AGENDA
Committee of the Whole
Monday, May 15, 2017 – 5:30 p.m.
City Council Chambers, City Hall 10th Floor

Council Member Spitzley, Chairperson
Council Member Wood, Vice Chair

1. **Call to Order**
2. **Roll Call**
3. **Minutes**
   - May 1, 2017
   - May 8, 2017
4. **Public Comment on Agenda Items (Up to 3 Minutes)**
5. **Discussion/Action:**

   A.) FY2017 3rd Quarter General Fund Status Report and Vacancy Report

   B.) RESOLUTION – Fiscal Year 2017/2018 Budget and Policies

6. **Adjourn**

MINUTES
Committee of the Whole
Special Budget Meeting
Monday, May 1, 2017
City Council Chambers

CALL TO ORDER

Council President Spitzley called the meeting to order at 5:00 p.m.

PRESENT

Councilmember Brown Clarke
Councilmember Kathie Dunbar – arrived at 6:01 p.m.
Councilmember Tina Houghton
Councilmember Adam Hussain
Councilmember Patricia Spitzley
Councilmember Jody Washington
Councilmember Carol Wood
Councilmember Jessica Yorko – arrived at 5:04 p.m.

OTHERS PRESENT

Sherrie Boak, Council Staff
Angie Bennett, Finance Director
Eric Brewer, Internal Auditor
Jim Smiertka, City Attorney
Chief Talifarro, LFD
Robert Johnson, Planning & Neighborhood Development
Traci Shell, Parking
Don Kulhanek, Planning & Neighborhood Development
Bill Rieske, Planning & Neighborhood Development

Discussion/Action:

Minutes

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE MINUTES FROM APRIL 24, 2017 AS PRESENTED. MOTION CARRIED 6-0.

Public Comment

Mr. Alverez informed the Committee of the recent passing of his son.

Council Member Washington stepped away from the meeting at 5:04 p.m.

Department Budget Presentations
City Attorney

Mr. Smiertka presented his department budget and noted that he is aware the Charter requires he report to the City Council and the Mayor for legal affairs of the City. In regards to staffing he informed the Committee that he has 3 vacancies, and the support staff vacancies are filled with contract employees. The goal is to fill those positions with full time employees, not contracts. He noted that his department participates in an aggressive intern program with MSU Law Criminal Justice. Lastly, he pointed out that his department is projected to be under budget $147,000.

Council Member Washington stepped away from the meeting at 5:08 p.m.

Mr. Smiertka presentation also touched on contracts and litigation lists, 9,169 FOIA requests, review of collective bargaining, grievances, and collaboration with the BWL legal staff. Mr. Smiertka pointed out that they have a new Home Occupation Team that addresses the central data base, and consists of code compliance, LPD, LFD, and BWL who review cases and handle on a collective basis. As part of that, in June they will offer education seminars for the public and not cost.

Council Member Washington returned to the meeting at 5:11 p.m.

As Mr. Smiertka addressed the individual department line items, he did confirmed that there are concerns for an increase because there are cases that are up for trial in Federal court, in addition to a need for outside experts and consultants.

Council Member Wood referred the Committee and Mr. Smiertka to page 11 of 33 in the budget which reflected a large amount in the year end for temporary help. Mr. Smiertka acknowledged that when he started in July 2016 in the start of the fiscal year, there was a lot of temporary help.

Council Member Wood then asked about the next year projection only at $6,500. Mr. Smiertka confirmed he will have some staff under the legal extern program, which they do not get paid for, but get credit.

Council Member Wood asked why there was no budget for supplies. Mr. Smiertka stated that was eliminated and they will use miscellaneous operating for their supplies.

Council Member Wood asked if they have considered purchasing the “nasal ranger device” for testing the air as part of their discussion with the task force with code compliance and LFD for marihuana. Mr. Smiertka admitted they had not looked into it anymore, but the Task Force could explore that, and he would add that to the next task force agenda, along with ways to handle it under the home business percentage.

Council Member Wood asked if the City Attorney office was still using Gallagher Bassett for their 3rd party billing. Mr. Smiertka confirmed they did have an issue with Gallagher Bassett in his first 6 months, but now the office has access to their software and see every claim they are processing for the City. Council Member Brown Clarke asked if they had looked at billing performance outcomes. Mr. Smiertka stated they have not, but their contract is up June, 2017, so the department will look into going out for bid for a different 3rd party.

Council Member Wood asked what the turn-around time was on projects. Mr. Smiertka confirmed his expectations are weekly.

Fire

Council President Spitzley acknowledged Chief Talifarro submitting the requested information to the Council by the deadline.

Chief Talifarro began his presentation, which noted the FY2017 budget at $33 million, and a projection for this year at $33,563,891. This would bring them in roughly $50,000 under budget. They are projecting an increase in personnel costs due to pending retirements.   There are 1.5 mills in the budget which is $3 million in revenue. Currently the Fire Department has 195 staff, 5 which are part time which also includes code enforcement. Of those there are 177 sworn officers including two assistant chiefs.

Council Member Hussain asked for numbers on code enforcement and premise office positions. Chief Talifarro noted there is on position currently vacant. Council Member Hussain then asked for any input from the Chief on code enforcement since it had been under his department for over a year. Chief Talifarro confirmed dramatic improvement in code numbers, and staffing assistance with scheduling. To add additional staff could require space and vehicles, but a complete analysis has not been performed. Council President Spitzley noted there was a half position for premise office that was vacant, and asked how long it had been vacant. The Chief acknowledged it had been for the entire fiscal year, but they plan to run another process for filling the vacancy. The highest priority has been to fill the Fire Officer positions. The department has a home occupation team for medical marihuana, however there are issues there under State law for enforcement, and so they need to consider what Code to look under for enforcement.

The group moved onto nuisances and expectations for code to enforce nuisances and signage.   Council asked the City Internal Auditor to research the code enforcement information from last year's budget for hiring more code enforcement officers. Council Member Washington asked for the Council to consider finding funds specifically for Code compliance for commercial uses.

Council Member Wood asked for additional information on how residents can track their complaints in BSA. The Chief acknowledged the request, stating they are working on better analytics and advocating for a position similar to that in the Fire Department for ESO reporting, BSA, and targeting solutions. Council Member Brown Clarke encouraged them to consider a joint position with IT. Council Member Wood asked for the cost for the system, which the Chief answered it was $30,000-$40,000 and they are working with IT for linkage. Ms. Bennett added that in the FY 2018 IT budget it does include a data analytic position.

Council Member Hussain again asked Mr. Brewer to look at the cost of the position from the past year request for additional code enforcement officers.

Council Member Washington stepped away from the meeting at 6:08 p.m.

Council Member Spitzley asked the Chief to consider how Code Compliance and Council can work with the Department.

The Chief continued with his presentation on the overview of the department, the run volume and the EMS.

Council Member Washington returned to the meeting at 6:11 p.m.

Council Member Wood asked if they track repeat overdoses, and the Chief stated they can pull information and they have a task force looking at that with Ingham County. Council Member Brown Clarke asked how they determine which vehicle is released to response, because she had heard the perception the most expensive vehicles were always responding. The Chief outlined the process, and added that all staff are cross trained as EMT and fire fighters. Council Member Wood asked if they hire anyone that is not trained in both. The Chief stated that if they do, they train them, and they are not allowed to stay on the job if they do not get dual trained. Council Member Dunbar asked if they provide any training for current employees to become paramedics. The Chief stated they are considering the approach with LCC.

The department presentation moved into regional teams and performance indicators. This included Blue Card Incident Management Training, Enhanced use of Social Media, Youth Leadership Academy, Capital Improvements, Maintaining the Insurance Service Office Rating of ISO3.0, and then also Code Enforcement Indicators which showed a small decrease in trash notices from 2016 to 2017, and trash submittals staying consistent.

The Committee asked if the complaints to Code Enforcement could be viewed via the website, what the applications are, and is it through Lansing Connect. Chief Talifarro stated he would verify and get the information to the Council.

The missing video in the power point presentation was sent via email during the meeting to Council staff who sent it onto Council.
Council Member Yorko acknowledged the increase of registered rentals in the BSA system and recognized the work of the department.

Council Member Wood asked for any proposed new positions, the number of current vacancies, how long those were vacant and those filled. She also asked how long the position for Fire Marshall had been open. Chief Talifarro confirmed it had been vacant for a full year, and there is a vacancy for an analysis position.

Council Member Yorko stepped away from the meeting at 6:45 p.m.

Council Member Wood informed the Chief that Ms. Bennett had stated the analysis position was in IT. The Chief noted that part of position is for licensing Medical Marihuana and for the Fire Marshall to inspect those.

Council Member Yorko returned to the meeting at 6:55 p.m.

Council Member Wood asked the status of the union contract, at which the Chief stated it expired in July 2016, but they are still working under it.

Council Member Wood asked where the funds were coming for the equipment, because the millage was for staff in the field not equipment, and also asked what the contractual services were paying for. Chief Talifarro stated that 85% goes towards personnel. The department gets $3 million from the millage and a $34 million budget, putting the base resources toward personnel. They have contracted for code enforcement.

