MINUTES
Committee of the Whole
Monday, May 21, 2018 @ 5:30 p.m.
City Council Chambers, City Hall 10th Floor

CALL TO ORDER
Council President Wood called the meeting to order at 5:30 p.m.

PRESENT
Councilmember Kathie Dunbar
Councilmember Jeremy A. Garza
Councilmember Adam Hussain
Council Member Brian T. Jackson
Councilmember Peter Spadafore
Councilmember Patricia Spitzley
Councilmember Jody Washington
Councilmember Carol Wood

OTHERS PRESENT
Sherrie Boak, Council Staff
Jim Smiertka, City Attorney
Angie Bennett, Finance Director
Mayor Schor
Elaine Womboldt
Kathy Miles
Loretta Stanaway
Harold Leeman
Todd Heywood
Nathan Williams, City Market Vendor
Samantha Harkins, Mayors Executive- arrived at 6:20 p.m.

Minutes
MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE MINUTES FROM MAY 14, 2018 AS PRESENTED. MOTION CARRIED 8-0.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE MINUTES FROM MAY 15, 2018 AS PRESENTED. MOTION CARRIED 8-0.

Public Comment on Agenda Items

Ms. Womboldt spoke in support of additional code enforcement officers, the reduction of funding toward Common Ground, and suggested that 50% of the collected back income taxes go towards legacy costs and 50% towards the roads.

Ms. Stanaway supported the comments made by Ms. Womboldt, asked for focus group to be created to address the City Market, and concluded voicing her frustration with statements being made but the action not being taken.

Mr. Williams acknowledged the Council for their concern with the City Market; however as a vendor there he encouraged them to reconsider any funding cuts.

Discussion/Action

DISCUSSION- Fiscal Year 2018 Third Quarter General Fund Status Report

Ms. Bennett went through the report, which compares the budget to prior years and creates the average of those collections and therefore they determine the target amounts. Ms. Bennett then went on to confirm the personal property from the State came in with a supplement, and revenue sharing is up, and the expenditures are all within target.

Council Member Spadafore asked if the City property tax revenue increased when the State's did, and if the taxes paid by year end of 2017 for 2018 taxes impacted the FY2019. Ms. Bennett explained that the City taxes are collected in the calendar year (summer taxes) and the taxes paid usually at calendar year end are taxes collected for other taxing jurisdictions.

Council Member Dunbar referenced the report which reflected that the collection rate is lower, and asked how they compared to the raw numbers since there could be a lower collection rate but has higher charges. Ms. Bennett confirmed they compare what is collected in total.

Council President Wood asked when the Administration is looking on the return on equity is the BWL number where they expect it to end for the fiscal year. Ms. Bennett acknowledged they won't have the information until June, at which Council President Wood asked if they thought it was on par for what is budgeted. Ms. Bennett answered that at the time the proposed budget was drafted they got numbers then and that is the best projection, and this will reflect the revenue increase rate.

Ms. Bennett then referenced the 3rd Quarter Vacancy Factor report that was distributed late at the meeting. The estimate is at $440,365 which is above the expected $375,000. Council Member Spitzley referred to the six (6) positions under Fire that stated they are substantially offset by overtime, and the hiring is on hold, and asked why the Police departments stated hiring is "active", but the Fire positions state "hold". Ms. Bennett was not able to answer the question and would have to follow up with HR and Fire. Council President Wood suggested the difference could be the number currently going through the schooling.

Council President Wood asked where the columns of information were that Council has continually asked for which reflect how long the positions have been vacant, and if offset by contract what the contract amount was. Ms. Bennett acknowledged that HR was working on the date column, but in terms of the contract her belief is that the report is a budget tool. Council President Wood reminded Ms. Bennett that the item are ones Council has asked for well over a number of months and they need to know those figures for the budget. Ms. Bennett offered to clarify the information.

Mr. Brewer stated he needed figures to be provided to him to do a comparison.

RESOLUTION- FY19 Budget Adoption

Council Member Spadafore acknowledged the Committee's discussion on the budget and interest in a corridor enforcement officer, and proposed a reduction in the Fire Department by $20,000.

