



MINUTES

**Elected Officers Compensation Commission
Wednesday, February 20, 2019 @ 12:00 p.m.
City Hall, City Council Conference Room, 10th Floor**

ROLL CALL

Liisa Speaker, Chairperson
Gillian Dawson, Vice Chairperson- excused
Brian Huggler, Member- excused
Jeff McAlvey, Member
Derek Melot, Member
Cassie Alley, Member

OTHERS PRESENT

Sherrie Boak, Council Staff
Jim Smiertka, Chief Deputy Attorney
Angela Bennett, Finance Director
Samantha Harkins, Chief of Staff, Mayor's Office

CALL TO ORDER

Chairman Speaker called the meeting to order at 12:00 p.m.

ROLL CALL

Chairman Speaker called roll, all members present except Member Huggler and Member Dawson.

EXCUSED ABSENCE

Members Huggler and Dawson were excused.

APPROVAL OF AGENDA

MOTION BY MEMBER ALLEY, SECONDED BY MELOT TO APPROVE THE AGENDA AS PRESENTED FOR FEBRUARY 20, 2019. MOTION CARRIED 4-0.

APPROVAL OF MINUTES

MOTION BY MEMBER MELOT, SECONDED BY MCALVEY TO APPROVE THE MINUTES FROM FEBRUARY 13, 2019 AS PRESENTED. MOTION CARRIED 4-0.

COMMUNICATIONS

The packet contained an article from the Lansing State Journal on the pay scales for the City of East Lansing provided by Member Huggler prior to the meeting.

The packet contained an email from Mark Lawrence with the Mayor's office clarifying that the Cost of Living Index he provided the Commission at the last meeting, was indeed the Midwest Region; up 2.0% from 12/2017 to 12/2018.

BUSINESS

Reports, Presentations, Commission Questions and Discussion

Elected Officials Updates- Mayor's Office

Ms. Harkins began by acknowledging the Commission for having her at the meeting, and stated per the Mayor that he was not asking for a raise. The City is in with a unique leadership having "strong mayor" government, which only exists in 22 of the 232 municipalities. In those 22 cases the Mayor is also the Chief Operating Manager. Member Speaker asked what communities in those 22 is equivalent in size to Lansing, and Ms. Harkins stated the closest would be Dearborn or Rochester Hills. The neighboring communities of East Lansing and Meridian Township have half of the population Lansing City does. Mr. Smiertka added that in the City, the Mayor has to perform the duties of Operating Officer and work with the political side also. Ms. Harkins added that in some communities the Mayor is appointed by Council, but in the City the Clerk, Mayor and Council are all elected so they do not report to each other.

Ms. Harkins left the meeting.

The discussion was held on what would be comparable for the City of Lansing on salaries spreadsheet, and Member Melot noted it would be Madison, Wisconsin.

Finance Director Presentation

Ms. Bennett distributed a financial overview to the Committee. Included in the handout were graphs outlining the budget revenues, including property taxes at 30%, income taxes at 29%, and State Revenues at 14%. The presentation then detailed the breakdown on each of those revenues. The final slides represented the budgeted expenditures with wages at 33% (\$44.3 million) and fringe benefits at 37% (\$49 million).

Member Speaker asked if the current law amendments that speak to the court funding, particular to 54-A District Court would affect the City's future budgeting. Ms. Bennett confirmed that the court fines and fees to offset some of the budget, however the City does pay the majority of their budget, with only the Judges being funded by the State. If the funding changes per the way it is currently being proposed, the City will be affected because they would have to subsidize more. Member Melot stated that the City is going to be hit on their funding as the State continues to change their responsibilities. He then asked Ms. Bennett the number of full time City employees. Ms. Bennett answered the question by stating there are currently 870 full time employees, including police and fire. This lower by 1/3 from 2000. Member Melot pointed out to the Committee for consideration that with a 1/3 lower employees it is harder for the Mayor to manage the day to day activities of the City. Member McAlvey asked Ms. Bennett if the Commission recommended increases that would total \$20,000, if the City had those funds available. Ms. Bennett stated they do with currently \$12.5 million in reserves, however she added that they need to keep in mind the fringe benefits would change also and combined, wages and benefits are 70% of the General Fund. This would affect the long term finances. Member Melot asked if all contracts are in deliberation currently. Ms. Bennett confirmed that either they are currently in deliberations or will be starting July 1, 2019. Member Speaker referred back to the 2017 department head salaries, at which there was a position "Chief Operating Officer" that did not appear on the 2019 salaries. Ms. Bennett explained that the position was a person in dual-roll, and with the new Administration that position of "Chief Operating Officer" was not filled and the funds were reallocated.

Old Business

Member Melot provided a letter he drafted based on the conversation at the last meeting on and interest of the Commission attending a Committee of the Whole meeting or Council meeting to speak to the Council on their intentions. After a review of the letter, Chairperson Speaker signed the letter and provided to Ms. Boak to forward to Council President Wood. Chairperson Speaker then indicated that Member Huggler was able to speak to Council Member Wood before he left town and she agreed for the Commission to attend the Committee of the Whole meeting on March 11, 2019.

After discussion by the Commission, it was determined the Commission Members that could attend (Melot and McAlvey) would present the Commission's recommendations and findings, but not formalize the recommendation letter for the Clerk until after the March 11, 2019 Committee presentation. Any formal presentation documents will be provided to Ms. Boak by Friday, March 8, 2019.

The Commission briefly discussed their conversations they held individually with Council Members and discussed increases for the full time elected officials (Mayor and Clerk) based on the Cost of Living. Member McAlvey offered to research the Detroit Cost of Living and proposed doing comparable at the presentation to the Committee of the Whole. Member Speaker asked the Commission if any of them were considering increases for the Council. There was no consensus on an option. Mr. Smiertka reminded the Commission if they chose increases they could propose a percentage for July 1, 2019 and another one July 1, 2020 to break up the increase. Member Melot encouraged the Commission to consider the option of proposing to change the City Charter if their recommendation is rejected. This would allow the change from Council approval to another form of approval for elected officials pay and fringe benefits.

Member Alley asked for Ms. Boak to inquire with the Clerk on how much time he is now devoted to the enforcement and licensing of medical marihuana. Mr. Smiertka confirmed his office has had to designate specific lawyers to the program also. Member Alley also asked if the Commission had held discussions on fringe benefits and if they considered the entire increase of 6%. The Commission confirmed they had not considered any changes to the fringe benefits. The Commission then determined they would consider in their recommendation an increase based on inflation for the Clerk and Mayor.

Mr. Smiertka briefly noted to the Commission that in 1997 that Commission had considered and did draft an ordinance to remove the EOCC and give all decisions and recommendations to the City Council.

It was determined that Member Speaker would start working on the draft recommendation and Member Melot would work on the presentation for the Committee of the Whole on March 11, 2019. This draft will be brought back to the Commission on March 7, 2019.

Human Resources Information

The Commission reviewed the recent municipality spreadsheet provided at the meeting and earlier in the day via email. It was noted the East Lansing salary for the City Manager did not match what was published in the LSJ article (\$167, 000), and that instead of pulling the 2017 forward into this spreadsheet, HR just stated no response. Ms. Boak was asked to request that HR continue to update the spreadsheet and instead of stating "no response" carry the 2017 information and note that.

New Business

No new business.

Commission Member Comments

No member comments at this time.

OTHER

No other items to discuss.

PUBLIC COMMENT

No public comment.

ADJOURN

Adjourned at 1:04 p.m.

Respectively submitted by:

Sherrie Boak, City Council Office Manager

Approved by Committee on: March 7, 2019