Council Member Wood asked about the regional cooperation, noting the residents agreed to the 5 year millage for their City, but there is a concern with those funds being used for employees to work outside the City.

Council Member Washington asked the Chief how many retirees he will have this year. Chief Talifarro stated he expected 8.

Council Member Houghton stepped away from the meeting at 6:58 p.m.

Council President Spitzley asked Mr. Boyce about the recent Ingham County IT issues. Mr. Boyce confirmed at the current time the City had disconnected from Ingham County and assisting their staff.

Planning & Neighborhood Development

Council Member Houghton returned to the meeting at 6:59 p.m.

Council President Spitzley asked Mr. Johnson to follow the outline the Departments were presented with. Mr. Johnson handed out a power point presentation.

Council Member Dunbar stepped away from the meeting at 7:00 p.m.

In the presentation was the introductions of his staff, and overview of the department, and 5 items they have focused on including blight elimination, neighborhood support, "Love Lansing", and the Form Based Code.

Council Member Dunbar returned to the meeting at 7:03 p.m.

Council President Spitzley passed the gavel at 7:03 p.m. to Council Member Wood

Mr. Johnson then went through his presentation highlighting those items and the tasks they have taken over the last year.

Council Member Wood passed the gavel to Council President Spitzley

Mr. Gamble returned to the meeting at 7:17 p.m.

Slide 26 was reviewed which showed the comparisons on the number of building safety permits that were issued, and then an overview of the time line on the progress at Life O'Riley.

Council Member Wood asked for the current list of staffing positions, the number that were vacant, and which ones were filled by temporary or contractual staff.

Council Member Wood then referred the Committee to page 27 of 44 in the budget which note non-general funds dollars, and an increase projected for the North Capital Ramp permits and decrease on for the Townsend Street lot. Mr. Johnson informed the Committee that all City Employees have moved to the North Capital lot, and they have also seen an increase of permitted use in that lot. The Townsend ramp saw a decrease in the budget from $1,100,000 to $300,000 because there was an original contract with the State of Michigan, but there are pending issues with that and the City is aggressively pursuing the resolution to that contract with the State. He added that BCBS has now moved all their employees to their private ramp, and no longer parking employees at Townsend either. Council Member Wood asked what the amount in the fund balance is for the ramp. Ms. Bennett stated $12.3 million. Mr. Johnson added that is about $130,000 - $150,000 for maintenance on a single ramp.

Council Member Wood then asked about the contractual item for the ramps. Ms. Shell they use contractors for the elevator, pest control, gate equipment and safety, in addition to cleaning and the plowing.

Council Member Hussain stepped away from the meeting at 7:27 p.m.

Council Member Wood asked what the rental rate was for the offices in the bottom of ramp. Mr. Johnson stated it is running at $11.00 per square foot, so roughly $9,000 for planning office; $37,000 for building safety, and code at $41,000.

Information Technology-(30 minutes)
Mr. Boyce went through his power point presentation with the Committee.

Council Member Brown Clarke asked if there was tracking on the projects in progress, and Mr. Boyce confirmed they have a new Help Ticket process and that has helped. The group was referred to slide 4 which outlined their time to resolution since 2014.

Slide 8 of the presentation was reviewed which lists the Information Technology projects with stability, workflow, support systems, security and 8 items “In Progress”. Mr. Boyce confirmed that in total there were 32 projects, they have finished 25 projects and two will continue past fiscal year.

Council Member Wood asked if the IT Department assisted with the HR new hiring process. Mr. Boyce confirmed they were involved in the tracking system, and provided the project management in order to get the new portal when people want to post the positions.

The group moved onto slide 9 which detailed the required performance indicators, those being Infrastructure – Uptime 99.99% for service availability; Service Desk – 80% of the tickets completed in one business day, and Feedback on tickets 4.9 out of 5.0.

Council President Spitzley asked about the cyber security. Mr. Boyce outlined their understand and noted that in 2016 there was an analysis of cyber security from an external firm audit. Their goal is to protect with monitoring 24/7. In 2018 they hope to go forward and hope to have a goal to inside protection. He admitted they did learn from the incident with BWL and their security breach.

Council Member Brown Clarke asked about their analytics. Mr. Boyce referred them to slide 13, which was a presentation on operational systems, open data, analysis and identifying the problems. There is a proposed Data Analysis position that is proposed for analyzing and monitoring the data. In addition to that position Mr. Boyce referred the Committee to page 14 of the power point which noted they have 16 employees, with 6 vacancies in which 4 were filled and 2 are in the progress of being filled.

Council Member Wood asked about their plans for the electronic FOIA process. Mr. Boyce confirmed the FOIA's will be saved electronically and follow the Retention Act. Council Member Wood then asked if there was a system for the public to view FOIA requests. Mr. Boyce stated again that they follow the records management policy and if it is a configurable perimeter. Council President Spitzley asked if there is a way for Law to flag information so to eliminate duplicate searches. Mr. Boyce confirmed it is possible if the information still exists in the system.

Council Member Houghton asked about the card system, and if the issues have been researched, and also what the new software was that he was budgeting for. Mr. Boyce stated the software is for a learning management system, and also the increase is to cover software for departments.

Council Member Wood asked if the increase in wages was to add more position and remove those from contracted employees with Dew Point. Mr. Boyce referred again to page 14 of the slides, and stated it is not for new with Dew Point, it is for the new Security Administrator, IT Application Manager, Helpdesk Manager and Senior Help Desk Technician. Also currently the administrative assistant is part time and they will move that position to full time. Council Member Wood asked how long the contract was with Dew Point, and Mr. Boyce confirmed it is renewed year to year, and is up June 2017. Council Member Wood asked if they are looking at other companies, or bringing those positions to City full time employees. Mr. Boyce stated bringing those positions into City jobs is not his best move, because Dew Point is a 24/7 service company, and he supports the work Dew Point has done so far.

Council Member Wood referred the Committee and Mr. Boyce to page 41 of 44 in the budget and asked about the telephone account, and why there was a $300,000 increase. Mr. Boyce stated it used to be in hardware maintenance in previous years, and address telecommunications, phone systems at the desk, and all internet connectivity. There was also an increase for the purchase of new storage.

Council Member Dunbar asked about details on the increases for software in the IT budget, when each department also shows an increase. Mr. Boyce stated that when a department purchases software the IT manages. Council Member Dunbar encouraged them to divide items out in IT per department for transparency.

Council asked if the Contract line item increased because of Dew Point, and Mr. Boyce clarified it was $962,000 actual.

Council Member Washington again asked Mr. Boyce why if IT was budgeting for items, why the departments were also budgeting for those same items. Ms. Bennett answered that IT is an internal service fund. The funding source in their fund is the individual departments. The then referred everyone to page 41 which showed revenue outside of the general fund. There is $5.7 million dollars with an allocation to the departments. Council Member Washington asked why $5.7 million was being paid for by all other departments, and if so then why is IT not asking for anything out of the general fund. Mr. Boyce provided information that he was aware that across the country each user has an average cost of $7,480, so his opinion was that the City was 5% less than the National average.

Council Member Brown Clarke asked if they were still committing funds for outdated equipment. Mr. Boyce confirmed that has started to flatten out.

Council Member Dunbar encouraged the Administration in the future to describe the line items in more detail so it is transparent on where items are being charged to.

Council President Spitzley referred Mr. Boyce and Mr. Gamble to the Lansing Connects items, and reminded them that Council has been asking for a review and understanding of the program, and read-only access so they can address call and concerns when they receive requests from the residents. Mr. Boyce was asked to work with the appropriate department so that City Council can have an opportunity to have read- only access.

Ms. Bennett left the meeting at 8:25 p.m.

Human Relations & Community Services

Dr. Joan Jackson Johnson distributed her annual information, and outlined her department, grants, and community forums. Also noted were youth programming, transportation and resources for public housing. Council Member Wood pointed out that in the last budget there were funds for a housing position, and asked if that person was hired. Dr. Jackson Johnson confirmed they did offer it to someone, but they wanted more money, so they started the hiring process again, with the plans to fill it within another week. Council Member Wood asked for the impact on the decrease from the Health Department. Dr. Jackson Johnson stated they do free medical, and substance abuse, and work with the Health Department. The Health Department helps with the prescription and child care side. Council Member Wood then asked about the Lansing Housing Commission role. Dr. Jackson Johnson detailed that there are two funds, they took over supportive housing that St. Vincent's gave up and the match dollars are for mental health. The other $10,000 is for use with a tutor on literacy coalition at all sites. Council Member Wood asked what the Kids Connect budget was, and Dr. Jackson Johnson stated $275,000 and that $60,000 is from donations. Council Member Brown Clarke asked whose responsibility it is for grant management and reporting. Dr. Jackson Johnsons gave the name of Tony Young and Katrina Urista, and on the 20^{th} of every month they get a financial statement from the agency and do a program report quarterly. Council Member Brown Clarke asked what impact the Federal cuts will have on HRCS and if they have a strategic plan. Dr. Jackson Johnson stated they are planning and working with other agencies to plan ahead.

