

**The FINANCE COMMITTEE held a MEETING on Monday, February 24<sup>th</sup>, 2025 beginning at 6:06 P.M.**

**Committee Members Present:**

CD: Co-Chair Mitchell and Callahan  
Finance: Chair Tollett, Cerra, Siwierka, Davis  
Others: Armstrong, Stewart  
Excused Absence: Lipian, Oswald, Schneider

**Administration and Department Heads Present:**

Law Dir Deery, Safety Service Dir Pyanowski, Finance Dir Pileski, Asst. Finance Dir Farrell, CD Dir Scott, Fire Chief Pronesti, Building Official Farkas, Engineer Schneider

**1. The matter of the approval of the January 13<sup>th</sup>, 2025 Finance Meeting Minutes, as circulated.**

Motion made by Mrs. Davis and seconded by Mr. Cerra to approve said minutes.

**MOTION CARRIES**

**2. The matter of a demolition lien to be certified to the Lorain County Auditor.**

Referred By: Building Official Farkas

Building Official Farkas said he's requesting a lien be applied to 994 Gulf Road or an emergency demo in the amount of \$11,750 for the complete removal.

This particular home had multiple legacy complaints. The home has been abandoned and it's been taken down.

**Motion made by Mr. Cerra and second by Mrs. Siwierka authorizing a resolution for demolition charges to be certified to the Lorain County Auditor's Office.**

**MOTION CARRIES COMMITTEE REPORT WRITTEN**

**3. The matter of City property (Building Dept. vehicle) that is unfit for use and to be taken out of service and to be disposed of by the best means possible.**

Referred By: Public Works Supervisor Rodney Eye

Dir Pyanowski said this is a 2013 Escape that was assigned to the Building Dept. with 46,000 miles on it, but, it's rusted out with condition issues. They want to place it on gov deals to try to get a little value back on it.

**Motion made by Mrs. Davis and second by Mr. Cerra authorizing a resolution declaring the 'said' vehicle unfit for municipal use and an ordinance authorizing the 'said' vehicle to be disposed of by the best means possible.**

**MOTION CARRIES COMMITTEE REPORT WRITTEN**

**4. The matter of City property (Sanitation Dept. trucks) that are unfit for use and to be taken out of service and to be disposed of by the best means possible.**

Referred By: Public Works Supervisor Rodney Eye

Dir Pyanowski said this is for 3 sanitation trucks, two side loaders and one rear loader. The rear loader is not running and the repair costs cannot be justified and the other two have been in the sanitation truck 'graveyard' and they've used all the parts that they can utilize, and there is no need for it anymore.

**Motion made by Mrs. Davis and second by Mr. Cerra authorizing a resolution declaring the 'said' vehicle unfit for municipal use and an ordinance authorizing the 'said' vehicle to be disposed of by the best means possible.**

**MOTION CARRIES COMMITTEE REPORT WRITTEN**

Mrs. Siwierka said these trucks are 13 – 14 years old, but have low mileage, which seems low, is that correct?

Dir Pyanowski said one is very low, at 31,000 and he didn't know why. The others are at 43,000 and 87,000.

**5. The matter of the 2025 Permanent Appropriations, (2025 Budget).**

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

Finance Dir Pileski said the document on the screen and copies that were passed out to everyone, shows all of the funds that are involved in the appropriation process. The first column is beginning cash, 2<sup>nd</sup> column is estimated revenue for the year, 3<sup>rd</sup> is the two added together and the amount available to appropriate. The yellow column shows what departments requested, the orange is what was decided with each request.

Good news is, we are carrying over the most cash that has been carried over in the general fund. The bad news is payroll has grown so much in the general fund, they are anticipating that the beginning cash will go down by 2/3<sup>rd</sup>.

The estimated revenue is at \$36,720,368 and where we're at with the budget is \$45,955,857, which is a difference of \$9.8 million. If we spend \$9.8 million more than what we're bringing in, it's coming in the column that shows we would start the following year with \$5 to \$6 million to start and that won't be enough. There will be an extra payday in 2026, which will add 1.3 million onto next year's budget.

We would be at 47 million and we're bringing in 35 million, which will put us in a bad position with the general fund.

When Bendix closed in 2023 we moved some police and fire from the general fund into the ARPA fund to help build up the general fund. We were required to hire 10 new police with the ARPA money we received from the state and we hired 11 firefighters and now those employees are in the general fund which adds 5 million to the budget. After factoring in raises that were given to police and fire and AFSCME, that gets us to where we are now, which is not good.

Chair Tollett said this is the first presentation of this budget and there will not be a vote this evening. His request is to reach out to all department heads for their ideas on thing to do to adjust this budget.

Mrs. Siwierka said that other that police and fire, most of the other departments are where they have been so that is a good thing, we're not putting additional people. For example, the Building had 11 employees in 2020, then went to 8, then 13, 10, 12 and now they're at 9 employees. The P&R Special fund has gone from 16 to 9.

Dir Farrell said that fund has been depleted over the years.