MOTION BY COUNCIL MEMBER SPADAFRE TO REDUCE SUPPORTED AGENCIES BY $40,000; SPECIFICALLY THE CITY MARKET PORTION, SO THEY CAN STILL TRANSITION; REDUCE FIRE PERSONNEL BY $20,000; ADD $60,000 TO ECONOMIC DEVELOPMENT & PLANNING PERSONNEL TO HIRE A CORRIDOR ENFORCEMENT OFFICE.

Council Member Spitzley acknowledged her suggestion for the above mentioned $40,000 from the City Market which would allow the market to keep moving forward but allow $40,000 to allow the City to hire a corridor enforcement officer.

Council Member Washington made a statement to the public and Administration that she had suggested in earlier meetings to completely remove the subsidy to the City Market, but at this point understands the Mayor's plan and would compromise this year. However she noted to them that in the future budget season she will look for more funds.

Council Member Jackson inquired into if $60,000 would be enough for a code officer. Council President Wood noted that hiring would probably not start until September and with the revenues that will be generated with this new enforcement it should be covered.

Ms. Bennett informed the Committee that the City Market was moved from "Supporting Agencies" to Economic Development & Planning in this budget, so the $40,000 would need to come out of that operating budget.

Council President Wood suggested adding $10,000 to the revenue column for "Charges and Services". Council Member Spadafore stated he was not comfortable with undetermined revenue, but accepts the friendly amendment to his motion.

Council Member Jackson suggested contracting the new position for a year.

MOTION CARRIED 8-0.

Council Member Jackson asked if the Tri County Metro Estimated Drug Forfeiture Revenue was the same as the City's. Ms. Bennett confirmed it was different, and with the City program, the forfeiture funds are already collected and offset back to the departments.

Budget Policies

Mr. Smiertka proposed a change to the Corridor Façade Grants to state "Council" instead of "Committee of the Whole" and change the date to 2018. He then suggested the following change to Grants:

> In order to receive timely Council consideration of the approval of any grant award, every application for any grant requiring legislative approval shall be submitted to Council, and, upon notification of the award of such a grant, the acceptance shall be submitted to Council. Once accepted administrative authority is granted to create 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.

Council President Wood asked the Administration to provide the grant information in advance as requested. Mayor Schor stated he was not aware of a time while he has been in office they have not.

Council Member Washington stepped away from the meeting at 6:18 p.m.

Council President Wood referred to a recent LPD Grant that was awarded and the funds were being spent in 2018 before Council was made aware.

Council Member Spadafore referenced the Vacancy Factor item which stated Council wanted the reports monthly but appeared to be only getting them quarterly. Council President Wood stated in the past Council had issues getting the report, so the policies were changed to formally request them monthly. It appears they are providing them regularly on a quarterly basis so that policy could be changed.

Council Member Washington returned to the meeting at 6:22 p.m.

Council President Wood asked Mr. Smiertka if the litigation was current, and he confirmed.

Council President Wood suggested the Committee on Public Service Committee look at the parking fee structure before July 1 for the parking ramp increases, and a FY19 Budget amendment can be made. Council Member Spitzley asked the Committee also look at parking fees in downtown. Council Member Spadafore referenced a recent presentation at the Committee from Mr. Gamble the Director of Parking Services, and distributed copies of that presentation. He offered to discuss the fees at Committee but inquired into if the Committee of the Whole would like to see the presentation and discuss fees as a whole. Council Member Washington suggested looking at all aspects of the parking fees with the structures, with a concern some business do not move to downtown because of the rates. Council President Wood stated it would be scheduled for a Committee of the Whole meeting in June.

Council Member Jackson asked Ms. Bennett how the City can prefund for the legacy costs when they are in debt. Ms. Bennett stated that the City is not contributing the amount it should be, but prefunding is the amounts for future benefits compared to pay as you go.

