

**SUMMARY MINUTES OF THE SPECIAL SESSION  
PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL  
OF BLOOMINGTON, ILLINOIS  
MONDAY, NOVEMBER 27, 2017; 5:30 PM**

The Council convened in Special Session in the Council Chambers, City Hall Building at 5:30 p.m., Monday, November 27, 2017. The meeting was called to order by Mayor Renner.

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

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

Staff present: Steve Rasmussen, Interim City Manager; Jeffrey Jurgens, Corporation Counsel; and Cherry Lawson, City Clerk, Nicole Albertson, Human Resource Director.

**Public Comment**

Mayor Renner opened the meeting to receive public comment. No comments were offered.

Consideration of approving the minutes of the Special Meeting of October 23, 2017.  
*(Recommend the minutes be approved and dispensed as presented.)*

Mayor Renner asked for a motion to approve the minutes.

**Motion by Alderman Schmidt second by Alderman Bray to approve the minutes.**

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

**Nays: None**

**Motion carried.**

Closed Executive Session Meeting

- A. Review of Minutes - Section 2 (c) (21) of 5 ILCS 120/2) (5 minutes)
- B. Pending Litigation - Section 2 (c) (11) of 5 ILCS 120/2) (25 minutes)
- C. Land Acquisition – Section (c) (5) of 5 ILCS 120/2) (10 minutes)

Adjourn Closed Executive Session

Return to Open Special Session Meeting

**Discussion regarding Local Government Wage Increase Transparency Act on disclosable payments to Marsha Ulrich. (Recommend: Informational only, as required pursuant to the Local Government Wage Increase Transparency Act, 50 ILCS 155/1.) (Presentation by Josh Hansen, Compensation and Benefits Manager, 5 minutes, Council discussion 15 minutes.)**

Mayor Renner provided a brief overview and stated, any employees who were hired from 2012 on are not eligible for this, but we are required by law to report this.

Mr. Hansen stated, he would provide more information in regards to the sick leave buyback payout that will actually be in process very shortly for Ms. Ulrich as pursuant to the local government wage increase transparency act of July 2016. This is the second employee that we have done a similar process for last year. Of course, as you'll remember, Laurie Wollrab was the first employee. Specific to Marsha, she is an office manager in our police area, and actually, because of our past practice where all of the sick leave that she's accrued will be paid out to her into her retiree health savings account, she will receive a little over \$28,000 in payments. Those payments will be structured over a three-month period at the end of this month, again, in December.

Mr. Hansen continued, the funds are passed over to our retirement health savings account vendor, ICMA, and then those are available to her in retirement. The way that this is structured over a three-month period, does increase her pensionable wage that she receives. Ms. Ulrich will receive an additional \$165 per month in her pension. In order to account for those funds, we make enough from payment on behalf of the City so that we are able to account for that from an actuarial standpoint. The payment the City will make towards Ms. Ulrich will be \$22,453.39 after she retires.

Alderwoman Schmidt stated, this is not pension-spiking, or is it? I mean, we've received an email from somebody suggesting that this is pension-spiking.

Ms. Albertson stated, I don't refer to it as pension-spiking. It is a past practice where we have allowed employees who are retiring who were hired before the May 1st, 2012 date to take their payments over three months. What that results in then is an accelerated payment request from IMRF to pay ahead of time into their retirement. So I don't look at it as pension-spiking. I look at it as we're following a practice that's been in place for years.

Mayor Renner stated, so we need to pay more money upfront so we do not have then to pay more money later.

Alderwoman Schmidt stated, it's being paid into her health plan.

Mr. Hanson stated, from a pension perspective, there are a lot of different factors, of course, that

go into the actuarial value. One is the age of the member, another is the gender. You know, women typically outlive men. Also, too, a person's marital status is a factor. There are all these different factors based on that information, then IMRF looks at the individual to say, "Okay, what is their rate of pay? How much are they receiving in sick leave buyback that will heighten the liability from an employer's standpoint that we may owe depending on their projected, you know, lifespan for the remainder of the years?" Then based on the current value of those funds that is what we make from an accelerated payment perspective. There are two different components here, one is the actual pay to the employee into their RHS based on sick leave that is almost, you know, a sideline aspect, but based on the way it's paid, it does increase the pension component.

Alderwoman Schmidt asked whether there anything else the City should be doing that would ameliorate any of this in the future in a way that obviously is legal to our employees and respectful of their work?

Mr. Hansen stated, when you look across our 600 employees, roughly about a third of the workforce is impacted. If there ever were to be any future changes that would be made, we'd have to really do a gut check from a talent perspective because depending on the department, you know, some areas have a higher tenure than others and you would have some potential risk in terms of service delivery to the city. There would need to be a lot of rigor in place an agreement across the board before any changes would be made.

Mr. Jurgens addressed the question of pension-spiking. Certainly, these policies have the effect of increasing your pension. Again, these are for grandfathered employees. But these policies are increasing the pensions beyond what their normal earnings were in their last years of service.

Alderman Mathy referenced an email Council had received stating, Springfield has started paying out this two months after the person has retired which doesn't affect the pension amount.

Mr. Hansen stated, we have discussed that internally and we are aware of that practice and we've actually run into it as well with some of our retirees who come back in the seasonal positions from an IMRF perspective on what funds are actually seen versus, you know, any sort of earnings that are not seen from the pension standpoint. Again, that's part of the work that we are continuing to do internally, long term.

Mayor Renner, a policy change that this council can make. Mr. Hansen stated, it would have to be a policy change across the board. Mr. Jurgens stated, the City is looking at the beginning of the year. We're working on the numbers some of those different policy possibilities and we're looking at bringing that back to the council at the beginning of the year to kind of further address this issue.

Mr. Jurgens stated, the interesting issue with Springfield is the Supreme Court did not decline to hear that appellate court case so that appellate court decision stands. The other issue in Springfield, however, is the fact that they did not bargain that benefit or bargain that change with their collective bargaining units so those labor unions there filed an unfair labor practice. So there are...you know, while on one hand, it seems like, it's been clear what we're still working with

internally is coming up with options that we'll address so that we don't have any unfair labor practices within the city of Bloomington as well.

Adjourn (approximately 6:20 PM)

**Motion by Alderman Schmidt seconded by Alderman Hauman to adjourn. Time: 6:25 PM.**

**Motion carried (Viva Voce).**

CITY OF BLOOMINGTON

ATTEST

---

Tari Renner, Mayor

---

Cherry L. Lawson, City Clerk