



MINUTES
Committee on Ways and Means Special Meeting
Friday, August 28, 2020 @ 8:30 a.m.

Via Zoom: <https://us02web.zoom.us/j/84070360390>; Meeting ID: 840 7036 0390; Dial In: (312) 626 6799

CALL TO ORDER

The meeting was called to order at 8:31 a.m.

Members Present via audio/video

Council Member Carol Wood, Chair
Council Member Peter Spadafore, Vice Chairperson
Council Member Brian T Jackson, Member

OTHERS PRESENT

Sherrie Boak, City Council Office Manager
Kris Klein, LEDC
Robert Widigan, Finance Director
Jake Brower, Budget Director
Jim Smiertka, City Attorney
Judy Kehler, Chief Strategy Officer
Brian McGrain, EDP Director

Minutes

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE MINUTES FROM AUGUST 3, 2020 AS PRESENTED. MOTION CARRIED 2-0.

Public Comment

No public present at this time.

Discussion/Action

RESOLUTION – Grant Acceptance; Lansing Economic Development Corporation grant for Economic Recovery Resource Developer Position

Mr. Klein was present with no ZOOM reception, so Mr. McGrain spoke on the subject. Mr. McGrain noted that they realized in the last months they have not able to go after grant funds to assist with COVID funding, and therefore with this grant they can pursue funding opportunities. Some funds might come to EDP but they will be funding for the City, and they will be searing large resources. The LEDC Board has approved the \$100,000 for 12 months, and it could be a firm or individual. The have initiated the RFP. Mr. Klein joined the meeting and added that the position would have the core work plan development and work in conjunction with the City,

pursue funding opportunities, collaborate with the City and private non-profits, organizations and businesses. They will also pursue match making funding with those organizations. Council Member Wood asked about expenses, and Mr. McGrain stated the personnel costs will be the major costs, and they are not interested in extending it if it is not working. Council Member Wood asked if the funds were State funds or LEDC funds. Mr. McGrain noted they were funds from the EDC through the City. The EDC has funds available for business financing and general funds and utilizing those funds. Council Member Wood asked if they would need those \$100,000 funds for the parking bonds. Mr. McGrain stated he was not sure if there are funds with the EDC for the parking bonds, but that might be a discussion later. They are looking at these funds for a giant impact for the community, and they hope to have a firm that could devote someone's time as a senior level personnel with already established contacts and hit the ground running.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION FOR THE GRANT ACCEPTANCE OF THE LEDC GRANT FOR ECONOMIC RECOVERY RESOURCE DEVELOPER POSITION. ROLL CALL VOTE, MOTION CARRIED 2-0.

Mr. Smiertka asked Council Member Spadafore if Council would want a presentation Monday night at Council. Council Member Spadafore asked Council Member Wood if she felt she had enough information to summarize, she confirmed however also asked Mr. McGrain and Mr. Klein to attend to answer any questions. Council Member Wood then asked Mr. McGrain to forward the RFP to the Council Office Manager to forward onto the Committee.

RESOLUTION – Grant Acceptance; Michigan Department of Treasury First Responder Hazard Pay Premiums Program; Hazard Pay for Law Enforcement Officers, Firefighters, Emergency Medical Technicians, Paramedics and Correction Officers- COVID Related

Mr. Widigan reminded the Committee that they had applied in July 2020, and the Department of Treasury has not yet released the funds, however MML thinks it will be shortly. The only cost to the City match is FICA and Medicare, approximately \$30,000. Council Member Wood asked if it would affect their retirement. Mr. Brower stated he would look into it, but it is taxable income and should be a fairly small amount. Council Member Spadafore asked if it is similar to a bonus, is a bonus affected by FAC, and Council Member Wood confirmed, and Mr. Smiertka suggested it might be part of the collective bargaining agreement. Council Member Wood asked if this goes back to March and Mr. Widigan confirmed it is the entire time frame. He added that he wanted to make the Committee aware the even though the funds have not been released yet by the State, they are being advised that once the funds are released they have to release them by 9/30/2020. Council Member Wood asked if this would be for employees who have retired since the COVID started, and Mr. Brower stated he believe they would because they were employees when the application was filed and they had to apply for a specific group and any active employees at the time.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION FOR THE GRANT ACCEPTANCE FOR THE DEPT. OF TREASURY FIRST RESPONDER HAZARD PAY PREMIUMS PRGRAM. ROLL CALL VOTE, MOTION CARRIED 2-0.

Council Member Wood asked Mr. Widigan and Mr. Bower to look into any impact on retirement and report back before Monday's meeting.

DISCUSSION- Fiscal Year 2021/2022 Budget Priorities

Council Member Wood noted to the Committee, that based on discussions from other Committees, those Committees are delaying discussions until after the 8/31/2020 Committee of the Whole meeting to get guidance.

Other

Council Member Wood asked Ms. Kehler and Mr. Widigan to look into what has been spent on outside counsel. Ms. Kehler and Mr. Widigan confirmed they will start working on that. Mr. Smiertka noted they no longer use Gallagher Bassett as the 3rd party because they changed insurance companies to Municipal Risk Managements.

Council Member Wood asked what the potential is for having enough revenue to pay bonds for this year. Mr. Widigan stated at this time they have been working with finance, treasury and CSO on the cash flow summary. They are confident there are revenues to pay the bond. They are looking at a 20% reduction in income tax, and at this time the State is giving 101% in revenue sharing. Mr. Brower added that they are in the process of working on financial audits, and will have a better picture on where things stand when those are done. Council Member Spadafore asked Mr. Kehler, Mr. Widigan and Mr. Brower to estimate what the impact on the income tax will be the effect of people working from home during COVID. Ms. Kehler stated she will work with the new Treasurer on assessing the Delta Twp., East Lansing and other areas. Mr. Widigan stated a conservative assumption is that 20% of the income taxes are coming from non-residents. Council Member Wood also asked Ms. Kehler what the impact will be if the State reduces leases due to staff working from home. Ms. Kehler stated they might not see that impact for 12-18 months.

ADJOURN

Adjourned at 9:06 a.m.

Submitted by,

Sherrie Boak, Council Office Manager

Lansing City Council

Approved by the Committee on September 11, 2020