



MINUTES
Committee of the Whole
Monday, May 13, 2024 @ 5:00 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER

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

PRESENT

Councilmember Peter Spadafore
Councilmember Adam Hussain
Councilmember Tamera Carter
Councilmember Trini Pehlivanoglu
Councilmember Jeffrey Brown
Councilmember Ryan Kost
Councilmember Jeremy Garza
Councilmember Brian T. Jackson

OTHERS PRESENT

Sherrie Boak, Council Staff
James DeLine, Interim Internal Auditor
Lisa Hagen-Lawrence, OCA- arrived at 5:01 p.m.
Greg Venker, OCA – arrived at 5:01 p.m.
Mark Lawrence, Mayor's Office
Jake Brower, Chief Strategy Officer and Acting Budget Director
Jackson Mills, Budget Analyst
Chris Swope, City Clerk
Mayor Schor– arrived at 5:23 p.m. and left at 5:25 p.m.
Loretta Stanaway
Nick Zande

Minutes

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM MAY 6, 2024, AS PRESENTED. MOTION CARRIED 8-0.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE MINUTES FROM MAY 8, 2024 AS PRESENTED. MOTION CARRIED 8-0.

Public Comment

Ms. Stanaway spoke in support of budget funding for public services.

Mr. Zande spoke in supporting of funding for NEC so they can assist all the neighborhood associations.

Presentation

Department Budget Presentations

Mayor

Mr. Lawrence and Mr. Brower spoke on behalf of the Mayor office budget.

- What is the difference with your budget from current fiscal year to the proposed budget?
No operational changes, and maintaining the current budget.
- Are there any changes in services that your department is responsible for and if so, why?
None
- Are there any rate or fee increases and if so, why?
No
- Are there any major equipment purchases proposed in your budget?
No
- Are there any eliminating, combining or contracting of positions in your budget, and if so, provide specifics.
No
- Are you able to perform all necessary departmental responsibilities with this budget?
Yes
- Are there any new initiatives or services your department will be providing with this budget?
No
- Who are the top 2 largest vendors for your department and when were they last bid?
No reoccurring contractual services.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
Incorporated the current budget and maintain through next fiscal year.

Community Media

Mr. Gabriel spoke as the Director, which is a role he has had since October.

- What is the difference with your budget from current fiscal year to the proposed budget?
This budget represents fully staff, and new office location at the former Gibson Book Store.
- Are there any changes in services that your department is responsible for and if so, why?
No- support City of Lansing
- Are there any rate or fee increases and if so, why?
No
- Are there any major equipment purchases proposed in your budget?
Yes, this will propose video servers being replace in next year. The vendor is no longer in business.
- Are there any eliminating, combining or contracting of positions in your budget, and if so, provide specifics.
No
- Are you able to perform all necessary departmental responsibilities with this budget?
Yes
- Are there any new initiatives or services your department will be providing with this budget?
Yes, completing 10 year refresh on “check out equipment” and new will be available

- Who are the top 2 largest vendors for your department and when were they last bid? Two largest are BNH Photo and Video, and Dell. BNH won the bid in the last year, and Dell was selected in the RFP within the City for shared storage.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings? Operational changes are due to being located in a smaller building. Sizing to optimize and there has been more usage due to new location.

Mr. DeLine referred to his memo noting in the Mayor's line item there was contractual help and also temporary help. He asked what that was used for and Mr. Lawrence responded by stating to pay interns. Mr. DeLine noted in the budget details and narrative, there are no employees listed that are now known to be working for *Ovation*, therefore asked where Mr. Cochran and Ms. Linden are listed in the budget. Mr. Brower stated the Authority for *Ovation* is their own, and they are a separate agency. Mr. DeLine asked where those employees will be listed in 2025 and Mr. Brower stated they are separate Lansing Public Media Authority under Act 31. Mr. Venker reiterated Mr. Brower's statement that they are under Act 31, and the City does not directly fund them at this time because they are independent. He added that they will not appear in the City budget document, but they will be part of the audit eventually. Mr. DeLine noted again that Mr. Cochran and Ms. Linden are getting paid by City of Lansing pay checks. Mr. Brower stated they are not getting paid with tax payer dollars, and their goal is to self-support through fundraising and be independent. Mr. DeLine asked if there were any other employees besides Mr. Cochran and Ms. Linden, and Mr. Brower stated no. Mr. DeLine asked again where those two employees would be paid from in next fiscal year and Mr. Brower stated he was not aware of any changes.

