



MINUTES
Committee of the Whole
Monday, April 15, 2013 – 5:30 p.m.
Tenth Floor Conference Room – Lansing City Hall

CALL TO ORDER

The meeting called to order at 5:30 p.m.

ROLL CALL

Councilmember Carol Wood, Chair
Councilmember A'Lynne Boles Robinson, Vice Chair (arrived 6:15 pm)
Councilmember Derrick Quinney
Councilmember Jessica Yorko (arrived 5:32 pm)
Councilmember Kathie Dunbar
Councilmember Brian Jeffries
Councilmember Jody Washington
Councilmember Tina Houghton (arrived 5:45 pm)

OTHERS PRESENT

Lindsay Green, Council Staff
Arnie Yerxa, Internal Audit
Janene McIntyre, City Attorney
Angie Bennett, Finance Director
Kathie Raffone, Citizen
Tom Krug, FOP
Chief Szymanski, LPD
Captain Yankowski, LPD
Captain Green, LPD
Jeff Kludy, LPD
Jim Deline, LPD
Sandra Kowalk-Thompson, Chair Board of Police Commissioners
Lt. Judy Horning, LPD
Chad Gamble EOC
Bill Fowler, Assessor
Randy Ensely, Accounting Manager

Antonia Kraus, City Treasurer
Eric Tumberella, IT Manager

APPROVAL OF MINUTES

COUNCILMEMBER QUINNEY MADE A MOTION TO APPROVE THE MINUTES OF April 8, 2013, MOTION CARRIED, 6-0.

PUBLIC COMMENT ON AGENDA ITEMS

Kathie Raffone is very disappointed that the Public Safety is being held hostage again this year. The cuts need to start at the top.

DISCUSSION/ACTION

Lansing Police Department (5:30 pm to 7:00 pm)

Chief Szymanski stated that the LPD is made of hard working dedicated officers. The community support for the Police Department was demonstrated with the passing of the millage that allowed for nine of the laid-off officers to be called back and today all of the officer that were laid-off who wanted to return have returned. We current have 189 sworn officers our budget allows for 195 sworn officers. We are conducting oral interview to establish a hiring rooster and we anticipate an additional eight retirements this year.

We at LPD realize we cannot do it alone it takes everyone to work together to keep everyone safe. I am extremely proud of the Neighborhood & Business Watch Program and we have 173 Neighborhood Watches and 87 Business Watches. Officer Theresa Mironiuk has been doing double and triple duty growing and managing these programs. The Neighborhood Watch Advisory Board is made up of caring members of our community and has oversight over Neighborhood Watch helping to grow the program and plan events for neighborhoods. Police Commissioner Patty Farhat Chairs the Board and we should thank her for 31 years of service.

We have been using technology to inform the public about crime trends or patterns in the area we used www.crimemapping.com a citizen can stay up to date about activity at work or in an around the their homes. We have 68 volunteers who work anywhere from front desk to handicap working.

We introduce Data-Driven Approaches to Crime and Traffic Safety (DDACTS) in the Holmes and Martin Luther King area and it has help to reduce part one crimes by 68%.

The Mayor hosted two gun buyback programs, titled guns for groceries. We processed over 300 weapons, some of which were assault weapons. This helps to keep guns out of the hands of criminals and children.

Captain Green is responsible for 20 floor detectives. The addition of a Cold Case Detective to the team is part of this year's budget. Closure is important family and the community. We have closed 25 cold cases for the past 10 years. Our specialized units will remain unchanged in this years proposed budget. One addition to this year's budget is the parking enforcement officers from the parking office will be part of the police department budget. If you have questions I would like to answer them.

Council President Wood stated that one concern is the concessions for the Police Department on page 21 of 44 of the general fund expenditures there is a negative number \$700,000 number and would like to have a deeper explanation. How it was arrived at.

Ms. Bennett stated that number was calculated based on looking at the healthcare concessions.

Mr. Gamble stated that the concessions as they relate to healthcare have not been up to par as of late with the other unions. We hope all unions will go onto the City's base options 1 or 2 plans.

