MINUTES
Committee of the Whole
Monday, May 5, 2025 @ 5:00 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER
Council President Kost called the meeting to order at 5:00 p.m.

PRESENT
Councilmember Jeffrey Brown
Councilmember Peter Spadafore
Councilmember Tamera Carter - excused
Councilmember Trini Pehlivanoglu
Councilmember Jeremy Garza
Councilmember Ryan Kost
Councilmember Adam Hussain
Councilmember Brian T. Jackson- arrived at 5:36 p.m.

OTHERS PRESENT
Sherrie Boak, Council Staff
Charles Randall, Internal Auditor
Greg Venker, City Attorney
Lisa Hagen-Lawrence, City Attorney
Mark Lawrence, Mayor's office
Jack Brower, Chief Strategy Officer
Jackson Mills, Budget
Elizabeth O'Leary, HR Director
Dennis Parker, Labor Negotiator
Kyla Moore, HR Deputy Director
Anethia Brewer, District Court
Susan Knieling, District Court
Judge Buchannan
Cathleen Edgerly, DLI Director
Crystal Thomas, Finance Director and Acting Treasurer
Julie Durham, DLI Board Treasurer

Minutes
MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE MINUTES FROM APRIL 28, 2025, AS PRESENTED. MOTION CARRIED 6-0.

Public Comment
No public comment at this time.

Closed Session

MOTION BY COUNCIL MEMBER GARZA TO RECESS INTO CLOSED SESSION AT 5:02 P.M. PURSUANT TO MCL 15.268(C) OF THE OPEN MEETINGS ACT FOR STRATEGY AND NEGOTIATION SESSION CONNECTED WITH THE NEGOTIATION OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY OF LANSING NAD TEAMSTERS LOCAL 214, AS REQUESTED BY THE CITY. THIS WILL INCLUDE DENNIS PARKER, KYLA MOORE AND ELIZABETH O'LEARY. ROLL CALL VOTE CARRIED 6-0.

Reconvene

Council President Kost reconvened the meeting at 5:11 p.m.

PRESENTATIONS

Department Budget Presentations

Human Resources

Ms. O'Leary and Ms. Moore went through the list of questions.

- What is the difference with your budget from the current fiscal year to the proposed budget?
  Overall, the budget is status quo. Some modest adjustments are based on what was projected and cost projection.
- Are there any changes in services that your department is responsible for and if so, why?
  None
- Are there programs you have done in the past that you have not included in this budget?
  No
- Are there any major equipment purchases proposed in your budget?
  No
- What impact has 311 had on your department and staff? If 311 answers your calls, do you intend to eliminate staffing because of the lower work load in this proposed budget.
  They are not using 311, but in discussions for the future. With confidentiality with the City, they are looking at collaborations with anything that would not conflict with confidentiality.
- Are there any eliminated, combining of or contracting of positions in your budget, and if so provide specifics.
  There are no eliminations or combination, and have contracted employees that help with hiring.
- How many employees have left your department in the past year? How many were due to retirement?
  1 FTE, and some contracted employees leave. None due to retirement.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
  Currently in process of the electronic filing for personnel and medical files, and since not finished not aware of the savings yet. Will convert contracts as well, and in last year system has been updated to Financial Enterprise and working through conversion to BSA.
- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes
- Are there any new initiatives or services your department will be providing with this budget?
  Soon on boarding disputing resolution training manager which was approved in the previous budget.

- Have you budgeted for receipt of federal grant funds? If you have, and the federal funds get pulled back, will you still be able to continue the service those funds would be used for, or purchase the item you intended to purchase with federal grant funds, or cover the staff that that the grant was supplementing?
  No
- What impact has the new BSA had on your department, and what issues have you run into. Have your employees had issues with BSA payroll.
  Although BSA is a transition, they have faced challenges, payroll has been diligent in weathering the obstacles. They are getting through the processes and understanding the system. There is complexity with union groups, employees, and with the overhaul of the complete system, the payroll has been weathering.

Council President Kost asked if the fixed benefits increased. Ms. O'Leary noted there were wage increases in the unions. Mr. Brower stated that in the design of the budget, the training position was costed, he put in a separate line item.

