

**SUMMARY MEETING MINUTES
COMMITTEE OF THE WHOLE SESSION
PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL OF
BLOOMINGTON, ILLINOIS
MONDAY, OCTOBER 16, 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, October 16, 2017. Mayor Renner 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, David Sage, Jamie Mathy, Kim Bray and Mayor Tari Renner.

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.

Angela Scott

4. Consideration of approving the Committee of the Whole Meeting Minutes of September 18 and August 21, 2017.

Motion by Alderman Black, second by Alderman Bray that the minutes of the Committee of the Whole Meeting of September 18 and August 21, 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. 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.*)

Mr. Hales stated that we plan to give a very high-level picture and message of what the projections are in the way of our structural imbalance in the City budget over the next 5 years but also what are some possible ways of how are we going to address a multi-year long-term financial planning process to deal with some very significant high-level changes not only in revenue but in the local, state and national economy.

Ms. Silva commented that there is a new Budget Manager, Scott Rathbun, who has been here for a couple of months. She then explained that the funding gap stems from stagnant revenue projections versus our growing costs. When do a five (5) year projection, we are very conservative; our revenues have not grown and we do not make any predictions in terms of growth. The General Fund deficit and that a \$1.5 million dollar facilities' maintenance line had been added which is the recommended average annual spend from the Faithful and Gould Report. These projections also include the Streets and Surfacing Program. What we do not have in here is added staff, any program enhancements, other capital needs, and we did hold our commodities and contractual lines down to a 1% increase per year, which is just an emergency-type thing that you can do and it represents about 25% of the budget.

Ms. Hon reported on the list of programs contained in the packet. She reminded the Council that Priority-Based Budgeting is about what to keep. In reviewing those programs, what do you feel best aligns with the priorities of the community and what should we keep and what should we continue to offer and then also a reduction in labor as we start to talk about the upcoming budget is also a reduction of either programs and/or service levels.

Alderman Schmidt asked about the high priorities on the Priority Budgeting Briefs and stated if there was a way that some of those could be handled by someone else not in the City.

Ms. Hon replied, currently what they have is just the initial phase and they are getting into starting to break it down and working with the Departments to look at what is a program.

Alderman Mathy asked about the preferred way to ask questions. Ms. Hon stated she could provide the information needed.

Alderman Mwilambwe asked how you define service level and decide what is excellent, what is fair or good and wanted to get insight into whom are the people involved. Ms. Hon replied, for this first round, it was completely done by the Department Directors and their staff. We asked them to rate it either excellent that they felt the program exceeded standards, good would be that

they are meeting standards, fair would be we are meeting some standards but there is some room improvement and obviously poor, we are not meeting the standards that we should be.

Alderman Black, we started this process a couple of years ago and it has taken on many different forms. Priority-Based Budgeting does a good job of showing the Council what our decisions impact and doing it in a methodical way which he appreciated.

Mr. Hales remind everyone that the city ordinances have placed primary responsibility to the City Manager to make sure that once each year the City Manager brings to you a balanced budget for your consideration. However, that is just looking at an annual budget. The problem that we are going to continue to talk about is this is an ongoing, multi-year issue that we are facing.

Mayor Renner commented that one of the things that would be helpful, for example, would be if we have kind of a macro little reform, like an early retirement incentive program and asked how that would disproportionately affect the different departments.

Mr. Hales commented on a conversation that he had had with another local official who asked him, once you come up with a plan, then you kind of set a target of how many you hope would take advantage. Are we prepared if employees do not take advantage?

Mayor Renner stated there is no pot of gold. There are going to be very difficult structural changes, very difficult things that we have to move forward and on many of those things, most of the major things, we have.

Alderman Buragas stated she had recently read a study which includes those items the public wants to cut in order to improve our government resources, and our government financials. When asked to identify an area to cut, there is no clear area to cut.

Alderman Schmidt stated about a month ago when we were talking about the budget, Mr. Hales suggested that Council might consider an ordinance looking at hiring so that we would not automatically just be filling any position at any level and assumed that Public Safety would be exempt from that. She felt this was a very good idea and wondered where we are in that.

Mr. Hales stated that was one of the options he offered. Staff could draft a policy and bring it back to formalize that. He stated he would be cautious about exempting Public Safety because when you see this increase, probably 60 or 70%, is probably tied to Public Safety. That does not mean that you just do not hire right away but even Public Safety would have to justify that increase.

Alderman Schmidt stated that she felt one benefit of doing that is that it forces all of us to really examine what we are doing, and it fits in with Melissa's work very nicely.

Alderman Hauman asked about a committee that had been talked about earlier with

Council and residents to think about looking at expenses that we could get input not just from Council and staff but from some city residents, as well and wanted to know if that was still a possibility.

Mayor Renner stated that was certainly a possibility. I think there was some suggestion of do we have another Budget Task Force. We are going to have conversations with citizens. The question is, what kind of structural arrangement, if I understand your question, would we put into place?

Alderman Hauman stated she would like to some citizens who are truly interested in the budget and keep bringing us suggestions.

Mayor Renner stated that another thing that we could continue to have within all Departments whether or not it be at the golf courses or here at City Hall or at other places is just even a general suggestion box.