Mayor and Community Media

Mr. Gamble provided an overview of the department responsibilities, a proposed .5% reduction, and a reduction in the personnel line due to less interns and temporary help. Mr. Cochran updated the Committee on the recent AT&T system, which now doubles the audience.

Council Member Washington stepped away from the meeting at 8:59 p.m.

In addition to online streaming, it is also on TV, and the public media goals include upgrades to the Council Chambers hearing assistance, upgrade to HD and web stream.

Council Member Washington returned to the meeting at 9:01 p.m.

Currently it is HD on the internet, but they are having discussion on a high speed app. The upgrades in the chambers will amount to an estimate of $100,000.

Council Member Wood asked how many employees were in the department for City TV, and Mr. Cochran confirmed there were two full time, but do have some assistance that help with input, so a total of 6 staff at time. They plan to have one staff dedicated to phones, questions, and customer service. Council Member Spitzley asked how many contract employees and the longest contract employee. Mr. Cochran confirmed 4 and the longest , has currently worked on contract for 5 years.

Council Member Yorko stepped away from the meeting at 9:07 p.m.

Council Member Wood asked why there was no rental costs noted for City TV at SWOC, since other departments such as the Parking Office, has a rental fee in their budget. Mr. Gamble stated those charges for City TV were in the property management line items. Council Member Wood asked why the franchise dollars were not paying utilities. She then also asked for performance measures from both the Mayor's office and the Media, before the budget is adopted.

Council Member Brown Clarke asked if there were plans to stream the meetings to an app on cell phones. Mr. Cochran stated they can currently stream it on their phone by logging into www. Stream.com and search for the Lansing City TV.

Council Member Yorko returned to the meeting at 9:11 p.m.

Council Member Hussain asked how many "back pack studios" they offered. Mr. Cochran confirmed they have 8 and currently most are rented regularly.

Council Member Yorko stepped away from the meeting at 9:13 p.m.

The estimated cost for each is $5,000, and over the 8 years since they were implemented they have not had any theft or damage. Council Member Hussain asked how they know they renters are not taping anything in appropriate. Mr. Cochran stated they have had no issues tracking the rentals.

Council Member Yorko returned to the meeting at 9:15 p.m.

The department can take screen shots of the web cam and the City Attorney opinion on the programming channel is that they are administrators and do not censor. Council President Spitzley asked about a legal opinion on anything inappropriate on a PEG channel, and how they control the content when they are using public equipment.

Council Member Yorko left the meeting at 9:16 p.m.

Mr. Cochran corrected himself, noting he did not mean they do not censor what goes online, the City channel only supports edited content. The rentals are strictly used for non-commercial use and community events. They are aware that if they chose to do something it is a criminal charge. Council Member Brown Clarke asked if there was a rental fee, and what the cost is for the depreciation along with a fee model for the fee schedule. Mr. Cochran confirmed there is a rental fee, the funding is the PEF fees and that is why those funds cannot be used for operational expenses and capital expenditures. Council Member Brown Clarke then asked if the renters are trained to use the cameras. Mr. Cochran confirmed.

Council President Spitzley reminded everyone of the two community meetings on May 3rd at Alfreda Schmidt South Side and May 4th at Foster Community Center. Lastly, a reminder that the Committee of the Whole meeting on May 8th will be held at 5:00 p.m.

Adjourn

Adjourned at 9:25 p.m.
Respectfully Submitted by,
Sherrie Boak, Recording Secretary
Lansing City Council
Approved by Committee on

MINUTES
Committee of the Whole
Monday, May 8, 2017
City Council Chambers

CALL TO ORDER

Council President Spitzley called the meeting to order at 5:00 p.m.

PRESENT

Councilmember Brown Clarke- arrived at 5:01 p.m.
Councilmember Kathie Dunbar
Councilmember Tina Houghton- arrived at 5:03 p.m.
Councilmember Adam Hussain
Councilmember Patricia Spitzley
Councilmember Jody Washington
Councilmember Carol Wood
Councilmember Jessica Yorko – arrived at 5:02 p.m.

OTHERS PRESENT

Sherrie Boak, Council Staff
Angie Bennett, Finance Director
Jim Smiertka, City Attorney- arrived at 5:15 p.m. left at 5:35 p.m. returned at 6:10 p.m.
Joseph Abood, Chief Deputy City Attorney- left the meeting at 5:17 p.m.
Heather Sumner, Assistant City Attorney
Amber Paxton, Office of the Financial Empowerment
Todd Heywood, Lansing City Pulse
Kathy Miles
Jon Miles
Ricardo Bridnes
Chad Gamble, Mayor's Office - arrived at 5:38 p.m.

Public Comment

No public comment.

Discussion/Action:
RESOLUTION – Amendments to the Deferred Compensation Plan (457) for the UAW 2016-2019 Collective Bargaining Agreement
Council President Spitzley corrected the agenda to reflect the item to state "2016-2019" instead of "2013-2016".

Mr. Abood explained to the Committee that this amendment would allow employees of the UAW to invest as a retirement option under the 457 Plan of the City. In order to accomplish that the Council needs to amend the plan and the document in front of the Committee shows those amendments, which with ratification will allow the Committee to administer the plan, and will make it consistent with the CDA that Council had already ratified. Mr. Abood moved on in his explanation to provide details on the changes. The language was amended for 2.03 to state "as well as contributions pursuant to Sections 4.02g and 4.02h, subject to the following limitations". 2.09 now includes "(other than contributions pursuant to Plan Sections 4.02g and 4.02h(i) through (iii)" and "other than as provided in Sections 4.02g and 4.02h". The amendment added "Notwithstanding anything to the contrary herein, the Employer may designate a default Designated Institution and Investment Product in the event a Participant fails to make a designation in his or her Participation Agreement which shall be the deemed designation of the Participant." Effective January 1, 2017 it now says " 2.15 "10/21/13 UAW Local 2256 Employee" means an employee of the Employer who either hired into or transferred into UAW Local 2256 on or after October 21, 2013". And "2.16 "Base Wage" means an employee's salary or wager determined by his or her classification at an annualized rate of pay contained in the appendix of the collective bargaining agreement with UAW Local 2256 as then in effect". In regards to eligibility Mr. Abood stated anyone who is a Local 2256 employee shall automatically participate, and will have 2% of their base wage mandatorily withheld and contributed as a pre-tax annual deferral, in addition the Employer will contribute as a pre-tax annual deferral. The Employer will also contribute on behalf of the employee in an amount equal to 2% of the base wage. Mr. Abood confirmed that HR is HR is working with the administrators of the options on the compensation to be deferred, the timing of the effective dates and whether the employee can defer additional compensation. The document he stated had been vetted by HR, Finance and the Administration, in addition comports with what ratification between the Union and the City.

Council Member Wood asked for verification that the UAW had seen the amendments. Ms. Bennett stated it was negotiated, and this agreement makes the defined contribution better met the needs and allows for mandatory contributions and employer contributions. Council Member Wood then asked if the ratified contract had been signed. Ms. Bennett could not verify it, so stated she would provide that answer when she could verify with HR. Council Member Wood asked what the time line was for approval of the amendments. Ms. Bennett confirmed the UAW did review it and it was agreement upon when the Council ratified the contract. Council President Spitzley asked Ms. Bennett again if the ratification was signed. Ms. Bennett still did not have an answer. Mr. Abood explained to the Council that when they amend the pension plan, the amendments have to be done in the same calendar year as it is ratified. Council Member Brown Clarke asked what the next steps would be if Council approved it. Ms. Bennett stated the Deferred Compensation Committee would sign and submit to the IRS. They will then hold sessions with the employees to go over the plans and options.

Council Member Wood voiced her concern again of approving something if there is no assurance that the contract has been signed yet. Council President Spitzley asked Ms. Bennett to provide that information prior to action at the Council meeting later in the evening.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION FOR THE AMENDMENTS TO THE DEFERRED COMPENSATION PLAN (457) FOR THE UNION 2016-2019 COLLECTIVE BARGAINING AGREEMENT. MOTION CARRIED 8-0.

RESOLUTION – Ballot Language for Charter Amendment 8-403.6
Council Member Washington informed the Committee that she had crafted the ordinance with the City Attorney office, based on the all the constituent discussions and comments during the recent Scott Park/BWL decisions. She summarized that the amendment would have any park property, cemetery or waterfront land be brought to the vote of the people before a sale, gift, lease or license.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR THE BALLOT LANGUAGE TO AMEND THE CHARTER FOR 8-403.6.

Council Member Dunbar stated she was seeing it for the first time, and asked when action had to take place. Council Staff stated that if the language was going to be on the August ballot, it needed to be passed on May 15th. Council Member Dunbar stated that she would need more time, and if not would have to vote no at this meeting. Council Member Washington reminded the Committee the information was in the packet when it was posted the end of last week.

Council Member Spitzley acknowledged Council Member Washington for her work on it, and understood her intentions based on what happened during Scott Park and BWL. She however had concerns with the words “license” and “easements” because her opinion was that the Council was elected to make those decisions.

