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MINUTES
Committee of the Whole
Monday, December 2, 2024 @ 5:30 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER

Council President Garza called the meeting to order at 5:30 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-left the meeting at 6:08 p.m.

OTHERS PRESENT

Sherrie Boak, Council Staff
Lisa Hagen-Lawrence, OCA
Greg Venker, OCA
Jake Brower, Chief Strategy Officer
Jackson Mills, Budget
Desiree Kirkland, Finance Director

Minutes

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM NOVEMBER 18, 2024, AS PRESENTED. MOTION CARRIED 8-0.

Public Comment

No public comment at this time.

Discussion/Action

RESOLUTION -Appointment; Chelsea Dowler; City of Lansing member of the Capital Area Transportation Authority Board (CATA) ; Term to Expire September 30, 2025

Ms. Dowler spoke about her passion of CATA and the system.

Council President Garza referred to the application and outlined her experiences and role in the City.

Council Member Kost acknowledged Ms. Dowler for her interest to serve, and passion for her Ward. He then asked if she will have the time to serve on this board and Ms. Dowler confirmed.

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Council Member Hussain acknowledged Ms. Dowler for her willingness to serve on this Board. He noted that their fixed route system does not always meet the needs, and challenged Ms. Dowler to look into the south routes into approving them that would be greatly appreciated.

Council President Garza asked Ms. Dowler if she would be willing to attend the Ward constituent meetings to share CATA information. Ms. Dowler acknowledged she would be interested. Council President Garza encouraged her to also attend the corridor improvement authority meetings as well.

Council Member Hussain noted his meets on Thursdays at the operation center, but their website says ZOOM, so have it updated. Ms. Dowler confirmed they meet now at the Lansing Center and would look at updating the website with CATA.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE APPOINTMENT OF CHELSEA DOWLER AS THE CITY OF LANSING MEMBER OF CATA WITH A TERM TO EXPIRE 9/30/2025. MOTION CARRIED 8-0.

Presentation

General Fund Status Report; Fiscal Year 2024-2025 1st Quarter

Mr. Brower and Mr. Mills went through the budget 1st quarter report. This included the revenue summary including property taxes, income taxes both on track with the projection. Mr. Brower summarized license and permits revenue listed in the report, state grants, return on equity, fines and forfeitures, and other revenues. In referring to the Internal Auditor report, they acknowledged his research and the variances. Not included in the GF, the public safety revenue sharing trust fund, this was appropriated separate from GF, and under the original proposal they would hire 15 police officers, however the State put in an enacting clause contingent on two Bill passing before it is put in place and the Senate 4605 and 4606 passing. Due to that the City has held back on filling positions. The \$175,000 that was a budget amendment will come out of the general fund if not the trust due to the earlier statements.

Council Member Jackson referred to the income tax revenue, and asked why is it 15% and not 25%. Mr. Brower referred to the budget, with City income tax in the financial audit statements, the City accrues back the first 45 days of income tax revenue relating to the fact tax day is in April, late payments come in after that. After fiscal year closes, the City takes those and accrue backwards. Instead of 25% per quarter, the City gets a large amount in the first part of the year, and then on end of year June 30 the revenues will look low, but once get back the accrues will appear balance.

Council Member Kost it appears we are down 51 vacancies per previous year. The 3rd quarter was 121 vacancies, with 1.5 million, and now with 108 vacancies, and how did they get 51 vacancies. Mr. Jackson in quarter 1 in FY 2024, there were a lot of fire fighter vacancies, and this time there are 2 but they count the overtime towards the vacancy. Mr. Brower stated similar time last year was 159, but can report decrease 121 to 108 over the course of this report and last year, they are down 51. This report does not include the additional police officers they will hire with the public safety and the State funding noted earlier.

Council Member Garza asked if those HB have passed any yet, and Mr. Brower stated it has passed on the House side, and if Senate pass then to the Governor.

Council Member Hussain noted that PHP is dissolving their coverage as of July 1, and asked what impact will that occur. Mr. Brower stated the current employees will have the same coverage till the end of the year. In May they will have open enrollment, and the City will do a

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RFP to get new carriers in the discussion and working with unions to have their input. Regarding the budget, they will begin their projections adjusting the plans to only BCBS. They are hitting projected numbers and same regulations on hard caps on what the City will pay. This might impact an employees household income.

Council Member Kost the vacancy factor last year was correct statement and he acknowledged he was not corrected. Council Member Kost asked if BS&A had self correcting, and Mr. Brower stated they have seen AP process has some features.

Council Member Garza asked about the vacancy factor noted in Mr. Randall memo, and asked if those were out to bid or applications out. Mr. Brower stated the Deputy Mayor Chief of Staff is the current IT Director as well, not sure if there are plans. Mr. Lawrence stated they have not posted the position and not getting two paychecks. Mr. Brower stated the OCA is posting those vacancies. Council President Garza asked if the IT Director received a raise since he is doing two jobs, and Mr. Lawrence could not speak to that. Mr. Venker stated that there are 2 vacancies in OCA, and at the moment they do not have office space to fill those.

