

**THE FINANCE Committee held a meeting on
Tuesday, November 12th, 2024 beginning at 6:00 P.M**

Committee Members Present:

CD: Chair Callahan, Mitchell, Schneider, Oswald, Lipian
Finance: Chair Tollett, Schneider, Cerra, Siwierka, Davis
Utilities: Chair Mitchell, Davis, Oswald, Armstrong, Stewart
Excused Absence:

Administration and Department Heads Present:

Mayor Brubaker, Law Dir Deery, Safety Service Dir Pyanowski, Asst. Finance Dir Farrell, Public Works Supervisor Conner

1. The matter of approval of the October 28th, 2024 Finance Meeting Minutes as circulated.

Motion moved by Mrs. Davis and second by Mr. Cerra to approve the 'said' minutes.
MOTION CARRIES

2. The matter of addressing salaries of city council members for the council term Commencing January 1, 2026 and future council terms.

Referred By: Law Director Deery and Finance Director Pileski
(For Discussion Only)

Law Dir Deery said she has been in discussions with Finance Dirs. Pileski and Farrell on this matter. Timing is sensitive and if Council wishes to act, her recommendation would be that any action to adjust the said salaries would be done prior to the end of this calendar year and no later than the last meeting in January of 2025 which would be prior to the filing deadline for the partisan petition and the election for the 2026 term would be next year. She wanted to bring to the attention that the most recent ordinance setting salaries for Council was passed in 2002, ordinance 2002-224. In that ordinance, salaries were set for 04, 05 and 06 and the current salary is the same as was set in 2006. A lot has changed since then. The costs for the City's health insurance has changed. There have been 20 years since the salary has changed. PERS has initiated a move toward minimum earning to receive full service credit. They have set those thru 2029 and have scaled to increase 1.75% per year. They propose, if Council would wish to act, the legislation would set forth an increase per year of 1.75 percent for terms commencing in 2026 and 2028. This is sensitive when council is dealing with they're own salaries, but, it's probably not overreaching.

Asst Finance Dir Farrell said the Law Dir explained this well. The key for council Members would be at some point to be to earn a salary that would provide a least a months' worth of OPERS credit.

Dir Deery said OPERS has only set the minimums through the end of 2029.

There could be a jump in 2030, based upon what they did when they set these back in 2013, there was a significant jump at that time. In order to get a full-service credit for a month, was \$250 per month and now that amount is up to \$800 per month. OPERS is concerned with the stability of their system. They will most likely continue with the 1.75% increase per year, or could make increases beyond that when they come out with their new amounts for the next stretch of years.

Chair Tollett wanted to say for the record that this was not brought forth by any City Council member, Republican, Democrat or Independent, it was brought forth thru the Law Dept and Finance Dept. And none of the council members do this for the money.

Mrs. Siwierka said she has the most experience in setting salaries and doing salary comparisons and salary studies. She doesn't think we can move forward until we have an idea of where our salaries lie in comparison to other council salaries. The first rule of thumb is to see where the comps are. There could be a salary study done by the HR Dept. The only way to know if we're matching up with PERS or with cost of living or any other markers is to know what others are making. When you set salaries, you look at similar jobs and similar job functions.

Chair Tollett said he agrees with Mrs. Siwierka, we can't compare ourselves to Cleveland who are paid \$80 or \$90,000 per year. He said he will reach out to HR. We have to move fairly quickly on this. And we need to understand what we're dealing with. We also need to think of the upcoming council member generation. He's on the back nine of public service and we need to be able to encourage younger members of our community to do this and we need to make the correct decision so we can draw good people.

Mrs. Siwierka asked if the City is still in contract negotiations with the other unions at this point in time?

Dir Pyanowski said yes, we are in negotiations, with the exception of FOP, which has been concluded. Dispatchers are next year.

Mrs. Mitchell asked if they still need to act, even if they want to push this out to 2028?

Dir Deery said if they are looking to set salaries for the 2028 Council Term they would have time. She would be happy to discuss more thoroughly with HR, yes, there are Comps, but many different pieces parts. Lorain does not offer benefits to their council.

