



OFFICE OF THE CITY CLERK

BIANCA L. TIRADO, CITY CLERK

PERSONNEL & FINANCE

SEPTEMBER 17, 2025 6:00 P.M.

Committee Members Present:

Sheila Niezgodski, Karen L. White, Rachel Tomas Morgan

Committee Members Absent:

Dr. Oliver Davis

Councilmembers Present:

Canneth Lee, Ophelia Gooden-Rodgers

Others Present:

Matthew Neal, Veronica Pitt-Payne, Bob Palmer

Presenters:

Kyle Willis

Agenda:

2026 Budget Wrap Up & Final Questions

Members marked with an asterisk (*) are in virtual attendance.

Please note the attached link for the meeting recording:

<https://docs.southbendin.gov/WebLink/browse.aspx?dbid=0&mediaid=399639>

Committee Chair Sheila Niezgodski called to order the Personnel & Finance Committee meeting at 6:01 P.M.

Committee Chair Niezgodski provided information regarding the 2026 Budget Overview process. City Residents can access the City Budget Survey to provide their input using the following link: <https://southbendin.gov/budget>. Additional questions pertaining to this meeting or the budget hearing can be emailed to the Personnel and Finance Committee Chair, Sheila Niezgodski, at sniezgod@southbendin.gov and they will be directed to the appropriate department. The Final Budget Hearing is scheduled for October 13, 2025.

Kyle Willis, City Controller, with offices on the twelfth (12th) floor of the County-City Building, South Bend IN, 46601, was present to answer questions from the Committee.

Committee Vice Chair Karen L. White thanked fellow Committee Members and City employees for their leadership through a challenging budget process. She asked about the 2026 personnel changes, noting that positions were both eliminated and added in different departments.

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Jasmine Jackson
CHIEF DEPUTY CITY CLERK / CHIEF OF STAFF

Matthew Neal
DEPUTY CITY CLERK / DIRECTOR OF POLICY

Margaret Gotsch
DIRECTOR OF SPECIAL PROJECTS

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Kyle Willis said the reasoning behind each personnel decision was department-specific, but in general, the positions most essential to daily operations were prioritized. He noted that some of the eliminated positions were vacant. He explained that the cuts were necessary due to the anticipated impact of Indiana Senate Bill one (1).

Committee Chair Niezgodski asked Kyle Willis to confirm that the current department proposals result in a one-point-seven-million dollar (\$1,700,000) deficit. She noted that this does not reflect the final negotiated wage increases in the Police and Fire Departments and asked what the total deficit will be once those contracts are ratified.

Kyle Willis replied that the total deficit will be approximately three-million dollars (\$3,000,000) once an agreement is reached with the Police and Fire unions.

Committee Chair Niezgodski asked Kyle Willis to confirm that the 2025 budget deficit was twenty-four-million dollars (\$24,000,000) and asked if this was covered by the general fund.

Kyle Willis confirmed the amount of the 2025 budget deficit and added that fourteen-million dollars (\$14,000,000) was covered by spend-down from enterprise funds.

Committee Chair Niezgodski asked for confirmation that the twenty-four-million dollar (\$24,000,000) deficit was not fully realized because funds were captured elsewhere.

Kyle Willis confirmed that is correct.

Committee Chair Niezgodski asked if it is possible that the three-million dollar (\$3,000,000) deficit projected for 2026 will likewise not be fully realized due to other revenues.

Kyle Willis confirmed that it is possible.

Committee Member Rachel Tomas Morgan spoke about the impact of post-pandemic federal funding and expressed concern regarding Senate Bill one (1). She noted that the eliminated positions in the Office of Sustainability were originally funded by the American Rescue Plan (ARP). She asked if any other ARP-funded positions were eliminated in this budget.

Kyle Willis replied that he is not aware of any other eliminated ARP-funded positions.

Committee Member Tomas Morgan asked how many of the nine (9) new positions created in 2025 remain.

Kyle Willis said he will follow up with that information.

Committee Member Tomas Morgan asked what actions the City can take to continue the mission of the Office of Sustainability and help residents understand that environmental issues are still a priority.

Kyle Willis affirmed that the City is still committed to sustainability and added that it may take some time to reorganize these efforts.

Committee Member Tomas Morgan said that energy efficiency initiatives could allow the City to continue making progress toward sustainability goals while also reducing costs.



Council President Canneth Lee thanked Kyle Willis and acknowledged that this year's budget decisions have been difficult. He expressed support for the City's efforts to balance the budget. He asked what it would mean for the City budget if revenue loss from Senate Bill one (1) is less significant than expected.

Kyle Willis stated that he cannot predict how state legislators might change the bill. He said that the City will stay informed and be ready to react to whatever is passed down by the state.

Council President Lee asked how the City will work with community partners and non-profits to supplement underfunded programs and services.

Kyle Willis said this will vary by program and that the City will continue to look for other sources of funding.

Council President Lee thanked City department heads for their hard work and their commitment to putting the City in a strong financial position.

Councilmember Ophelia Gooden-Rodgers stated that she wants the public to be aware of the implications of Senate Bill one (1) for the City budget in the coming years. She thanked everyone who presented during the 2026 budget hearings.

Committee Chair Niezgodski asked how much revenue the City is projected to lose in 2027 when Senate Bill one (1) begins to take effect.

Kyle Willis said the City is working with consultants to provide a projection and will share it with the Council once it is available.

Committee Chair Niezgodski acknowledged the difficulty of analyzing the bill's financial impact due to the lack of guidance from the state. She voiced concerns from residents regarding the cuts made in the Office of Sustainability. She asked how many roles there have historically been in that department.

Kyle Willis said as far as he is aware it was always a two (2) person department.

Committee Member Tomas Morgan clarified that the department started with a single Director position and that a second (2nd) position was added.

Committee Chair Niezgodski asked if it is fair to say these cuts were due to the City's need to reduce spending while keeping basic services intact.

Kyle Willis confirmed that is correct.

Committee Vice Chair White discussed how Senate Bill one (1) has changed the City's financial outlook. She asked what contingency plan is in place if revenue projections fall short or emergency needs arise.

Kyle Willis replied that revenue is projected conservatively but fund balances and cash reserves could be used to cover unexpected expenses.



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Committee Vice Chair White expressed agreement with the City's focus on public safety, infrastructure, and basic utilities. She asked which departments had the largest budget cuts and increases, respectively. She asked how many positions were eliminated, added, or received raises and in which departments.

Kyle Willis said he will follow up with this information.

Committee Chair Niezgodski added that she sent a complete list of Committee Vice Chair White's questions to Kyle Willis via email.

Committee Member Tomas Morgan asked how much money the City is expecting to receive from opioid settlements and where this funding will be directed. She said the youth population has been heavily impacted by this issue and emphasized the need for youth programs.

Kyle Willis said he will follow up with the expected dollar amount.

Council President Lee made final remarks acknowledging the difficulty of the 2026 budget decisions and reaffirming his belief that the City is on the right track.

Committee Chair Niezgodski expressed agreement with Council President Lee and said she will send any further follow up questions.

With no further business, Committee Chair Niezgodski adjourned the Personnel & Finance Committee meeting at 6:43 P.M.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Sheila Niezgodski".

Sheila Niezgodski, Committee Chair

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