Council President Wood stated that she understood there were concessions made in December 2012 of \$530,000 dollars. Where was that figured in?

Ms. Bennett stated those concession brought back employees for that year. Correct it was a switch to PHP as base but by doing this concession it allows additional officers to be called back.

Mr. Gamble stated that moving to the healthcare plan also addresses some of the Cities long term liability issues, structural costs, and will allow us to provide the high level of service we offer for the city. The Financial Health Team report looked at the level of service we have. Our level of service is 10 percent higher than like communities of our size. We remain confident the FOP will look favorably on this.

Council President Wood stated we keep hearing the statement of like size communities, but we are looking at night population with regards to communities.

Councilmember Quinney asked based on the concessions how much \$533,000 equal in positions.

Ms. Bennett stated that the City matched position with additional revenue sharing dollars that we did not know we would get until the last minute. This match brought back eight positions, with the help of revenue sharing.

Councilmember Washington asked if the \$700,000 is strictly health care concessions.

Ms. Bennett stated that yes it is.

Councilmember Washington stated that the FOP contract is not open and they are under no obligation to open their contract if they do not choose to open up this contract, what is plan "B"?

Mr. Gamble stated that the FOP will understand the overarching effects of forming one program. We need to all be working together. Councilmember Wood stated working with a night time population, were called to protect all people whether they are here at night or not. Plan "B" if the FOP does not do that, is what was stated by the Mayor, the openings that do exist in the Police Department will be held to the tune of \$700,000.

Councilmember Washington asked about the lease for the North Precinct and moving back to City Hall.

Mr. Gamble stated we currently have a lease agreement with the North Precinct is right now and it expires next year. We are looking at all options and how cost effective it is to remain there.

Ms. Bennett stated that the FOP, this is the only group that this year will not have healthcare changes for employees that are actually mandated by the State. As for Plan "B" we also had set aside \$436,000 of the millage money to help pay for officers in 2015 when the grants run out and we would have to use that, vacant open positions and Cold Case Detective position.

Councilmember Yorko asked about the equipment rental on page 18 of 44.

Ms. Bennett stated that increase is due to the increase in operations and the funding of more vehicles that need to be replaced.

Councilmember Yorko question whether we are still doing bicycle patrols?

Chief Szymanski says yes and as the weather warms up you will see more.

Councilmember Yorko wonders to what extent that could the bicycle patrol is a cost savings. She asked on page 17 of 44, at the bottom there is the building rental line item, which is around \$360,000 and we have it going down a little bit and questions the reduction.

Chief Szymanski stated since the closing of the South Precinct and the fact we no longer have an obligation that is the reason the decrease.

Councilmember Yorko questioned the Informational Technology line item since this is new what is it.

Ms. Bennett said that we will be discussing this later in the evening under the Finance Department, but this new fund which help with new technology.

Councilmember Yorko asked if they could explain about what you do within the Department pertaining to racial profiling and situations of racial discrimination, how do you handle that as a Department it is a social justice issue that's is always difficult within law enforcement.

Chief Szymanski stated all employees have been trained concerning the Discrimination Policy. Dr. Carter from MSU does an analysis on all of our traffic stops. All of officers fill out what is called MATS forms. Our Internal Affairs office encourages people to file complaints if they feel that has happened or with Joan Jackson Johnson Department with the Police Investigator who is housed to investigate police complaints.

Councilmember Dunbar asked how many other units do we have in the City that has signed on to the universal base plan and how many employees does that represent?

Ms. Bennett stated we have three bargaining units that have the new City health plan which represents 260 to 270 employees.

Councilmember Dunbar questions the number of employees in the City. Ms. Bennett explained 850 employees and 234 employees in the Police Department.

Council President Wood asked how many sworn officers are. Chief Szymanski stated 195 sworn officers under FOP contract.

Councilmember Dunbar asked where the others fall in healthcare.

Mr. Gamble said the UAW expires in September and the International Association of Fire Fighters whose contract expires July 1st makes up the difference.

Ms. Bennett explained as of July 1st the Firefighter, and October 1st for the UAW will be mandated by the hard cap.

