



MINUTES
Committee on Ways and Means
Wednesday, October 19, 2016 @ 8:15 a.m.
10th Floor Conference Room, City Hall

CALL TO ORDER

The meeting was called to order at 8:15 a.m.

ROLL CALL

Councilmember Judi Brown Clarke, Chair
Councilmember Carol Wood, Vice Chair
Councilmember Tina Houghton, Member

OTHERS PRESENT

Sherrie Boak, Council Staff
Billie O'Berry, Assistant City Attorney- arrived at 8:30 a.m.
Kathy Miles
Jayme King, Lansing Save
Denise Estee
Barb Kimmel, Planning Neighborhood & Development
Amber Paxton, Office of Financial Empowerment
Catrina Urista, Human Resources Community Service
Lynne Meade, UAW

Minutes

Action on the minutes will be taken at the next meeting.

Public Comment on Agenda Items

No Public Comment at this time.

Discussion/Action:

RESOLUTION – Grant Application; 2016-2017 MSHDA Emergency Solutions Grant (ESG) Renewal

Ms. Urista apologized for Dr. Jackson Johnson absence, and spoke on her behalf. HRCS has obtained participation in the grant via MSHDA and has stepped in as the fiduciary help with the continuum of care. HRCS took over last year, and now is the managing factor. This pays for seven (7) shelters or a portion of which are determined by the COC. Currently the Veterans of America is the housing resource that gets the funds providing direct service to participants, and prevents them from losing housing. This grant is awarded annually; at it is an increase the

previous year at \$364,897.00. The City receives a portion for administrating and will run the HMIS which is the management of the information system.

Council Member Houghton asked what "Agency TBD" was for. Ms. Urista stated that HRCS is partnering with Pathways of DHS. The tri-county is getting over \$100,000 to do outreach, so MSHDA asked them to take a portion of \$14,000 to strengthen the grant, so they will be using it towards direct assistance. The Committee asked if for the \$100,000 they will be using that \$14,000 in a tri-county effort, and also even though it is noted as sup portative services, they are for housing. Ms. Urista confirmed on both.

MOTION BY COUNCIL MEMBER HOUGHTON TO APPROVE THE GRANT RESOLUTION FOR 2016/2017 MSHDA EMERGENCY SOLUTIONS GRANT (ESG). MOTION CARRIED 3-0.

RESOLUTION – Grant Application; 2015 HUD NOFA Continuum of Care (CoC) Grant Renewal

Ms. Urista noted this grant application was a renewal grant they have received over 20 years, which started as 6-7 grants and is not up to 14. This grant pays for housing, so id deals directly with housing people and services.

MOTION BY COUNIL MEMBER HOUGHTON TO APPROVE THE GRANT FOR 2015 HUD NOFA CONTINUUM OF CARE (COC) GRANT RENEWAL. MOTION CARRIED 3-0.

Council Member Wood pointed to three (3) grants with the LHC and asked Ms. Urista about those due to the recent issues and audit with the LHC. Ms. Urista spoke confidently on her audit of the grants and her goal to protect the City.

RESOLUTION – Grant Acceptance; National League of Cities/MetLife Foundation Grant, Financial Inclusion Systems and City Leadership (FISCL)

Ms. Paxton informed the Committee that the grant application included a mandatory visit to Chicago with the Mayor to be considered for acceptance. The City was one (1) of eight (8) chosen. As a systems building project, *Lansing Safe* is a child savings account program combined with counseling. The financial advisory company Piper and Gold will work with the them for 6 months to help them invest. The grant will cover \$7,000 for AmeriCorp (Brittany Perry), and \$14,000 for the Piper and Gold 6 months assistance. The remaining will go towards parent focus groups. Ms. Paxton did assure the Committee that National League of Cities did pay for the transportation to Chicago. Council Member Wood asked why Council was just being informed of the grant since it was awarded in June. Ms. Paxton and Ms. Bennett acknowledged there were some confusions in their departments and they missed passed Council agendas. Council Member Wood asked Ms. Paxton why they were using Pipe and Gold in this school program when the LSD already has a PR company they could have used. Ms. Paxton acknowledged they were not aware that the LSD has a firm and would inquire and add them to her list for the future.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION FOR THE GRANT FOR THE NATIONAL LEAGUE OF CITIES/METLIFE FOUNDATION GRANT, FINANCIAL INCLUSION SYSTEMS AND CITY LEADERSHIP (FISCL). MOTION CARRIED 3-0.

Council Member Houghton stepped away from the meeting at 8:41 a.m.

RESOLUTION – Grant Acceptance; Pre-Disaster Mitigation Competitive:

Council Member Wood asked Ms. Kimmel for the list of blight eliminated homes she mentioned at the last meeting.