Council Member Garza inquired into what the offset would be to hire a contract employee vs. a full time City employee and what that savings would be with a contract employee. Other members inquired into the difference in legacy cost and if the cost of a City employee is a net or gain to the City. Mr. Brewer explained that there are contract employees and a pension employee. The contract employee has no pension which is then a savings to the City. With a City employee, the City pays 2.9% for their pension on their wages.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE BUDGET POLICIES AS AMENDED TO INCLUDE ADDING “PENSION AND/OR” TO THE GENERAL FUND RESERVE POLICY SECOND PARAGRAPH; UNDER CORRIDOR FAÇADE GRANTS CHANGE “COMMITTEE OF THE WHOLE” TO “COUNCIL” AND THE DATE TO 2018. THE AMENDMENTS ALSO INCLUDING REMOVING “MONTHLY” FROM THE VACANCY FACTOR REPORTING TO “ON A QUARTERLY BASIS”; CHANGE TO GRANTS TO REFLECT “In order to receive timely Council consideration of the approval of any grant award, every application for any grant requiring legislative approval shall be submitted to Council, and, upon notification of the award of such a grant, the acceptance shall be submitted to Council. Once accepted administrative authority is granted to create 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.

MOTION CARRIED 8-0.

FY19 BUDGET

MOTION BY COUNCIL MEMBER WASHINGTON TO DIVIDE OUT THE QUESTION TO REMOVE THE HRCS BUDGET. MOTION CARRIED 8-0.

MOTION BY COUNCIL PRESIDENT WOOD TO RECUSE HERSELF FROM THE HRCS BUDGET BECAUSE HER EMPLOYER DOES OBTAIN FUNDS FROM THAT BUDGET. MOTION TO RECUSE CARRIED 7-0.

MOTION BY COUNCIL MEMBER SPITZLEY TO DIVIDE OUT THE QUESTION TO REMOVE THE ECONOMIC DEVELOPMENT & PLANNING BUDGET. MOTION CARRIED 8-0.

Council Member Spitzley asked to be recused from that budget because her employer receives funds from that budget.

MOTION BY COUNCIL MEMBER SPADAFORE TO RECUSE COUNCIL MEMBER SPITZLEY FROM THE ECONOMIC DEVELOPMENT & PLANNING BUDGET. MOTION CARRIED 7-0.

Council Member Dunbar asked to be recused from the HRCS budget because her employer receives funds from that budget.

MOTION BY COUNCIL MEMBER WASHINGTON TO RECUSE COUNCIL MEMBER DUNBAR FROM THE HRCS BUDGET. MOTION CARRIED 7-0.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE FY 2019 BUDGET WITH THE AMENDMENTS TO ADD $70,000 TO ECONOMIC DEVELOPMENT & PLANNING PERSONNEL, REDUCING THEIR OPERATING BY $40,000; REDUCING FIRE DEPARTMENT PERSONNEL BY $20,000 AND $10,000 IN CHARGES FOR SERVICES. MTION CARRIED 8-0.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE HRCS BUDGET. MOTION CARRIED 6-0.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE ECONOMIC DEVELOPMENT & PLANNING BUDGET. MOTION CARRIED 7-0.

MOTION BY COUNCIL MEMBER SPADAFORE TO AMEND THE CITY WIDE POSITIONS IN THE BUDGET TO ADD ONE (1) FULL TIME EMPLOYEE IN ECONOMIC DEVELOPMENT AND PLANNING SPECIFICALLY FOR THE CORRIDOR CODE ENFORCEMENT OFFICER. MOTION CARRIED 8-0.

Other

Council Members Reports on Boards/Commissions

Council Member Spadafore provided an update on Tri County Regional Planning which recently approved the hiring process for the new director, doing a national search; in addition they have signed off on their grants, settled their By-Law and will meet again on May 23rd.

Council Member Spitzley stated that her appointment is to the Airport Authority and they meet the same night a Committee and Council meetings, so she will obtain the most recent minutes and report back.

Council Member Washington stated the LEPFA Board meets again May 22nd along with Michigan Works on May 23rd. She will plan to report on both of those at the next meeting. Council Member Hussain who also attends Michigan Works will report out in June.

Council Member Jackson stated the Community Corrections Advisory Board went through their budget and held a discussion on why the City of Lansing pays less than the other entities. The Tri County on Aging recently went through their budget as well and held their annual large event. Council Member Jackson concluded with the Downtown Lansing Inc. Board, who recently saw the budget presentation from Ms. Biladeau.

Council President Wood stated the retirement's boards were working on the differences between a "hiring date" and a "sworn date".

Place on File

Boards and Commissions Appointments Updates

Placed on file.

ADJOURN

The meeting was adjourned 6:50 p.m.
Respectfully Submitted by,
Sherrie Boak, Recording Secretary
Lansing City Council
Approved by the Committee on June 4, 2018