Councilmember Dunbar asked if the plan changes what they will get for healthcare, speaking of the sworn officers. Will they have changes to their plans or just have to contribute 20% more and did you talk to them.

Mr. Gamble stated that they had last spring, of 2012; the proposed plans were presented to all bargaining units, even the FOP officers. We changed the way the plans were structured so it's a deductible plan with co-insurance. The overall design of the plans is to get everyone to as few plans as we can or one plan. Put everything on one plan with greater benefits for a longer time so the City can be under a hard cap plan design. To be under the hard cap but allow a little inflation of the health care costs and also designing the collective bargaining agreements.

Ms. Bennett stated they are offering a few different options under this plan that you would have to do under the hard cap anyway. We are talking about uniformity among the groups so we don't have 50 different plans that are hard to maintain costs.

Councilmember Dunbar asked what the current scenario for healthcare with FOP is as it stands. If they go to this new plan they will save \$700,000 dollars. Is the care going to change or is it the co pay scenario, and if so how is it different?

Mr. Gamble stated the plans are pretty much the same. The change in the structure of the plan happens because there are now deductible plans, whereby a person has to pay the first thousand dollars for their hospital stay and then co-insurance kicks in and the health care provides 80 percent of that. There is an individual limit and family limit. The difference is that the employees are asked to pay more up front for their emergent or out of the ordinary health care.

Councilmember Dunbar asked if the members of the FOP decide they don't want to open it up until 2015, are we talking about trying to figure out a different place to get \$700,000 dollars or jobs.

Mr. Gamble stated that if the FOP does not want to follow through, we will meet with them and discuss options. Close that gap using the moneys we have on reserve dollars for the grant positions, not filling positions to reach that \$700,000.

Councilmember Dunbar asked if that money is not made up in the Police Department budget does that put other Departments at risk to cover that amount.

Mr. Gamble stated that it will not affect other Departments.

Ms. Bennett stated that if we weren't able to do that we would have to resort to \$436,000 that was set aside for grant positions this current budget year. We would have to hold positions open in the police department also, so no.

Councilmember Dunbar asked if we broke the lease to move officers here what is the punishment. What's the feasibility?

Mr. Gamble stated that regarding breaking the lease, we made an agreement without landlord and we don't like to break leases. We also know the challenges at being at City Hall. Every day we hear from people who come here is get a permit or go to the treasurer office and have concerns with parking. We also could sell City Hall. This is a bigger problem than just the Police Department.

Chief Szymanski stated it's an option but in addition to parking there's a lot more to take into consideration.

Councilmember Jeffries asked Mr. Gamble if we could get something in writing as to what would happen to the \$700,000 if that was not approved by the FOP. We do not know what's going to happen if those concessions are not approved so a Plan "B" in writing would be much appreciated. I'm stunned when we hear discussion that we don't want to break a lease contract but are up for breaking the contract with our police personnel because of budget issues. I have repeatedly asked for opt-out provisions to our leases and that still hasn't been provided. Since 2009 there has been almost \$2.5 million dollars put into concessions with the FOP. These include:

- No salary increase
- Change to 12 hour shifts
- New system for Court overtime
- Holiday pay reduced
- Changes in base healthcare plan
- Change RX-Co/pays 3 their
- Premium share 5%
- Changed from 15 years to 25 years to vest
- Continue Health Care Concessions 2012
- Freeze Promotional Process 2012
- Cancel health risk assessment
- Continue Health Care Concessions 2013
- Continue Freeze on Promotional Process 2013
- Continue loss of health risk assessments

Councilmember Jeffries questioned how many vacant funded positions do we have? Chief Szymanski explained six sworn positions and no supervisors.

Councilmember Jeffries asked whether we charge an assessment for a jail fee?

Chief Szymanski stated we do not do that, we looked at doing it; I can follow up with City Attorney.

Councilmember Jeffries asked total cost for Cold Case position.

Ms. Bennett stated approximately \$100,000.