Ms. Kimmel stated the City applied for and did receive Emergency Management funding for two (2) FEMA grants to acquire properties in the flood plan.

Council Member Brown Clarke asked about the time frame. Ms. Kimmel acknowledged that there were issues with the Phase 3 budget and they would not accept Phase 4 until Phase 3 was rectified, and an owner of a lot in Phase 3 would not sell until a home in Phase 4 he owned was sold.

Council Member Houghton returned to the meeting at 8:44 a.m.

Council Member Wood asked if a request was needed for the carry forward to complete Phase 3, and Ms. Kimmel stated the time frame ends April 2017. The Committee asked if there are reports that they have to do, how many houses were taken down in Phase 3, and the plans for the vacant land. Ms. Kimmel stated they do submit quarterly reports, there were 19 homes removed with Phase 3 and they acquired 2 more under that phase, and they do have situations where some people want to participate and some don't want to leave. Eventually they hope to get everyone out of the flood plan. Ms. Kimmel stated that currently Public Service is maintaining the areas, and the long term plans would depend on what the community wants. Council Member Wood asked Ms. Kimmel if she knew how many areas had been turned into urban gardens. Ms. Kimmel did not have the exact number but could confirm that not all of them had.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION FOR THE GRANT FOR THE PRE-DISASTER MITIGATION. MOTION CARRIED 3-0.

Presentation – Financial Empowerment (Amber Paxton)

Ms. Paxton provided the Committee with an update on the Office of Financial Empowerment and the programs they are working on. The Office was started in January, 2013 with one program, and now they have three. Those three programs consist of Lansing Safe, Empowerment Center, and then Bank on. The Center has helped with \$6.1 million non-mortgage debt, with a \$532 savings increase. As of June 30, 2016, they have held 8,788 financial counseling sessions to 3,000 clients. There was one other Financial Empowerment Centers in the Nation and the City was modeled after them, now there are 13 in the country. The FEC currently has two (2) counselors, and is working on getting four (4), they are also looking to partner with LCC. Council Member Wood recommended they reach out to the Michigan Realtors Association. Council Member Brown Clarke stated she would invite Ms. Paxton to a future Committee of the Whole meeting to provide the overview to all of Council.

Ms. King, representing the Lansing Safe program, outlined the child savings account program. This is an automatic enrollment in the Lansing School District starting at Kindergarten. Currently they are in their third year, and take in 1,500 per year, and at the end of school year 2015/2016 they had 946 students. With this current year they are in 13 buildings through the metro Lansing area. At the end of 2015/2016 school year there were 84 students who also contributed privately on their own. MSUFCU is the financial partner, and Cornerstone helps with the program. At the September 2016 back to school fundraiser they raised \$1,665 through 37 new contributions, and with the online they match up to \$500, so the program will received

up to \$3,000 from this campaign. These funds will be used with the marketing group to see if the matching funds are being used in a good way.

Council Member Brown Clarke asked if they are seeing an interest with participation by the older kids. Ms. King acknowledged they do get asked all the time from the parents on getting their older kids enrolled, and they refer them to the MSUFCU and their saver accounts.

Ms. King continued with her details stating that Lansing Safe also partners with Identify Base Modification and U of M, where they have found that you have three times more of a chance to attend college if you have savings account of at least \$500 earmarked for education. Council Member Brown Clarke asked if they are addressing the potential of parents using their kids credit and helping those adults now who have bad credit because of their parents. Ms. Paxton said they cannot repair, and because they are minors they cannot help the kids until they are 18.

Council Member Wood asked if Bingham and Wainwright were working with the banks. Ms. King said that MSUFCU is the only bank allowed into the schools at this time. The program is also looking at doing 4th grade through 6th grade in school branches. If the students leave the LSD the account stays open, and they can continue to contribute on their own, but there will be no matching funds.

Council Member Houghton asked if they were working with Lansing Promise. Ms. King confirmed they are working together, and they are also in discussions with Capital Network.

Council Member Houghton stepped away at 9:16 a.m.

Ms. Paxton assured the Committee that the program is offering the participant's financial counseling, and if successful those institutions will give them a second chance if they have a history of bounced checks, or overdrafts. After 6 months with a \$5 fee, they will get back in. Since July 2016, the program has helped with the opening of 32 accounts, 159 participants, and held 109 financial counseling sessions. The 109 sessions are not mandated so this means all went willingly. Ms. Paxton did acknowledge a recent a parolee that is working in the program, but they have no access to the personal information, is just in the role of the outreach positions.

Council Member Houghton returned to the meeting at 9:22 p.m.