Mr. Brower referred to stale vacancies, postings that have been done and interviews are being scheduled. He then spoke briefly on non-general fund vacancies. Council President Garza asked if the electrical inspector position is a master requirement so they can pull permits. Mr. Brower stated that is his understanding. Council President Garza asked what that salary range is. Mr. Brower stated part of filling this is if a reclassification is required. Council President Garza asked again what the salary offer is, if need a master and contractors requirement is, with the paying being so low is why it is not getting filled. Mr. Brower stated the salary would be \$64,000 budget, but would be worth looking at reclassifying.

Mr. Brower continued on the vacancy report.

Council President Garza encouraged the administration to look at reclassifying.

Council Member Jackson asked who is responsible who maintains the books, because the City has stalled vacancies, unlisted vacancies, vacancies that are not intended to be filled, some that are needing to be reclassified. The administration should reduce this list and remove they do not want filled, can't be filled, need to be reclassified and the list would be more accurate for Council to review and look at for the budget. This can come back at the next meeting. Mr. Brower stated the general ledger is maintained by Finance, the vacancies are positions that are set by budget, organized by departments, as changes occur update the unions. Finance keeps the listed and works with HR to come up with the uniform list. All positions are on the list to be filled, and if a department states they do not plan to fill, then they take that position out of the budget. Council President Garza noted there are only 16 positions posted from the list. Council Member Kost noted there are only 12 listed full time, and temporaries are not. He then looked at the list where there is an electrical technician that has been on the list for 20 years. Mr. Brower stated the City has managed to get by with contracting the services, and overall, they are attacking some positions one at a time and talking to the union to supplement positions to address within. Council Member Kost noted there are new positions and would hope before creating new then fill old positions.

Council Member Jackson left the meeting at 6:08 p.m.

Council Member Kost asked that the tax revenue would get smaller and smaller because the tax payers are not getting the service they are paying for. Mr. Brower stated with the new positions, they are creating classification and job descriptions. Council Member Kost noted there are new positions listed that started on the Fiscal Year, but none are posted. Mr. Brower

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outlined that some are going through the job hiring process, but some questions could be handled via HR. Mr. Lawrence was asked to relay the question to HR and return information to Council. Council Member Kost noted that it would be good to hear that employees in the community could be hired to make them a priority.

Council Member Brown asked Mr. Brower what is role was, and Mr. Brower noted it was Chief Strategy Officer. Council Member Brown spoke about comments in the past on strategic plan and this last year there was a team to address this, and asked how he as the leader is looking to address this strategically. Mr. Brower stated with HR strategy, he complimented them on the steps they have taken over the last year. They have been looking at this from other directions. Council Member Brown the question was not HR, as Chief Strategy officer, for the health plan of the City there was a team to address the overall issues on the strategy of the City. Mr. Brower asked about when that was brought up. Council Member Brown noted the Financial Health Team inquired for a Team to be set up. Council Member Brown asked about the statement on a \$4 million difference, and Mr. Brower stated that they budget a certain amount, where it might end up. Until the auditors finish their process, there is no dollar amount. Mr. Brower stated he was unsure. Council Member Brown asked what the unassigned funds were. Mr. Brower stated the 165.2 million is adopted by the City, and when proposed original budget, and the difference if utilize the funds and do not receive funds from State, that will come out of accumulated reserves. There is a portion of the GF budget that is restricted for certain purposes, so having accumulated reserve and unavailable. Council Member Brown, asked how much is the unfilled vacancies, and Mr. Brower stated it is \$1.5 million, last year was about the same amount and allocated out in the final budget amendment. Council Member Brown asked if that money is not being spent because not filling positions, not being used for services and sitting in bank account. Mr. Brower stated it is what you will hear on what is considered full employment. Council Member Brown asked if the vacancy factor is the same as the Mayor's office annual budget. Mr. Brower confirmed; \$1.3 million. The City Clerk is annual budget \$1.9 million, NEC annual budget is \$1.7 million Assessing \$1.7-\$1.8. Council Member Brown stated there are full departments funded, but there are funds for positions that are vacant for 10+ years. He then asked why have they not started a strategic plan to address this, because the residents are getting concerned and relayed to Council on why continue to getting taxed and not seeing the servies.

MOTION BY COUNCIL MEMBER HUSSAIN TO PLACE THE REPORTS ON FILE. MOTION CARRIED 8-0.

Other

Closed Session

MOTION BY COUNCIL MEMBER HUSSAIN, that pursuant to MCL 15.268(1)(h) of the Open Meetings Act, City Council will recess into closed session at 6:24 p.m. to consult with the City Attorney to consider material exempt from discussion or disclosure by state statute.

Specifically, to discuss written material from the City Attorney provided under attorney-client privilege and attorney work-product, and which is also exempt from disclosure under the Freedom of Information Act pursuant to MCL 15.243(1)(g).

Mr. Lawrence requested to attend and that request was granted

ROLL CALL VOTE, MOTION CARRIED 7-0.

Reconvene

Council President Garza reconvened the meeting at 6:53 p.m.

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Adjourn

The meeting adjourned at 6:53 pm

Respectfully Submitted by,

Sherrie Boak Recording Secretary,

Lansing City Council

Approved by the Committee