Councilmember Jeffries asked that information concerning the Drug Forfeiture on page 61 of the budget be explained. Mr. Deline stated we are paying for those cost out of general fund since there is a decrease in the Drug Forfeiture revenues.

Mr. Gamble stated he wanted to address some of the comments made by Councilmember Jeffries, the \$2.3 million dollar number in the total number in concessions FOP may have been just one side of the ledger the other could be wage increases and other concessions that could have cost the City more. I know you are attorney you know that these contracts we have entered into have been negotiated, agree upon and voted by all these union members they have agree on these concessions. Have they gone into them skipping and yelling hip-hip-ray absolutely not, but all of them understand the overarching affect that City operates as whole and that everyone has to work together and try to concede certain things to in order for us to continue to provide great services that we do give to the citizens. For us to be unilaterally be removed from a contract I would need to talk with City Attorney McIntyre with regards to outcome of that. Certainly we are looking at collaborative efforts with regards to ending contracts and negotiating them with regards to when they come, during the middle of them, as well issues as associated with how we dress in particular FOP and we are hopefully they will offer us concession like the most of the other unions have over the past six years. The budget gap we have had to close is \$60,000,000 and you mentioned \$2.3 million and the Police budget is roughly a third of the general fund budget. The Police Department, Chief Szymanski have done a great job, there is a lot of cost and personnel and the Chief and Mayor have done great at recommending budgets that preserve the benefits we have offered service to Lansing.

Councilmember Jeffries suggests as a matter of policy, he has asked time and time again that we put provisions in the agreements that if we come in to hard times we can go back in and renegotiate those leases. We have a number of these agreements where we are stuck paying out hundreds of thousands of dollars, like the South Precinct where we were stuck with because we did not have an out. I have as matter of policy asked for that we put that provision in so you as the Administration can go in and negotiate. As for the FOP contract and the others I don't think anyone has volunteered to come forward and say I want to get into this healthcare. This healthcare and hard cap is a State mandated requirement, and everyone is going into to not because they want to go in to it but because they have to go into it.

Councilmember Jeffries questioned the miscellaneous operating for \$163,000 and return on equity \$435,000, what are those. Mr. Deline explained that in the Tri-County Metro the City of Lansing has agreed to have the fiduciary responsible for fund. The \$163,000 is everything from their cleaning service to renting some unmarked cars.

Ms. Bennett explained the agreement between the tri-parties in turns of residual amounts at the end of the year depends on the forfeiture amounts that are received during the year there is allocation back to the Departments to reimburse or refund some of that cost.

Councilmember Jeffries said he thought we weren't getting any back from Drug Forfeiture money. Ms. Bennett stated we received money throughout the year and what happens is each jurisdiction puts money towards operation of Tri-County Metro and then to the extent that there is drug forfeiture received in a year than that money offset what each unit put in. That money is refunded to the various units if there is money.

Councilmember Jeffries asked about the information in the budget book that stated general fund dollars were going into Drug Forfeiture because little was expected this year.

Mr. Deline indicated that was not Tri-County Metro, page 61 is Special OPS. Ms. Bennett said there is no general fund dollars going toward Tri-County Metro.

Councilmember Boles Robinson asked if are considered as administrative fees, is this funding for Tri-County Metro.

Ms. Bennett stated each jurisdiction contributes money toward the Tri-County Metro fund. If we receive Drug Forfeiture funds from the Feds for our part in a drug case it offset what each unit has to contribute in the first place.

Councilmember Washington said as far as the cars at City Hall her husband was a State Police Officers and they parked their cars offsite so there are things that can we worked work out. As for desks and such they work from their laptops and locker rooms can be worked out. How many educational officers do we have in the schools?

Chief Szymanski stated three are assigned to high schools.

Councilmember Washington said when asked before she was told that officers are there because the grant has education component.

Chief Szymanski stated that was not correct.

Councilmember Washington asked if the security peoples in school can do arrests. Chief Szymanski said yes they can. Councilmember Washington asked do we get paid from LSD for those three officers in the schools.

Chief Szymanski explained that we do not. Councilmember Washington stated we should bring them back out the school.

