



EAST LANSING AGENDA

Financial Health Review Committee Meeting

5:00 PM - Thursday, June 11, 2026

Hannah Community Center - 819 Abbot Road, East Lansing, MI 48823

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1. OPENING	
<i>"The City of East Lansing occupies the ancestral, traditional and contemporary lands of the Anishinaabeg – Three Fires Confederacy of Ojibwe, Odawa and Potawatomi peoples land ceded in the 1819 Treaty of Saginaw"</i>	
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MINUTES

Financial Health Review Committee Meeting

5:00 PM - Thursday, May 28, 2026

Hannah Community Center - 819 Abbot Road, East Lansing, MI
48823

The Financial Health Review Committee of the City of East Lansing was called to order on Thursday, May 28, 2026, at 5:01 PM, in the Hannah Community Center - 819 Abbot Road, East Lansing, MI 48823, with the following members present:

PRESENT: Chair Jill Rhode, Commissioner Dale Kruithoff, Councilmember Mark Meadows, Commissioner Timothy Irvin, Vice Chair Roberta Jameson, Commissioner David Lancaster, and Commissioner Ann Holmes

EXCUSED: Commissioner Robert Kleine

1. **OPENING**

"The City of East Lansing occupies the ancestral, traditional and contemporary lands of the Anishinaabeg – Three Fires Confederacy of Ojibwe, Odawa and Potawatomi peoples land ceded in the 1819 Treaty of Saginaw"

1.1 Roll Call

Moved by David Lancaster, seconded by Timothy Irvin, to excuse Commissioner Kleine from the meeting.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

1.2 Approval of the minutes

Moved by David Lancaster, seconded by Dale Kruithoff, to approve the minutes from the May 14, 2026 meeting

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

1.3 Approval of the agenda

Moved by Dale Kruithoff, seconded by David Lancaster, to approve the agenda.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

2. COMMUNICATIONS

2.1 Written Communications

None.

2.2 Communications from the Audience

None.

2.3 Communications from Committee Members

None.

3. BUSINESS AGENDA

3.1 Special Assessment Presentation

Commissioner Kruithoff reviewed his special assessments policy brief.

Commissioner Kruithoff fielded questions from the Commission regarding special assessments.

3.2 Street Lighting Special Assessment

The Commission discussed the potential of a special assessment for street lighting.

Moved by Ann Holmes, seconded by Dale Kruithoff, to include a street lighting assessment recommendation in the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, David Lancaster, and Ann Holmes

NAY: Roberta Jameson

CARRIED

3.3 Public Safety Fee

The Commission discussed the potential of a public safety fee for downtown businesses that frequently utilize public safety resources.

Moved by Roberta Jameson, seconded by Dale Kruithoff, to exclude the public safety fee recommendation from the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Roberta Jameson, David Lancaster, and Ann Holmes

NAY: Timothy Irvin

CARRIED

3.4 Retiree Health Insurance Liability

Chair Rhode read the draft retiree health insurance liability recommendation.

The Commission discussed ways to fund the unfunded liability.

Moved by Roberta Jameson, seconded by David Lancaster, to include the retiree health insurance liability recommendation in the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

3.5 State Revenue Sharing

Commissioner Lancaster read the draft state revenue sharing recommendation.

The Committee discussed the potential impact to the City, municipalities with a university, and municipalities surrounding those with a university.

Vice Chair Jameson suggested removing the last sentence from the draft recommendation.

Moved by David Lancaster, seconded by Timothy Irvin, to include the state revenue sharing recommendation, as amended, in the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

3.6 Updated Additional Recommendations for Consideration

Chair Rhode read revenue draft recommendation 1.1.

Moved by Roberta Jameson, seconded by Timothy Irvin, to include revenue recommendation 1.1 in the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

Chair Rhode read capital outlay draft recommendation 2.1.

