## MINUTES
## Committee of the Whole
## Monday, May 15, 2023 @ 5:00 p.m.
### Tony Benavides Lansing City Council Chambers

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

**PRESENT**
Council Member Carol Wood
Council Member Jeremy Garza
Councilmember Adam Hussain
Councilmember Peter Spadafore
Councilmember Patricia Spitzley
Councilmember Brian T. Jackson
Councilmember Jeffrey Brown
Councilmember Ryan Kost

**OTHERS PRESENT**
Sherrie Boak, Council Office Manager
Jim Smiertka, City Attorney
Lisa Hagen-Lawrence, City Attorney
Desiree Kirkland, Finance Director
Jackson Mills, Finance
Mark Lawrence, Mayor's office
Lucianna Solis, Mayor's office
DeLisa Fountain, DNCE
Cathleen Edgerly, DLI
Jody Washington
Kim Coleman, HRCS
Greg Venker, OCA
Mayor Schor – arrived at 5:03 p.m.

**Minutes**
MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE MINUTES FROM MAY 8, 2023.
MOTOIN CARRIED 8-0.

**Public Comment**
Mr. Lynn spoke on the budget and the budget process.

Ms. Washington spoke on the budget and statements made throughout the process.

**Presentations**
**Budget Presentations- General Fund Status Report – 3rd Quarter FY2022-2023**

Mr. Mills and Ms. Kirkland outlined the report of expenditures.

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

Mr. Mills outlined the GF revenue collection of 77%., 33.2% of property taxes, $46.1 million at end of the 3rd quarter.

Council Member Spitzley returned to the meeting at 5:09 p.m.

Mr. Mills then went through the collection of income taxes, return on equity, and fines and forfeitures. He then expanded on department expenditures explaining the differences over the first three quarters and year to date.

Council President Wood referenced the BWL return on equity, which Mr. Mills stated was $14 million and we would be getting another $6 million. This comes in at $18 million, but the projection is $25 million. Mr. Mills said the balance will be reported at the end of the fiscal year, which is the final payment.

**Employment Vacancy Factor Report - 3rd Quarter Fiscal Year 2022-2023**
Mr. Mills summarized the funding for the vacancy factor.

No questions from Council.

**Discussion/Action**
**Discussion – Budget Review**
Budget Session April 10th, Q & A; Budget Session April 24th Q & A; Budget Session May 1st Q & A; Budget Session May 8th Q & A
Council President Wood noted to the public and Committee that the questions and answers are in the packet.

**RESOLUTION – Fiscal Year Budget FY 2023/2024**
Council President Wood first outlined that the intent of the discussions by Council was not personal but was to obtain information to make decisions during the budget. Secondly, she assured the public Council has heard their concerns. She then expanded that after speaking to the Administration she worked with the Internal Auditor on amendments and those would allow the City to live within their means and allow the City not to use any of the rainy-day fund, along with putting funds into the rainy day fund. The mayor original budget would use $2.6 million of the rainy day fund. The budget that was worked on and in front of Council now is a $4,621,700 savings. This would save $2 million in the rainy day funds. Per a conversation she had with the Mayor he concurred he could work with that, and both parties agreed they would support and work on carry forwards from this Fiscal Year. There are still vacant positions, and there is the potential in December the Mayor could bring forward operational funds. Council President Wood concluded that she worked with the internal auditor on this and not look at personnel expenses because there are 81 vacancies in the GF and 47 non GF positions. These are positions that need to be filled and if the positions are eliminated, and there is the potential that if eliminated there is no need to post for them in the future.

Council Member Hussain stepped away from the meeting at 5:24 p.m.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE AMENDED BUDGET AS PRESENTED TONIGHT.

Council Member Spadafore asked how the amended budget was formulated.

Council Member Hussain returned to the meeting at 5:25 p.m.

He also asked how the percentages differences were determined.

Ms. Linden explained they took the projected for FY2023 that was provided by Finance, subtracted the FY 2023 adopted Personnel, then added the proposed FY 2024 proposed Operating budget. Council Member Spadafore asked for clarification on if they used the total department budget as the projection and backed out the personnel. Ms. Linden confirmed noting the Finance document projected savings in the FY Personnel. Council Member Spadafore asked if it would be more structurally sound to eliminate the positions that are not filled then take the funds out of operating; speaking in support of the employees currently employed. Council President Wood added to the explanation that there is a vacancy factor at almost $4 million, and the annual FY2023 Carryforward could help the operating as well. Council Member Spadafore asked if they can consider increasing the vacancy factor. Council President Wood confirmed there was one option to consider increasing the vacancy to $4.5 million, but with that, there is potential to keep those positions vacant to fill the void. Council Member Spadafore again noted that they are aware of the spending will occur in operations, but not that much in personnel with the vacancies. He noted he does support making strong changes in the budget but was question the proposal. Council President Wood stated this proposal will demonstrate the City living within their means, but also acknowledging the positions need to be filled. Council President Wood stated she first proposed an option on May 8th, and acknowledged Council Member Spadafore was out last week, but she worked with the Administration, Internal Auditor and reached out to each Council Member individually. Council President Wood concluded her statement by reminding Council that per the Charter the budget has to be adopted tonight, but if Council comes to the point, they can also put everything into a control account and do nothing.