Mr. DeLine asked Mr. Gabriel asked why they are proposing to take the temporary line item from \$44,000 to \$0. Mr. Gabriel confirmed they are hiring a full time person, which is a 12 year staff member. Mr. DeLine then asked why the insurance and bonds line item doubled; where did that number come from. Mr. Gabriel could not provide the answer so Mr. Brower stated they have reviewed the past expenditures and regarding the temporary line it was unused in the past few years so they saw no reason to increase it.

Council Member Hussain asked why there is an increase of \$25,000 for Ramadan, and Mr. Brower stated they increased their revenue that came in for the donation to the food bank, and the expenditures should reflect that also. Council Member Hussain asked what line item supports the Mackinaw Island conference the Mayor and his staff attend, and Mr. Brower stated they utilize miscellaneous for those items that do not have a specific line item. Council Member Hussain asked what changes were made in the Mayor's office over the last year when the Council reduced the personnel line item. Mr. Lawrence stated they took the duties from the one person and spread them across the other staff.

Council Member Jackson asked if their miscellaneous line items covers all possible trips, specifically to an international conference the Mayor attend on the environment and climate. And it was, then since it was tax payer dollars all the information from the conference should be provided to Council and the public. Mr. Brower confirmed it was used, but miscellaneous is also used for office supplies and other conferences. Mr. Lawrence could not speak to the international conference but would look into it.

Mayor Schor arrived to the meeting.

Councilmember Kost asked if other department directors utilize the Mayor's miscellaneous account for their conferences, and Mr. Brower explained that the departments have their own budget, for those items. Council Member Kost asked where the public media employees were parking because their budget did not reflect a charge for parking. Mr. Gabriel confirmed they are parking in the Capital Ramp, where their office is, and Mr. Brower stated he would look into the designation, thinking it might be under the Mayor's office. Council Member Kost reiterated the earlier question on why the increase in bonds in the Mayor's office, and Mr. Brower stated when updating personnel expenditures, after many years of no large increases, they found that the rates increases overall.

Council President Garza asked about the statement by Mr. Lawrence on shared services in the Mayor office with the elimination of the former Deputy Mayor, asking why there was then a new position of Mr. Plowman for Construction Manager. Mayor Schor stated Mr. Plowman was confused when he spoke to Council and an earlier meeting, he is not in the Mayor's office, but in the Public Service department.

Mayor Schor then informed Council that Bloomberg Foundation paid for his international conference, and M3 paid for his Mackinaw Conference. Regarding the Ramadan increase, he spoke highly of the work his staff did in raising funds for the Foodbank benefit, and the City is the fiduciary for those funds.

Mayor Schor left the meeting.

City Clerk

Mr. Swope

- What is the difference with your budget from current fiscal year to the proposed budget?
Changes are reflected on elections.
- Are there any changes in services that your department is responsible for and if so, why?
Election changes; 9 full days of early voting. Charter Commission staffing and will start offering evening Passport hours.
- Are there any rate or fee increases and if so, why?
There are several increases; licensing paper application fee; inflation increases in several licenses.
- Are there any major equipment purchases proposed in your budget?
Nothing planned this year, but there could be laptops on regular rotation. Also election equipment purchased in 2017 and they will need to be replace in the next couple years due to State wide requirement.
- Are there any eliminating, combining or contracting of positions in your budget, and if so, provide specifics.
No combing or elimination, but there are contracts for individuals for elections. There will be part time position moved to FTE.
- Are you able to perform all necessary departmental responsibilities with this budget?
Yes
- Are there any new initiatives or services your department will be providing with this budget?
No

- Who are the top 2 largest vendors for your department and when were they last bid? Three are three; KCI and post office for mail processing and postage. Lastly Election Source, which is maintenance on election equipment and tied to the State election system.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
No changes at this time, and adjusting to new election unit.