Councilmember Quinney asked about page 25 of 60 the line item for equipment in the LPD Drug Law Enforcement for \$148,900.

Mr. Deline said LPD has a lot of equipment needs from electronics for Jeff Kludy to bringing technology up to date. This is an appropriate use for the dollars even though they do not stay 100% within LPD Drug Forfeiture Unit.

Councilmember Quinney asked why you are buying equipment if you don't have the dollars.

Ms. Bennett said we are spending the money on equipment instead of people. Whether it is \$148,000 for equipment or people is one way or another.

Councilmember Quinney if the money does not come it what are you doing to do?

Ms. Bennett explained that there is a fund balance and we have that, and yes these are projections for FY2014.

Councilmember Jeffries asked Ms. Bennett if for this year there is any set aside from the millage for funds for the grant funded officers.

Ms. Bennett stated no. There is no additional dollars the entire \$2.8 million are taken up with increase within LPD cost.

Councilmember Jeffries asked where the \$436,000 would be located in the budget.

Ms. Bennett stated if you look at page 89 of your budget book. There is a notation that says Operating Subsidies and the Police Millage Fund of \$436,000 in fiscal year 2013.

Chief Szymanski had a correction to Councilmember Washington and the three School Resource Officers are paid for with a CHIP grant, Cops Hiring Program. We were awarded money from the federal government and that is how they are paid for in are schools.

Councilmember Washington asked when the grant ends. Mr. Deline said it ends August 31st of 2014. The grant was written for them to stay in schools.

Councilmember Boles Robinson stated that grant has to be an educational purpose that physically serves in one of those schools.

Councilmember Washington asked Councilmember Boles Robinson if it says three officers in three schools. Councilmember Boles Robinson says it was for specific schools and yes. It had to be in the school based on the amount we applied for.

Councilmember Washington suggests not doing it again especially since schools have security officers.

Mr. Gamble said the officers are proactive and there is a lot of value of having them in our schools and as a parent I am concerned about the safety in our schools.

Councilmember Washington stated if there is a way we could save money by not having them there when there are security officers that are there fully deputized to do what would be needed.

Council President Wood stated her list of information request:

- The current insurance for FOP
- The proposed changes that the Administration is asking of FOP
- For the City Attorney to review the lease at the North Precinct (Precinct) especially with the number of issues that still plague the Precinct which include leaking roofs, stolen parking signs and such.
- Please demonstrate from FY2013 budget the proposed dollars for a study on the precinct consolidation and where those dollars went
- Provide the consolidation study paid for with tax dollars
- Chart showing sworn personnel and one for supervisorial from 2005 until today demonstrating the cost savings by allowing the positions removed from the

President Wood questions are we using the BWL towers for part of our communication with anything with the LPD?

Mr. Kludy stated we are not currently using any BWL towers; Ingham County has the radio on those towers so the City of Lansing does not have anything on those towers. Public Service does use BWL towers.

President Wood recessed the meeting at 6:57 pm

President Wood called the meeting back to order at 8:50 pm

Finance (immediately after the Council Meeting 8:00 pm to 9:00 pm)

Ms. Bennett gave an overview of the Finance Department. Currently the Department is made of four divisions, Assessing, Treasury, Finance Operations, and Informational Technology.

The Assessor is Bill Fowler, Randy Ensley Accounting Manager, Antonia Kraus City Treasurer, and Eric Tumbarella the IT Manager.

The Treasury Office is made up two main work groups Income and Property Tax. The Property Tax group collects the real and personal property tax as well as delinquent personal property Tax. Income Tax collects resident and non-resident that work in Lansing and reviewing and audit more 78,000 returns a year. They work with the Lansing based and regional businesses in regards to withholding. Treasury handles payments, and bank relations for the City. This year the City partnered with the City of Grand Rapids, Flint and Chase Bank to streamline income tax processing.

The Assessing Division is responsible for the annual evaluation and the assessment of real and personal property located in the City of Lansing. Each year the Assessing Division prepares and certifies the assessment roll for the specific tax rolls for more than 41,000 properties. The Assessing Division works with taxpayers to answer assessing questions and annual operates the Board of Review where taxpayers can questions or contest there assessments.

