

**COUNCIL PROCEEDINGS
PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL
OF BLOOMINGTON, ILLINOIS**

The Council convened in regular Session in the Council Chambers, City Hall Building, at 7:32 p.m., Monday, November 28, 2011.

The Meeting was opened by Pledging Allegiance to the Flag followed by moment of silent prayer.

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

Aldermen: Judy Stearns, Mboka Mwilambwe, Bernard Anderson, David Sage, Robert Fazzini, Jennifer McDade, Steven Purcell, Karen Schmidt, Jim Fruin and Mayor Stephen F. Stockton.

City Manager David Hales and City Clerk Tracey Covert were also present.

Staff absent: Corporate Counsel Todd Greenburg.

Alderman Fruin read the same statement that appeared on the August 23, 2010 Council meeting prior to voting. He added that it only applied to the Consent Agenda.

The following was presented:

SUBJECT: Council Proceedings of November 14, 2011 and Special Meeting Minutes of November 17, 2011

RECOMMENDATION: That the reading of the minutes of the previous Council Proceedings of November 14, 2011 and Special Meeting Minutes of November 17, 2011 be dispensed with and the minutes approved as printed.

BACKGROUND: The Council Proceedings of November 14, 2011 and Special Meeting Minutes of November 17, 2011 have been reviewed and certified as correct and complete by the City Clerk.

In compliance with the Open Meetings Act, Council Proceedings must be approved within thirty (30) days after the meeting or at the Council's second subsequent regular meeting whichever is later.

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

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by:

Recommended by:

Tracey Covert
City Clerk

David A. Hales
City Manager

Motion by Alderman Purcell, seconded by Alderman Fazzini that the reading of the minutes of the previous Council Meeting of November 14, 2011 and the Special Meeting Minutes of November 17, 2011 be dispensed with and the minutes approved as printed.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Bills and Payroll

RECOMMENDATION: That the bills and payroll be allowed and orders drawn on the Treasurer for the various amounts as funds are available.

FINANCIAL IMPACT: Total disbursements to be approved \$4,217,381.51 (Payroll total \$1,589,423.60 and Accounts Payable total \$2,627,957.91).

Respectfully submitted for Council consideration.

Prepared by:

Recommended by:

Timothy Ervin
Director of Finance

David A. Hales
City Manager

(ON FILE IN CLERK'S OFFICE)

Motion by Alderman Purcell, seconded by Alderman Fazzini that the Bills and Payroll be allowed and the orders drawn on the Treasurer for the various amounts as funds are available.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Reports

RECOMMENDATION: That the reports be received and placed on file.

BACKGROUND: The following reports should be received and placed on file with the City Clerk:

1. Required Reporting to Municipality by Pension Board for Fiscal Year 2010-2011 – Fire
2. Required Reporting to Municipality by Pension Board for Fiscal Year 2010-2011 – Police

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed by:

Recommended by:

Tracey Covert
City Clerk

Timothy Ervin
Performance Auditor & Budget Mngr.

David A. Hales
City Manager

(ON FILE IN THE CLERK'S OFFICE)

Alderman Stearns stated her understanding that there would be a discussion with questions when the actuary made his presentation to the Council. David Hales, City Manager, addressed the Council. He stated that Art Tepfer, Tepfer Consulting Group, Ltd., (actuary), would attend the Council's December 19, 2011.

Motion by Alderman Purcell, seconded by Alderman Fazzini that the reports be received and placed on file.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Renewal of Proposal from Testing Services Corporation (TSC) for Asphalt and Portland Cement Concrete Plant Inspection and Laboratory Testing, Subsurface Soil Exploration, and Geotechnical Investigations (All Wards)

RECOMMENDATION: That the proposal be renewed for an additional two (2) year period and the Resolution be adopted.

BACKGROUND: On December 28, 2009, Council approved a proposal from TSC for Asphalt and Portland Cement Concrete Plant Inspection and Laboratory Testing, Subsurface Soil Exploration, and Geotechnical Investigations for the years 2010 and 2011.

The 2009 agreement provides for renewal of the proposal for up to two (2) additional years upon mutual agreement of the City and TSC. TSC has expressed their willingness to renew the proposal for the years 2012 and 2013.

TSC has performed well since entering into this proposal. City staff has been pleased with the level of customer service received. The City has worked with Terracon, another local testing firm, in the past. Their proposal pricing and customer service levels were deemed unacceptable by City staff. Renewal for an additional two (2) years will allow the City to take advantage of the 2009 pricing levels.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: TSC.

FINANCIAL IMPACT: Funds for this work for the remainder of this fiscal year are included in the current budget and are budgeted annually based on project testing needs, (10016210 – 70220). In Fiscal Year (FY) 2011, the City spent \$31,404.05 on testing services. During FY 2012, the City has incurred \$7,037.50 in costs related to this service. The consultant is paid based upon the amount of work performed.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed as to legal sufficiency:

Jim Karch
Director of Public Works

J. Todd Greenburg
Corporation Counsel

Recommended by:

David A. Hales
City Manager

RESOLUTION NO. 2011 - 53

**A RESOLUTION AUTHORIZING AN ADDENDUM TO THE PROPOSAL BETWEEN
THE CITY OF BLOOMINGTON AND TESTING SERVICES CORPORATION, INC.
FOR ASPHALT & PORTLAND CONCRETE PLANT INSPECTION & LABORATORY
TESTING**

WHEREAS, the City of Bloomington has previously entered into an agreement with Testing Services Corporation (TSC) for Asphalt & Portland Concrete Plant Inspection & Laboratory Testing; and

WHEREAS, for the reasons set forth in a staff report dated December 28, 2009 the City has the ability to extend this proposal; and

WHEREAS, it is the finding of the City Council that the decision to perform the work described in the December 28, 2009 memo was in the best interest of the citizens of the City of Bloomington.

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

That an addendum to the proposal between the City of Bloomington and TSC for Asphalt & Portland Concrete Plant Inspection & Laboratory Testing be approved.

ADOPTED this 28th day of November, 2011.

APPROVED this 29th day of November, 2011.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

Motion by Alderman Purcell, seconded by Alderman Fazzini that the proposal be renewed for an additional two (2) year period and the Resolution be adopted.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Request from Wingover Six, LLC requesting approval of a Dedication of Public Easement in Lot 262 in Airport Park Subdivision, 6th Addition located west of Towanda-Barnes Rd. and north of Empire St., (IL Rt. 9)

RECOMMENDATION: That the Easement Deed be accepted and the Dedication of Public Easement be approved.

