negotiation of an employment agreement with the final candidate, as directed by the City Council and coordinated with the City Attorney and the Human Resources Director.
- C. Guarantee. The consultant must continue to provide the services above until a City Manager is appointed, or until the contract is cancelled by the City. In addition, should the newly appointed City Manager be terminated for cause or resign within twenty-four (24) months, the consultant must conduct a replacement search at no charge.
 - D. Compliance with Laws. The consultant must comply with and perform the services in accordance with all applicable federal, state and local laws.
 - E. Warranty. The consultant must warrant that it has the requisite training, skills, and experience necessary to provide the requested services.
 - F. Insurance. During the term of service to the City, the consultant must have professional liability coverage with combined single limits of liability of not less than two million (\$2,000,000), and provide a certificate evidencing such insurance and naming the City as additional insured as per contracting standards.
 - G. Subcontractors. Full disclosure of any subcontractors selected for this effort needs to specify the identity, scope, and pricing. All subcontractors need to meet the same terms and conditions as the primary contractor.

IV. Terms and Conditions

- A. The City reserves the right at its sole discretion to reject all submittals received without penalty and not to issue a contract as a result of this request for proposal. The City also reserves the right at its sole discretion to waive minor administrative irregularities contained in any submittal.
- B. The City reserves the right to request clarification of information submitted, and to request additional information from any party submitting proposals.
- C. The City reserves the right to award any contract to the next most qualified consultant that responds to this request for proposal, if the successful consultant does not execute a contract within seven (7) days after the award.
- D. Any proposals may be withdrawn until the date set forth above as the deadline for accepting proposals. Any proposals not so timely withdrawn shall constitute an irrevocable offer, for a period of ninety (90) days—or until one or more of the proposals have been approved by the City whichever occurs first—to negotiate a contract in good faith with the City.

- E. The City is not responsible for any costs incurred by a consultant in preparing, submitting or presenting its proposal. Additionally, if an oral presentation is required to supplement and/or clarify a proposal, such presentation expenses shall be borne by the consultant.
- F. The contract resulting from acceptance of proposal by the City must be in a form approved by the City and must reflect the specification in this request for proposal. The City reserves the right to reject any proposed agreement or contract that does not conform to the specification contained in this proposal, and which is not approved as to form by the City Attorney.
- G. The consultant will be required to assume responsibility for all services offered in the proposal, whether or not directly performed by the consultant. Further, the consultant will be the sole point of contact for the City with regard to contractual matters, including payment of any and all charges resulting from the contract.
- H. The City reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be submitted initially on the most favorable terms which the consultant can propose. The consultant shall specifically stipulate the proposal is predicated upon acceptance of all terms and conditions of the request for proposal.

V. Compensation Issues

- A. Fees and Expenses. The successful consultant will be paid based upon a unit price with a “not to exceed” amount. Reimbursable expenses may include travel, advertising, long distance phone charges, printing, postage and other direct expenses in compliance with established procedures and approved by the designated representative of the City. Due to budget constraints travel related expenses on this project should be closely evaluated.
- B. Method of Payment. Payment by the City for the executive search services will be made only after the services have been performed and an invoice is submitted in a form specified by the City. The invoice should specifically describe the services performed, and the name(s) of the personnel performing such services. The appropriate City representative must approve the invoice. The City will make a payment on a monthly basis, thirty (30) days after receipt of the invoice.
- C. Taxes. The consultant will be solely responsible for the payment of any taxes imposed by any lawful jurisdiction as a result of the delivery of services to the City.

VI. Instructions for Proposers

- A. Proposers are asked to respond to the following items in the sequence presented:
 - a. Qualifications. Describe the background, public sector experience, and executive search capabilities of your firm. Please give specific information regarding your qualifications to conduct City Manager searches for entities similar to the City of Bloomington or larger. Describe in what ways have members of your firm developed personal contacts with potential candidates for this position.

