



MINUTES
Committee of the Whole
Monday, November 28, 2016 @ 5:30 p.m.
City Council Chambers

CALL TO ORDER

The meeting was called to order at 5:32 p.m.

PRESENT

Councilmember Judi Brown Clarke
Councilmember Jessica Yorko
Councilmember Patricia Spitzley
Councilmember Adam Hussain
Councilmember Kathie Dunbar- arrived at 5:33 p.m.
Councilmember Carol Wood
Councilmember Jody Washington
Councilmember Tina Houghton

OTHERS PRESENT

Sherrie Boak, Council Office Manager
Jim Smiertka, City Attorney
Angela Bennett, Finance Director- arrived at 5:35 p.m.
Eric Brewer, Internal Auditor
Elaine Womboldt
Chad Gamble – arrived at 5:49 p.m.

Minutes

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE MINUTES FROM NOVEMBER 14, 2016 AS PRESENTED. MOTION CARRIED 8-0.

Public Comment

No public comment.

Discussion/Action:

RESOLUTION – OPERATING AGREEMENT BETWEEN THE CITY OF LANSING AND LEPFA

Council Member Yorko briefly outlined the 10 year agreement for the frame work of LEPFA.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION FOR THE OPERATING AGREEMENT BETWEEN THE CITY OF LANSING AND LEPFA. MOTION CARRIED 8-0.

Council Member Wood informed the Committee of questions she had asked of Mr. Keith during her meeting with him, those including questions on the revenue funds from the naming rights at the stadium, the revenue collected from special events and the City subsidized funds. Mr. Smiertka was asked what the policy is on having the funds come to the City, generated for the Authority and Stadium, and then the City subsidizes the Lansing Center. Council Member Wood noted that this makes it appear the funds are coming from the General Fund. Mr. Smiertka was asked to review the process, at which he confirmed did not appear to be necessary.

Ms. Bennett informed the Committee that there is a stadium fund the City maintains on the debt service for the Stadium. The Stadium revenue, naming rights, and revenue generated with the agreement with the Lugnuts offsets the debt service on the stadium. In regards to the subsidized funds those go to LEPFA. LEPFA does have a stadium line item on their books for utilities, costs of maintenance and costs to run the stadium.

MOTION CARRIED 8-0.

FY 2017 FIRST QUARTER FUND STATUS REPORT

Ms. Bennett referenced the report and went through the narrative and figures. She noted that for the revenue the administration looks at trending patterns and do a comparison over the last three (3) years, as of 9/30/2016 which provides a trending pattern by category. In regards to changes the revenue sharing compared to this time of year, has very little change but is on track for what they expect. There are charges for services that are behind from the average of the last 3 years due to receipts of code compliance fees.

Council Member Wood asked if the City will receive 100% of the personal property or a portion. Ms. Bennett confirmed it was noted the City would get 100% when the personal property legislation was put together however the City was never sure what would be the final percentage. In the end it appeared the City would receive 80%, but now it finally appears to be 100%. This is the 2013 personal property tax receipts, and if there were any new personal property tax on the rolls it was not included. Council Member Wood asked Ms. Bennett to research and report back on any personal property tax exemptions that were granted in 2013, that will affect the 100% noted and if there is a lose.

Council Member Wood asked why there was a reduction noted in charges for service, when Code Compliance has informed the Committee on Public Safety that all their vacancies are filled, and that the number of violations and inspections are up. Ms. Bennett confirmed the amount in the report was the administrative fee no other revenues. The other revenues are on track.

Council Member Wood asked what is within the budget for overtime with Police and Fire.

Ms. Bennett outlined the process of the vacancy factor, not knowing where vacancy factor may fall in the departments, so they speculate on a comparison.

Council Member Spitzley asked if the vacancy factor is spread across the departments. Ms. Bennett detailed for Council Member Spitzley that when administration is putting together the budget, there is a gap and factor a number, but not within each department. Towards the end of the year the Administration looks at what was not spent and then spreads out amongst the departments. Council Member Spitzley asked if the vacancies are into factor at the time of budget when they create the factor. Ms. Bennett confirmed it is not done randomly they look

historically at what the expectations will be, therefore not based on vacancies at a certain date.

Council Member Brown Clarke asked when they look at the projections, it appears to be the same projection every year, and therefore asked if there was a break down, and when allocated dollars unspent and reallocated, what the formula was.

Ms. Bennett acknowledged that they look at a trend and things drive vacancies. Expenditures are budgeted and the vacancy factor is a negative taken against those. In June annually the departments are reviewed and the factor is zeroed out and balanced amongst the departments. For the first quarter they would expect \$175,000 and this quarter is at \$196,461.

Council Member Brown Clarke pointed out that if every position on the list, there would be a budgetary issue, so why not examine positions to eliminate them off the list so they are not a place holder if they appear not to be needed. Ms. Bennett stated that in 2013 staff was downsized by 1/3. The City does go through a critical needs process.

Council Member Spitzley pointed out that the report was misleading because of all the positions filled by contract workers it implies we have vacancies, but the departments are choosing to fill with contract workers. Ms. Bennett stated that when a position becomes vacant, depending on the position, and it might take 6 weeks to hire, and might not be able to do without someone in that position. Council Member Spitzley asked for details on the report that how long the positions have been vacant, and how long on hold.

Council Member Yorko referenced the large number of positions on the list labeled as "on hold" and asked for clearer definition. Ms. Bennett stated it could be reconfiguration of the position and also timing for training of the employees. Council Member Yorko stated to Ms. Bennett that it is not ideal to fill full time positions by contract.

