



CITY OF
BLOOMINGTON
SPECIAL SESSION
MEETING
SEPTEMBER 12, 2016

AGENDA



**SPECIAL MEETING SESSION AGENDA
OF THE CITY COUNCIL
CITY HALL COUNCIL CHAMBERS
109 E. OLIVE STREET, BLOOMINGTON, IL 61701
MONDAY, SEPTEMBER 12, 2016, 5:00 P.M.**

1. Call to Order
2. Roll Call of Attendance
3. Public Comment
4. Consideration of approving the minutes of the Special City Council Meetings for August 22, 2016. (*Recommend that the reading of the minutes be dispensed and approved as printed.*) (5 minutes)
5. Closed Special Meeting
 - A. Review of Minutes – Section 2(c) (21) of 5 ILCS 120/2 (5 minutes)
 - B. Probable Litigation – Section 2(c) (11) of 5 ILCS 120/2 (30 minutes)
 - C. Potential Litigation – Section 2(c) (11) of 5 ILCS 120/2 (30 minutes)
 - D. Personnel – Section 2(c) (1) of 5 ILCS 120/2 (50 minutes)
6. Return to Open Session
7. Adjourn (*approximately 6:55 PM*)



**SPECIAL SESSION MEETING
AGENDA ITEM NO. 4**

FOR COUNCIL: August 8, 2016

SUBJECT: Consideration of approval the minutes of the Special City Council Meetings for August 22, 2016.

RECOMMENDATION/MOTION: That the reading of the minutes be dispensed and 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: The Special City Council Meeting Minutes have been reviewed and certified as correct and complete by the City Clerk.

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: Cherry L. Lawson, C.M.C., City Clerk

Recommended by:

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

David A. Hales, City Manager

Attachments:

- August 22, 2016 Special Session Meeting Minutes

Motion: That the reading of the minutes be dispensed and approved as printed.

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1. Call to Order

The Council convened in Special Session in the Council Chambers, City Hall Building at 5:03 p.m., Monday, August 22, 2016. The meeting was called to order by Mayor Renner.

2. Roll Call

Mayor Renner directed City Clerk, Cherry Lawson to call the roll and the following members of Council answered present:

Aldermen Diana Hauman, Karen Schmidt, David Sage, Joni Painter, Amelia Buragas, Mboka Mwilambwe, Scott Black, Kevin Lower, Jim Fruin and Mayor Tari Renner.

Staff present: David Hales, City Manager; Steve Rasmussen, Assistant City Manager; Jeffrey Jurgens, Corporation; Cherry Lawson, City Clerk; Patti-Lynn Silva, Finance Director (arrived: 5:26 PM); Tom Dabareiner, Director of Community Development (arrived: 5:25 PM); and Austin Grammer, Economic Development Coordinator (arrived: 5:25 PM).

3. Public Comment

There were no comments offered.

4. Consideration of approving the minutes of the Special City Council Meetings for August 8, 2016. (*Recommend that the reading of the minutes be dispensed and approved as printed.*)

Mayor Renner requested a motion to approve the minutes as presented.

Motion by Alderman Schmidt, seconded by Alderman Painter to approve minutes of the Special City Council Meetings for August 8, 2016.

Ayes: Aldermen Mwilambwe, Buragas, Painter, Schmidt, Black, Hauman and Fruin.

Nays: None.

Absent: Aldermen Kevin Lower and David Sage

Motion carried.

5. Motion to Enter into Closed Session

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Mayor Renner requested a motion to enter into Closed Session.

Motion by Alderman Schmidt, seconded by Alderman Painter to recess to Executive Session per Section 2(c) (21) of 5 ILCS 120/2, Section 2(c) (21) of 5 ILCS 120/2, and Section 2(c) (5) of 5 ILCS 120/2.

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

Ayes: Aldermen Hauman, Schmidt, Sage, Painter, Buragas, Mwilambwe, Black, Lower and Fruin

Nays: None.

Motion carried.

6. Motion to Adjourn Closed Session and Return to Special Session.

Mayor Renner requested a motion to Adjourn Closed Session

Motion made by Alderman Hauman, seconded by Alderman Schmidt, to return to Special Session.

Motion carried (viva voce).

7. Report on Release of Closed Session Materials

Mr. Jurgens reported that the City would be releasing the minutes of November 15, 2013 Closed Session Meeting as Council has provided consent to release the transcripts. This report is provided in an effort to keep in compliance with the Open Meetings Act.

8. Presentation and discussion on the J.M. Scott Trust and Future Direction.

Mr. Jurgens presented on the John M. Scott Trust stating, J.M. Scott was an attorney from the City of Bloomington. He was the City Clerk for the City of Bloomington, and was a Circuit Court Judge and was a Supreme Justice in Illinois who rode with Lincoln on the Circuit. Mr. Scott passed away on January 1st, 1898. In his Will, he spoke of wanting to establish a hospital for those who needed medical care, and to create a Trust which would then create the hospital.

Mr. Scott wanted the City of Bloomington to oversee the Trust. When the last annuitant passed away in 1981, Bloomington already had two hospitals. A Trust was created, but the Declaration of the Trust was different than that of creating a hospital. The Trust called for the creation of the John M. Scott Health Care Program. The City of Bloomington and City Council serves as Trustees for this Trust. Council is the official overseer of this program. The City established this program through an agreement with Bloomington Township to serve as the

administrator. Mr. Jurgens highlighted services provided under the scope of the program to individuals within the community who could not afford health care services.

The John M. Scott Health Care Program has come to a point, where the programs that were once sought out by the community are no longer offered due to adoption of the Affordable Health Care Plan. This Trust is being brought forward to the Council to decide the direction they would like to see the program go after receiving recommendations from Ms. Skillrud and Susan Albee.