- b. Scope of Services. Provide a scope of services and a proposed outline of tasks, products and project schedule, keeping in mind the timeline for completion of the process by **April 1, 2018** or as soon as practical. Major proposed deviations from the desired scope of services outlines in this request for proposal should be clearly noted.
- c. Consulting Staff. Provide the name of the individual responsible for the project including subcontractors, the percentage of the time said individual will allocate to the project, and the specific experience of the individual relative to the project, in accordance with Section III-A, "Same Consultant for Duration of the Project", of the request for proposal. Please include how many searches this individual has conducted for City Manager positions along with how many within the last two years. Identify how many other executive searches the responsible person currently is involved in.
- d. References. Provide a list of a minimum of five (5) clients who can verify your firm's ability to provide the scope of services requested, include a brief description of the work along with contract awarding and completion dates for each. For each reference, include the name(s), telephone number(s) and email address(es) of the client's project manager. The City requires references from Cities who have recently hired City Managers. Also, please provide a list of current clients who are receiving services similar to those requested by the City Selection Committee and a short description of the work in which you are currently engaged.
- e. Cost. Provide a cost proposal for Schedule "A", per Section III Scope of Services for required and optional services, that includes estimated expenses for potential candidates both external and internal to the State of Illinois. The proposal should be consistent with Section V, Compensation Issues.
- f. Approach. Provide a general description, based on experience, as to how the firm would approach the process, including methodology and estimated timelines, and how they would involve stakeholders and work together with the City Selection Committee towards final appointment of the successful candidate. Include key milestones, deliverables and "intersection points" with the City Selection Committee during the recruitment. Identify how the firm will ensure that the City receives prompt and timely attention throughout this process.
- g. Early Termination. Provide a proposal for how you would address compensation and process issues related to early termination of the search and selection process, if necessary.
- h. Sample Materials. Please provide 3-5 samples of recruiting specifications, community/agency profiles, recruitment brochures, invitee letters, announcements, and so forth.
- i. Submission of Proposals. Refer to Section VI-B (below) for contact information to submit proposals and inquiries. The City requests that respondents to this request for proposal forward clarifying questions via email to cmurillo@cityblm.org. **Do not contact members of the City Council and/or the City Selection Committee** during the proposal process and evaluation phase. All

proposals become the property of the City upon submission; however, there will be no disclosure of contents to competing firms, and all proposals will be kept confidential during the selection process.

- j. Conflict of Interest. The firm(s) should disclose any potential conflicts of interest.
- k. All proposals must be sent **electronically**, and inquiries directed, to:

Carla Murillo
Procurement Manager
Email: cmurillo@cityblm.org
309.434.2277 – office phone

- l. Proposers must submit their proposals electronically to cmurillo@cityblm.org with the subject line clearly marked “**RFP-City Manager Search**”. Proposals are to be no more than twenty-five (25) pages in length including samples. All proposals must be received by **5:00 pm Central Time, Friday, November 17, 2017**. Faxed proposals will be rejected. Late proposals will not be considered.
- m. A City staff member will notify the consultant selected on or before approximately December 31, 2017.

VII. Selection Criteria

- A. Each proposal will be independently evaluated on the following criteria:
 - a. Scope of Services and Approach. The scope of services and proposed outline of tasks, products and project schedule. Understanding of the project objective and methodology.
 - b. Consultant Experience/Qualifications. Experience in providing services similar to those requested and having obtained favorable outcome (“Favorable outcomes” should be measured in terms of number of City Managers placed, length of service of City Managers placed and level of satisfaction with City Managers placed as determined by the City Selection Committee).
 - c. Project Manager Experience/Qualifications. Experience and qualifications of the person who will be working on the project.
 - d. Cost. Total estimated fees and expenses for the services broken down by task. The reasonableness of the work hours compared to each project task or phase. While cost will be a consideration in the award of the contract, the contract will not necessarily be awarded to the firm submitting the lowest cost proposal. The City’s intent is to award the contract to the firm whose proposal is deemed to offer the best overall value and fit to the needs of the organization.
 - e. Availability. Availability to complete the work within the required time frame.
 - f. Sample Materials. Quality and quantity of recruiting specifications, community/agency profiles, recruitment brochures, invitee letters and announcements provided.

- g.** References. Quality and quantity of client references provided. Evaluation of past performances as stated by references in the proposal and of relevance of past experience as reported in this submission.
- h.** Dependability. Ability to meet time and cost estimates as evidenced by documentation provided through references.
- i.** Quality of Response. The overall quality of the response, conformance to format and its responsiveness to this request for proposal.

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EXECUTIVE SUMMARY OF RECRUITMENT PROCESS

Phase I

- **Consultant Conducts Interviews with Client**
- **Consultant Develops Recruitment Schedule**
- **Consultant Develops Job Announcement**
- **Consultant Develops Recruitment Brochure**

Phase II

- **Consultant Places Job Announcement on Websites**
- **Consultant Develops Targeted Database of Potential Candidates**
- **Consultant Conducts Candidate Outreach**

Phase III

- **Consultant Evaluates Candidate Credentials**
- **Consultant Conducts Due Diligence on Candidates**
- **Consultant Interviews Potential Finalist Candidates**
- **Consultant Finalizes Recommendation to Client**

Phase IV

- **Consultant Provides Recruitment Report to Client**
- **Consultant Meets with Client to Review Recruitment Report**
- **Client Selects Candidates for Interview**
- **Consultant and Client Finalize Interview Process**
- **Consultant Notifies Candidates and Coordinates Interview Schedule**

Phase V

- **Consultant Provides Interview Books with Questions and Evaluation Sheet**
- **Consultant Develops Interview Questions and Other Interview Exercises**
- **Consultant Facilitates Interview Process**
- **Consultant Facilitates Discussion of Candidates**

Phase VI

- **Consultant Assists with Contract Negotiation for Selected Candidate**
- **Consultant Assists with Drafting Press Release**
- **Consultant Provides Telephone Follow-Up with Candidate and Client for Six Months Following Appointment**
- **Consultant Provides 24 month Guarantee for Externally Selected Candidate**