BACKGROUND: The easement dedications are for public utilities installed as part of the existing Wingover Apartment complex. The utilities will be extended to the south to service the new Gerig Court Apartments complex (with the following addresses: 3204, 3208, & 3212 Gerig Court, and 3202, 3206, & 3210 Harrier Way) planned for the lot located directly north of the Holiday Inn site located at 3202 East Empire St., Airport Park Subdivision 14th Addition.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Wingover Six, LLC.

FINANCIAL IMPACT: The cost of all public improvements, platting, and recording will be borne by the petitioner.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed as to legal sufficiency:

Jim Karch
Director of Public Works

J. Todd Greenburg
Corporation Counsel

Recommended by:

David A. Hales
City Manager

Motion by Alderman Purcell, seconded by Alderman Fazzini that the Easement Deed be accepted, the Dedication of Public Easement be approved and the Easement Deed recorded.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Petition from Wingover Six, LLC requesting approval of a Final Plat for the Fourteenth Addition to Airport Park Subdivision located west of Towanda-Barnes Rd. and north of Empire St., (IL Rt. 9)

RECOMMENDATION: That the Final Plat be approved and the Ordinance passed.

BACKGROUND: This final plat consists of one (1) lot located directly north of the Holiday Inn site and located on Gerig Dr. The zoning in this area is R - 3B, High Density Multiple Family Residence District. The Petition is in conformance with the approved preliminary plan for the subdivision.

This subdivision calls for the construction of six (6) apartment buildings. According to the Township Assessor's Office, the property's current EAV (Equalized Assessed Value) is \$125,267. This value has been calculated based upon the land being undeveloped and at the developer rate.

Staff recommends the Petition be accepted and the Final Plat approved subject to the petitioner paying the required tap-on fees and furnishing a performance guarantee for uncompleted public improvements prior to recording the plat.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Wingover Six, LLC.

FINANCIAL IMPACT: The cost of all public improvements, platting, and recording will be borne by the petitioner.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed as to legal sufficiency:

Jim Karch
Director of Public Works

J. Todd Greenburg
Corporation Counsel

Recommended by:

David A. Hales
City Manager

PETITION FOR APPROVAL OF FINAL PLAT

State of Illinois)
)
County of McLean) ss.

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS

Now comes WINGOVER SIX, LLC, hereinafter referred to as your petitioner, respectfully representing and requesting as follows:

1. That your petitioner is the owner of the freehold or lesser estate therein of the premises hereinafter legally described in Exhibit A which is attached hereto and made a part hereof by this reference, of is a mortgagee or vendee in possession, assignee of rents, receiver, executor (executrix), trustee, lessee or other person, firm or corporation or the duly authorized agents of any of the above persons having proprietary interest in said premises;
2. That your petitioner seeks approval of the Final Plat for the subdivision of said premises to be known and described as AIRPORT PARK SUBDIVISION, 14TH ADDITION;
3. That your petitioner also seeks approval of the following exemptions or variations from the provisions of Chapter 24 of the Bloomington City Code, 1960: all those shown on the final plat and/or included in any previously approved agreements with the City of Bloomington, if any.

WHEREFORE, your petitioner respectfully prays that said Final Plat for the AIRPORT PARK SUBDIVISION 14TH ADDITION submitted herewith be approved with the exemptions or variations as requested herein.

Respectfully submitted,

WINGOVER SIX, LLC

BY: Donald R. Franke
Member

ORDINANCE NO. 2011 - 53**AN ORDINANCE APPROVING THE FINAL PLAT OF THE
AIRPORT PARK SUBDIVISION 14TH ADDITION**

WHEREAS, there was heretofore filed with the City Clerk of the City of Bloomington, McLean County, Illinois, a Petition for approval of the Final Plat of the AIRPORT PARK SUBDIVISION 14TH ADDITION, legally described in Exhibit A attached hereto and made a part hereof by this reference; and

WHEREAS, said Petition requests the following exemptions or variations from the provisions of the Bloomington City Code-1960, as amended: all those shown on the final plat and/or included in any previously approved agreements with the City of Bloomington, if any; and

WHEREAS, said Petition is valid and sufficient and conforms to the requirements of the statutes in such cases made and provided and the Final Plat attached to said Petition was prepared in compliance with requirements of the Bloomington City Code except for said requested exemptions and/or variations; and

WHEREFORE, said exemptions and/or variations are reasonable and in keeping with the intent of the Land Subdivision Code, Chapter 24 of the Bloomington City Code-1960, as amended.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS:

1. That the Final Plat of the AIRPORT PARK SUBDIVISION 14TH ADDITION and any and all requested exemptions and/or variations be, and the same is hereby approved.
2. That this Ordinance shall be in full force and effective as of the time of its passage this 28th day of November, 2011.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

EXHIBIT A

Legal Description

A part of the SW¼ and a part of the SE¼ of Section 31, Township 24 North, Range 3 East of the Third Principal Meridian, City of Bloomington, McLean County, Illinois, more particularly described as follows: Beginning at the southwest corner of Lot 262 in Airport Park Subdivision 6th Addition according to the plat thereof recorded as Document No. 2003-42269 in the McLean County Recorders of Deeds Office; thence N.00°-28'-08"W. 168.19 feet on the west line of said Lot 262; thence S.88°-37'-35"E. 588.93 feet parallel with the south line of said Lot 262; thence S.01°-22'-25"W. 168.10 feet parallel with the east line of said Lot 262 to the south line of said Lot 262; thence continuing S.01°-22'-25"W. 200.00 feet parallel with the east line of Lot 131 in Airport Park Subdivision according to the plat thereof recorded as Document No. 2001-23503 in the McLean County Recorders of Deeds Office to the north right of way line of Gerig Drive; thence N.88°-37'-35"W. 267.09 feet on the north right of way line of Gerig Drive; thence northwesterly 103.37 feet on the said right of way line of Gerig Drive on a non-tangential curve concave to the southwest having a radius of 60.00 feet, central angle of 98°-42'-42" and a chord of 91.05 feet bearing N.83°-40'-03"W. from the last described course to the northeast corner of Lot 136 in Airport Park Subdivision 11th Addition according to the plat thereof recorded as Document No. 2006-24104 in the McLean County Recorders of Deeds Office; thence N.43°-01'-24"W. 268.90 feet on the northeasterly line of said Lot 136 to the south line of Lot 262 in said Airport Park Subdivision 6th Addition; thence N.88°-37'-35"W. 37.59 feet to the Point of Beginning, containing 4.28 acres, more or less, with assumed bearings given for description purposes only.

