



# OFFICE OF THE CITY CLERK

DAWN M. JONES, CITY CLERK

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Personnel and Finance Committee    September 6, 2022, 5:00 P.M.

Committee Members Present:        Sheila Niezgodski, Eli Wax, Rachel Tomas  
Morgan, Troy Warner, Henry Davis Jr. (\*)

Other Council Present:                Karen White (\*), Sharon McBride (\*), Lori Hamann,  
Canneth Lee

Other Council Absent:                 None

Others Present:                         Dawn Jones, Shayla Kimbrough, Victoria Trujillo

Presenters:                                Dan Parker, City Controller

Agenda:                                     Council Questions for Dan Parker Regarding the Budget  
Presentations

(\*) – denotes the council member was virtually present.

Full audio dialogue of the meeting is available upon request from the City Clerk's Office.

Committee Chair Sheila Niezgodski called to order the Personnel and Finance Committee Meeting at 5:00 p.m. and stated a quorum is present. Niezgodski stated the meeting is open to the public, however public comments will not be permitted. The meeting will commence with questions over the City budget directed to Dan Parker, City Controller, with offices on the 14<sup>th</sup> floor of the County-City Building. Niezgodski stated the session would focus on the budget presentations from the Police & Fire Department as well as the VPA.

Dan Parker stated he is present for any questions regarding the budget.

Council Member Karen White asked Dan Parker if it is still possible for the City to be at a structural balance in the 2023 budget.

Dan Parker replied the City is not at a structural balance for the 2023 budget. That was the intention during the 2021 budget hearings. The City had a three-year plan to get back to structural balance by 2023. Parker stated the rate of the inflation regarding wages doesn't permit a structural balance, due to wages comprising approximately sixty to seventy percent (60-70%) of the City's operating budget. Other expenses include chemicals and fertilizers for various departments as well as fuel. Parker stated the budget has done better than expected with a surplus in 2021 and a projected surplus in 2022. Due to inflation, the City may be closer to breaking even than anticipated, although he doesn't believe the City will be at the deficit level that was budgeted for 2022. Parker stated the results are more positive than anticipated allowing for continuances in community



investments rather than postponing programs. Parker stated that the cash on hand is still available from the past few years and is reflected in the 2023 budget.

Committee Member Henry Davis Jr. asked if there is an additional meeting later in the evening regarding the mental health topic. After Committee Chair Niezgodski confirmed there would be a meeting later in the evening, Davis stated council members are being made to choose what meetings they will be attending, which he feels is unfair.

Committee Member Davis stated the need for budget resources for a pool in district two versus adding an additional pool on the east side of town. Davis stated the budget should be focused on serving the community and solving the city's social inequities.

Dan Parker stated he agrees with Council Member Davis as well as the administration. There will be a study conducted at Potawatomi Park as well as the nearby neighborhoods, with a focus on looking at the park from a neighborhood perspective. Parker stated that on the other side of the river, similar types of conversations are happening around Kennedy Park.

Committee Member Davis replied that conversations around resources regarding districts should be careful due to culture and race. Davis stated discussions had in a vacuum cannot yield community support. Davis stated it is not fair nor healthy.

Dan Parker stated are conversations scheduled with the community and elected officials and are currently in the initial stages. Neither conversation has resulted in actual budget dollars being allocated in the 2023 budget.

Council Member Lori Hamann requested clarification about how the transfer of funds from the S.A.V.E. Program and the GPI will go into the parks program.

Dan Parker replied that the budget that helps fund the S.A.V.E. Program is out of the Office of Community Initiatives.

Council Member Hamann clarified the entirety of Community Initiatives is moving into the VPA budget. Hamann asked what the impact is on the Violence Prevention Programs and what oversight will be necessary.

Dan Parker stated the idea behind moving Community Initiatives into the VPA is that there is increased synergy in terms of what the parks are doing with their park outreach teams and what those teams are doing with an equivalent street outreach team. There are similar initiatives that benefit from sharing a single reporting structure. Parker stated the mayor maintains oversight over all executive departments including VPA and Community Initiatives. Parker stated that additional layers of oversight are added by including the VPA management structure.

Council Member Hamann asked if the park's outreach programs will shift to another department or remain where they are.

Dan Parker replied the budget is still in the Parks Division and oversight is more so of an



operational question that will develop over time. The plan for the park outreach teams is to maintain the current oversight structure. The greater level of collaboration between Community Initiatives and the maintenance team overseeing the park outreach teams is where the City can see some of the benefits.