Council Member Wood informed the Committee that at the Committee on Ways and Means, those Committee members asked for an additional column noting how long the position was vacant. Ms. Bennett disagreed and stated the dialogue was about the hiring status, adding that it is impossible for City staff to provide that information. Council Member Brown Clarke noted that Ms. Black from HR stated to the Committee they could not do a period of time, but could do a quarterly breakdown for a year. Therefore, Mr. Brewer was charged to meet with Ms. Black in HR and work on the information.

Council Member Wood asked for information on those "offset by contract" and what that amount is and if someone is working part time.

Council Member Yorko stepped away from the meeting at 6:10 p.m.

Ms. Bennett stated to the Committee that the vacancy factor report is a budgeting tool used by the administration and there are sometimes contracts and a goal to factor in the positions. Council Member Wood corrected Ms. Bennett by outlining the requests from Council that created the report for Council to use, not just getting a generic number as they had done in the past. Council also asked for the "Non-Vacancy" factor, and then Council asked for the Bargaining Units to be added to the report. This report is for Council for their information to review vacancies. Council Member Dunbar asked for information on how many is costing more than the budget vacancy. If someone is not working 40 hours and the vacancy amount is not being hit, and if working 40 hours the contract is costing more. Ms. Bennett stated that in terms of the "filled by contract", there may be an exception, and full time positions have benefits.

Council Member Yorko returned to the meeting at 6:14 p.m.

The next question was if the total amounts include the fringe benefits or just the wages. Ms. Bennett confirmed it included fringe benefits to that position if that position has them. Council Member Dunbar asked that the amounts be shown if they are not getting benefits. Ms. Bennett stated her opinion that the purpose of the report is to determine where the administration is at in the quarter for budgetary adjustments. Council Member Dunbar reiterated what was stated earlier, that the purpose of the report is to let Council know what is going on, and where the money is at. Therefore the spreadsheet should also be altered to include the last date there was a vacancy.

Council Member Washington agreed with the recommendation to charge Mr. Brewer with finding the information and determining what the financial impact would be. If there is no intention to fill the position, then they should be eliminated.

Council Member Spitzley agreed to the discussions that if the position has been filled by contract for over year, it needs to be filled. Therefore the report should include a column on how long the position has been filled by contracts.

RESOLUTION – CITY COUNCIL 2017 REGULAR MEETING SCHEDULE

Council Member Yorko introduced the proposed resolution with the 2017 FY schedule.

Council Member Dunbar proposed changes to the resolution in the month in January following the 2nd and 4th Monday of the month; to January 9th, January 23rd and January 30th.

Council Member Washington stated to the Committee she understood some members had vacations, however schools do return to class on January 3, 2017, and some vacations have been canceled already to accommodate the already proposed schedule. Council Member Dunbar pointed out that the schedule had not been adopted yet, and her changes were being proposed consistent with the rest of the year on the 2nd and 4th Monday.

Council Member Wood referenced the prior City Attorney opinion that as of midnight on December 31, 2016 the President is no longer President, and the Charter reference that if something happens to the Mayor, then the Council President is placed in that role. Based on that opinion in the past years, Council has attempted to meet as close to the first of the year as possible.

Mr. Smiertka affirmed he had reviewed the opinion of the former City Attorney in 2014, looked at the Charter, Council Rules, and the transcripts of the Charter Commission when putting it together. In the Charter “year” is not defined, but in regular non-profit law it usually states the President or officer serves until the following year. Reciting from the Charter Mr. Smiertka stated the President presides until the end of the year and then an organization meeting until that meeting the City Clerk presides. Mr. Smiertka concurred with the former City Attorney legal opinion that the leadership ends at end of calendar year, and the Clerk presides until the first organization meeting.

Council Member Spitzley asked what would occur if there is no President or leadership, the Clerk would take leadership. Mr. Smiertka stated that if something were to occur with the Mayor, the Charter is silent to that, and he would need to further research that.

Council Member Dunbar again proposed her changes to be consistent with the 2nd and 4th Monday throughout the year.

Council Member Brown Clarke noted that in her time on Council over the last three (3) years, the first business day after the beginning of the year, therefore it would be consistent with the last operational calendar for last 3 years.

Council Member Hussain spoke in support of a good practice and guard against any potential issues.

Mr. Smiertka corrected his earlier statement on the role of Mayor if the Mayor is no longer present, the Charter stated that if there is no Mayor and the President cannot take the role, the Mayor would be chosen by the majority of the members of Council would choose.

Council Member Houghton referenced 2012 when there was no organization meeting in the first week. Council Member Washington added that the Charter states "at least 26 meetings" not "exactly 26".

Council Member Yorko spoke in support of Council Member Dunbar's suggested changes.

Council Member Brown Clarke asked Council Member Dunbar why she added January 23rd to her changes making 3 meetings in January and 27 total meetings. Council Member Dunbar stated she had no issues with no meeting on January 23rd, and making the total meetings to 26.

There was a quick show of hands on which members had issues with attending a meeting on January 3, 2016.

Council Member Houghton asked what would happen if there is a 4-4 vote. Council Member Brown Clarke confirmed it would fail and would be brought back at the December 12, 2016.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION AS PRESENTED FOR THE 2017 FISCAL YEAR MEETING CALENDAR. MOTION FAILED 4-4.

Council Member Brown Clarke stated this topic will be revisited at the December 12, 2016 meeting.

ADJOURN

The meeting was adjourned at 6:48 p.m.

Respectfully Submitted by,

Sherrie Boak

Officer Manager, Lansing City Council

Approved by the Committee on December 12, 2016