Motion by Alderman Purcell, seconded by Alderman Fazzini that the Final Plat be approved and the Ordinance passed.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Resolution to Cede the City's Allocation of the Private Activity Bonding Cap to Eastern Illinois Economic Development Authority (EIEDA)

RECOMMENDATION: That the City's 2011 Volume Bond Cap be transferred to Eastern Illinois Economic Development Authority, with a transfer fee agreement of one percent (1%), the Resolution be adopted, and the Mayor and City Clerk be authorized to execute the necessary documents.

BACKGROUND: The Internal Revenue Code permits the City, as an Illinois Home Rule Municipality, to issue private activity bonds. The Federal tax code classifies private activity bonds as those that are utilized for projects that primarily benefit private entities. Congress uses

an annual state volume cap, currently capped at the rate of \$95 per capita for 2011. Based upon a population of 74,184, the City's volume cap for calendar year 2011 is \$7,047,480. This figure was determined by the state utilizing the Annual Estimates of the Population for the United States, Regions, States and Puerto Rico: April 1, 2000 to July 1, 2009. We anticipate that additional volume cap bonds will be offered to the City by the state for calendar year 2012.

On May 23, 2011, Council voted to reserve the City's 2011 allocation for an unidentified project. To date, the City has not been approached with any proposed projects to utilize these funds. EIEDA, with offices located in Champaign and Springfield, IL, has recently requested the Council consider transferring the City's 2011 volume cap to them for their economic development and housing projects. EIEDA has offered to execute a transfer fee agreement with the City in return for the 2011 volume cap allocation. The City would receive one percent (1%) of whatever portion of the volume cap is utilized. The deadline for transfer is December 31, 2011.

In the past, the City has ceded over its volume bonding cap to the Illinois Housing Development Authority (IHDA) to further homeownership within the community, (2003, 2004, 2007, 2008, 2009 and 2010). In 2010, the Council passed a resolution to cede its Private Activity Bond Cap to Clayton Jefferson LLC. This project did not go forward and the City ceded its 2010 volume cap to IHDA. IHDA works with the community to assist working families and individuals achieve homeownership through their Mortgage Credit Certificate and Mortgage Revenue Bond programs. IHDA has sufficient funding for these two (2) programs for 2011 and has not requested the ceding of the City's authority.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: There are no applicable local community groups or interested persons associated with this action.

FINANCIAL IMPACT: There is a possibility of receiving revenue from a one percent (1%) transfer fee, approximately \$70,000 upon issuance of bonds to a borrower, which would be payable at the bond closing. It has been suggested by EIEDA that our Volume Bond Cap may be utilized for a senior living facility that is estimated to need \$10.5 million in bonds and has a projected closing date of spring 2012.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed by:

Financial review by:

Sharon Walker
Division Mngr. Code Enforcement

Mark R. Huber
Director of PACE

Douglas Ellsworth
Interim Director of Finance

Reviewed by:

Recommended by:

Barbara J. Adkins
Deputy City Manager

David A. Hales
City Manager

RESOLUTION NO. 2011 - 54

**A RESOLUTION AUTHORIZING THE CEDING OF CITY OF BLOOMINGTON'S
ALLOCATION OF THE 2011 PRIVATE ACTIVITY BONDING AUTHORITY**

BE IT RESOLVED by the City Council of Bloomington, Illinois:

WHEREAS, The Internal Revenue Code of 1986 provides that the amount of private activity bonds which may be issued by the City of Bloomington as a constitutional home rule unit is equal to its population multiplied by \$95.00; and

WHEREAS, The Illinois Private Activity Bond Allocation Act (30 ILCS 345/1 et seq.) provides, among other things, that the corporate authorities of any home rule unit may reallocate to a state agency any portion of its unused allocation of volume cap; and

WHEREAS, the City of Bloomington has available year 2011 volume cap and desires to utilize this cap in cooperation with the Eastern Illinois Economic Development Authority (EIEDA) to support the projects that will create jobs and expand the City's tax base; and

WHEREAS, the City of Bloomington has reserved its 2011 volume cap pursuant to Resolution 2011-18 on May 23, 2011.

NOW THEREFORE, be it ordained by the City Council of the city of Bloomington, Illinois:

Section 1. Consent to Reallocate to EIEDA: The city hereby agrees to reallocate to the Eastern Illinois Economic Development Authority its 2011 private activity volume bonding cap in the amount of \$7,047,480.00. Said private activity volume bonding cap shall be used to support projects that will provide job opportunities and new investments.

Section 2. Letter of Agreement: The Mayor is hereby authorized to execute a letter of agreement with EIEDA consenting to such allocation on behalf of the City as authorized. The City Finance Director is also authorized to enter into any transfer fee arrangements as the City deems in its best interests.

Section 3. Maintaining Records: The City Finance Director is hereby authorized to maintain such record of the allocation for the term of the bonds issued pursuant to such allocation.

Section 4. Notice: That the City shall provide a notice of reallocation to the Office of the Governor.

Section 5. Effective Date: That this Resolution shall be effective from and after its passage.

ADOPTED this 28th day of November, 2011.

APPROVED this 29th day of November, 2011.

November 28, 2011

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

November 30, 2011

Mr. Andrew Hamilton
Executive Director
Eastern Illinois Economic Development Authority
P.O. Box 13112
Springfield, IL 62791

**RE: Letter of Agreement between EIEDA and City of Bloomington
Ceding of 2011 Volume Bond Cap**

Dear Mr. Hamilton:

As agreed, please find attached the City of Bloomington's adopted Resolution No. 2011 - 54 authorizing the transfer and reallocation of its 2011 volume cap to the Eastern Illinois Economic Development Authority (EIEDA).