Mr. Smiertka confirmed that ballot language is also governed by the City Act, which requires all language to go before the State Attorney General and the Governor before it is placed on the ballot. His office had sent the current language to the Attorney General office, but had not received a response yet, and they will still need the Governors approval.

Council Member Brown Clarke noted she did not have a concern with the topic, however did not realize the goal was a turnaround for the August ballot, but she would have time to review before the deadline for the November ballot.

Council Member Washington stated she did not have an issue with waiting until the November ballot, therefore she asked the Council President to place it on the May 15, 2017 Committee of the Whole agenda.

Council Member Hussain spoke in support of asking the constituents to vote.

Council President Spitzley repeated her concern with having the words “easements” and “license” in the language.

A brief discussion was held on the time line for the August ballot, and the approval process from the State Attorney General and Governor.

Council Member Washington withdrew her motion, and requested Council Member Spitzley to place it on the May 15, 2017 agenda, noting if Council had any legal questions they can contact the City Attorney office.

MINUTES

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE MINUTES FROM MAY 3RD, 2017 WITH THE TIME CHANGE FOR ARRIVAL OF COUNCIL MEMBER DUNBAR TO 6:34 P.M. AND ADDING THAT SHE WAS ALSO EXCUSED. MOTION CARRIED AS AMENDED 8-0.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE MINUTES FROM MAY 4TH, 2017 AS PRESENTED. MOTION CARRIED 8-0.

The minutes from May 1, 2017 were moved to May 15, 2017 for any action.

Budget-

Department Budget Presentations

Finance Department

Ms. Bennett provided and overview of her department which included the Treasurer, Assessor and new this year the Office of Financial Empowerment (OFE), which is currently under the Mayor’s budget. Ms. Bennett concluded by stating she had not changes in the frame of the operational, but it will include $150,000 for the Legacy Cost study.

Council Member Wood asked for vacancy information, the number of positions, and the current number of vacancies, how long they have been vacant and how many are filled by contractual or temporary.

Council President Spitzley referred Ms. Bennett to the line items for salaries under all her divisions where it appeared all were requesting $100,000 increases. Ms. Bennett stated there is a $20,000 due to contractual wage increases, and outlined the decreased projections in the other line items. She then answered the other question on vacancies, but stating she has 4 vacancies, 2 in the process of being filled and 1 on hold. This explains the current fiscal year end projection for an increase. Council Member Wood asked how many of the 4 positions are filled by contract. Ms. Bennett stated that there are 2. Ms. Bennett then went back to the question by Council President Spitzley on the salary increases, stating the Assessor shows an increase because the is currently a vacancy due to a promotion, and they are proposing to be at full staff in the future. The totals Ms. Bennett provided reflected 4 vacancies in Budget/Accounting with 2 under contract, and 2 vacancies in Assessing with 1 under contract, and 2 vacancies in Treasury, one full time and one part time, which is currently contracted. Council Member Wood asked for timelines on how long the positions had been vacant. Ms. Bennett only provided information that the auditor position had been vacant for a while. In regards to the timeline on all the contract positions, Ms. Bennett stated that only one had gone over 1 fiscal year.

Council Member Wood then moved the discussion to the requested additional $150,000 for the Legacy Study, reminded Ms. Bennett that during the budget season last fiscal year, Council asked if there would be a need for more funds, and her understanding from Ms. Bennett then was that there would not be another request. Ms. Bennett state that there will be recommendations on how to implement into the new budget, in the terms of reduction or increase in legacy costs. Last year, she stated her opinion was the study wouldn't have been done to make that determination.

Council Member Wood asked Ms. Paxton what the $165, 000 for operating costs was for in her OFE budget. Ms. Paxton detail that they had obtained a 3 year $1.5 million grant, and they had $110,000 left over. They will also be pulling $15,000 from Lansing Save for the OFE. Ms. Bennett stated the funds from Lansing Save will come from the Treasurer budget and that is why the budget shows $27,000 compared to last years $37,000. The additional $5,000 is from the AmeriCorps position.

Council Member Wood asked Ms. Paxton if she was a contract employee or full time employee, and if she was in the Union. Ms. Paxton confirmed she had become a permanent employee on January 1, 2017 and not part of the Union, but a member of the Mayor's staff. Council Member Wood asked Ms. Bennet if when Ms. Paxton is moved to the Finance department if she will be in a union bargaining group, and Ms. Bennett was not able to answer that at this time but would work with HR. Council Member Wood asked for a copy of Ms. Paxton contract from January 1, 2017.

Council Member Hussain asked Ms. Bennett for details on the requested additional $150,000 for the Legacy Costs, and how they came up with that amount. Ms. Bennett stated the original request from a year ago was $200,000 which had the $100,000 match from the State, to study the City pension and what the City can do with those costs. The understanding is that once the report is released they may require additional studies or implementation costs to accomplish the recommended plan. The Committee then reminded Ms. Bennett that they were told last year that Council was told they would see a draft document from the study, and have never seen it, but it is being represented to the FHT on May 11th. Mr. Gamble assured them the study will outlined the changes to the liability, the laws, and then work with Council and the FHT to develop a map to navigate to make sure the City can fund and keep City services. The $150,000 would be used for recommendation implementation and evaluation of costs, Ms. Bennett clarified it will not be another study. Council Member Wood reminded the Committee that last year during the budget the funds were taken from the BWL audit, and with that there were still funds in that account, so those funds could be used instead of another request for $150,000. Ms. Bennett confirmed the $100,000 was moved from the BWL audit; however the other funds were not carried forward.

Mr. Brewer provided his opinion that the study from Siegel Group would be comprehensive, and their recommendations will need a specialist, however his opinion was that the City will see the return down the road.

Council President Spitzley recapped for everyone that it was just made clear the $150,000 request is not for additional studies, as it keeps being said, but for the implementation.

Council President Spitzley asked Ms. Paxton what items are in her Miscellaneous Operating budget line item. Ms. Paxton stated it would be for program management, two counselors, $16,000 for software and a position offset by the CDBG. They plan to move Ms. King from temporary help in the Treasury Department in the OFE office. Council Member Wood pointed out the budget does not reflect a reduction in the Treasury office temporary help. Ms. Bennett stated it will be offset by seasonal needs for the income tax season because Ms. King salary was coming out of temporary help. Ms. Paxton concluded by adding that Mr. Engle, whose position was formally supported by grants will now work for the OFE and she is proposing $20,000 for that.

Budget Review

Council President Spitzley asked that the Council review the draft resolution in the packet and make any recommendations to Council Staff by noon on Wednesday, May 10, 2017. The Council Staff will then compile all the changes into a draft 2 document and redistribute to Council prior to the meetings on Monday, May 15th.

Council Member Yorko asked Ms. Bennett additional questions on the sidewalk millage. Ms. Bennett explained that there is a proposed $25 million per the engineering which would bring sidewalks up to the standards that are needed. The proposed is for a 6 year bond issued and a millage levy and which generates $11 million worth of work. The debt payment would be more than that over the 6 years, which equates to $1.8 million a year. Council President Spitzley asked why the millage is primarily for sidewalks, but it says "Sidewalks and Roads". Mr. Gamble stated it includes that because with road maintenance projects they also need to do the mandatory sidewalk for ADA compliance. They believe there is 600 miles of infrastructure and they hope to repair 120 lineal miles of sidewalk. Only 30% of the costs of sidewalk repairs are generally assessed to the residents. Council Member Wood took everyone back to the meeting on May 4th where the Committee was told that the City would not be doing a special assessment the residents for the sidewalks in addition to this millage. Mr. Gamble clarified they were misinformed. Council Member Wood then referred Mr. Gamble to the CIP, which has an $11 million with no offset for a special assessment. Mr. Gamble explained that by stating the Administration cannot speculate on the voter's approval, and so after they vote they will have to provide that. Council Member Wood asked if every section of sidewalk was the same cost to replace. Mr. Gamble confirmed they were, whether it was in front of a house or at a corner, each took the same amount of concrete. There may be additional extra item costs at the corners for curb cuts, soils for ramps and ADA items.

Council Member Houghton informed the Council of a "Roads 101" session that will be held on May 11, 2017 at 6:30 p.m. located at Sycamore Creek Church.

Ms. Bennett referred the Committee to an earlier handout that added additional fees to the budget resolution for Bike Lockers in the Public Service General Fund budget.

Budget Policies

Council President Spitzley asked Council to review the draft polices in the packet and provide any comments to Council staff by noon on Wednesday, May 10, 2017. Ms. Bennett made the change to page one under “Vacancy Factor” to reflect the attrition vacancy allowance would be $500,000 not $800,000 as has been stated in the last couple years.

Council Member Dunbar referred to the last page of the draft policies, and read the “Transparency and Accountability in Government”, emphasizing that the City Council can pass policies and procedures, then referring back to the sanctuary city discussions from earlier meetings noting other Council members stated the Administration passed policies.

Council Member Yorko asked Ms. Bennett a budget question regarding the Income Tax Revenue Chart from the budget overview from an earlier meeting, and asked if the income was from people who worked in the City. Ms. Bennett confirmed it was a combination, and also included employer withholding and corporate income tax.