Moved by Roberta Jameson, seconded by Timothy Irvin, to include capital outlay recommendation 2.1 in the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

Chair Rhode read capital outlay draft recommendation 2.3.

Moved by Roberta Jameson, seconded by David Lancaster, to include capital outlay recommendation 2.3 in the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

Chair Rhode read parks and recreation draft recommendation 3.1.

Moved by Roberta Jameson, seconded by Ann Holmes, to include parks and recreation recommendation 3.1 in the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

Vice Chair Jameson read an updated police draft recommendation 4.1.

Chair Rhode inquired if the intent was for the DDA to pay for two officers focused in the downtown area or if it was for two additional officers.

The Commission discussed police staffing.

The Commission discussed potential updated language for the recommendation.

Moved by Roberta Jameson, seconded by Dale Kruithoff, to include police recommendation 4.1 in the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

Chair Rhode read other draft recommendation 5.1.

Moved by Roberta Jameson, seconded by David Lancaster, to include other recommendation 5.1 in the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

Chair Rhode read other draft recommendation 5.2.

Vice Chair Jameson clarified the intent of the recommendation.

Moved by Jill Rhode, seconded by Ann Holmes, to exclude other recommendation 5.2 from the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

Chair Rhode recapped budget processes draft recommendation 6.1.

The Commission discussed scenarios in which use of fund balance would be expected and how, if implemented, the new process would look.

Moved by Roberta Jameson, seconded by David Lancaster, to include budget processes recommendation 6.1 in the final FHRC report.

YEA: Timothy Irvin, Roberta Jameson, and David Lancaster

NAY: Jill Rhode, Dale Kruithoff, and Ann Holmes

DEFEATED.

Chair Rhode stated she would reword budget processes draft recommendation 6.1 and bring it back to the next meeting.

Chair Rhode read budget processes draft recommendation 6.4.

Moved by Roberta Jameson, seconded by Ann Holmes, to include budget processes recommendation 6.4 in the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

Chair Rhode read budget processes draft recommendation 6.5.

Moved by Roberta Jameson, seconded by Ann Holmes, to include budget processes recommendation 6.5 in the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

Commissioner Holmes expanded on her reasoning for budget processes draft recommendation 6.6.

The Commission discussed potential ways of how an ongoing volunteer network would operate.

Budget processes draft recommendation 6.6 was tabled. Chair Rhode stated she would rewrite the recommendation and bring it back to the next meeting.

Chair Rhode read communications/transparency draft recommendation 7.1.

Moved by Roberta Jameson, seconded by Dale Kruithoff, to include communications/transparency draft recommendation 7.1 in the final FHRC report.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

4. ADJOURNMENT

Moved by Roberta Jameson, seconded by Timothy Irvin, to adjourn.

YEA: Jill Rhode, Dale Kruithoff, Timothy Irvin, Roberta Jameson, David Lancaster, and Ann Holmes

CARRIED

Meeting adjourned at 7:25 PM.

Financial Health Review Committee
Chair

Administrative Secretary



Fwd: Concern about agenda item for financial health review committee

From Dale Kruithoff <kruithoffd@gmail.com>
Date Thu 6/11/2026 2:50 PM
To Jill Rhode <rhodejill@yahoo.com>
Cc Justin Guigar <jguigar@cityofeastlansing.com>

CAUTION: This message originated from an email address outside of the organization. Please use caution before clicking any links or responding. Verify that you know and trust this sender prior to proceeding.

Good Afternoon Jill,

Passing along this e-mail I received before tonight's meeting. I plan to speak on it if it can't be included in the written communications part of the agenda in time.

----- Forwarded message -----

From: Sarah Reckhow <reckhow@gmail.com>
Date: Thu, Jun 11, 2026, 2:45 PM
Subject: Concern about agenda item for financial health review committee
To: Dale Kruithoff <kruithoffd@gmail.com>

Hi Dale,

Hope you are doing well!