Please print, sign and return this letter as a binding agreement between the City and EIEDA that if the City's 2011 volume cap is used by EIEDA, the City of Bloomington shall receive a transfer fee equal to 1% of its transferred volume cap at closing. Upon signing, please return a copy to:

Tracey Covert, City Clerk
City of Bloomington
P.O. Box 3157
Bloomington, IL 61702-3157

Sincerely,

Stephen Stockton, Mayor
City of Bloomington
PH: 309-434-2240

Acknowledged and Agreed:

Andrew Hamilton, Executive Director EIEDA

December 6, 2011

Alderman Stearns addressed this item. She understood that under the agreement the City would receive one percent (1%) or approximately \$70,000. She questioned the Resolution which was adopted in May 23, 2011 which reserved the City's Volume Bond Cap, (VBC). David Hales, City Manager, addressed the Council. He noted the Council's previous action. The City had received a second request from EIEDA, (Eastern Illinois Development Authority). He added that there was no local interest in the City's 2011 VBC. He added that a decision must be made by the end of December 2011. Alderman Stearns stated that there was no carry-over. Mr. Hales added that there would be a new VBC in January 2012. Alderman Stearns stated that there was no downside to this issue. If the City ceded its authority, then it would receive one percent (1%). Mr. Hales cautioned that the City would only receive the one percent (1%) if there is a bond closing. Alderman Stearns questioned the time line. She noted that the funding request would benefit eastern Illinois counties. Mr. Hales affirmed that the transfer would only apply to counties served by EIEDA. This request would allow EIEDA to lock up a portion of the City's 2011 VBC.

Doug Ellsworth, Interim Finance Director, addressed the Council. He was not a bond attorney. He believed that there was documentation which would extend the deadline by ninety (90) days which would allow EIEDA until March 2012 to take action.

Alderman Stearns questioned the City's new VBC. She also questioned how the City planned to promote same. Mr. Hales noted that there were developers who regularly worked with IHDA, (Illinois Housing Development Authority). This was a specialized area of development. Alderman Stearns believed that the City's VBC should be open to individuals who come forward with eligible projects.

Mayor Stockton noted that the City has the authority to cede to itself if there was a large eligible project. He added that by ceded to other entities the City may make a request for reciprocity.

Alderman Fazzini noted his past experience in the banking industry. Individuals who were involved with eligible projects were also aware of this financing vehicle.

Motion by Alderman Purcell, seconded by Alderman Stearns that the City's 2011 Volume Bond Cap be transferred to Eastern Illinois Economic Development Authority, with a transfer fee agreement of one percent (1%), the Resolution be adopted, and the Mayor and City Clerk be authorized to execute the necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Suspension of Ordinances to Allow Consumption of Alcohol at Miller Park Pavilion on December 17, 2011

RECOMMENDATION: That the Ordinance suspending Section 26(d) of Chapter 6 and Section 701 of Chapter 31 to allow the suspension and consumption of alcohol at the Miller Park Pavilion on December 17, 2011 be passed.

BACKGROUND: The Bloomington Liquor Commissioner Stephen Stockton called the Liquor Hearing to order to hear the request of Jonathan Kimmel and Megan Sage to allow moderate consumption of alcohol at their December 17, 2011 wedding reception to be held at Miller Park Pavilion. Present at the hearing were Liquor Commissioners Steve Stockton, Richard Buchanan, Marabeth Clapp, Stephen Petersen and Geoffrey Tompkins; George Boyle, Asst. Corporation Counsel, Clay Wheeler, Asst. Police Chief, and Tracey Covert, City Clerk.

Commissioner Stockton opened the liquor hearing to hear the request of Jonathan Kimmel and Megan Sage to allow alcohol consumption at Miller Park Pavilion on December 17, 2011 from 3:30 until 9:00 p.m. He noted that no one was present to address this request. Tracey Covert, City Clerk, stated that Mr. Kimmel and Ms. Sage did not reside in the City. She had spoken with David Sage, bride's father and Rick McCormick, Redbird Catering. She confirmed the contents of Mr. Kimmel's letter. The request was for limited beer and wine service. The event would be catered.

Motion by Commissioner Buchanan, seconded by Commissioner Tompkins that the request of Jonathan Kimmel and Megan Sage to allow moderate consumption of alcohol at their December 17, 2011 wedding reception to be held at the Miller Park Pavilion be approved.

Motion carried, (unanimous vote).

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: The Agenda for the November 8, 2011 Meeting of the Liquor Commission was placed on the City's web site. There also is a list serve feature for the Liquor Commission.

FINANCIAL IMPACT: None.

November 28, 2011

775

Respectfully,

Reviewed and concur:

Stephen F. Stockton
Chairman of Liquor Commission

Randall D. McKinley
Police Chief

Reviewed by:

Recommended by:

John Kennedy
Director, Parks, Recreation & Cultural Arts

David A. Hales
City Manager

ORDINANCE NO. 2011 - 52**AN ORDINANCE SUSPENDING PORTIONS OF SECTION 701 OF CHAPTER 31 AND SECTION 26(d) OF CHAPTER 6 OF THE BLOOMINGTON CITY CODE FOR A WEDDING RECEPTION AT THE MILLER PARK PAVILION**

WHEREAS, Jonathan Kimmell and Megan Sage are planning to hold their wedding reception at the Miller Park Pavilion from 3:30 p.m. to 9:00 p.m. on December 17, 2011; and

WHEREAS, Jonathan Kimmell and Megan Sage have requested permission from the City to serve beer and wine during this event; and

WHEREAS, in order to legally possess alcohol in a City Park, Section 701(a), (b) and (c) of Chapter 31 of the Bloomington City Code, which prohibits the drinking, selling and possessing alcohol beverages with the City parks and Section 26(d) of Chapter 6 of the Bloomington City Code, which prohibits possession of open alcohol on public property must be suspended;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS;

Section 1: That Sections 701(a), (b) and (c) of Chapter 31 and Section 26(d) of Chapter 6 of the Bloomington City Code, 1960, as amended, are suspended for the duration of the wedding reception at the Miller Park Pavilion on December 17, 2011 under the conditions set forth in the rental agreement.

Section 2: Except for the date of date set forth in Section 1 of this Ordinance, Sections 701(a), (b) and (c) of Chapter 31 and Section 26(d) of Chapter 6 of the Bloomington City Code, 1960, shall remain in full force and effect. Nothing in this Ordinance shall be interpreted as repealing said Sections 701(a), (b) and (c) of Chapter 31 and Section 26(d) of Chapter 6.