Presentation - Employee Exit Process for Retirees (HR & Retirement)

Council Member Brown Clarke opened the item by stating the Committee invited the HR Director and the Retiree Representative to provide them with an understanding of what the process it looks like now, what the retirees going thru the exit process see, what are they given, and any other documents. Council Member Wood asked where the HR representative was. Council Staff confirmed both Ms. Riley was invited and Ms. Williams. Ms. Thelen from HR was supposed to be present. Ms. Bennett stated that retirement falls under her Finance Department therefore she would be presenting on the process for the retirees. Ms. Bennett then also confirmed that when an employee begins the process of thinking of retiring they speak to Ms. Williams so she can start the estimate process, then they will meet with her a few times more before they leave. In those meetings they receive paperwork on what the defined benefit is which also outlines and explains the multiplier. Ms. Williams will also go over the paperwork, timeline and the options. When they get to the formal paperwork, Ms. Williams has the estimates in paper form and they take those with them. Ms. Bennett stated that paperwork includes the options on retirement, pension, collection and benefits. The office will also offer references to financial advisors and tax consultants. Included in the paperwork the retirees are given an application, frequently asked questions, information on life insurance, health care,

open enrollment, Medicare coordination and social security pension. Ms. Bennett assured the Committee that the employees then sign off that they have the documents. Ms. Bennett did clarify that all the documents also refer the employee to their appropriate bargaining agreement.

Council Member Brown Clarke inquired to the status of the current signed contracts on the website. Ms. Bennett stated they are on the City internal website. Council Member Brown Clarke asked if the retirees can access the contracts once they leave to see if their options, coverage and agencies change. Ms. Bennett stated they are not on the website but the retirees can contact the HR Department for questions and copies. Council Member Wood pointed out that the CBA is not current for some units on the intranet, and asked that it be researched for accuracy and up to date information. Council Member Brown Clarke asked if when the retirees are notified of open enrollment if they also tell them of any contract changes that would affect them since they are tied to the contract of active employees. Ms. Bennett admitted didn't know the language of the letter. She did add it does lay out the options, but she was not aware if it provides any explanation on changes in coverage, cost or carriers. Ms. Bennett stated she would find out those answers.

Ms. Estee admitted she had gone on line to research contracts and there were no current ones there, and she wanted the Committee to know her open enrollment letter is generic.

Council Member Wood asked for a list of all contracts Council has approved, and ones that have been signed.

Council Member Brown Clarke asked Ms. O'Berry to provide a legal opinion on when the contract comes to Council should it be in final form with no typo's or pending issues, and that if anything gets changed after Council ratifies it should it come back to Council. Ms. O'Berry stated her first response would be yes, it would need to be an amendment. Ms. Bennett stated that Council sees a tentative agreement, then the language is worked out. If they delay, they run into issues with retro-active pay. She stated that some of the language is not substantive. Council Member Wood recalled a time when after Council ratified a contract, within 30 days the employees had it. Now it appears to be years.

Council Member Brown Clarke added to Ms. O'Berry list for opinion if once Council approves it can the language be changed because it would change the meaning, therefore her choice would be that Council never see it to vote the language is final. Is it the legal opinion that it can follow that process, or does it need to be done then 30 days later it is final. The legal opinion should be done on what is the process and protocol on the problematic language, and does it need to be highlighted so Council is made aware. The 30 day process should be reviewed and if that 30 days is not met what is the default and liability. The City Attorney opinion should address what it looks like post ratification and the liability.

Council Member Wood again asked for an updated list on the current contracts. She also asked Council Member Brown Clarke to invite the presidents from each union to an upcoming meeting.

Ms. Bennett stated there is a mutual concern with the process and HR and the City Attorney office is working on a process to mitigate this.

Council Member Brown Clarke finalized by stating the ratified copy should be the final version.

Ms. Estee asked it be noted that she had sent a letter to Ms. Riley in HR and never received a response. She also acknowledged that she had contacted HR two weeks ago about over charging on health insurance, which she did not get a reply either. This information she stated was also sent to the Committee on Ways and Means. Lastly Ms. Estee provided the Committee with documents she was given by Ms. Meade who had to leave this meeting. Ms. Estee stated Ms. Meade had informed her the documents were dropped off anonymously at the Union Hall.

Discussion - Lansing Housing Commission Financial Statements

Lansing Housing Commission Recovery Agreement with HUD and the City of Lansing

Council Staff acknowledged an invitation to Mr. Baltimore and Ms. Baines-Lake. Council staff was asked to contact them again for the next meeting.

ADJOURN

Adjourn at 10:50 a.m.

Submitted by,

Sherrie Boak, Recording Secretary Lansing City Council

Approved by the Committee on November 16, 2016