Council Member Wood asked Ms. Bennett for the answers to the questions Mr. Brewer had been sending her.

Ms. Bennett referred back to an earlier question on the Deferred Compensation changes and the Union Contract. She informed the Council that the UAW has the contract for signature, but have not signed it. Ms. Bennett then answered that she was advised that the Council needed to move forward anyways or it would be unfair labor practice if they did not.

Council President Spitzley replied to an earlier comment from Council Member Dunbar on the policies, stated that there is transparency in governing, however, the policy that was discussed during the sanctuary city meetings is a policy directing the LPD and that is covered under the Police Commission per the City Charter.

Adjourn

Adjourned at 6:44 p.m.
Respectfully Submitted by,
Sherrie Boak, Recording Secretary
Lansing City Council
Approved by Committee on

Chris Swope
Lansing City Clerk

May 5, 2017

President and Council Members
10th Floor City Hall
Lansing, MI 48933

Dear President and Council Members:

My office has received and placed on file:

FY 2017 3rd Quarter General Fund Status Report

This document is available for review at the office of the City Clerk or at http://www.lansingmi.gov/clerk under the heading of Documents Placed on File.

Sincerely,

Chris Swope

Chris Swope, CMC
Lansing City Clerk

OFFICE OF THE MAYOR
9th Floor, City Hall
124 W. Michigan Avenue
Lansing, Michigan 48933-1694
(517) 483-4141 (voice)
(517) 483-4479 (TDD)
(517) 483-6066 (Fax)

RECEIVED
2017 APR 28 PM 2:58
LANSING CITY CLERK

Virg Bernero, Mayor

TO: City Clerk Chris Swope

FROM: Mayor Virg Bernero

DATE: April 28, 2017

RE: FY 2017 3rd Quarter General Fund Status Report

Pursuant to Section 7-110 of the City Charter, attached please find the General Fund Status Report for third quarter of Fiscal Year 2017.

General Fund Status Report – FY 2017 3rd Quarter

Please see accompanying summary detail (page 3)

Revenues

In total, General Fund revenues collected through the third quarter of Fiscal Year 2017 (July – March) were higher than the average of the past three years' third quarter collection rates, as a percentage of year-end amounts, at 71.8% compared to 68.9%.

- The vast majority of **Property Taxes** are collected in the first month of the fiscal year. At the end of the third quarter of the fiscal year, they were higher as a percentage of budget, at 101.3%, compared to the average of the past three year's third quarter collection rates of 98.1%. Part of the difference was due to a change in timing recognition of certain infrastructure fee agreement receipts. Additionally, State reimbursement of phased-out personal property taxes for the current and two previous years was received in the second quarter and exceeded purposefully-conservative budget estimates. It should be noted that property tax collections normally exceed budget at this time of year, but are subject to tax appeals and other adjustments throughout the year.

- As a percentage of budget, **Income Tax** collections were higher than the average collection rate for the past three years, at 61.8% of budget, compared to 55.9%. It should be noted that income tax revenues fluctuate from previous trends due to timing differences in remittances; however, the trend is consistent with that of the past several quarters.

- **State Revenue Sharing** was higher than the past three years' average trend, as Fire Protection/Bad Driver Fees, received once per year, were $413,000 higher than anticipated. State Revenue Sharing and Fire Protection/Bad Driver fees are dependent on State revenue collections.

- Although **Charges for Services** were higher in total, dollar-wise, than same period last fiscal year, they were somewhat lower than collection rates from the average of the same period for the last three years, at 62.8% of budget compared to 67.2% in prior years. The lower collection rate is attributable to a combination of ambulance revenues, code compliance inspection fees, and citywide administrative fund fees which, like the overall trend, are all higher than last year, but each being slightly lower when compared to the three-year average percentage of year-end collections. Charges for Services make up only 7% of General Fund revenues.

- In total, **Licenses and Permits** revenues were slightly lower than the average collection rate of the same period for the last three years as a percentage of year-end totals, at 47.4% of budget, compared to 48.8%. Licenses and permits make up only 1.5% of General Fund revenues.

- Collection rates for **Fines and Forfeiture** for the third quarter were lower as a percentage of year-end totals for the average of the last three years, at 49.9% of the budget compared to 68.1%, due to reductions in traffic tickets and penal case revenues.

General Fund Status Report – FY 2017 3rd Quarter

Please see accompanying summary detail (page 3)

Revenues continued

- The City's **Return on Equity** payment from the Board of Water and Light (BWL) for the third quarter of the fiscal year exceeded budgetary expectations at 53% of the budget, compared to 50.6%.

- As a category, **Interest and Rents** were on par with previous years' trends. Interest revenue is posted as investments mature, the timing of which varies from year-to- year.

- **Other Revenues** were higher as of the third quarter-end, at 96.8%, compared to previous years' averages of 45.7% due to the sale of fire station #43.

Expenditures

In total, taking into account the vacancy factor, expenditures for General Fund operating departments (excluding debt service and transfers to other funds) were within the budgetary target -- at 70.3% as of March 31, compared to a budgetary target (taking into account the timing of payroll dates) of 72.6%. All departments were within budgetary targets as of March 31, with the exception of the City Clerk's Office, due to timing of elections; and the Financial Empowerment Center, due to supplies for events. Budget adjustments may be needed for those two departments, depending on reimbursements and grant amounts received.

Summary

For the third quarter of the fiscal year, total General Fund revenues were ahead of budgetary expectations, and overall, expenditures were within budgetary expectations.

General Fund Status Report – FY 2017 (as of March 31, 2017)

Revenues	Annual Budget	Actual as of 3/31/17		Percent of Budget	Avg. Percent of Year-End Actuals as of March 31 FY 2014 - 2016
Property Taxes	$ 38,952,000	39,443,402		101.3%	98.1%
Income Taxes	33,150,000	20,503,201		61.8%	55.9%
Revenue Sharing	15,655,900	8,999,687		57.5%	53.8%
Licenses & Permits	1,652,500	783,289		47.4%	48.8%
Charges for Services	9,153,500	5,749,966		62.8%	67.2%
Fines & Forfeitures	2,960,100	1,476,399		49.9%	68.1%
Interest & Rent	38,500	19,361		50.3%	50.4%
Return on Equity	22,000,000	11,651,819		53.0%	50.6%
Other Revenue	437,500	423,485		96.8%	45.7%
Total Revenues	$ 124,000,000	$ 89,050,607	(1)	**71.8%**	**68.9%**
Less: Addition to Reserves	(58,586)				
	$ 123,941,414				

Expenditures	Annual Budget	Actual as of 3/31/17		Percent of Budget	3/31/17 Budgetary Target
Council	$ 675,800	$ 458,954		67.9%	74.0%
Internal Audit	202,200	106,171		52.5%	73.6%
Courts	6,247,400	4,462,856		71.4%	73.8%
Mayor's Office	1,050,200	768,033		73.1%	73.7%
Media Center	415,600	279,831		67.3%	73.6%
Financial Empowerment Center	182,100	153,344		84.2%	74.1%
Clerk's Office	1,018,700	795,438		78.1%	77.2%
Planning & Neighborhood Development	1,091,500	759,151		69.6%	75.3%
Finance	5,163,800	3,439,955		66.6%	73.9%
Human Resources	2,139,000	1,607,976		75.9%	75.9%
Attorney's Office	1,880,700	1,237,623		65.8%	73.5%
Vacancy Factor	(800,000)				
Police	38,952,900	27,356,593		70.2%	72.1%
Fire	33,612,300	23,468,976		69.8%	72.2%
Public Service	11,032,712	7,908,299		71.7%	71.7%
Human Relations & Community Service	1,249,200	778,632		62.3%	73.6%
Parks & Recreation	7,893,900	5,154,293		65.3%	74.1%
Subtotal - Departmental Budgets	$ 112,008,012	$ 78,736,127		**70.3%**	**72.6%**
Human Services & City Supported Agencies	$ 2,044,702	$ 1,598,754		78.2%	
Library Lease	165,000	108,481		65.7%	
Debt Service	1,045,200	74,965	(2)	7.2%	
Transfers	8,678,500	8,518,047		98.2%	
Subtotal - Non-departmental Budgets	11,933,402	10,300,247			
Total General Fund	$ 123,941,414	$ 89,036,373	(1)		

Please see Pages 1 and 2 for an explanation of revenues and expenditures.

(1) Note: Year-to-date revenue is greater than expenditures at this time of year, as property taxes, accounting for 31% of General Fund revenues, are collected at the beginning of the year. Property taxes include delinquent amounts that will be reimbursed by the counties upon settlement. Property tax collections exceed budget at this time of year, but are subject to tax appeals and other adjustments throughout the year.

(2) The majority of General Fund debt service is paid in the fourth quarter of the fiscal year.