Section 3: This Ordinance shall be effective on the date of its passage and approval.

Section 4: This Ordinance is adopted pursuant to the home rule authority granted the City of Bloomington by Article VII, Section 6 of the 1960 Illinois Constitution.

PASSED this 28th day of November, 2011.

APPROVED this 29th day of November, 2011.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

Alderman Sage left the dais.

Mayor Stockton introduced this item.

Motion by Alderman McDade, seconded by Alderman Fazzini that the Ordinance suspending Section 26(d) of Chapter 6 and Section 701 of Chapter 31 to allow the suspension and consumption of alcohol at the Miller Park Pavilion on December 17, 2011 be passed.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Fruin and Purcell.

Nays: None.

Motion carried.

Alderman Sage returned to the dais.

The following was presented:

SUBJECT: Text Amendment Approving an Ordinance to Amend Ward Boundaries

RECOMMENDATION: That the Text Amendment be approved and Ordinance be passed.

BACKGROUND: The Council held a Work Session on October 10, 2011 regarding its duty to redefine ward boundaries pursuant to state statute and federal law. Twenty-two (22) proposed ward boundary map revisions were posted on the City's web site for review and input from citizens. At the Council's November 14, 2011 meeting, Council voted 6 to 3 to adopt Ward Map Alternative 1.

The proposed ordinance will revise the City Code to officially designate which City precincts are located within each ward. As the Council has been previously informed, because of the staggered election cycle for aldermen, the new wards will be implemented in two (2) election cycles; the new odd numbered wards will elect aldermen in 2013, and the new even numbered wards will elect aldermen in 2015.

The work of Troy Olson, Engineering Technician II, whose responsibility it was to prepare the twenty-two (22) alternatives which were considered by the citizens and the Council, is gratefully acknowledged.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Outreach to citizens via web site.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by:

Recommended by:

J. Todd Greenburg
Corporation Counsel

David A. Hales
City Manager

ORDINANCE NO. 2011 - 54**AN ORDINANCE AMENDING CHAPTER 2, SECTION 13, OF THE
BLOOMINGTON CITY CODE, DIVIDING THE CITY INTO
NINE WARDS AND SETTING THE BOUNDARIES THEREOF**

WHEREAS, the results of the 2010 decennial census taken in Bloomington, Illinois, showed that the City of Bloomington had 76,610 inhabitants, and such population figure has been certified by the Secretary of the State of Illinois; and

WHEREAS, under Section 5-2-2 of the Illinois Municipal Code (65 ILCS 5/5-2-2), the City would be entitled, by reason of its population, to 18 aldermen, and by reason of a referendum approved by the voters of the City of Bloomington on April 3, 1979, the number of aldermen of the City of Bloomington is restricted to one-half of the total authorized by Section 5-5-2 of the Illinois Municipal Code, with one alderman representing each ward; and

WHEREAS, Section 5-2-4 of the Illinois Municipal Code (65 ILCS 5/5-2-4) requires the Bloomington City Council, from time to time, to divide the City into the number of wards to which the City is entitled, requiring the wards to be as nearly equal in population, and the wards to be of as compact and contiguous territory, as practicable, with the additional requirement that such wards be created in such a manner so that no voting precinct shall be divided between two or more wards, insofar as is practicable; and

WHEREAS, by reason of a referendum approved by the voters of the City of Bloomington on November 5, 1996, the terms of aldermen in the City of Bloomington are staggered; and

WHEREAS, the United States Constitution requires wards to be divided so that the population of each ward is as near equal as practicable,

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
BLOOMINGTON, ILLINOIS:**

Section One: Section 13 of Chapter 2 of the Bloomington City Code, as amended, is further amended to read as follows:

(a)Membership. Effective May 1, 2007, the City Council shall be composed of a Mayor elected at large and nine (9) aldermen. For the terms of office commencing on and after May 1, 2015 ~~2007~~, one alderman shall be elected for a four year term from each of wards 2, 4, 6 and 8 as described in subsection (b) of this section; the alderman must live in the ward from which he or she is elected. ~~For the term of office commencing on May 1, 2007, an alderman shall be elected for a two year term from Ward 9 as described in subsection (b) of this section; the alderman must live in the ward from which he or she is elected.~~ For the terms of office commencing on and after May 1, 2013 ~~2007~~, one alderman shall be elected for a four year term from each of wards 1, 3, 5, ~~and 7~~ and 9 as described in subsection (b) of this section; the alderman must live in the ward from which he or she is elected. The Mayor shall be elected for a four year term of office commencing on and after May 1, 2013~~2009~~.

(b)Ward Boundaries. The nine wards of the City shall consist of the following territory:

- Ward 1: The territory included in Precincts ~~13, 18, 19, and 23~~ 18, 19, 20, 21 and 23 as determined by the Bloomington Board of Election Commissioners as of the effective dates of this ordinance.
- Ward 2: The territory included in Precincts ~~2, 12, 17, 26 and 35~~ 2, 13, 35, 45, 47 and 52 as determined by the Bloomington Board of Election Commissioners as of the effective dates of this ordinance.
- Ward 3: The territory included in Precincts ~~3, 14, 15, 34, 36 and 39~~ 10, 25, 34, 42, 50 and 51 as determined by the Bloomington Board of Election Commissioners as of the effective dates of this ordinance.
- Ward 4: The territory included in Precincts ~~9, 20, 22, 24 and 27~~ 1, 9, 22, 24, 27 and 28 as determined by the Bloomington Board of Election Commissioners as of the effective dates of this ordinance.
- Ward 5: The territory included in Precincts ~~16, 29, 30, 31, 32 and 38~~ 15, 16, 29, 30, 31 and 39 as determined by the Bloomington Board of Election Commissioners as of the effective dates of this ordinance.
- Ward 6: The territory included in Precincts ~~6, 7 and 12~~ 6, 12, 17, 26, and 46 as determined by the Bloomington Board of Election Commissioners as of the effective dates of this ordinance.
- Ward 7: The territory included in Precincts ~~1, 4, 5, 28 and 41~~ 4, 5, 7 and 41 as determined by the Bloomington Board of Election Commissioners as of the effective dates of this ordinance.
- Ward 8: The territory included in Precincts ~~8, 11, 21, 33 40, and 44~~ 8, 11, 32, 33, 40, 44 and 48 as determined by the Bloomington Board of Election Commissioners as of the effective dates of this ordinance.
- Ward 9: The territory included in Precincts ~~10, 25, 37, 42 and 43~~ 3, 14, 36, 37 38, 43 and 49 as determined by the Bloomington Board of Election Commissioners as of the effective dates of this ordinance.