The Operations Division includes accounting, budgeting, accounts payable, purchasing, retirement services operations, financial recordkeeping and reporting. This coming year the City and the Board of Water & Light will work together on a joint purchasing arrangement in order to enhance City's purchasing functions and as well as to enhance efficiency in purchase power for both organizations.

In the FY2014 without proposing a change in operation we are proposing the retirement systems functions be funded from the Administrative funds of each of the Retirement Systems.

Information Technology Division is responsible for maintenance of the City's various computer systems, technology infrastructure, as well as the implementation new technology systems. The Department oversees data centers, email systems, telephone systems, computer systems, cellphone systems and converge data and interconnects with Ingham County and the State of Michigan. Due to the importance of technology the FY2014 is proposing three new measures:

- A direct Cabinet level reporting structure for informational technology in other words known as IT. The budget proposed an additional of a Chief Informational Officer
- \$2,000,000 investment in technology enhancement funded through a bond to modernize our software applications, our IT infrastructure and replacement of workstations, which are computer and laptops and such.
- The formation of the Internal Service Fund which will facilitate the investment of informational technology going forward, because of that a new allocation appears in the City's various Departments.

Previously IT charges were reported in the Finance Department where they now will be shown as allocation among the City's various Departments. This methodology will reflect the important role the IT plays in operations with the creation of its own fund it allows for future investments in systems and infrastructure replacement.

Council President Wood asked for an explanation on the purchasing policy.

Ms. Bennett stated that the City and the BWL currently offer two separate purchasing Departments and this is looking at collaborating these two functions between the two different organizations. Are purchasing functions are very similar in nature we have a lot of

construction projects together, we have the same type of office purchasing type of arrangements and as you know because of these times we need to look at what we are going to finance into the future. We do need to look at who we can partner with for these types of operations.

Council President Wood asked if BWL will be taking over our purchasing.

Ms. Bennett stated we will be working with the BWL. We are working towards that goal to determine what that would look like.

Council President Wood stated we have two positions retiring, are we going to fill those positions.

Ms. Bennett said we currently only one person in that position and that is pretty hard to manage with just one person. That is a very difficult task to manage with one person and as we look at the staffing of the Board of Water & Light and the staffing of the City and we look at what we do with that staffing it makes much more sense to work together in that. Do we have an answer right now as to what that will look like in terms of your exact question we are working toward that goal to determine what that will look like.

Council President Wood stated we are looking at a budget that talk's conceptually about this and we have no idea what the responsibilities are going to be?

Mr. Gamble stated that because of our budget constraints we have to think of new ways to do things. The Board of Water & Light has worked with the City on jointing purchasing with the City of Lansing for 13 years on the CSO project. If the BWL will do all of the purchasing they will implement that through our purchasing ordinance, which will allow a larger staff be familiar with our contracts. To streamline our overall purchase of construction type equipment would translate into a lot of things for the City, but we do not yet know what this would look like. Do we have an exact answer on exactly how this will look, no, but we believe that this will save money.

Council President understands the joint purchasing but questions the idea of the BWL taking over?

Council President Wood fears that if BWL doesn't get something right, who will be held responsible for that? Under the salaries, for the Finance Department under Budget and Purchasing, what the year-end projection is and what next year's budget is that because of positions that have been left open or positions you're going to fill?

Ms. Bennett stated that Finance currently has four positions open. We have downsized our division drastically and we are at a point that we do not feel we can eliminate anymore positions without negatively affecting our office.

Council President Wood asked why the Assessor contract cannot be found. Mr. Fowler's contract is not on in the Clerk's Office.

Mrs. Bennett stated they will have to check with the City Clerk's office.

Council President Wood asks for a copy of that and to find out why it's not on file in the clerk's office. She asked a better understanding to the internal fund for IT and the cabinet position.