Mrs. Siwierka said the City has 3 certified HR professionals and they should know what to ask. Those should be based on salary and any other benefits including asking how many hours they work, if it's tracked. Any other expenses that are paid. Avon Lake's salary is close to \$12,000 and they do not get health insurance.

Mr. Oswald said he's been self-employed for many years and has paid his own insurance. He knows that value. When he see's what's he's paid and gets to work with all these wonderful people, he feels like he's making a lot of money. He doesn't know if there are many people who say they want to be a councilman because they will make this much money. He did it because he wants to be involved and that's his reason. How much would the 1.75% cost the city? \$380 per year?

Dir Farrell said it's not a large amount of money, it's about \$2,700 per year and pension which is 14%.

Chair Tollett said we have to be cognizant of not just millennials but Gen Z people coming along.

Mrs. Davis said she knows some council members in other cities and she knows what they make.

Mrs. Mitchell said this isn't so much about the money, but about the service hours. Those who are close to retirement want to be able to keep their service hours.

Mr. Callahan said thanks to the Law Dir for bringing this up. The topic has been Avoided because it's uncomfortable. Though we do a service for the City. We're not talking about this Council, we're talking about future council members.

Dir Deery said they should have this conversation at least every 20 years.

3. The matter of delinquent utility accounts to be certified to the Lorain County Auditor. Referred By: Public Works Supervisor Conner

Public Works Dir Conner said she has a list of about 20 accounts totaling \$19,081.30. These accounts were approved by the Utility Resolution Board last week and approved to bring forward to have liens placed on the properties. These accounts include 3 accounts that are sewer only and others that are residential.

Mrs. Siwierka asked about Sanitation on these accounts, are they also delinquent?

Dir Conner said yes, because it's a package deal; sanitation and sewer. Dir Conner said they lien the whole bill which includes sanitation.

Dir Pyanowski asked if these folks with the sewer only are in City limits, if not, they wouldn't have our sanitation.

Dir Conner said they are in the City limits.

Motion made by Mrs. Siwierka and second by Mr. Schneider authorizing a resolution for 'said' charges to be certified as liens to the Lorain County Auditor's Office.

MOTION CARRIES

COMMITTEE REPORT WRITTEN

4. The matter of Amendments to the 2024 Permanent Appropriations.

Referred By: Finance Directors Pileski and Farrell *[Standing Referral]*

Dir Farrell said there are 3 appropriation changes this evening.

1. Special Parks & Rec Fund Dept, operating & maintenance, an increase of \$53,673 to appropriate monies for the fireworks display in 2025. It will need to be signed and encumbered by year end so we can enter into a contract.
2. ARAP Fund, Revenue Replacement, Government Services, Mics Dept for a transfer out of \$82,344 due to grant money that belonged in the General Fund that was credited in error to the ARPA Fund.
3. Block Grant Fund, Rehab operations Dept, operating & maintenance, Dir Scott has asked for an increase of \$25,000 to facilitate 2 additional home repair grants.

Mrs. Siwierka asked if the Fireworks will be on the actual holiday at the holiday rate cost?

Dir Pyanowski said, yes, that is the plan.

**Motion made by Mr. Cerra and second by Mr. Schneider authorizing an ordinance for the approval of the ‘said’ amendments to the 2024 Permanent Appropriations.
MOTION CARRIES COMMITTEE REPORT WRITTEN**

Chair Tollett asked Councilperson to call Utilities Committee to order for a joint Utilities and Finance Meeting.

Utilities Committee was called to order at 6:35 P.M.

Chair Tollett asked for a motion to adjourn.

**Motion made by Mr. Cerra and second by Mr. Schneider to adjourn this evening’s Finance Committee Meeting at 7:18 P.M.
MOTION CARRIES**

The next Finance Committee Meeting will take place Monday, November 25th, 2024.

Respectfully Submitted by,
Colleen Rosado, Secretary/Administrative Assistant