Alderman Hauman stated employees often have ideas that we do not necessarily get to tap into because they are reluctant to bring them forward.

Alderman Black stated that he hears in the public people get upset about pension spiking and asked Mr. Hales if he could comment on pension spiking and the current status in the city of Bloomington?

Mr. Hales stated, he estimated the biggest impact on us on the area of the term accelerated payment, the great majority of people that that impacts have retired. We do still have some but it is not necessarily I do not think it is going to amount to the kind of cost like we have already got behind us because so many of them have retired.

Alderman Black stated to his recollection, new employees of the City do not have that option. That is something that has been dealt with and resolved and it is one of those things that we do not need to continue to hear. Mayor Renner stated that in 2012, we ended that for employees moving forward.

Alderman Sage stated his concern about any type of an ERI program is first what Mr. Hales had just mentioned was the cost, as he was against it back then because we were not able to cost justify it. Secondly, he is afraid that becomes just a technique to kind of kick the can down the road again. If we lose staff because of early retirement incentive effort, but we do not do the right thing about reducing the services and the programs that are in place, we are not doing anything.

Alderman Buragas commented that two people have now spoken out against tax increases. Is there any proposal right now that we increase taxes or is this just a general philosophy?

Alderman Schmidt commented on looking at a mix of revenue increases and program cuts, and is not ready to have a conversation about revenue increases until we have these serious conversations about looking at our programs.

Alderman Buragas clarified she was referring to revenue increases through capturing future growth and was not suggesting that we raise taxes and did not want any misunderstanding there.

Mayor Renner stated that over the last six years taxes have been raised every other year. Every year our costs have gone up, but it is only every other year that we have attempted to try to recapture some of these costs.

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.*)

Mr. Hales stated with any process like this and being part of recruitment processes in the past as a candidate but as well as internally when we have hired people, I think what you have tonight to look at is do you want to hire someone to assist you in that recruitment process and what you will find is where a lot of Councils do start is they issue an RFP, they get a number of proposals in, and then the Council interviews those, probably a short list, and it is during that time when you really develop kind of what you want to see in that process.

Ms. Albertson stated they wanted to share with you some thoughts on the external permanent recruitment process for the City Manager and explained the information given in the material. She spoke about the initial timeline and stated that November 10 would be a good deadline.

Alderman Schmidt asked about the selection committee that was referred to in the material.

Mayor Renner asked for clarification of not having the Council involved in the initial proposal of who to hire as a firm. Ms. Albertson stated that was correct.

Mayor Renner stated we would not necessarily have to be involved in that but still involved at every phase of the actual consideration - the actual candidates who we might decide to hire.

Ms. Albertson stated what we are highlighting for you this evening is getting us to the point that we have the executive search firm ready to roll and then they will coordinate - I will coordinate with them, but they will lead the recruitment process and you will be involved every step of the way.

Alderman Schmidt commented that looking at the RFP draft, it seems like maybe we would want to include in here that we are a City Manager form of government, making sure that we are recruiting firms that work with that form of government. I think I am not alone in having people ask why you have to hire a search firm to find a City Manager, but maybe you could help us highlight a couple of things where that puts us at an advantage.

Ms. Albertson, we want to make sure we giving different firms the opportunity to submit the RFPs. Secondly, we have several other high-level positions becoming vacant for which we will be recruiting, and this will help widen our pool and maybe get at a better quality than we could do with the resources we have in the house.

Mayor Renner asked if there was anyone on the staff who has ever had any extensive experience in hiring a City Manager. Ms. Albertson stated she had hired CEO's but not a specific position of a City Manager. They are the subject matter experts and I would invite them in to help with that recruitment.

Mayor Renner commented that if we were a small town of 2500 people or 3500 people, we might even hire from within or locally and we might even put an ad in the Pantagraph depending what it was that we wanted. But, we are at about a \$215 million per year operation, you do not find those people off the streets.

Alderman Hauman stated the town of Normal is also going through the same process and they are using HR-Gov and asked would there be an advantage to us using the same search firm because they know the community.

Ms. Albertson stated that we have discussed that. She stated she would be happy to ask Joellen and Heidi, who are on our list to reach out to, and ask if they think there is an advantage.

Alderman Mwilambwe stated he was very interested in us being able to at least see a very diverse pool of candidates not just from a visual standpoint, but all aspects and was curious. He stated he had read the proposal but was not quite sure at what point you screen the search firms for that, or once you select somebody, you select a search firm, then you talk them through what you are actually looking for?

Ms. Albertson stated she would say both. That is the next question and the next one I do, we can definitely include that as one of our criterion in the RFP and then when you are building that and once we selected the vendor, when we are building our profile and working for our initial phases of the recruitment, we want to say that that is a priority for us but we need to be able to define that for them, as well. When we get to that point, we want to be able to say, okay Council what does diversity mean for you.

7. Executive Session

A. Personnel - Section 2 (c) (1) of 5 ILCS 120/2)

8. Adjournment.

Motion by Alderman Black, seconded by Alderman Mwilambwe to adjourn the Committee of the Whole Session. Time: 8:15 p.m.

Motion carried. (Viva voce)

CITY OF BLOOMINGTON

ATTEST

Tari Renner, Mayor

Cherry L. Lawson, City Clerk