The Commission brought a vision that suggests the intergovernmental agreement be dissolved, that the Township no longer administers the John M. Scott program. Rather create a 501(c) 3 is with the creation of a Board of Directors to make recommendations to the Council. The Commission wants to assess and identify priority health care needs within the community and maintain administrative costs to be around ten percent of the annual budget. Further recommends restructuring to a “grant” only program which would then provide direct funding to select entities who embody the intent of the Scott Trust.

Recommendation by the Township will focus on a full scope review of the current program and determine whether it needs to be restructured to handle the current needs of the community. At this time, the Council approves the budget for the John M. Scott Health Care Program. However, the Township Supervisor is proposing that the budget be more detailed and more specific, that the Township remains the “entry point” of the program, and eligibility guidelines be expanded. The Township would apply community needs assessments and increase education awareness. Township would like to see grants and community services work together to provide needs.

Alderman Buragas asked who prepared the Commission Bylaws and whether they were prepared by the Commission or by the City Council. Mr. Jurgens stated, they look further into the matter and report to Council.

Mayor Renner asked for clarification regarding Mr. Hurr’s role was and who he represents.

Mr. Hurr stated his firm has been involved since inception of this Trust. The Trust is a court supervised Trust. His firm has been serving as Council for the entity within these court proceedings since inception. Their firm provides receipts and disbursements similar to what an accountant would do for an organization. The Court review the firm’s reports.

Alderman Buragas stated it is not usual for a government or public body to be named a Trustee of private funds for an entity. She wanted clarification on Council’s role as a Trustee of these funds, and how that differentiates from the other duties they perform as Council members.

Mr. Jurgens stated as a Trustee, Council is required to act in a fiduciary capacity. Council ensures the intent of the Trust is being fulfilled, and the terms are being fulfilled. When this program started in 1981, it had about \$5.4 million dollars. Today, it has approximately \$11.4 million dollars. The assets of the Trust are extremely important to take care of. The Trust program

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has come to a point where there are different visions of what this program should be, and it now falls back on the Council/Trustee to help give direction and clarification of the goals of the Trust.

Mr. Hurr stated that terms of the trust need to be kept in mind at all times while fulfilling duties as a Trustee. Whatever is decided by the Trustees, should ultimately be approved by the Court who would give the Trustee protection.

Susan Albee; the Chairman for the Commission stated through their recommendation, the Trust Program needs to be good stewards of John Scott's money. The Commission's concern is from a financial standpoint. They feel the money is being spent inappropriately. Too much of the funding is being spent on Administrative costs. The Attorney General agrees Administrative costs should be between 10 and 20% percent. The lower this cost is kept, the more people the funding can help. The Affordable Care Plan, has made all the old recipients of this program eligible for Medicaid.

Deb Skillrud; City of Bloomington Township Supervisor, stated the document that was given by the Commission did not separate out salaries and benefits from the administrative salaries and benefits. When grant funding is provided to other organizations for services, those services are passed on to the grantors. Those program costs stay with the program administrator. Regarding program costs, as program salaries and benefits are separated out, administrative costs are under the ten percent. The percentage of administrative costs increased around 2012 at a time when early retirement incentives had to be paid back.

She stated, if the Trust eliminated programs, services, and grants at the same time, then administrative costs will increase. The Affordable Care Act has decrease the level of direct services. However a need still exist, and Township needs to remain the point of entry for those needs. There are three areas that could be removed as a restriction. Medicaid does not meet all service needs. Currently, the Township cannot help people who have no viable income. We need to help provide for those services that are not covered on Medicaid. Lastly, the program needs to open eligibility to those who have Medicaid Managed Care.

Ms. Skillrud stated in order to change this Trust to a 501(c) 3 it would be a great cost to the Trust. Council needs to focus on restructuring the Program in an effort to better serve the community in the manner intended.

Alderman Schmidt stated she does not understand what the role of the Commission would be in regards to the Township's recommendation. Both recommendations are very different in terms of the number totals for administrative costs. She would like Council to be provided with a list of numbers, from the two entities in order to compare.

Alderman Buragas stated she is proud we have competing recommendations, as it does not show anything wrong has been done but rather two groups that are trying to determine what is best for the Trust. It will take Council some time to sort through the information and recommendations provided.

Alderman Mwilambwe would like someone who is not biased or close to the Trust, to provide the Council with an analysis of this budgeting.

Alderman Sage requested additional information from the Alderman whom have worked with this Trust first hand.

Alderman Black stated, a true agreement on the numbers will ever be concluded. He would rather see the Council discuss whether this Trust becomes a grant-based program or a services program. If the Trust is restructured to a grant-based program, he would like to a process of who is appointed and how the appointment process would come together for Board of Directors.

Alderman Fruin stated he would like to see a community health professional group managing the Scott Commission as opposed to City Council or a Board of Trustees. He wants stability and professionalism managing J.M. Scott funds. He likes the grant concept and wants to minimize administrative costs and minimize duplicate community services.

Alderman Lower stated he would like to see public community assessment performed to determine the needs of the community.

9. Adjourn.

Mayor Renner requested a motion to Adjourn

Motion made by Alderman Schmidt, seconded by Alderman Black, to return to Special Session and adjourn the meeting at 6:36 p.m.

Ayes: Aldermen Mwilambwe, Hauman, Painter, Fruin, Buragas, Schmidt, Black, Lower, and Sage.

Nays: None.

Motion carried.

CITY OF BLOOMINGTON

ATTEST

Tari Renner, Mayor

Cherry L. Lawson, City Clerk