Section Two: Except as provided herein, the Bloomington City Code, as amended, shall remain in full force and effect.

Section Three: The City Clerk is hereby authorized to publish this ordinance in pamphlet form as provided by law.

Section Four: This ordinance shall be effective ten days after the date of its publication.

PASSED this 28th day of November, 2011.

APPROVED this 29th day of November, 2011.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

Mayor Stockton introduced this item.

Alderman Fazzini questioned the proposed ordinance as he believed that it did not match the map provided. He cited Ward 7 as an example. David Hales, City Manager, addressed the Council. He noted that the existing language had been struck through and the proposed language was underlined.

Troy Olson, Engineering Technician II, addressed the Council. He believed that currently Ward 7 consisted of precincts 1, 4, 5, 28 and 41. Under the proposed ordinance precinct 7 would be added and precincts 1 and 28 would be removed. He added that proposed language which addressed which precincts were in each ward was correct.

Alderman Fazzini expressed his concern regarding the struck through language. Mayor Stockton restated that the proposed language regarding ward make up (precinct listing) was correct. Alderman Fazzini noted that the current language was incorrect. Mr. Olson could not address this concern. Alderman Fazzini expressed his willingness to support this item which needed to be corrected.

Motion by Alderman Purcell, seconded by Alderman Fazzini that the amended Text Amendment be approved and Ordinance be passed.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Acceptance and Presentation of Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended April 30, 2011

RECOMMENDATION: That the Comprehensive Annual Financial Report for the Fiscal Year ended April 30, 2011 be accepted.

BACKGROUND: The City has a history of retaining a Certified Public Accounting (CPA) firm to audit the financial records of the City and to prepare the CAFR for the previous fiscal year. The CPA firm of Sikich LLP performed this audit and prepared the CAFR. City staff assisted the auditors by preparing various audit schedules, the transmittal letter, and management's discussion and analysis. The auditor's report, or opinion, on the CAFR prepared for the year ended April 30, 2011, is "unqualified", meaning that the statements are presented in accordance with generally accepted accounting principles applied on a basis consistent with the preceding year.

The three (3) sections of the CAFR include: Introduction, Financial, and Statistical. The Introductory Section includes the letter of transmittal and general information about the City. The Financial Section includes the auditor's report (opinion), management's discussion and analysis, basic financial statements, and required and supplemental information. The Statistical Section provides trend information to allow the reader to gain a better understanding of the long-term financial picture of the City.

The management's discussion and analysis, which appears on pages 16 through 35 provides a summary of the City's financial condition as of April 30, 2011, and the results of operation for the fiscal year then ended. Following is a brief summary of the results of operation for some of the primary operating funds of the City.

General Fund: At April 30, 2011 total assets amounted to \$38.7 million. Cash and investments totaled \$11.1 million. Liabilities at year end totaled \$23.1 million; Fund balance therefore totaled \$15.6 million. Unreserved undesignated fund balance of the General Fund (sub fund) totaled \$14,304,992, which compares favorably to the \$12,525,480 fund balance benchmark set forth in the recently adopted fund balance policy. This is the equivalent of nineteen percent (19%) of the current year's budget.

For the year ended April 30, 2011 the General Fund reported a net increase in fund balance of \$4.9 million. This is very close to the estimate that was provided to Council several months ago as part of the 2011-2012 budget discussions. Revenues totaled \$76.9 million while expenditures totaled \$66 million. Other financing sources and uses (net), consisting mostly of operating transfers in and out, reduced fund balance by \$6.1 million.

Revenues exceeded budget by \$2 million, or 2.6%, with positive budget variances being seen in the area of taxes and intergovernmental revenues. Negative budget variances were seen in the area of licenses and permits, charges for services, and fines.

Expenditures came in at \$3.5 million, or 5.1%, under budget for the year. The only negative budget variances can be found in the area of sanitation and capital outlay.

Library Operations: On a combined fund basis, the Library reported assets of \$7.5 million, liabilities of \$4.9 million, and fund balance of \$2.6 million at year end. The Library's cash position was \$2.9 million. Fund balance for the year increased by \$50,677, on revenue of \$5.2 million, expenditures of \$4.6 million, and other financing uses (net) of \$0.6 million. Fund balance in the Maintenance and Operations Fund, exclusive of the capital reserve amount, totals \$807,229, which is less than their fund balance policy benchmark of twenty-five percent (25%) of budget (\$1,332,287).

Water Fund: The Water Fund is showing net assets of \$92.3 million, with assets of \$101.1 million and liabilities of \$8.8 million. The Fund's cash position was \$6 million. The Fund reported an increase in net assets for the year in the amount of \$4.2 million, on revenues of \$15.6 million and expenses of \$11.2 million.

Sewer Fund: The Sewer Fund is showing total net assets of \$52.7 million, with assets of \$62.5 million, and liabilities of \$9.8 million. The Fund's cash position was \$110,337, which is weak for a fund its size. However, the Fund did see net assets increase by \$648,256 during the year. Unrestricted net assets were \$-3,121,044 as of April 30, 2011, but this is an improvement from the negative \$5 million reported a few years ago. Revenues totaled \$3.9 million, while expenses totaled \$2.3 million. There were also \$1.1 million of net non-operating expenses and transfers out.

US Cellular Coliseum: Net assets of the Coliseum Fund totaled \$23.9 million. Assets totaled \$27.2 million, while liabilities totaled \$3.4 million. Unrestricted net assets were \$-2,568,450. The Fund reported a \$918,326 reduction in net assets for the year. Excluding depreciation expense, however, the Fund reported net profit of \$4,763. This is lower than the \$70,000 profit reported by Central Illinois Arena Management (CIAM) recently; the difference being audit adjustments that were recently posted.