I'm writing to express some concerns about this recommendation that is before the financial health committee on tonight's agenda-

<https://cityofeastlansing.civicweb.net/document/435155/DEI%20deparment.pdf?handle=852CC144647C4BB9AF80ACA698CF0AF7>

This proposal does not make very much sense to me. I don't think the city's current budget situation requires eliminating the DEI Office. This topic remains an important area of concern for the city.

Beyond that, this recommendation makes absolutely no sense to me:

"We further believe that the ancillary activities supported by the DEI Office should be handled by the Parks and Recreation Department when they are appropriate city functions."

The budget adopted by the council for the upcoming fiscal year just cut nearly \$400,000 from the Parks and recreation budget. No additional functions should be added to this department, which is already stretched thin with current operations. As chair of the Parks and Rec commission-- I see this first hand.

Furthermore, recommending the elimination of an entire city office without a larger policy conversation involving stakeholders in the city is a very far-reaching action that seems out of step with the purview of this committee in my view.

Happy to answer questions if you have any before tonight's meeting. Feel free to share these concerns with any other members of the committee.

And thanks so much for your service on this committee.

Best,
Sarah

--

Sarah Reckhow

<https://www.sarahreckhow.com/>

From: [Abbie Tykocki](#)
To: [Mark Meadows](#); [Audrey Kincaid](#)
Subject: Do Not Advance the Recommendation to Eliminate the DEI Office
Date: Thursday, June 11, 2026 3:18:32 PM

You don't often get email from abbietykocki@gmail.com. [Learn why this is important](#)

CAUTION: This message originated from an email address outside of the organization. Please use caution before clicking any links or responding. Verify that you know and trust this sender prior to proceeding.

Councilmember Meadows & CFO Kincaid,

Please review the feedback below and bring it to the Financial Review Committee as comment for tonight's meeting.

I strongly oppose the proposed elimination of the DEI Office in East Lansing.

At a time when the City is facing lawsuits and public scrutiny related to police use of force, allegations of racial bias within the police department, and claims of sexual discrimination involving city leadership, eliminating the City's primary DEI position sends exactly the wrong message. This is a moment when the City should be strengthening its commitment to equity, accountability, and public trust, not reducing its capacity to address these issues.

I am also concerned by suggestions that the ancillary activities could be absorbed by Parks & Recreation. Given the department's recent severe budget cuts, it is neither realistic nor responsible to expect staff there to take on these significant additional duties.

Removing the DEI office risks undermining the City's credibility at a time when residents are looking for evidence that leadership takes these concerns seriously.

Councilmember Meadows, you have previously stated that this recommendation would be "dead on arrival." I do hope that should the review committee advance it that you make sure your statement is true.

I urge you to not advance this recommendation to council. It should be DOA now.

Sincerely,
Abbie Tykocki

MSU Event Ticket Surcharge - Proposed Recommendation

Discussion Draft Prepared by Timothy M Irvin for Meeting of 5/14/2026

During some or most of Michigan State University (MSU) events, the City of East Lansing provides services and resources. We recommend that city officials and representatives from MSU work together to determine if adding a surcharge to tickets for MSU events is mutually beneficial in providing reimbursement for said services and resources.

We would recommend the city work with elected representatives and/or lobbyists to request the removal of section 3 (f) (iii), which states "Collegiate athletic events" and section 3 (f) (iv), which states "An event held at a venue with a capacity of 500 individuals or fewer" from Senate Bill No. 1148 list of "exempt events." We urge the city to coordinate with other municipalities who would support the removal of said items.

Volunteer Financial Group – Proposed Recommendation
Discussion Draft Prepared by Ann Holmes for Meeting of 6/11/26

We recommend that the city consider establishing a volunteer network of East Lansing residents to be utilized as follows:

1. Become familiar with the city's budget process as well as recurring revenues and operating expenditures.
2. Review the city's quarterly financial updates.
3. Be prepared to advise in the event of unexpected sudden changes in the City's financial outlook regarding new revenues and/or expenditures.
4. Assist the City in financial outreach information and presentations to further enhance transparency goals.