Committee Member Rachel Tomas Morgan stated she asked a similar question to Aaron Perri during the VPA budget review and found his answer helpful. Morgan shared that Perri did not anticipate any changes in strategy and stated it would increase the capacity for the programs. Morgan asked if campuses such as Notre Dame reimburse the fire and police departments for EMS or overtime.

Dan Parker replied that the universities do not reimburse the departments for individual hours. The university makes contributions to the city, and those contributions are meant to help the City cover those expenses. However, the City does not submit hours to the universities expecting to be reimbursed.

Committee Member Tomas Morgan asked if the IT needs will be presented in the Fire and Police budget presentations.

Dan Parker replied that when the IT department will cover all the IT needs when they present their budget. Parker stated the specific IT needs per department will be discussed specifically, and he can prepare Denise before the presentation so the IT department's presentations cover those specific questions.

Committee Member Tomas Morgan stated there will be a joint meeting held for Public Health & Safety and the Information and Technology Committee to receive an update on the Real Time Crime Centers and the camera privacy policy, which may touch on the IT needs of the police.

Committee Member Eli Wax stated he appreciates Committee Member Davis's unapologetic advocacy for his district. Wax stated he has a problem with the challenges around focusing on specific districts. Wax stated his district (the 5<sup>th</sup> District) is less needy and requires less urgency but other than paving, he doesn't see the City having any investments focused on in his district. Wax asked what can be done around the neglect of his district and their neighborhoods, and what can be done for areas that have less urgency. Wax stated his district does not have a neighborhood plan and asked if something can be done to ensure less urgent neighborhoods can receive attention as well.

Dan Parker replied that he assumes Eli has already spoken with Caleb Bauer and Tim Corcoran and doesn't believe he can share more than they already have other than there is money in the budget for neighborhood plans and working with Bauer and Corcoran to decide which plans are most in need is the best way to go about this.

Committee Member Wax asked if the City currently has any plans in place.

Dan Parker replied that some programs targeted specific areas, such as affordable housing and housing repair. Other programs, such as paving, curbs and sidewalks, traffic calming, and "Light



Up South Bend” are city-wide programs and are available to all six districts regardless of if those districts have a plan.

Committee Member Wax stated it seems the budget is more focused on concerns versus city-wide improvement. Wax stated the plans focus on target programs and/or spending rather than focusing on improving the City in general.

Dan Parker stated that large-scale capital projects are by necessity at appointed locations. Examples would be Howard Park or the Dream Center.

Committee Member Wax stated the percentage of the budget towards VPA has increased drastically over the past few years.

Dan Parker stated the increased spending on the VPA in the 2023 budget has to do with one-time capital projects as well as the operational issues surrounding the funds.

Committee Member Wax stated the conversation is mostly focused on the parks department projects that haven’t even broken ground. Wax asked if Green Light is a part of Community Initiatives.

Dan Parker replied that Green Light is not a part of Community Initiatives. All the project Green Light initiatives are coming out of the IT budget but are being funded through allocation.

Committee Member Wax clarified that Green Light projects have nothing to do with Community Initiatives in the budget.

President Sharon McBride stated she wants to follow up with Committee Member Wax as she also has fought more for his district in the past couple of months than her own. McBride wants to confer with Wax to see what his goals are in the 5th district so she can continue to advocate for him. McBride stated that she has stressed to the administration that she wants to make sure that all districts are healthy and have big wins in the next year’s budget. McBride stated she wants to make sure that the Council is having conversations so the community can see things moving forward.

Committee Member Canneth Lee asked if the city is investing enough in the alleys, the lighting, and the curbs regarding the fully funded ‘rebuilding our streets plan.’ Lee asked what adding another crew will do to quickly address the needs of the alleys.

Dan Parker replied that an additional fifty thousand dollars (\$50,000.00) are included in the 2023 budget as additional monies for alley stabilization.

Eric Horvath stated the idea around the alleys is to start pilots this fall and continue to work next year by having a more robust program as well to address the needs.

Council Member Lee stated there will be a doubling of traffic calming funding in the budget to eight hundred thousand dollars (\$800,000.00) in 2023. Lee asked where the focus will be and how

will the City decide where the traffic cones will be. Lee stated the budget also needs to show the impact in the small areas to build morale.

Dan Parker stated the conversation will be had tomorrow around traffic cone placement. Parker stated the decision is based on the most needed area and that Dr. Boyles and Eric Horvath will be able to expand upon the topic.