Mayor Schor emphasized his concern because under the current proposal there are five (5) departments with $0 in operations.

Council Member Brown stepped away from the meeting at 5:31 p.m.

Mayor Schor confirmed also there will be carry forwards but some of those five (5) departments by law need to have operations. He assured Council he will be sending a resolution with carry forwards utilizing funds from the FY 2023 to the FY 2024 and appealed to Council for their support.

Council Member Brown returned to the meeting at 5:32 p.m.

Council Member Jackson asked what if any effect passing the document in front of them now, would impact future amendments. Ms. Linden confirmed there would be an impact, and any additional amendments to the operating budget would decrease that amount further. Council President Wood explained if he wished to amend the budget taking funds from operating, if he did not want the impact in some areas, he can use another operating budget. Council Member Spitzley reminded Council Member Jackson that Council only acts on Personnel and Operating, they do not do a line item. Council Member Jackson asked for the Council to consider any budget amendments first.

Council Member Kost distributed an amendment to decrease the City of Lansing's Mayor's salary by $150,000 and Mayor's promotions by $1,500 and adding those funds of $151,000 to the Local Street Fund. This would decrease the mayor's operating budget by $1,500 and the Mayor's personnel by $150,000.

MOTION BY COUNCIL MEMBER KOST TO AMEND THE BUDGET TO PUT IN $151,500 INTO THE LOCAL STREET FUND.

Council member Jackson voiced concerns on if the funds would impact for what is needed.

MOTION BY COUNCIL MEMBER JACKSON TO AMEND THAT MOTION TO PUT THE FUNDS INTO THE HRCS BUDGET FOR WARMING AND COOLING CENTERS. COUNCIL MEMBER KOST ACCEPTED THAT AMENDMENT TO HIS MOTION.

Council President Wood reminded the Council if they have anything to recuse themselves from, they should be mindful of that during discussions and voting.

Mr. Smiertka referred the Council to the Charter, 5-505 Conflict of Interest: A city officer or employee who may derive any income or benefit, directly or indirectly, from a contract with the City or from any City action; an officer or employee who has any conflict between a personal interest and the public interest as defined by State law, this Charter, or ordinance shall fully disclose the nature of the conflict and no elective officer, appointee or employee of the City may participate in, vote upon or act upon any matter if a conflict exists. Any member can raise a conflict of themselves or other members, then it goes to a vote, the member of conflict does not vote, and there must be a 2/3 vote to recuse.

Council Member Spitzley asked Council Member Jackson if he was looking at one warming center or regional warming centers. Council Member Jackson explained his intent was for four (4) community centers outfitted for warming center. Council Member Spitzley briefly referenced the budget policies that will be adopted as part of the budget resolution where she is asking for a study to be done by 9/1/2023 on the cost for warming and cooling centers. Council Member Brown asked Council Member Jackson if his intent is cooling centers also, and Council Member Jackson confirmed. Council Member Hussain asked why this wouldn't come out of the Parks and Recreation department since they are at their facilities, and Council Member Jackson said he would consider that option, but he was thinking HRCS because they do the work. Mayor Schor spoke in support of the idea, was disappointed it would come from his Personnel budget because he would have to lay people off. In conclusion he asked Council to also consider the feasibility of using the community centers. Council Member Brown supported the funds for Parks and Recreation because it is the facility. Council President Wood reminded the group of the time of COVID where the community centers were used but facilitated by HRCS and was concerned the Park and Recreation might not be equipped to take on the task of running a warming and cooling center. Mayor Schor added that there is a need for staff, security, and operations to run warming and cooling centers. Council Member Spitzley concurred with the budget work on this amendment, however, will still pursue adding the study to the budget policies.

Due to a conflict with her job, Council Member Wood asked to be recused from all items effecting the HRCS budget.

MOTION BY COUNCIL MEMBER GARZA TO RECUSE COUNCIL MEMBER WOOD FROM THIS AMENDMENT DUE TO CONFLICT WITH HRCS. MOTION CARRIED 7-0.