<u>District Court</u>
Ms. Brewer, Ms. Knieling and Judge Buchanan went through the list of questions.

- What is the difference with your budget from the current fiscal year to the proposed budget?
  Very little, status quo, and any increases are personnel.
- Are there any changes in services that your department is responsible for and if so, why?
  None, and continue to work with what they do as justice providers.
- What impact has 311 had on your department and staff?
  There are 383 calls for the District Court and do not have a partnership with them.
- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes
- Are there any new initiatives or services your department will be providing with this budget?
  There is one new initiative; Firearms Relinquishment Grant still in planning stages and will come back in the future to provide more information. Have stepped back from new initiatives. Working on training on all the new programs and platforms.
- What impact has the new BSA had on your department, and what issues have you run into. Have your employees had issues with BSA payroll.
  They wished for more training, and ironically BSA is taking care of department training to deal with the challenges tomorrow (5/6).
- Have you budgeted for receipt of federal grant funds? If you have, and the federal funds get pulled back, will you still be able to continue the service those funds would be used for, or purchase the item you intended to purchase with federal grant funds, or cover the staff that that the grant was supplementing?
  Are there programs you have done in the past that you have not included in this budget?
  Speaking directly to the Eviction Diversion Program from the National Center of State Boards and this is the last year. The City was chosen as one of the first courts to develop the program and have been very successful, and is now being viewed as the national model. Courts has requested funding for the FTE

position for this upcoming budget and it was denied, so they are appealing to the Council to add this FTE to the budget as a critical needs agenda.

<u>Downtown Lansing, Inc.</u>
Ms. Edgerly and Ms. Durham went through the list of questions.

- What is the difference with your budget from the current fiscal year to the proposed budget?
  The state allocated funding and increases in fringe and maintenance costs.
- Are there any changes in services that your department is responsible for and if so why?
  Collaborating with CSO on S. Washington in 2026, which advocates with sidewalks. In addition, with merchant learning sessions monthly, offering virtual and in person along with recording. Office hours expanded for merchant meet ups.
- Are there programs you have done in the past that you have not included in this budget?
  No
- What impact has 311 had on your department and staff?
  Recognize it is a tool to access information, and no one has specified they were referred to DLI via 311.
- Are there any eliminations, combining of or contracting of positions in your budget, and if so provide specifics.
  None
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
  This past year project management began which allowed for time savings and tracking of volunteer hours.
- Are you able to perform all necessary departmental responsibilities with this budget?
  Assessment covers a portion, but the rest of budget is from grants, projects and fundraising.
- Are there any new initiatives or services your department will be providing with this budget?
  No
- Who are the top 2 largest vendors for your department and when were they last bid?
  Lake State landscaping – last bid in 2024. Smith group – 2023, providing design assistance with CSO project.
- Have you budgeted for receipt of federal grant funds? If you have, and the federal funds get pulled back, will you still be able to continue the service those funds would be used for, or purchase the item you intended to purchase with federal grant funds, or cover the staff that the grant was supplementing?
  No, have expended all funds rec. in the past.
- What impact has the new BSA had on your department, and what issues have you run into. Have your employees had issues with BSA payroll.
  Has brought challenges and learning opportunities.

<u>Finance/Treasury</u>
Ms. Thomas went through the list of questions.

- What is the difference with your budget from current fiscal year to the proposed budget?

Finance – only difference is the increase in personnel due to reclassifications.
Treasury – added an Administrative Specialist on the income tax side.