Council Member White stated that when S.A.V.E., G.V.I., and other Community Initiatives were planned to be moved under VPA, she hoped that the other entities that are involved with these initiatives such as Goodwill and other community members were included in the conversations to be able to have an opportunity for input. White asked if the transfer in question is for the upcoming budget year or before 2023.

Dan Parker replied that the transfer is for the upcoming budget year. Parker stated that Community Initiatives would begin to be funded from the Parks fund and it comes with its current funding source (property taxes in the General fund). Parker stated the revenue from the General Fund will be transferred to the Public Parks Fund and will start in 2023.

Council Member White stated each of these initiatives has its focal point that is part of the overall strategy. White stated that she wants to make sure that the city is not moving away from the strategies that G.V.I. was established on.

Dan Parker replied that it is not anticipated for the strategy to change but it is a matter of who is specifically overseeing that division.

Council Member White asked if the city is looking at any additional early drops coming from the Police Department.

Dan Parker replied that there are a few in the drop program. Parker stated the department has sworn in twenty (20) officers in the past several weeks. Parker also stated there are potentially twenty (20) more officers going to the academy to be sworn in. Parker stated the recruitment numbers are larger than expected and will likely grow in the next six months rather than shrink.

Council Member White stated the recruitment efforts are paying off.

Committee Member Davis replied to Committee Member Wax and stated that he has asked the Council to go into a performance-based budgeting model to ensure the success of each department, so as the city moves forward, it can grow as the city is paying for related services. Davis stated the Council has not decided to do that since he has been on Council since 2008. Davis stated the Council has had the same culture of never getting to the real checks and balances when it comes to what is needed in each district. Davis stated the pleasure of the Council has not taken on the role. Davis stated without grading the departments then districts will feel neglected. Davis stated he must reduce advocacy because the Council can get the better part of the budgeting cycle. Davis stated his advocacy is due to the lack of conversations the city needs to have. Davis stated moving to another budgeting model (performance-based) will start judging based on department practices versus sides of towns.



Vice President Niezgodski stated that she has investigated performance-based budgeting and has found that it is primarily used for not-for-profits that have a singular focus on what they're doing in the community. Niezgodski stated that in a city the size of South Bend with multiple departments, performance-based budgeting does not set up a model because there would be a need for a sub-department inside a department with an additional set of questions to measure performance.

Committee Member Davis asked what would be wrong with being able to measure a department.

Vice President Niezgodski stated that it would be difficult and cost a lot of taxpayer money that could be spent somewhere else.

Vice President Niezgodski asked for clarification on the bargaining negotiations in the police and fire department's contracts regarding rank restructuring.

Dan Parker stated the idea around the rank restructuring is it doesn't require renegotiation and will establish a separate rank name of Lieutenant but to have that amount be the same as the current captain amount. Parker stated from a dollar's perspective, it wouldn't matter whether somebody was promoted to a lieutenant rank or a captain rank; they would get the same amount. Parker stated the idea of having a lieutenant rank is so when it gets to the next negotiation cycle, you can put some distinction between captain and lieutenant as well as have a rank between captain and battalion chief. The Fire Department currently has fifty-six (56) captains and only six (6) battalion chiefs. Parker stated there currently isn't a dollar impact in this change due to captains and lieutenants having the same pay. The fire department has been in contact with the Union, and to his knowledge, everyone is on board with this proposed change.

Vice President Niezgodski stated Committee Member Davis has left for another meeting.

Council Member Hamann requested elaboration about the line item totaling three hundred thousand dollars (\$300,000.00) in the police budget for mental health services, and what that money would be spent on.

Dan Parker stated he believes that line item was vague due to continuing talks within the Police Department. The line item is for if the department were to create a crisis response unit itself, then it would need at least three full-time employees with salaries and benefits totaling approximately \$300,000.00. Parker stated if not, the money would go to support another entity to have a coordinated response.

Vice President Niezgodski stated she recently attended the kick-off meeting for the comprehensive plan and the VPA brought up they had one hundred twenty-nine (129) programs. Niezgodski asked what the possibility is of combining some of these programs like the City just did with Community Initiatives, and if that is the thought process behind the zoning and planning.

Dan Parker replied it is much more comprehensive than just planning and zoning. The City is looking at every department and asking how we can make financial information more accessible.

Parker stated the conversations will be had over the next few years for the 2024 and 2025 budgets specifically relating to VPA. Parker stated the comprehensive plan will be a multi-year process and that is the reason behind the twenty-year plan.