<u>AGENDA ITEM</u>

INFORMATION
NOT AVAILABLE
AT THE TIME
PACKET WAS
DISTRIBUTED

BY COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, in conformance with Article 7, Section 7-101 of the City Charter, on March 27, 2017, the Mayor submitted a proposed budget for the 2017/2018 fiscal year, which spans from July 1, 2017 through June 30, 2018; and

WHEREAS, the City Council held a series of televised public hearings to review Mayor's budget recommendations; and

WHEREAS, the City Council held special Committee of the Whole meetings during evening hours at the Alfreda Schmidt Comunnity Center on May 3, 2017 and at the Foster Community Center on May 4, 2017, and as part of the Council meeting to provide opportunities for citizens to comment on the proposed City budget; and

WHEREAS, in accordance with City Charter and the State Uniform Budgeting and Accounting Act, notice was published and a public hearing was held on April 24, 2017, for the fiscal year 2017/2018 budget and capital improvements program; and

WHEREAS, Public Act 2 of 1968 of the State of Michigan, as amended, provides that the budget resolution of the City shall set forth the total number of mills to be levied under the General Property Tax Act, the estimated revenues, by source, and amounts appropriated to defray expenditures and meet the liabilities of the City for the ensuing fiscal year; and

WHEREAS, the City Council desires to establish certain budget policies for the fiscal year 2017/2018,

NOW, THEREFORE, BE IT RESOLVED that 19.70 mills be levied under the General Property Tax Act for fiscal year 2017/2018 as follows:

City Operating: 19.44
City Debt: .26

BE IT FURTHER RESOLVED that the City's sewage rate shall be increased by 3.0% for FY 2018;

BE IT FURTHER RESOLVED that the following changes to the City's fee and charges be adopted:

	From Current FY 2017	To Adopted FY 2018
City Clerk's Office		
Data Request - Voter Information - Labels	new	$10.00 setup fee + $0.40/label
Data Request - Voter Information - Printed Report	new	$10.00 setup fee + $0.25/page
Data Request - Voter Information - Email	new	$10.00 setup fee + $.001/voter name
Data Request - Voter Information - Daily AV Report	new	$0.55/page
Fire Department - Code Compliance		
Home Occupation Initial Registration Fee	new	$ 265.00
Home Occupation Inspection Fee	new	$ 215.00
Parks & Recreation Department		
Tot Time Drop in fee	$ 1.00	$ 2.00
Dedicated Wireless service - Riverfront Park: Per hour/Per	new	$ 100.00
Valentines Dances	$ 8.00	$ 9.00
Family Scavenger Hunt	new	$ 50.00
Gym Full Court, non-athletic, Gier gym, Resident	$ 35.00	$ 45.00
Gym Full Court, non-athletic, Gier gym, Non-resident	$ 40.00	$ 50.00

Gym Full Court, non-athletic, Letts gym, Resident	$ 25.00	$ 35.00
Gym Full Court, non-athletic, Letts gym, Non-resident	$ 30.00	$ 40.00
Gym Full Court, non-athletic, Foster gym, Resident	$ 15.00	$ 25.00
Gym Full Court, non-athletic, Foster gym, Non-resident	$ 20.00	$ 30.00
Little Sluggers Baseball, Resident	$ 25.00	$ 30.00
Little Sluggers Baseball, Non-resident	$ 30.00	$ 35.00
Mens' Age 50+ Basketball	$ 200.00	$ 225.00
High School Fast-Pitch Softball	$ 300.00	$ 325.00
Age 70+ Senior Softball	$ 200.00	$ 225.00
Todd Martin Youth Leadership, Tutoring, Fall, age 8-18, Res	new	$ 65.00
Todd Martin Youth Leadership, Tutoring, Fall, age 8-18, Non	new	$ 95.00
Todd Martin Youth Leadership, Tutoring, Winter, age 8-18, R	new	$ 65.00
Todd Martin Youth Leadership, Tutoring, Winter, age 8-18, N	new	$ 95.00
Todd Martin Youth Leadership, Tutoring, Spring, age 8-18, R	new	$ 65.00
Todd Martin Youth Leadership, Tutoring, Spring, age 8-18, N	new	$ 95.00
Todd Martin Youth Leadership, Tutoring, Summer, age 8-18,	new	$ 45.00
Todd Martin Youth Leadership, Tutoring, Summer, age 8-18,	new	$ 65.00
Rivertrail Rental Fee, per event	$ 100.00	$ 125.00

Planning & Neighborhood Development Department - General Fund

Payment in Lieu of Taxes (PILOT) Processing Fee	new	$ 1,500.00

Planning & Neighborhood Development Department - Building Safety Fund

Building Permit - Minimum Permit Amount	$ 90.00	$ 100.00
Commercial Plan Review (percent of Building Permit fee)	55%	56%
Plumbing Permit Base Fee	$ 90.00	$ 100.00
Mechanical Permit Base Fee	$ 90.00	$ 100.00
Electrical Permit Base Fee	$ 90.00	$ 100.00
Sign Permit - Minimum Permit Amount	$ 125.00	$ 135.00
Demolition Permit - Minimum Permit Amount	$ 90.00	$ 100.00

Planning & Neighborhood Development Department - Parking Fund

Parking Fines	$0.25 increase	

Public Service Department General Fund:

Soil Erosion Plan Review Fee	$ 200.00	$ 415.00
Soil Erosion and Sedimenation Control (SESC) Fee	$ 200.00	$ 270.00
Soil Erosion Permits - Residential Designation (previously, no separation for residential):		
Plan Review Fee	$ 200.00	$ 70.00
SESC Inspection Fee Per Acre (30 Day increments)	$ 300.00	$ 185.00
SESC Permit Closure	$ 200.00	$ 65.00
Drive Approach/Sidewalk Form Inspection Fees:		
Up to 200 linear feet	$ 125.00	$ 130.00
Storm Sewer Permits:		
Up to 75' of pipe installed	$ 166.00	$ 177.00
Additional fee when pipe installation exceeds 75'	$ 1.60	$ 1.70
Infrastructure Records Annual Access fee	new	$ 75.00
Demolition cap off fee	$ 111.00	$ 124.00
Tower Antennas:		
Use: Stand Alone Tower w/Antenna-Zone 1	new	$ 150.00
Use: Stand Alone Tower w/Antenna-Zone 2	new	$ 75.00
Use: Collocated Existing Utility Pole/Tower-Zone 1	new	$ 40.00
Use: Collocated Existing Utility Pole/Tower-Zone 2	new	$ 20.00

Permit: Pole/Antenna (1-5 sites) stand alone tower w/antenna	new	$ 360.00
Permit: Pole/Antenna (>5 but <11 sites) "	new	$ 480.00
Permit: Pole/Antenna (>10 but <21 sites) "	new	$ 732.00
Permit: Pole/Antenna (Per site after 20) "	new	$ 50.00
Permit: Antenna (1-5 sites) collocated existing utility pole/towe	new	$ 180.00
Permit: Antenna (>5 but <11 sites) "	new	$ 228.00
Permit: Pole/Antenna (>10 but <21 sites) "	new	$ 264.00
Permit: Pole/Antenna (Per site after 20) "	new	$ 20.00
License: License agreement to use ROW	new	$ 500.00
Bike Locker Fees - Monthly	new	up to $15.00
Bike Locker Fees - Weekly	new	up to $5.00
Bike Locker Fees - Daily	new	up to $2.00
Bike Locker Fees - Hourly	new	up to $0.50
Public Service Department Road Funds:		
Permit to Occupy the Right of Way: 1 - 365 days	$125 permit plus $9 per day	$130 permit plus $9 per day
Public Service Department Refuse and Recycling Funds:		
Refuse Carts:		
21 gallon cart - quarter year	$ 39.00	$ 40.00
32 gallon cart - quarter year	$ 42.00	$ 43.00
65 gallon cart - quarter year	$ 47.00	$ 48.00
95 gallon cart - quarter year	$ 53.00	$ 54.00
Recycling Fee	$ 94.50	$ 98.50
Recycling Commercial Late Fee	$ 5.00	$ 10.00
Public Service Department Sewer Fund:		
Sewer Tap	$ 419.08	$ 467.53
Grease Trap Permit Fee	new	$ 220.00
Sanitary Sewer Permits:		
Up to 75' of pipe installed	$ 166.00	$ 177.00
Additional fee when pipe installation exceeds 75'	$ 1.60	$ 1.70

BE IT FURTHER RESOLVED that the following appropriations and revenue projections are adopted as the City's budget for the FY 2017/2018 fiscal year:

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
Estimated Revenues			
Property Taxes	40,505,000		40,505,000
Income Taxes	35,600,000		35,600,000
State Shared Revenues	15,764,500		15,764,500
Licenses and Permits	1,906,500		1,906,500
Charges for Services	9,422,900		9,422,900
Fines and Forfeitures	2,961,600		2,961,600
Interest and Rents	38,500		38,500
Return on Equity	22,300,000		22,300,000
Other Revenue	351,000		351,000
Transfers	100,000		100,000
Use of/(Contribution to) Fund Balance	(500,000)		(500,000)
Total Revenue	128,450,000	-	128,450,000