- Are there any changes in services that your department is responsible for and if so why?
  No
- Are there programs you have done in the past that you have not included in this budget?
  No
- Are there any rate or fee increases and if so why?
  None
- Are there any major equipment purchases proposed in your budget?
  No
- What impact has 311 taken on your department and staff? If 311 answers your calls, do you intend to eliminate staffing because of lower work load in this proposed budget.
  Finance – they do not provide that service.
  Treasury/Income Tax – they can field a number of calls but if there are confidential information they cannot, and on the property side, 311 can provide deeper information because it is public information.
- Are there any eliminated, combining of or contracting of positions in your budget, and if so provide specifics.
  Finance – yes; former controller retired and on contracted with limited hours through year end and preparation for the audit. There are contractual senior buyers and 2 administrative staff.
  Treasury – They work with Personnel World for seasonal.
- How many employees have left your department in the past year? How many were due to retirement?
  Finance – 3 left - 1 retirement,
  Treasury – 3 left to take positions in other departments, no retirements
- How many employees still working hybrid. And Why. Are the hours of treasury still 8:30 -4? If so why? What is the financial benefit to hybrid and shortened hours. It is still your intent to keep those hours and hybrid when moving to new city hall when you will share space with other departments that work from 8-5.
  The hours for Treasury are 8-4; provide that time so the CSR that handle cash can have an hour to close out for the day and secure the cash. They are having conversations on how that will look at the new city hall so they can make sure if not able to take payment, they could have staff available from 4-5.
  Finance – there are six (6) on hybrid schedule; the kind of work being done in Finance can require to focus and with interruptions that can be hard to do, so they have allowed hybrid to continue and the same with Treasury where they continue to have a couple days a week hybrid.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
  In Finance - 2 accountants hired to increase efficiency.
  Treasury – they reorganized, with a new positions to assist customers in property tax area.

- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes for both departments.
- Why are credit card statements not balanced to the general ledger on a monthly basis. Why are they always 3-5 months behind. How was an accurate budget created without current charges balanced against the budgets?

For Finance – the staff that was responsible for that task was out for an extended period of time and fell behind. Since this time the task was reassigned, there is no back log, reconciliations done monthly and procedure in place to keep on track.
Mr. Brower said the budget evaluation of departments; what they ask for and compare to what budgeted and can look into transaction details. He offered to investigate to see any changes for changed on a case by case basis.

Council President Kost asked again how the administration can create a budget if the correct card statements were not reconciled. Ms. Thomas assured Council that they were still being made aware of the expenditures and request for payment, it was the reconciliation to the actual support that was delayed.

Council Member Garza stepped away from the meeting at 5:45 p.m.

Council Member Kost asked if there were any issues that came about and how far exactly behind they were done. Ms. Thomas offered to research and provide information on the specifics and he asked for.

- What happened this year that W-2's had to be corrected?
  Finance – related to implementation with BSA because BSA set up the wrong code for **retirement deduction codes and do finance had to correct for employees. They did consult with Maner and were told the error would not impact the employee from filing returns.**
- Are there any new initiatives or services your department will be providing with this budget?
  No

Council Member Garza returned to the meeting at 5:48 p.m.

- Who are the top 2 largest vendors for your department and when were they last bid?
  Maner – last bid 2019; MGT cost allocation plan- last bid not sure – jake 2021
  Treasury- Kent Communications – mailing and forms – exempt from bid process. Last time did bid 2018.
- Have you budgeted for receipt of federal grant funds? If you have, and the federal funds get pulled back, will you still be able to continue the service those funds would be used for, or purchase the item you intended to purchase with federal grant funds, or cover the staff that that the grant was supplementing?
  No impact.
- What impact has the new BSA had on your department, and what issues have you run into. Have your employees had issues with BSA payroll.
  With any implementation, there are issues on what is promised and what rolls out for go-live. And she concurred on the need for more training.
  Treasury – had manual work arounds per BSA until BSA provided a fix and once it got fixed no issues after that.

Mr. Randall asked if the working hybrid has any impact on the budget presented. Ms. Thomas stated that it does not, and she believes they are more efficient, and their metrics have increased and reduced overtime.

Council Member Garza referred back to the credit card discussion being 3-5 months behind and asked if the staff person that was gone for so long was hybrid. Ms. Thomas stated it was on personal issues at the time and only time doing it, so fell behind until they found someone else to do it.

Council President Kost asked the percentage of employees in Finance and Treasury working hybrid. Ms. Thomas “ball parked” Finance – 60%; Treasury – 0%, and Income Tax – 50%. She can provide that later. Council President Kost asked if management level and director level come in or work hybrid, and Ms. Thomas stated that typically they are in the office.