City Pension Plans: All three of the City's pension plans saw improvement in the 2010/11 fiscal year. The Police Pension Fund reported a \$5.7 million increase in net assets, for a total of \$47.5 million. The Firemen's Pension fund reported a \$4 million increase in net assets, for a total of \$38.3 million. The City's IMRF account showed assets increasing \$2.7 million, to a total of \$10.3 million. At April 30, 2010, the date of the most recent actuarial study, the Police Pension Fund was 55.35% funded and the Firemen's Pension Fund was 49.85% funded. This was an improvement over the prior year's funding level. The City's IMRF account was 21.23% funded at December 31, 2010, which was an improvement over the 16.84% reported last year. The level of funding of the IMRF account is very low due to the Earlier Retirement Incentive (ERI) program approved by the Council a few years ago. The level of funding for IMRF is projected to increase substantially over the next several years as additional employer and employee payments are credited due to the ERI program.

The CAFR was placed on the City's web site prior to formal acceptance by the Council due to the need to publish it within six (6) months of the City's fiscal year end. The Government

Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting program requires that a government's CAFR be available no later than 180 days after the end of the fiscal year in order to qualify for an award. The City has received this prestigious award for each of the past thirty-five (35) years. The CAFR will be formally presented to the Council at its November 28, 2011 meeting.

Council has also been provided with a copy of Sikich's Management Letter. Auditors are required to provide same for the purpose of communicating any identified weaknesses in internal controls and recommendations for improvement. The majority of the comments and recommendations are repetitions from the prior fiscal year. Staff has been unable to address the majority of these items due to the lack of funding and/or staff time. These recommendations will be closely examined for implementation during Fiscal Year 2012. A few of them have already been implemented.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: None.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by:

Recommended by:

Douglas R. Ellsworth, CPA
Interim Director of Finance

David A. Hales
City Manager

(COMPREHENSIVE ANNUAL FINANCIAL REPORT ON FILE IN CLERK'S OFFICE)

Mayor Stockton introduced this item. He noted that Sikich, the City's outside auditor, would be making a presentation to the Council.

David Hales, City Manager, addressed the Council. He reminded the Council that Art Tepfer, actuary for the City's Police and Fire Pension Funds, would address the Council on December 19, 2011. The City had not received complete actuarial reports as of this date. Representatives from Sikich would officially present the CAFR (Comprehensive Annual Financial Report) to the Council this evening

Doug Ellsworth, Interim Director of Finance, addressed the Council. The annual outside audit was a local government requirement. The City retained Sikich, CPA (Certified Public Accountant) firm to conduct same. The CAFR has been provided to the Council, placed on file in the City Clerk's Office and posted to the City's web site. The City had received an unqualified opinion. The CAFR was divided into three (3) sections: 1.) Introductory; 2.) Financial; and 3.) Statistical. He noted that the Management's Discussion and Analysis, (MD & A), was included in the Financial Section.

Mr. Ellsworth addressed the City's General Fund which was the main operating fund. Revenues exceeded expenses. He noted that the Unreserved Fund Balance (UFB) year end balance was favorable. There was \$1.8 million in the UFB above the City's benchmark. He noted that \$1.4 million of these dollars had been earmarked for Gaelic Park and the Locust St. Combined Sewer Overflow Elimination and Water Main Replacement Project, Phase 1. He cited the figures for total expenditures versus total revenues and described them as balanced. The Sewer Fund saw improvement. The cash position of this fund was weak. Finance staff will continue to watch this fund. The Parking Fund showed a \$1.3 million loss for the 2011 fiscal year. This figure exceeded the last fiscal year. The City needed to develop a plan to manage this fund. The Storm Water Management Fund also had a negative fund balance of \$3.1 million. He noted that a positive note was the \$1 million increase to net assets. Finance staff would also continue to watch this fund.

Mr. Ellsworth noted that the City had received the GFOA, (Government Finance Officers Association), Certificate of Achievement for Excellence in Financial Reporting for the last thirty-five (35) years. He expressed his belief that the City would receive same again this year.

Chad Lucas, CPA/Partner with Sikich LLP, addressed the Council. He thanked the City for the opportunity to serve in an auditing capacity. He recognized the Finance staff's efforts in light of the City's ERP, (Enterprise Resource Planning), project. The Independent Auditor's Report was located on pages 14 and 15 of the CAFR. The audit was conducted in accordance with government accounting principals. He directed the Council to the Fund Balances, Governmental Funds, Last Ten Fiscal Years, (see pages 159 – 160). He noted the General Funds' trend over this time period. He noted the UFB from 2008 to the present. He noted the City's efforts to turn this fund around.

Mr. Lucas noted that the MD & A provided good information regarding the difference between budget and actual results, (revenues and expenditures). He encouraged the Council to review this portion of the CAFR. Mr. Lucas made note that there were separate audits for the following: US Cellular Coliseum, (USCC), Foreign Fire Insurance Board and a single audit report for federal dollars received by the City. This information was also included in the City's CAFR. The Management Letter addressed any/all weaknesses found. He noted that there were repeated items from last year's CAFR. He cited the Finance Department's work load and available staff. City staff's responses were also included. He welcomed the Council's questions.

Alderman Fazzini noted the City's URB from 2008. He noted that the City was given a clean opinion. Mr. Lucas responded affirmatively. Alderman Fazzini addressed the Management Letter and the repeated items. Mr. Lucas noted that these were areas of concern. Sikich tested for controls and commented on same. There were vulnerable areas. There were no improprieties and/or fraudulent activities. There were also recommendations for improvement. Alderman Fazzini hoped that there would not be a single repeated item next year. Mr. Lucas expressed Sikich's interest in improvement. He acknowledged that the City had to balance cost versus benefit.

Alderman Fazzini questioned how the City compared to other like size communities. Mr. Lucas noted that Sikich collected statistics which addressed key indicators. He added that the City had made improvements and was moving in a positive direction. Alderman Fazzini requested that Sikich share the statistical information with the City.

Alderman Anderson expressed his belief that the ERP system would resolve a number of issues. Mr. Lucas acknowledged that the MUNIS software would be an improvement over the Banner system. Mr. Hales added his opinion that some issues would be resolved. There were issues which were not connected to MUNIS. Alderman Anderson addressed control over data and cash. Mr. Lucas noted segregation of duties. Mr. Hales acknowledged that the City may have reduced the Finance Department staffing level too low. The Finance Department has been unable to respond to and/or address all of the items listed in the Management Letter. He believed that the City needed to add an accountant position to the Finance Department for Fiscal Year 2013. He added that the Finance Department served as the lead department for the MUNIS conversion, phase 1. This phase went live on November 1, 2011. The Finance Department was in a state of transition.

