



**CITY COUNCIL COMMITTEE OF THE WHOLE
MEETING AGENDA ADDENDUM I
CITY HALL COUNCIL CHAMBERS
109 E. OLIVE STREET, BLOOMINGTON, IL 61701
MONDAY, SEPTEMBER 21, 2015, 5:30 P.M.**

Addition:

- 5 Presentation of the Budget Task Force Committee Final Recommendations.**
(Alderman Scott Black, Presentation 30 and Council Discussion, 30 Minutes) PowerPoint Presentation Attached.

Budget Task Force Recommendations



Building a sustainable budget

Members

- Alan Dodds
- Dave Fedor
- Deanna Frautschi, Chair
- Dontae Latson
- Jamie Mathy
- John Zeunik

Aldermen

- Scott Black
- Amelia Buragas
- David Sage, Chair

Purpose

- Approved by Council May 11, 2015, and designed to examine and make recommendations that outline different approaches to address the City's long-term structural budget challenges, work with City staff to produce budget scenarios that provide the City Council with options to address the long-term structural deficit, and present a report to the City Council at its work session in September.

Budget Task Force Process

- Met 9 times from 5/26-9/14
 - 1 meeting for process
 - 2 meetings of background information
 - 4 meetings primarily spent discussing cuts
 - 1 meeting primarily spent discussing revenue increases
 - 1 meeting summarizing recommendation
- Several Council touch points throughout summer

Process – Next Steps

9/21/15 – Present recommendations to City Council

Starting in October, staff will craft resolutions for each recommendation for the Council to vote for approval

Recommendation – High Level

- The recommendations presented show Budget Task force consensus
- Citizens should pay for services consumed
 - The higher the consumption, the higher the individual cost
 - Fees should be in line with service costs
- Combination of new revenue and service cuts
- No new revenue for new programs/departments
- Bloomington and other government partners should share costs equal to use/benefit

Recommendation

Using five groupings the BTF also tried to bring new context around balancing our suggested budget saving ideas including:

- Program Reductions or Eliminations
- Service Reductions or Eliminations
- Shared Services
- Alternative Service Delivery
- Operational Efficiencies in Service Delivery

Police and Fire Pension Funding

Fiscal Year 2017 (starting in May 2016)

- No changes (new estimates per Lauderbach & Amen, LLP)

Fiscal Year 2018 and beyond

- Review Ramp Up payment schedule while maintaining required state minimum and supplemental payments and supporting Council policy of 100% funding by 2041

Solid Waste

Fiscal Year 2017 (starting in May 2016)

- Implement 1st bucket charge for curbside bulk waste pick-up (not branch/shrubbery)
- Increase bucket charge for additional curbside bulk waste pick-up
- Bulk waste at city drop-off yard is free

Additional BTF Suggestions:

- Review a 35-gal refuse can fee increase
- Outsource entire solid waste program
- Special bulk waste charge for landlords

Comments:

Funding solid waste with property taxes penalizes businesses as they already must pay these expenses

General Fund covers only brush/shrubbery bulk waste

Solid Waste -

Fiscal Year 2018 and beyond

- Review Bucket Charge Increases
- Review potential landfill closing on solid waste program costs

Program Reductions or Eliminations

Fiscal Year 2017 (starting in May 2016)

- Seek full reimbursement - School Resource Officer Program (-\$300K)
- Recover full cost of Downtown Police Hire Back from Downtown beneficiaries (-\$120K)

Additional note

- Study impact of eliminating School Resource Officer Program

Program Reductions or Eliminations

Fiscal Year 2017 (starting in May 2016)

- Misc. department reductions (-\$43K)
 - Complete BCPA operational audit including potential Foundation impact

Additional BTF Suggestions

- Sell Creativity Center
- Sell BCPA, eliminating \$1M in annual operating expenses
- Convert the BCPA to an enterprise fund
- Reduce BCPA budget (-\$250K)

Program Reductions or Eliminations

Fiscal Year 2018 and Beyond:

- Explore formation of a Park District (City, City/Town, City/Town/County)
- Adopt Ordinance/Policy for Parks/Rec revenues covering X% of expenditures (Currently 50%) with low-income considerations.

Shared Services

Fiscal Year 2017 (starting in May 2016)

- Seek maximum cost recovery of total \$480K estimated expense for CIRA Aircraft Rescue & Firefighting

Shared Services

Fiscal Year 2018 and Beyond:

- Review Police firing range cost recovery
- ETSB (Emergency 911) Revenue Sharing

Alternative Service Delivery

Fiscal Year 2017 (starting in May 2016)

- Initiate a review of outsourcing golf operations by FY17 budget adoption.
- Review selling all three city golf courses by FY17 budget adoption.

Alternative Service Delivery

Fiscal Year 2018 and Beyond

- Revise policy for golf enterprise fund that if any outside fund transfer is needed, triggers review to contract out golf course operations
- Explore combining (both internal and external) management for Coliseum and BCPA

Operational Efficiencies in Service Delivery

Fiscal Year 2017 (starting in May 2016)

- As FY17 budget process starts, all departments should develop contingency 5% reduction plans

Operational Efficiencies in Service Delivery

Fiscal Year 2018 and Beyond

- Allocate budget resources to investigate operational efficiencies in all departments
- Total compensation plan and job audit review for all city employee positions

Revenues

As a principle, there is a BTF preference to consider city license/fee increases, Home Rule Sales tax, and Property taxes.

Principles

- As proposed revenue increases are reviewed, stay below central Illinois communities, and using Town of Normal as benchmark.
- By ordinance/policy new revenues to be targeted for specific, new budget expenditures (infrastructure, pensions, capital expenses, etc.)

Revenues

Fiscal Year 2017 (starting in May 2016)

- Complete the City's comprehensive fee and rate study and prepare for cost recovery policy decisions with phased implementation, using Town of Normal as a benchmark and align for actual costs
- Increase Home Rule Sales tax up to ½% to help address the FY17 structural deficit with consideration for the Council to explore up to an additional ½% to address other specific targeted expenses for example capital, pensions, etc.
- Property tax rate increase to 1.35 equating to about \$645K annually, tied to Police & Fire pension funding
- Increase golf course fees

Revenues

Fiscal Year 2018 and Beyond

- Review sending overdue parking tickets to a collection agency
- Review implementing a computer system and hardware to move the operations of the 3 parking decks the City owns to 24 by 7 pay by hour operations.
- Review Downtown Master Plan – Parking Recommendations

Conclusion

The Budget Task Force attempted to review the City's budget structure at a high level. This recommendation should not be interpreted as a solution to Council. Rather, this recommendation presents key ideas for Council consideration, review and action.

Questions and Discussion