Ms. Bennett stated that before it was a division in Finance like the other divisions, this is a move to its own fund that will have its fund its own expenses. The source of its fund is an allocation to the various Departments. What this does is twofold it recognizes the technology cost is vital, but is a requirement in each of Departments it also allows for a funding mechanism for going forward much like the Fleet Fund where we set aside money because we know we will have infrastructure down the line that would be very costly to replace. So this is a funding mechanism that allows the longer term to be able to fund those types of replacement in the future.

Councilmember Washington asked why this has to be a cabinet level position.

Mr. Gamble stated that technology is embedded in everything we do now. In some area technology starts from when the call is made to when the issue is resolved. From an asset management to the issues of laptops in squad cars, the Fire Department almost everything we, technology can become a significant impediment or significant helper if you want it which we do. The importance of reducing the human cost because eighty cents on every dollar in the General Fund is spent on people so if there is a way that we can allow for technology to enhance a single person's ability to perform their job I think in our best interest. A Cabinet level position place I think the necessary emphasis on what technology can do for the City and can be spread across all the different Departments, kindly like link everyone together.

Councilmember Washington stated that she believes as a City we are getting top heavy and does not believe that this should not be a Cabinet level position. She asked if they are planning on replacement of desktops being done all at once or gradually.

Mrs. Bennett stated that with this \$2,000,000 we are looking to do a technology push. We are looking at replacing infrastructure, some our software, some of our applications.

Council President Wood asks how many people we have in our IT Department.

Mr. Tumbarella stated 10.5 meaning one part time position.

Council President Wood how much of our work is contracted out?

Mr. Tumbarella stated a very small portion. We have \$400,000 in the budget, it for a variety of things.

Councilmember Jeffries asked in terms of this push were doing with IT, do you have a plan? Something that shows the steps, this year we are going to do this and next year we plan to this, all the way down the line.

Mr. Gamble stated we have a conceptual plan depending on what the budget has in it. We will react according to that information. Yes, we are tracking computer purchases, such as we know x amount of computers are how old, obviously with that money we would purchase new computers for those computers that can barely run programs some of the new operating systems they are asked to run. That would one of the first things we would do, than software to enhance Department to collaborate what we do, asset management, work order requests those types of things. Hardware for the City, making sure servers that we have is brought up to date. We have older servers that we may need to replace.

Councilmember Jeffries for the next 5 years what do anticipate, if this were to continue on your conceptual plan what do you anticipate the City spending?

Mr. Gamble cannot give an exact number but would like to do is look regular purchases on of computers on rolling scale.

Councilmember Jeffries asked the whether the plan is in writing yet.

Mr. Gamble stated the plan is not in writing because it is not finalized yet. We have things we would like to purchase, so if you have specific questions things that I can answer.

Councilmember Jeffries would like to know what the effects of this will be on an annual basis would be. When he was at LCC they have a plan laid out that spoke to each year what they would be purchasing and what would be accomplished. The budget was based on that and there was buy-in by the Board and they had anticipation and expectation as what was happening.

Mr. Gamble stated once the budget is approved and we come back to you for the bonding we will present you with a plan that is a multiyear plan on what we will purchase with the money that is approved in the budget.

Councilmember Jeffries asked you to supply in writing for FY14 what it is we are going to buy here. I am trying to get what is the total investment the City is making next year for the IT program. Does the \$400,000 in debt go to the bond for IT? What is the term of the bond?

Ms. Bennett explained that they do not want to go to long with the bond. We are about technology and the life of that is not too long on the terms of replacement and such. It is likely 3 to 5 years.

Councilmember Jeffries forwarded questions from last week's budget regarding the allocation issue. He would like that information.

Councilmember Jeffries asked about Treasury and the collections, can you talk some on that.

Ms. Kraus stated we have two part time employees and they are responsible for collecting delinquent property tax. They were fulltime positions but with budget in FY2012 these became part time employees. They are responsible for collecting property and personal property tax and delinquent Income Tax. They also work with our taxpayers on payment plans. They also work with the people who will file a revenue return. They have a lot on their plate. My staff cannot support all the work it needs to do which is why we enlisted the collections agency. The collection company has resources to find people that we don't even have a drop in the bucket in comparison. As long as a taxpayer makes a payment every month there plan will stay inside with the City, but if they miss one it will have to be turned over to collections for further maintenance. They have the staff and resources to maintain this daily activity. The collections company takes 15% which is very low in the grand scheme of collection agencies. It's the same company the Department of Treasury uses for the State. Personal property taxes became delinquent on March 1st; there are about 500 cases of delinquent taxes.