Discussion/Action:

RESOLUTION – Ratification of the Collective Bargaining Agreement (CBA) between the City of Lansing and Teamsters 214; Period Covering January 1, 2025 through December 31, 2029.
Council President Kost summarized the changes.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE RESOLUTION FOR THE CONTRACT RATIFICATION BETWEEN TEAMSTERS 214 AND THE CITY FOR THE PERIOD COVERING JANUARY 1, 2025 THROUGH JANUARY 31, 2029. MOTION CARRIED 7-0.

RESOLUTION – REAPPOINTMENTS TO VARIOUS BOARDS
*Arts and Culture Commission-Morgan Butts (At Large) & Stephanie Palagyi (At Large)- Terms to Expire June 30, 2029
*Board of Fire Commissioners-Barbara Lawrence (1st Ward) & Stephen Purchase (At Large) - Terms to Expire June 30, 2029
*Board of Public Service- Nancy Mahlow (1st Ward)- Term to Expire June 30, 2029
*Board of Review- Eric Schertzing (At Large) - Term to Expire June 30, 2028
*Board of Water & Light- Semone James (1st Ward)- Term to Expire June 30, 2029
*Board of Zoning Appeals: Christopher Iannuzzi (At Large), Marcie Alling (At Large) & Mitch Rice (At Large) - Terms to Expire June 30, 2028
*Diversity, Equity, and Inclusion Advisory Board- Terrence L. Frazier (1st Ward) - Term to Expire June 30, 2029
*Downtown Lansing, Inc. Board - Jennifer Hinze (Bus. Rep) & Jennifer Estill (Bus. Rep) - Terms to Expire June 30, 2029
*Elected Officers Compensation Commission - Jeff McAlvey (At Large) - Term to Expire October 1, 2032
*Human Relations and Community Services - Glenn Lopez (1st Ward) - Term to Expire June 30, 2029
*Lansing Public Media Authority - Michael “Melik” Brown (Member) - Term to Expire June 30, 2028; Jena McShane (Member) - Term to Expire June 30, 2027
*Local Development Finance Authority Board- David Washburn (Member) - Term to Expire June 30, 2029
*Planning Commission- Ted O’Dell (At Large) - Term to Expire June 30, 2029
*Police and Fire Retirement System of Trustees-Terri Taylor (Citizen) - Term to Expire June 30, 2030
*Saginaw St. Corridor Improvement Authority Board of Directors - Laura Stoken (Resident)- Term to Expire June 30, 2029
*South Martin Luther King Jr. Boulevard Corridor Improvement Authority Board of Directors - Amanda Defrees (Bus. Rep) - Term to Expire July 31, 2029

Council President Kost read the list into the record.

Council Member Jackson stated he would prefer more direct discussion on the BWL reappointment and did not support appointments to BWL without full scrutiny. He spoke briefly on what he believes BWL has done since they have promised clean energy.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE RESOLUTION FOR MULTIPLE REAPPOINTMENTS. MOTION CARRIED 6-1.

RESOLUTION – Encouraging the Michigan Congressional Delegation to support preserving the tax-exempt status of municipal bonds
Mr. Brower stated the overall if the tax ability changed, the city would have to pay additional taxes, and borrow more to cover cost of projects.

Council Member Jackson noted the resolution is very general, except for the city projects, and he asked why they highlighted the City large projects where some Council and the public did not support that. Mr. Brower stated he did not write, but all are highly important project.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE RESOLUTION FOR SUPPORT OF TAX EXMPT STATUS OF MUNICIPAL BONDS. MOTION CARRIED 7-0.

RESOLUTION – CDBG Budget Action Plan Adoption

Council President noted that the administration in the EDP office; Erin Buitendorp and Doris Witherspoon, confirmed in writing there have been no changes since they presented the budget for public hearing nor since the public hearing.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE RESOLUTION FOR THE CDBG BUDGET ACTION PLAN ADOPTION. MOTION CARRIED 7-0.

Other
No other topics.

Adjourn
The meeting adjourned at 6:07 pm
Respectfully Submitted by,
Sherrie Boak, Recording Secretary,
Lansing City Council
Approved by the Committee May 12, 2025