Mr. DeLine noted there has been no change in their miscellaneous account, however there are election increases. Mr. Swope confirmed that they will have additional ballots, but are attempting to be efficient. Mr. DeLine then inquired into the difference in line items between temporary and election inspectors. Mr. Swope clarified election workers are broken down because of the character of their position; have to take the oath, specify party, and fall under State law. Temporary staff is front desk and office staff.

Council President Garza asked about the 20% increase in the over all budget and asked why they would request 20% more now they are getting a grant from the State for that, and Mr. Swope stated the grant is reimbursable funds, which means they have to spend them then apply for the reimbursement.

General Fund Status Report; Fiscal Year 2023-2024 3rd Quarter

Mr. Mills and Mr. Brower outlined the report in the packet.

Mr. DeLine acknowledged Mr. Mills for providing responses to his bullet points in the memo. He noted for Council that even though the GF is at 72% when we are in 75% of the year, this is not a concern with his office. He noted for Council that the vacancy factor report noted 63 vacancies but when he looked at the City website there were only 21 positions posted. Every department is encouraged to present a budget that is fully staffed, and the vacancy factor is a savings, so at the end there is \$2.37 million in accumulated in budgeted vacancies. That is not allocated in the GF but is something that gets applied at the end of FY. Most departments are at less than 75% of their budget, but we are 75% into the Fiscal year.

Council Member Jackson asked about the vacancies factor specific to 11 LPD position, noting in his years as an elected official, there always appears to be LPD vacancies. He asked for a response this week on in the last 10 years, what was lowest number of vacant positions for LPD.

DISCUSSION/ACTION:

DISCUSSION – Fiscal Year 2024-2025 Budget Policies

Council President Garza confirmed this is an annual exercise and the final document becomes part of the adopted budget.

Council Member Spadafore outlined his proposed changes in the document.

Vacancy Factor – the transfer of estimated vacancy savings between general fund department personnel budgets against the budgeted vacancy factor for the proposes of insourcing contracted positions.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE CHANGES. MOTION CARRIED 8-0.

Vacancy Factor/funded and unfilled Positions - The budget includes an attrition vacancy allowance in each department's budget. The Administration is requested to provide Council on a quarterly basis, 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 all positions by title, FTE, PT, contracted, wages 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, and any such position vacated, thereafter, shall be placed in a budget control account, and will require City Council approval for expenditure. The Administration is requested to include in its annual report organization charts to include division and/or site, position titles, bargaining unit, classification level, and position FTE for each department but not to include individual employee names.~~

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE CHANGES. MOTION CARRIED 7-1.

Carryforwards

Authority is granted to reappropriate available capital project, ~~charter commission and OPIOD settlement~~ balances as of June 30, 2024 into the FY 2024/2025 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.

MOTION BY COUNCIL MEMBER SPADFORE TO APPROVE THE CHANGES. MOTION CARRIED 8-0.

General Fund Reserve Policy

The City's General Fund reserves consist of the General Fund balance and the Budget Stabilization Fund. Use of and contributions to the Budget Stabilization Fund are dictated by Ordinance section 218.05.

~~Unspent Human Services and Community Supported Agencies funding will be considered committed fund balance for purposes of financial reporting pending additional appropriation or reallocation by City Council.~~

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE CHANGES. MOTION CARRIED 8-0.

~~The targeted unrestricted balance for the combination of the General 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. Except when projected revenues (excluding transfers) are projected to decrease more than 0% in a given year, If events necessitate that the combined balances drop below 12% of General Fund expenditures, annual appropriations of a minimum of \$500,000 a fiscal stabilization plan will be made until submitted to City Council to restore reserves to the 12% target in a period not to exceed 5 years. is reached. In the event that combined reserves are projected to exceed 15% of General Fund expenditures, the excess amount will be used to supplement pension and/or retiree healthcare prefunding.~~

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE CHANGES. MOTION CARRIED 8-0.

Council Member Jackson stepped away from the meeting at 5:55 p.m.

~~For the purpose of revenue and expenditure thresholds in budget policies and ordinances: general fund expenditures shall be considered to exclude transfers out except when otherwise specified, and general fund revenues shall be considered to exclude transfers in and indirect cost recoveries except when otherwise specified.~~

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE CHANGES. MOTION CARRIED 7-0.

Investment Policy

Management of cash investments is governed by the City's investment policy and in accordance with State statute, to ~~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.