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
Appropriations			
City Council			
Personnel	483,542		483,542
Operating	214,458		214,458
Total	698,000	-	698,000
Internal Audit			
Personnel	168,088		168,088
Operating	12,612		12,612
Total	180,700	-	180,700
Courts			
Personnel	5,214,305		5,214,305
Operating	1,365,595		1,365,595
Total	6,579,900	-	6,579,900
Mayor's Office			
Personnel	851,649		851,649
Operating	192,951		192,951
Total	1,044,600	-	1,044,600
Office of Community Media			
Personnel	405,650		405,650
Operating	31,750		31,750
Total	437,400	-	437,400
City Clerk' Office			
Personnel	825,177		825,177
Operating	237,623		237,623
Total	1,062,800	-	1,062,800
Planning & Neighborhood Development			
Personnel	704,621		704,621
Operating	409,879		409,879
Total	1,114,500	-	1,114,500
Finance			
Personnel	4,515,150		4,515,150
Operating	1,291,150		1,291,150
Total	5,806,300	-	5,806,300
Human Resources			
Personnel	1,422,791		1,422,791
Operating	831,209		831,209
Total	2,254,000	-	2,254,000
City Attorney			
Personnel	1,777,094		1,777,094
Operating	249,406		249,406
Total	2,026,500	-	2,026,500
Police			
Personnel	34,993,710		34,993,710
Operating	6,301,290		6,301,290
Total	41,295,000	-	41,295,000
Fire			
Personnel	29,988,769		29,988,769
Operating	5,024,231		5,024,231
Total	35,013,000	-	35,013,000

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
Public Service			
Personnel	2,864,452		2,864,452
Operating	8,251,048		8,251,048
Total	11,115,500	-	11,115,500
Human Relations & Community Service			
Personnel	1,167,522		1,167,522
Operating	165,178		165,178
Total	1,332,700	-	1,332,700
Parks & Recreation			
Personnel	4,928,104		4,928,104
Operating	3,422,196		3,422,196
Total	8,350,300	-	8,350,300
Human Services			
Operating	1,600,000		1,600,000
Total	1,600,000	-	1,600,000
City-Supported Agencies			
Operating	481,400		481,400
Total	481,400	-	481,400
Non-Departmental			
Vacancy Factor	(500,000)		(500,000)
Library Lease	165,000		165,000
Debt Service	1,065,000		1,065,000
Transfers	7,327,400		7,327,400
Total	8,057,400	-	8,057,400
Total Appropriations	128,450,000	-	128,450,000

II. SPECIAL REVENUE FUNDS

MAJOR STREETS FUND

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
Estimated Revenues			
Gas & Weight Tax Receipts	8,910,700		8,910,700
Utility Permit Fees (Metro Act)	450,000		450,000
Reimbursements	1,200,900		1,200,900
Miscellaneous Revenue	168,000		168,000
Transfer from General Fund	-		-
Use of/(Contribution to) Fund Balance	1,770,400		1,770,400
Total Revenue	12,500,000	-	12,500,000
Appropriations			
Personnel	3,017,314		3,017,314
Operating	3,937,786		3,937,786
Capital	2,675,000		2,675,000
Debt Service	619,900		619,900
Transfers	2,250,000		2,250,000
Total Appropriations	12,500,000	-	12,500,000

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
LOCAL STREETS FUND			
Estimated Revenues			
Gas & Weight Tax Receipts	2,966,700		2,966,700
Reimbursements	600,000		600,000
Transfers	4,151,000		4,151,000
Use of/(Contribution to) Fund Balance	32,300		32,300
Total Revenue	7,750,000	-	7,750,000
Appropriations			
Personnel	3,058,971		3,058,971
Operating	2,408,929		2,408,929
Capital	1,229,000		1,229,000
Debt Service	1,053,100		1,053,100
Total Appropriations	7,750,000	-	7,750,000
STADIUM FUND			
Estimated Revenues			
Operating Revenues	410,000		410,000
Stadium Naming Rights	120,000		120,000
Reimbursements	125,000		125,000
Transfers In	501,100		501,100
Use of/(Contribution to) Fund Balance	-		-
Total Revenue	1,156,100	-	1,156,100
Appropriations			
Debt Service	1,156,100		1,156,100
Total Appropriations	1,156,100	-	1,156,100
BUILDING DEPARTMENT FUND			
Estimated Revenues			
Licenses & Permits	2,537,500		2,537,500
Charges for Services	1,900		1,900
Miscellaneous	200		200
Transfer from General Fund	-		-
Use of/(Contribution to) Fund Balance	17,400		17,400
Total Revenue	2,557,000	-	2,557,000
Appropriations			
Personnel	2,002,224		2,002,224
Operating	554,776		554,776
Total Appropriations	2,557,000	-	2,557,000
CDBG FUND			
Estimated Revenues			
Federal Grants	2,354,000		2,354,000
General Fund Transfer	155,000		155,000
Total Revenue	2,509,000	-	2,509,000
Appropriations			
Personnel	1,027,026		1,027,026
Operating	1,481,974		1,481,974
Total Appropriations	2,509,000	-	2,509,000

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
HOME GRANT FUND			
Estimated Revenues			
Federal Grants	615,000		615,000
General Fund Transfer	30,000		30,000
Total Revenue	645,000	-	645,000
Appropriations			
Personnel	194,584		194,584
Operating	450,416		450,416
Total Appropriations	645,000	-	645,000
EMERGENCY SHELTER GRANT FUND			
Estimated Revenues			
Federal Grants	168,000		168,000
General Fund Transfer	-		-
Total Revenue	168,000	-	168,000
Appropriations			
Operating	168,000		168,000
Total Appropriations	168,000	-	168,000
FEDERAL DRUG LAW ENFORCEMENT SPECIAL REVENUE FUND			
Estimated Revenues			
Drug Forfeitures	-		-
Use of/(Contribution to) Fund Balance	58,500		58,500
Total Revenue	58,500	-	58,500
Appropriations			
Personnel	-	-	-
Operating	58,500	-	58,500
Total Appropriations	58,500	-	58,500
STATE/LOCAL DRUG LAW ENFORCEMENT SPECIAL REVENUE FUND			
Estimated Revenues			
Drug Forfeitures	-		-
Use of/(Contribution to) Fund Balance	196,500		196,500
Total Revenue	196,500	-	196,500
Appropriations			
Operating	196,500	-	196,500
Transfers	-		-
Total Appropriations	196,500	-	196,500
DRUG LAW ENFORCEMENT FUND - TRI-COUNTY METRO			
Estimated Revenues			
Drug Forfeiture Revenues	415,000		415,000
Contributions from Local Units	415,000		415,000
Total Revenue	830,000	-	830,000
Appropriations			
Personnel	88,000	-	88,000
Operating	742,000	-	742,000
Transfers	-	-	-
Total Appropriations	830,000	-	830,000

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
DOWNTOWN LANSING, INC.			
Estimated Revenues			
Special Assessments	407,000		407,000
Grants	10,000		10,000
Miscellaneous	339,500		339,500
Transfer from General Fund	221,000		221,000
Use of/(Contribution to) Fund Balance	-		-
Total Revenue	977,500	-	977,500
Appropriations			
Personnel	166,197		166,197
Operating	811,303		811,303
Total Appropriations	977,500	-	977,500

III. ENTERPRISE FUNDS

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
CEMETERIES FUND			
Estimated Revenues			
Cemetery Service Revenue	191,000		191,000
Sale of Lots	70,000		70,000
Other	3,000		3,000
Transfer from Perpetual Care	5,000		5,000
Transfer from Parks Millage	464,000		464,000
Use of/(Contribution to) Fund Balance	-		-
Total Revenue	733,000	-	733,000
Appropriations			
Personnel	414,213		414,213
Operating	291,787		291,787
Transfers	27,000		27,000
Total Appropriations	733,000	-	733,000
GOLF FUND			
Estimated Revenues			
Greens Fees	168,000		168,000
Equipment Rentals	96,500		96,500
Concessions	16,500		16,500
Transfers In - Parks Millage	619,000		619,000
Use of/(Contribution to) Fund Balance	(5,000)		(5,000)
Total Revenue	895,000	-	895,000
Appropriations			
Personnel	356,395		356,395
Operating	463,605		463,605
Capital	75,000		75,000
Debt Service	-		-
Total Appropriations	895,000	-	895,000
PARKING FUND			
Estimated Revenues			
Parking Revenue	5,917,100		5,917,100
Baseball Revenue	45,000		45,000
Parking Fines	400,000		400,000
Other Revenue	1,114,715		1,114,715
Use of/(Contribution to) Fund Equity	2,505,185		2,505,185
Total Revenue	9,982,000	-	9,982,000

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
Appropriations			
Personnel	2,495,874		2,495,874
Operating	2,256,532		2,256,532
Capital	2,147,000		2,147,000
Debt Service	3,082,594		3,082,594
Total Appropriations	9,982,000	-	9,982,000