Balanced Budget – Proposed Recommendation #3

Discussion Draft for Meeting of 6/11/26

We recommend that the City Manager Proposed General Fund annual budget has expenditures equal to revenue with the exception of planned use of fund balance. The use of Fund Balance should be for specific items, and a listing of all these items need to be included with the proposed budget.

DEI Office – Proposed Recommendation

Discussion Draft Recommended by Dave Lancaster for Meeting of 6/11/26

The City of East Lansing established the DEI Office within the City Manager’s Office in 2020. The most recent budget for that operation is \$380,290. The presentation given to the committee stated the office operationalizes equity throughout City policies, practices, and services. While the committee strongly supports that goal, we believe that the past six years have provided adequate time for the formulation and implementation of any policies or structural reforms for nondiscrimination within the city’s hiring and HR policies. We further believe that the most effective way to achieve the goal is to institutionalize those policies by placing the responsibility for their administration within the HR Department with oversight by the city manager and city council.

We further believe that the ancillary activities supported by the DEI Office should be handled by the Parks and Recreation Department when they are appropriate city functions.

The presentation given to the committee did not provide any specific measurable objectives or deliverables for the DEI Office. We recommend that the city council review the office’s scope and determine whether its continuation is appropriate with clearly defined objectives and deliverables or whether it should be sunset with any responsibilities transferred to other departments.

Finance Department Website – Proposed Recommendation

Discussion Draft for Meeting of 6/11/26

We found that it was difficult to locate financial information on the City’s website. To assist users, we recommend that the Finance Department establish a webpage which would report all financial documents in one location. This would include budgets, budget updates, quarterly financial reports and annual financial statements. This will offer citizens and other users a “one-stop” location to find all city related financial information.

Income Tax – Proposed Recommendation #1

Discussion Draft for Meeting of 6/11/26

The authorization for the income tax along with the accompanying 5 mills reduction in property taxes expires in 2030. The net proceeds are required to be used as follows: 60% for pension funding, 20% for infrastructure and 20% for public safety.

The current requirement is for the pension to be fully funded by 2040. If the income tax was to continue after 2040, there would be a large amount of unallocated tax revenue available.

In addition, if the income tax revenue could be used to contribute additional funds to fully fund the Other Post Retirement Benefit “OPEB” liability this could materially reduce the cost for retiree health insurance.

Extending the income tax beyond 2040 will result in significant unallocated revenue. Since this is 14 years in the future, it is difficult to determine what are the possible uses for this excess revenue. Therefore, we recommend that the City propose an extension of the income tax and resulting property tax reduction for an additional 10 years to 2040.

In addition, we recommend that the allocation be changed to 60% for long-term liabilities (to assist with funding the OPEB liability), 20% for infrastructure and 20% for public safety.

Income Tax – Proposed Recommendation #2

Discussion Draft for Meeting of 6/11/26

The authorization for the income tax along with the accompanying 5 mills reduction in property taxes expires in 2030. The net proceeds are required to be used as follows: 60% for pension funding, 20% for infrastructure and 20% for public safety.

The current requirement is for the pension to be fully funded by 2040. If the income tax was to continue after 2040, there would be a large amount of unallocated tax revenue available.

In addition, if the income tax revenue could be used to contribute additional funds to fully fund the Other Post Retirement Benefit “OPEB” liability this could materially reduce the cost for retiree health insurance.

We recommend that the City Council propose that the income tax and resulting property tax reduction be made permanent and that the City determine a plan for what will occur when the excess revenue is available after 2040.

In addition, we recommend that for the first 10 years of the extension, the allocation be changed to 60% for long-term liabilities (to assist with funding the OPEB liability), 20% for infrastructure and 20% for public safety.