Councilmember Jeffries requests the number of delinquent taxpayers.

Ms. Kraus said she would work on it; we are kind of busy right now.

Councilmember Jeffries asked about the delinquent personal property tax.

Ms. Kraus said they were delinquent on March 1st, we are little late in sending on the first letter on this use to equipment failure. We have about 500 cases off top of her head.

Councilmember Jeffries asked if we were losing significant revenue because of the lack of staff?

Ms. Kraus stated that they do not feel it's significant we are working on collecting all of it.

Councilmember Jeffries stated that if you could give us some idea of what the delinquency is in those areas it would be helpful to find out if maybe we should be putting more resources into your Department and if it's worth it.

Ms. Kraus stated that if she did an additional position it would help get additional revenues for the City, spending a little money will get you money.

Ms. Bennett stated Amy has had a tremendous amount of turnover in the past year and a half.

Council President Wood stated she would like to have an explanation on the Karen Williams position as the retirement benefits person.

Ms. Bennett stated that this is beyond the Retirement Analysis position; this is functions that support the retirement system that currently paid out of the General Fund. They are calculations, payroll, prepare materials for the actuary and retirement activities. This would be like an Administrative fee; this would be pieces of the system.

Council President Wood stated the new Tegrity Pension Software we are purchasing does have the module to do payroll. We chose at that time not to look at that module. If that was something that the Boards looked at we wouldn't have that charge.

Ms. Bennett stated that is not the case. We have a payroll system which is why we chose not to go with that payroll system. And you can purchase a software program but we have to have the people to process the payroll. We have a payroll system and this checks we send out, and the check stock to send them out.

Councilmember Jeffries asked how much the City spends on behalf of pension boards for the work that the City does.

Ms. Bennett stated this would be between \$180,000 -- \$200,000.

Councilmember Jeffries has there been consideration if we were to transfer out two systems to MIRS, I don't know the number. That is different from this proposal.

Ms. Bennett stated that there is a report and I have not had time to study that as yet.

Pending Questions

1. Please provide in writing if the FOP does not make concessions where the funds will come from for that piece of the budget.
2. Please check into a jail assessment fee and explain how it could be implemented.
3. Please provide the current insurance programs for FOP
4. Please provide the proposed changes that the Administration is asking of FOP
5. Please have the City Attorney to review the lease at the North Precinct (Precinct) especially with the number of issues that still plague the Precinct which include leaking roofs, stolen parking signs and such. Determine how the lease can be broken.
6. Please demonstrate from FY2013 budget the proposed dollars for a study on the precinct consolidation and where those dollars went

7. Provide the consolidation study paid for with tax dollars
8. Chart showing sworn personnel and one for supervisorial from 2005 until today demonstrating the cost savings by allowing the positions removed from the
9. Explain how the parking enforcement officers will work within LPD and whether they will enforce 2:00 am to 5:00 am parking
10. Please provide in writing the plan for the purchasing with the Board of Water & Light.
11. List of all charges we pay to the BWL such as the contract to collect sewer fund, Public Service radio tower use, if they took over the purchasing and any others not including utilities bills.
12. Please provide the William Fowler, the Assessor, contract.
13. Please provide a plan of the purchases to take place out of this budget for IT, as to the total investment by the City for IT for next year.
14. Please provide a plan for the next 5 years of what is anticipate in purchases for IT.
15. Please provide number of delinquent taxpayers.
16. Please provide the number of delinquent personal property tax

ADJOURN

The meeting was adjourned at 9:34 p.m.

Respectfully Submitted by,

Lindsay Green, Council Staff

Approved by the Committee on

Appropriate documents attached to original set of minutes.