Council Member White stated that she is excited and pleased that the city is taking a more comprehensive look into the various departments. White stated it is going to be a long process but will be worth it.

Committee Member Tomas Morgan stated that she is excited for the future of the various Offices working together in their mission and vision statement.

President McBride inquired if there is an increase in homelessness, specifically in “Motels for Now,” or if they have stayed the same, and if the focus has changed to another area.

Dan Parker replied that there was an increase in the structural budget for homelessness strategy implementation from four hundred fifty thousand dollars (\$450,000.00) in 2022 to six hundred fifty thousand dollars (\$650,000.00) in 2023. Parker stated the City supplemented the four hundred fifty thousand dollars (\$450,000.00) with two hundred thousand dollars (\$200,000.00) from the ARP budget in 2022. Parker stated the total dollars available for homelessness strategy implementation is the same from 2022 to 2023. Parker stated there is still five million eight hundred thousand dollars (\$5,800,000.00) in ARP funding that is allocated for homelessness, mental health, and related partnerships. Parker stated from a structural budget perspective, it is proposed to have six hundred fifty thousand dollars (\$650,000.00) next year as well. Parker stated there are conversations still being had around the five million eight hundred thousand dollars (\$5,800,000.00) which is for capital build-out programs such as more efficient warming centers for the homeless, the Crisis Intake Center, and Crisis Response. Parker stated the funds for running the warming centers are in the structural budget of six hundred fifty thousand dollars (\$650,000.00). Parker stated the mayor touched on the sustainability of funds for the mobile crisis response team that is currently in conversations. The mobile crisis response centers can operate for two years with the funds.

Committee Member Hamann stated she spoke to Doctor Bob from the Health Department, and she believes the request that will come to the City for the operating funds will be one million dollars (\$1,000,000.00) for the emergency crisis centers for three years until the program is reassessed, totaling three million dollars (\$3,000,000.00). Hamann stated the five million eight hundred thousand dollars (\$5,800,000.00) is for operational funds.

Dan Parker stated the city is excited to buy the school corporation building for City Hall. Parker stated the building will be budgeted for two million eight hundred thousand dollars (\$2,800,000.00) for purchasing, with five million dollars (\$5,000,000) allocated for renovations totaling seven million eight hundred thousand dollars (\$7,800,000.00). The City is hopeful it won't spend all five million dollars (\$5,000,000.00) on renovations. The corporation is moving to Brown and needs to make the space usable. Parker stated the city will not be able to take possession of the corporation building until 2024 but will likely have an agreement within the next few weeks.

Council Member Lee inquired about the Drury's.

Dan Parker stated the funding has been allocated through the ARP. Parker stated that he will make sure Caleb Bauer addresses it in his presentations.

Council Member Lee requested clarification if Marquette School did not receive enough tax credits to become a partner.

Dan Parker stated he will refer the issue to Caleb Bauer.

Committee Member Wax asked if departments are asked what they are going to cut due to inefficiencies when they propose their budget.

Dan Parker confirmed departments are asked what they are going to cut due to inefficiencies. The process starts in May when the City kicks off the budget with a first round of the departmental budget with assumptions around revenue. The Controller's Office gets the first round of the department budget back at the end of May. June is when each department meets with the mayor to discuss the budget. After this meeting, the departments send out proposed reductions or proposed changes to the budget to come back with a second-round proposal. The mayor's feedback results in his approval of the budget. Parker stated the City has ongoing staff turnover for police, fire, parks, and customer service staff. The focus for these areas is how can the City drive efficiencies and provide better services at a lower cost.

Committee Member Wax inquired about the inefficiencies in the VPA programs and whether VPA has cut anything from last year.

Dan Parker stated the framework around budgeting of staying within a certain amount. Parker stated VPA does analytics on their programs and is constantly changing things.

Vice President Niezgodski clarified that each department may have to trim back regarding budgeting, and if they don't, the Mayor or the City Controller will sit them down to inform them the City can't make their requests work.

Dan Parker stated the ongoing operational cost is a big priority, and the City needs to make sure something won't be funded year after year that is going to cost more than what it is expected to bring in.

Committee Member Wax stated if cuts are being made then advanced new ideas can be included in the presentations to have a more budget-conscious feel.

Dan Parker stated they can add something like that to the budget.

With no further business, Committee Chair Niezgodski adjourned the Personnel and Finance Committee meeting at 6:08 p.m.



Respectfully Submitted,

*Sheila Niezgodski*

Committee Chair Sheila Niezgodski