MOTION BY COUNCIL MEMBER KOST TO AMENDMENT THE BUDGET FOR $150,000 FROM MAYORAL PERSONNEL AND $1,500 FROM MAYORAL OPERATING AND PUT INTO THE HRCS OPERATING FOR COMMUNTIY CENTER WARMING AND COOLING CENTERS. MOTION CARRIED 6-1. 1 RECUSAL.

MOTION BY COUNCIL MEMBER KOST TO AMEND THE BUDGET $118,000 FROM MAYORAL PERSONNEL AND PUT $59,000 INTO THE LOCAL STREET FUND AND $59,000 INTO THE PUBLIC SERVICE OPERATING.

Council Member Kost distributed the breakdown outlining the request from the Mayor's Temporary Help line item for $118,000. Council Member Jackson asked if the $118,000 also impacted the same lines that were just amended in the previous motion. Council President Wood reiterated an earlier statement that Council does not pass a line-item budget, they only pass Personnel and Operating. This would come from the Mayoral Personnel line. Council Member Spadafore noted $1,500 in the last motion came from the Mayoral Operating.

Council President Wood explained to the Council and public that she has worked with Mayor and after speaking with Council Members, gave her commitment. She concluded her statement by making it clear there may be amendments forthcoming that she personally would agree to, but again she had given her word to the mayor.

MOTION CARRIED 5-3.

Council Member Jackson passed out the proposed amendment for ZOOM meetings with two options. The first taking funds from the HRCS Personnel item; HMIS Performance Analyst position, the second option taking funds from City Council Operating; Miscellaneous.

MOTION BY COUNCIL MEMBER JACKSON TO AMEND THE BUDGET TO ACCOMMODATE ZOOM CAPABILITIES FOR CITY COUNCIL MEETINGS BY ADDING $34,456 INTO COMMUNITY MEDIA PERSONNEL AND $3,900 INTO COMMUNITY MEDIA OPERATING AND TAKING $38,356 FROM HRCS PERSONNEL.

Council President Wood asked to recuse herself again from anything to do with HRCS. Mr. Smiertka stated she had already requested a recusal from HRCS items, and it was voted on and granted, she would not have to recuse herself again.

MOTION CARRIED 5-2. 1 RECUSAL. Council Member Spadafore asked for a roll call vote.

Council Member Hussain stated that in the Committee on Public Safety they have heard that the HMIS Performance Analyst position in HRCS is making progress so he would support the second option.

COUNCIL MEMBER JACKSON WITHDREW HIS MOTION FOR OPTION 1.

MOTION BY COUNCIL MEMBER JACKSON TO AMEND THE BUDGET TO ACCOMMODATE ZOOM CAPABILITIES FOR CITY COUNCIL MEETINGS BY ADDING $34,456 INTO COMMUNITY MEDIA PERSONNEL AND $3,900 INTO COMMUNITY MEDIA OPERATING AND TAKING $38,356 FROM CITY COUNCIL OPERATING.

Council Member Brown said he was made aware that the city was no longer staffing a HMIS Performance Analyst.

Ms. Linden asked what this $38,356 would take the Council operating to and she stated $115,609.

Council Member Spitzley concurred also with option 2, but her understanding was that the HMIS position has been vacant for a while, and if they are being told it is a priority then it should be filled.

Council Member Spadafore asked if this $38,356 would impact the community support funds in the Council budget, and it was stated the breakdown could be provide to him after the meeting.

Council Member Garza asked for verification that the Community Media budget falls under the mayor, and so in turn he could take those funds and use them in his Personnel line and Council President Wood confirmed that statement. Council Member Brown asked for clarification on that statement, and Council President Wood reiterated earlier statements that Council only approves the Personnel and Operating budgets, they do not approve a line-by-line budget, so they departments can decide how positions to hire and not hire. Council Member Spadafore added this is an appropriation to spend not a mandate to spend.

Council Member Hussain made a statement that with the budget it will reflect Council's priorities, and how the mayor spends it reflects his priorities.

MOTION CARRIED 6-2. 1 RECUSAL

Council Member Jackson distributed a proposed amendment to support more funds for sustainability.

COUNCIL MEMBER JACKSON MADE A MOTION TO AMEND THE BUDGET TO TAKE $100,000 PUBLIC SERVICE OPERATING AND PUT IT INTO PUBLIC SERVICE OPERATING SUSTAINABILITY.

Council President Wood pointed out what he was proposing was not a legal amendment, but he was proposing taking funds from Public Service Operating and putting them into Public Service Operating, which is the same thing. She stated again that Council approves two lines the budget; Personnel and Operation, they do not approve a line-item budget. This could be a policy for public service to use the $100,000 towards the items he was addressed.

COUNCIL MEMBER JACKSON WITHDREW HIS MOTION.