Mayor Stockton directed the Council to Full-Time Equivalent City Government Employees by Function/Programs Last Ten Fiscal Years, (see page 176). The number of full-time employees peaked in 2008 and had been on the decline. He added his belief that the City needed to add a few key staff positions. Alderman Stearns expressed her opinion that the City had the same number of full-time staff. Mr. Lucas noted that the unaudited listing was found on page 176. Mayor Stockton noted that the number had declined from 867 to 732. Alderman Stearns noted that this was a significant drop in positions/people. Mayor Stockton noted the report stated full-time employees. Alderman Stearns stated that these positions were on the books. Mayor Stockton restated that the actual number of full-time employees. It did not address if the City was at authorized number of employees.

Alderman Sage noted the rigor of the USCC audit. He cited the material weaknesses. He noted the recommendations for improving internal controls and operating efficiency. He stated his expectation for diligence in this area. He noted that in the past there had been verbal agreements between CIAM (Central Illinois Arena Management) and the City. At present, all contractual agreements between the two (2) parties were written.

Alderman Stearns noted the material weaknesses. She cited the previous year's whistle blower. She questioned if Sikich tracked the number of items and the percentage corrected. Mr. Lucas stated that a few had been corrected. In addition, there were a few new items. He estimated that ninety percent (90%) were repeat items.

Alderman Stearns expressed her interest in looking at the future. She specifically cited revenue and debt, (General Obligation). She added her belief that the biggest challenge facing the City was the pension funds, (IMRF, Police and Fire) and OPEB, (Other Post-Employment Benefits), plan. She questioned if there was a standard for municipal reserves. Mr. Lucas noted that pensions were a statewide issue. He added that

pensions were an issue at all levels of government, (state and federal). Pensions were also an area of concern in the private sector.

Mr. Ellsworth addressed health care costs. He noted that health care costs were increasing at eight to ten percent (8 – 10%) per year while at the same time revenues were increasing by only three to four percent (3 – 4%) per year. The City was attempting to manage same. He acknowledged that the pension funds' figures were large. The City has historically levied the amount required by the actuary. By statute, the Police and Fire Pension funds must be ninety percent (90%) funded by 2040. Each of the pension funds had achieved good investment returns during the last two (2) years. The actuarial assumption is based upon a 7.5% return on investments per year.

Alderman Stearns noted that in reality the cost would be amortized over a number of years. She cited the tax burden and asset percentage available for investment. She found the City's response to be inadequate. City contributions needed to be beyond the statutory requirement.

Mayor Stockton noted that the number one cost of indirect compensation was health care and pensions.

Alderman Fazzini noted that an audit was conducted in a perfect world. The Council acted as the CEO (Chief Executive Officer) of the City. He recognized Mr. Hales' comments as the City Manager. The Council needed to give serious consideration to address the staffing level in the Finance Department. He granted his willingness to give the benefit of the doubt. He did not want to see the same items listed on the Management Letter next year.

Mayor Stockton thanked Mr. Lucas for his comments. The CAFR was a useful document. It contained a lot of data. He restated that the CAFR had been placed on the City's website. The document had also been placed on file at the Public Library in hardcopy format.

Motion by Alderman Purcell, seconded by Alderman Fazzini that the CAFR for the Fiscal Year ended April 30, 2011 be accepted.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

MAYOR'S DISCUSSION: Mayor Stockton congratulated City staff for their work on the CAFR. Expenses had been reduced and the City came in below budget. He hoped this trend would continue. He cited the pension challenges.

CITY MANAGER'S DISCUSSION: None.

ALDERMEN'S DISCUSSION: Alderman Fruin recognized City staff's efforts to answer the Council's questions regarding agenda items on Council Mondays.

He had attended a seminar on November 17, 2011 hosted by Ancel Glink Diamond Bush DiCianni and Krafthefer. The firm had sent a courtesy follow up mailing. Two (2) memorandums were included: 1.) Use of Private Cell Phones and Computer for Government Business – Text Messages Held to be Public Records and 2.) Recommended Terms to be Added to Contracts.

Mayor Stockton noted the Attorney General's Office concern that local governments be in compliance with the FOIA, (Freedom of Information Act), law.

Alderman Fruin noted that during October 2011 the City received seventy-two (72) FOIA requests. He suggested that the City place all FOIA requests on the City's web site. He added that it was not his intent to discourage FOIA requests.

Mayor Stockton noted that the City would have to follow proper procedure. He noted the number of staff hours and resources devoted to FOIA. He added that a number of these requests involve legal actions. There also were curious citizens. He hoped the information received was useful.

Alderman Fruin cited media reports which can create a difficult environment to work in.

Alderman Fruin addressed the Turkey Trot which was held on Thanksgiving. He thanked the Parks, Recreation and Cultural Arts staff for this event which drew over 1,000 participants. The Turkey Trot showcased Miller Park. The City's parks were an asset which impacted citizens' quality of life.

Finally, he expressed his concern regarding available funds to address the City's pensions and street resurfacing needs.

Alderman Fazzini informed the Council of his visit to a City of Champaign's Council meeting. He planned to visit other cities' council meetings. He also noted that he had attended the IML (Illinois Municipal League) Conference earlier this fall.

Alderman Purcell wished all a belated Happy Thanksgiving. He had left the area to be with family. He had made use of the community's trail system. He planned to share some ideas with John Kennedy, Director – Parks, Recreation & Cultural Arts.

Alderman McDade welcomed the individuals representing Leadership McLean County.

She also addressed the Turkey Trot. She echoed Alderman Fruin's comments regarding this event.

Alderman Stearns noted recent information regarding the City as a whole. She enjoyed and took pride in her ward and its neighborhoods. She was pleased that the City retained the current ward system. She believed the ward system led to diversity on the Council. Individuals have separate interests.

Alderman Sage thanked Alderman Schmidt for coordinating the Council's booth at the Thanksgiving Farmer's Market. It was a good opportunity to interact with the public.

Alderman Anderson expressed his concern regarding the Council's Public Comment portion which is part of the first regular meeting of the month. He believed that an individual was approached afterwards for comments made.

Motion by Alderman Anderson, seconded by Alderman McDade, that the meeting be adjourned. Time: 8:40 p.m.

Motion carried.

**Tracey Covert
City Clerk**

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