WASTEWATER FUND

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
Estimated Revenues			
Sewer Charges	33,880,000		33,880,000
Interest Income	161,150		161,150
Low Income Credit	(2,000)		(2,000)
Miscellaneous Income	2,012,300		2,012,300
Use of/(Contribution to) Fund Equity	717,550		717,550
Total Revenue	36,769,000	-	36,769,000
Appropriations			
Personnel	8,089,117		8,089,117
Operating	8,492,695		8,492,695
Capital	5,121,000		5,121,000
Debt Service	15,066,188		15,066,188
Total Appropriations	36,769,000	-	36,769,000

REFUSE FUND

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
Estimated Revenues			
Operating Income	2,005,216		2,005,216
Interest Income	7,000		7,000
Use of/(Contribution to) Fund Equity	(74,216)		(74,216)
Total Revenue	1,938,000	-	1,938,000
Appropriations			
Personnel	948,959		948,959
Operating	964,041		964,041
Capital	25,000		25,000
Total Appropriations	1,938,000	-	1,938,000

RECYCLING FUND

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
Estimated Revenues			
Operating Income	3,866,080		3,866,080
Sale of Recycled Materials	-		-
Interest Income	-		-
Use of/(Contribution to) Fund Equity	563,920		563,920
Total Revenue	4,430,000	-	4,430,000
Appropriations			
Personnel	2,223,679		2,223,679
Operating	1,714,008		1,714,008
Debt Service	454,813		454,813
Capital	37,500		37,500
Total Appropriations	4,430,000	-	4,430,000

	FY 2018 Proposed	Council Changes	FY 2018 Adopted
IV. CAPITAL PROJECT FUNDS			
CAPITAL IMPROVEMENT (CIP) FUND			
Estimated Revenues			
Transfer from the General Fund	685,000		685,000
Road/Sidewlk Millage (Sidewalks)	100,000		100,000
Knapps Loan Revenue	180,000		180,000
PEG (Cable Capital) Revenues	400,000		400,000
Total Revenue	1,365,000	-	1,365,000
Appropriations			
Facilities	400,000		400,000
PEG (Cable Capital) Expenditures	300,000		300,000
Sidewalks	100,000		100,000
Equipment	285,000		285,000
Loan Revenue	180,000		180,000
Transfer to General Fund	100,000		100,000
Total Appropriations	1,365,000	-	1,365,000
PARKS MILLAGE FUND			
Estimated Revenues			
Transfer from the General Fund	1,848,000		1,848,000
Total Revenue	1,848,000	-	1,848,000
Appropriations			
Transfer to Cemeteries Fund	464,000		464,000
Transfer to Golf Fund	619,000		619,000
Park & Community Center Improvements	765,000		765,000
Total Appropriations	1,848,000	-	1,848,000

BE IT FINALLY RESOLVED, that the following policies are hereby established for the 2017/2018 fiscal year:

[Insert Budget Polices]

Approved for placement on the City Council agenda:

__________________________ __________________

James Smiertka, City Attorney Date

FY 2018 Adopted Budget Policies

In accordance with the State Uniform Budget and Accounting Act (Public Act 2 of 1968), the City of Lansing's annual appropriations, as set forth in the annual budget resolution, shall be made in accordance with Generally Accepted Accounting Principles (GAAP) and shall apply to all funds except internal service funds, debt service funds, permanent funds, and trust and agency funds.

The City's fiscal year is July 1 through June 30. In accordance with the City Charter, on or before the fourth Monday in March, the Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. No later than the third Monday in May, the Council adopts the budget and sets the property tax rates for the ensuing fiscal year.

Appropriations are set forth in the annual budget resolution. Authority to transfer between appropriations is dictated by City Charter; however, additional administrative budget transfer authority is granted for the following instances. The Administration is requested to submit to Council quarterly reports of such transfers.

<u>Wastewater Funds</u> – the transfer residual State Revolving Fund (SRF) loan and/or bond proceeds between projects and project segments.

<u>Flood Control</u> – the transfer of funds for flood control and/or storm sewer purposes to address flooding or unanticipated storm sewer maintenance needs.

<u>Major and Local Street (Act 51) Funding</u> – Transfer authority is not limited by departmental allocation, and administrative authority is included for appropriation of MDOT special authorization funding.

<u>Parking System</u> – the transfer of capital project accounts from operating accounts is permitted to meet bid or unforeseen capital needs.

<u>Debt Service Funds</u> – the transfer of residual balances between general obligation bond debt service accounts.

<u>Vacancy Factor/funded and unfilled Positions -</u> The budget includes an attrition vacancy allowance of $500,000. The Administration is requested to provide Council on July 1, 2017 and every month, thereafter, a list of vacant positions by department. The Administration is also requested to provide, on a quarterly basis, a detailed list by

Department of <u>all</u> positions by title, FTE, wagers and fringes, and impact on programs and/or services which are included within this allowance. The personnel wages and fringes associated with all positions identified above as of July 1, 2017 and any such position vacated, thereafter, shall be place in a budget control account, and will require City Council approval for expenditure.

In addition, administrative authority is granted for the transfer of wage and fringe benefit reserves to departmental budgets upon settlement of a collective bargaining agreement.

<u>Carryforwards</u>
Authority is granted to reappropriate available capital project balances as of June 30, 2017 into the FY 2018 budget. All non-capital balances require City Council approval to carryforward, except for encumbered (purchase order) obligations less than $5,000 and not more than 8 months old.

- <u>Human Services and Community Supported Agencies Funding</u>
  The plan for funding Agencies submitted to Council designate particular Agencies. If any agency does not apply for or use their funding, all funds will remain in their respective account(s) for additional appropriation and approval by Council for Human Services and Community Supported Agencies use pursuant to the Charter transfer authority. The Administration/Human Relations Community Services Department is requested to submit to Council a quarterly report on the status of the Human Services and Community Supported Agencies' funding. This report should include the accounting level detail appropriation; amount spent, balance, and a notation as to whether the balance of funds is expected to be spent by the end of the Fiscal Year; if not, why?

<u>General Fund Reserve Policy</u>
The City's General Fund reserves consist of the General Fund fund balance and the Budget Stabilization Fund. Use of and contributions to the Budget Stabilization Fund are dictated by Ordinance section 218.05.

The targeted unrestricted balance for the combination of the General Fund fund balance and the Budget Stabilization Fund is a minimum of 12% of General Fund expenditures and a maximum of 15% of General Fund expenditures. If events necessitate that the combined balances drop below 12% of General Fund expenditures, annual appropriations of a minimum of $500,000 will be made until the 12% target is reached. In the event that combined reserves are projected to exceed 15% of General Fund revenues, the excess amount will be used to supplement retiree healthcare prefunding.

<u>Debt Management</u>

Appropriations are made to adequately fund annual debt service obligations. Adherence will be made to required debt service reserves, where applicable, as well as to the provision of annual disclosures as required by outstanding bond obligations.

Investment Policy

Management of cash investments is governed by the City's investment policy and in accordance to State statute, with the objective being the maximization of return on the City's governmental funds through pooling of funds where appropriate and permitted, monitoring of interest rates and fee structures. Investments of the Employee Retirement System, the Police and Fire Retirement System, and the VEBA, are governed those respective boards and dictated by their respective investment policies.

Strategic Planning and Budget Development

In working toward the goal of the incorporation of strategic planning into the budget process, this next year, Administration is encouraged to work towards developing a multi-year budgeting process. This process should align the City's master plan, strategic goals, and performance metrics to short-term and long-term budget priority-setting by Council in accordance with Financial Health Team recommendations.

Civil Actions, Claims, and Damages

Whenever a claim is made or any civil action is commenced against the Mayor, a City Council member, a non-bargaining unit employee, or a Lansing retirement board trustee (collectively in this provision "the Employee") for damages caused by an act or acts of the Employee within the scope of his or her authority and while in the course of his or her employment with the City or his or her duties on behalf of the retirement board, the City will pay for, engage, or furnish the services of an attorney to advise the Employee as to the claim and to appear for and represent the Employees in the action. If the City Attorney does not provide the attorney services, the attorney selection shall be made by the City Attorney in the manner the City Charter requires. The City may compromise, settle, and pay a claim before or after the commencement of any civil action. Whenever any judgment for damages caused by the act or acts of the Employee covered under this provision is awarded against the Employee as the result of a civil action, the City will indemnify the Employee or will pay, settle, or compromise the judgment. The City's obligations under this provision, however, is contingent upon the Employee giving prompt notice of the commencement of the action and upon the Employee cooperating in the preparation, defense, and settlement of the action. The term "scope of authority" under this provision does not include any act or acts of Employee (i) fraud, (ii) dishonesty, (iii) willful, intentional, or deliberate violation of the law or breach of fiduciary duty, (iv) criminal act, or (v) traffic violation; nor does this provision abrogate or diminish governmental immunity.

Grants

The Administration shall present to Council every application for any grant and, upon notification of the award of a grant, shall submit the grant to Council for acceptance. Administrative authority is given to create the necessary accounts and transfers in accordance with the requirements of the grantor. Any grant that can be applied for administratively should be submitted for Council review within 10 days of the application.

Transparency and Accountability in Government

Council will review, and when necessary, pass policies, procedures and ordinances to achieve improved transparency and accountability with respect to economic incentives, outsourcing of service and contracting within City government.