Council President Wood divided the question and asked that HRCS budget be pulled and voted on separately.
Council Member Spitzley divided the question and asked the EDP budget be pulled and voted on separately.
Council Member Jackson divided the question and asked the District Court budget and fees be pulled and voted on separately.

MOTION BY COUNCIL MEMBER SPITZELY TO BE RECUSED FROM THE ECONOMIC DEVELOPMENT AND PLANNING (EDP) BUDGET. MOTION CARRIED 7-0.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE ECONOMIC DEVELOPMENT AND PLANNING BUDGET. MOTION CARRIED 6-1. 1 RECUSAL.

MOTION BY COUNCIL MEMBER JACKSON TO BE RECUSED FROM THE DISTRICT COURT BUDGET. MOTION CARRIED 7-0.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE DISTRICT COURT BUDGET. MOTION CARRIED 6-1. 1 RECUSAL.

MOTION BY COUNCIL MEMBER WOOD TO BE RECUSED FROM THE HRCS BUDGET. MOTION CARRIED 7-0.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE HRCS BUDGET. MOTION CARRIED 6-1. 1 RECUSAL.

MOTION BY COUNCIL MEMBER JACKSON TO BE RECUSED FROM THE FEES IN THE BUDGET. MOTION CARRIED 7-0.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE FEES IN THE BUDGET. MOTION CARRIED 6-1. 1 RECUSAL.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE REMAINING PORTIONS OF THE BUDGET. MOTION CARRIED 7-1.

**Budget Policies**

Council Member Kost stepped away from the meeting at 6:28 p.m.

Council President Wood referred to page 4 where “annually” was changed to “bi-annually” in the reporting of the 311 programs.

MOTION BY COUNCIL MEMBER SPITZLEY SPOKE ON THE ADDITION TO THE DOCUMENT FOR A STUDY ON DETERMINING THE COSTS FOR WARMING AND COOLING CENTERS FOR APPROXIMATELY 60 A YEAR, 24/DAY.

Council Member Kost returned to the meeting at 6:29 p.m.

Council Member Spitzley explained her interest in four community center locations with staff and security and hoping the study determines this along with potential for an EMS on site as well.

MOTION CARRIED 8-0.

MOTION BY COUNCIL MEMBER KOST TO ADD A FORESTY REMOVAL STUDY TO THE DOCUMENT. THE STUDY WILL INCLUDE PURPOSE, EMPLOYEES, EQUIPMENT AND RECOMMENDATIONS.

Council Member Garza asked if the intention is to contract employees or hire full time City employees. Council Member Kost stated he would hope the study would determine the number of employees to hire as City full time employees.

MOTION 8-0.

MOTION BY COUNCIL BROWN TO ADD DETAILS ON A SOCIAL WORKER PROJECT WITH COMMUNITY MENTAL HEALTH – HOUSING OUTREACH SPECIALIST THROUGH A FEASIBLITY STUDY. MOTOIN CARRIED 8-0.

Council President Wood referred to page 5 of the “expungement clinic” which has been accomplished and asked for a motion to remove from the document.

COUNCIL MEMBER SPADAFORE MADE A MOTION TO REMOVE THE ITEM. MOTION CARRIED 8-0.

MOTION BY COUNCIL MEMBER SPADAFORE TO AMEND PAGE 2 UNDER CARRYFORWARDS TO “2023” AND “FY 2023/2024”. MOTION CARRIED 8-0.

Council President Wood asked Committee to bring forth month reports when they are talking about issues or projects the administration have been asked to report on. The Committee on Ways and Means Chairperson has been asked to meet on the deficit plan and report back to the full Council with monthly reports. Council President Wood then asked the mayor for consideration to have Ms. Frayer, the Chief Strategy Officer at the June 12, 2023 Committee meeting, per the reporting listed in the Ordinance.

Council Member Spitzley referred to page 2 of the policies which spoke to the HRCS department submit a quarterly report to Council on the status of the Human Services and Community Supported Agencies funding but has not happened. Council President Wood stated she would work with staff and look at assigning some of the policies to Committees, and those Committees can invite the appropriate administrative staff and then report back to the full Council.

Council Member Spitzley spoke in support of Lansing Home Ownership Program (L-Hope) and asked the Administration to use this as a recruiting tool. Mayor Schor assured the Committee that they do use it in all their hiring, and 100% support the program.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE BUDGET POLICIES AS AMENDED. MOTION CARRIED 8-0.

**Adjourn**
The meeting adjourned at 6:40 p.m.

Respectfully Submitted by,
Sherrie Boak, Recording Secretary,
Lansing City Council
Approved by the Committee on May 22, 2023