Mrs. Siwierka said that the Clerk of Courts has had 17, 18 or 19 employees over the last 5 years and now they have 21. The Judges over 5 years, 15 or 16 and now they're at 17. The other Judge had 12, 13 or 14 and now they're still at 13. These demonstrate that we're not over-hiring.

Dir Pileski shared more numbers, the appropriation of the general fund of \$45,955,000, of that amount \$33,920,300 is appropriated for salary, wages, benefits, hospitalization and pension, that equates to 73.81 percent of the general fund. Of that total, 21.6 million belongs to police and fire which is 67.67 percent. 10 million difference between revenues and expenditures, if we were to fix this with new revenues and new jobs, it would take 5,000 new jobs in the city with an average salary of \$88,000. For an average payroll of 44 million. So, we won't fix this with new jobs coming into the city.

Chair Tollett said this is going to need to be a joint effort by all of the departments and administration.

Dir Pileski said his other concern is the employee's health insurance fund. We're appropriating everything they've got in that fund. He doesn't believe the health committee has decided on any funding changes. As of now, city funds of the internal service cover 85% and employees cover 15%. If we put more into the health insurance fund, which we need to do, it will change every other budget, because any fund that has payroll, contributes to the health insurance fund. The option would be to raise the contribution, as far as the family plan, single plan, if that happens, we would have to revisit the general fund and the other funds.

There is 2.6 million appropriated out of the general fund for the firing range and 2.6 million in estimated revenue because that's supposed to be paid by the FBI Grant. If we get any indication that money is not coming in, we won't be able to do that project.

Dir Farrell said the capital needs dept in the 2016 ½ percent is a little lower this year, it's at \$2,134,769 and out of that, new money is \$1,315,000, the balance was carried over from incumbrances from 2024. The street repair has \$2.8 million appropriated and about one third of that is carried over from 2024. There is a little over \$600,000 encumbrances that were carried over so that would leave \$2.2 million.

Dir Pileski said we have some state projects where we have to kick in 11 percent and the state pays 89 percent. We've been leveraging grant monies with the muni motor vehicle for more streets.

Dir Farrell said the basic service department in the 2016 half percent income tax are items such as street lighting which would typically be paid with the general fund. There is \$1.7 for 2025 appropriated in that department.

Chair Tollett asked if we're allowed to slow the big \$16-million-dollar sewer project down a little or are we on a mandated schedule?

Dir Pileski said the Windward siphon project is \$4.5 million of the \$16 million. The 1D and 2N is just finishing up which is remaining bills to be paid.

Engineer Schneider said a number of the projects are a part of the consent decree. The projects that are not consent decree are street sweeping, but, it is required as part of the MS 4 storm water permit, emergency repairs, southeast interceptor sewer phase 3 is not part of the consent decree but for extending the sanitary sewer on the southern side of the city so we can work to the south east corner of Rt 57 and Chestnut Ridge. \$1 million of that would come from federal funds and the other from the city and possibly some grant money. The lateral loan program is part of the consent decree. The Windward siphon is not a consent decree item but the sewer there is in poor shape and we have to do it. Lowell St sewer extension is not part of the consent decree, but something was an agreement with Church of the Open Door to get the sewer out there as well as expanding in that area. The plan if for the city to recoup our cost on that once it's built and we finalize the numbers, we'll need to come back to council to develop a cap over recovery for that sewer so if a subdivision goes in, they pay a certain amount for each property which goes to recouping our cost.

Law Dir Deery asked what is the burden on the general fund versus our enterprise funds for these?

Engineer Schneider said these are all enterprise funds.

Dir Pileski said there will be loans involved and possibly general obligation bonds, but hopefully most of them will be OWDA loans and grant money.

Mrs. Siwierka asked if the water towers need to be painted, because she thought they had all been painted recently?

Engineer Schneider said only two have been painted; Clark Street and 16<sup>th</sup> Street. The other three need to be painted. That is part of the water tower improvement project and includes the south west tower off of Murray Ridge Road.

Mrs. Siwierka asked Engineer Schneider if he has a staff of about 13 and will that staff be able to do all of these projects?

Engineer Schneider said the work with consultants with a lot of these projects as far as design and inspection. We also oversee all the subdivisions and other projects. We've been very busy.

Mrs. Siwierka said the Windward siphon project has been on the books for at least 10 years to be fixed.

Chair Tollett said that ends the discussion on the budget for now. We are tasked as a committee to really dig into this along with the administration and the Finance Directors. We have to maintain long-term integrity and to not just think for next year but for years ahead.

**This matter is tabled and for discussion and a vote at the next Finance Meeting which will be Monday, March 10<sup>th</sup>.**

**6. The matter of Amendments to the 2025 Temporary Appropriations.**

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

***Director Pileski said there are no appropriation changes this evening.***

*Chair Tollett asked for a motion to adjourn Finance:*

**Motion made by Mr. Cerra and second by Mrs. Davis to adjourn this evening's Finance meeting at 6:45 P.M.**

**MOTION CARRIES**

Respectfully Submitted by,  
Colleen Rosado, Clerk Secretary/Administrative Assistant