MOTION BY COUNCIL MEMBER SPADAFORÉ TO APPROVE THE CHANGES. MOTION CARRIED 7-0.

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.

MOTION BY COUNCIL MEMBER SPADAFORÉ TO APPROVE THE CHANGES. MOTION CARRIED 4-3.

MOTION BY COUNCIL MEMBER SPADAFORÉ TO RECONSIDER. MOTION CARRIED 6-1. COUNCIL MEMBER SPADAFORÉ WITHDREW THE MOTION TO STRIKE STRATEGIC PLANNING AND BUDGET DEVELOPMENT.

Council Member Jackson returned to the meeting at 5:58 pm.

Grants

In order to receive timely Council consideration of the approval of any grant award, the administration is encouraged to provide every application information 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 with an accompanying form detailing (to extent available) the preferred referral date, grant name, the grant agency, assistance listing number (formally known as CDFA), department, contact person, beginning and end date of the grant, total amount, projected object code detail, administrative cost recovery amount, and summary of the grant purpose and allowable uses. 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 BY COUNCIL MEMBER SPADAFORÉ TO APPROVE THE CHANGES. MOTION CARRIED 7-1.

Non-Motorized Vehicle Safety

Public Service is encouraged to develop a strategy and program to protect bike lanes at busy intersections to increase rider safety and educate motorists on proper interaction with bike lanes at intersections. If possible, the barriers should be removable to facilitate street sweeping and snow plowing.

MOTION BY COUNCIL MEMBER SPADAFORÉ TO APPROVE THE CHANGES. MOTION CARRIED 7-1.

Council President Garza passed the gavel.

Council President Garza went through his proposed additions to the budget policies.

Training: All Departments should allocate training dollars and follow policies in such a way as to continue their work to improve community relations and reaffirm the City's commitment to ensure equality and freedom for all people regardless of actual or perceived race, sex, religion, ancestry, national origin, color, age, height, weight, student status, marital status, familial status, housing status, military discharge status, sexual orientation, gender identification or expression, mental or physical limitation, and legal source of income.

Council Member Brown asked for clarification on the trainings. Council Member Garza stated it was to clarify that all training dollars were being utilized for all the trainings.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE ADDITIONAL BUDGET POLICY. MOTION CARRIED 8-0.

Contracts: By the first Council meeting of October, January, April, July the Administration is requested to present to Council a list of all contracts and copies of all purchase orders, including any extension and/or amendments, approved by the Administration over \$25,000. The Administration is requested to include non-appropriation clauses and other similar out provisions in all leases and vendor contract.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE ADDITIONAL BUDGET POLICY. MOTION CARRIED 8-0.

City's Road Maintenance/Construction Capital Improvement Plan

The Administration is requested to update on an annual basis and submit to Council by December 1st each year.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE ADDITIONAL BUDGET POLICY. MOTION CARRIED 8-0.

Capital Improvement Projects

The Administration is requested to provide an annual report to Council by December 1st each year on all projects completed in the prior fiscal year regarding the Capital Improvement Project budgets and all costs overruns or under expenditures.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE ADDITIONAL BUDGET POLICY. MOTION CARRIED 8-0.

Residential Solid Waste

The Administration is encouraged to analyze the costs and benefits of being the sole provider of all residential solid waste services through the city.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE ADDITIONAL BUDGET POLICY.

Council Member Hussain suggested a deadline on the last analysis.

MOTION AMENDED BY COUNCIL MEMBER GARZA TO ADD A DATE OF SEPTEMBER 1, 2024. MOTION CARRIED 8-0.

Council Member Hussain passed the gavel back to Council President Garza.

Council President Garza asked Council to submit any other proposed Council policies to Council staff no later than Thursday, 5/16 noon.

DISCUSSION – Budget Review and Wrap Up

Council President Garza outlined the budget process done this year and highlight the key points. He then encourage Council Members if they had any proposed budget amendments to Council staff no later than Thursday, 5/16 noon.

Other

No other topics.

Adjourn

The meeting adjourned at 6:08 p.m.

Respectfully Submitted by, Sherrie Boak, Recording Secretary,
Lansing City Council

Approved by the Committee May 20, 2024