

**THE FINANCE Committee held a meeting on Monday, November 13<sup>th</sup>, 2023 beginning at 6:50 P.M**

**FINANCE MEMBERS PRESENT:** Acting Chair Tollett, Davis, Schneider, Cerra

**CD MEMBERS PRESENT:** Chair Callahan, Mitchell, Oswald, Schneider, Lipian

**Excused Absence:** Stewart

**Other Council Members Present:** Corbin and Simmons

**OTHERS PRESENT:** Law Director Deery, Safety Service Dir Lundy, Mayor Whitfield, Finance Dir Pileski, Asst Finance Dir Farrell, Asst Dir Calvert, Engineer McKillips, Public Works Supt Conner, CD Dir Scott, Building Official Farkas, Chief Pelko, Capt. Groomes

**1. Approval of the Finance Meeting Minutes from October 10<sup>th</sup>, 2023.**

Mr. Cerra moved, second by Mrs. Davis to approve the said meeting minutes.

Chair Tollett said he is going to move the matter of the property on Chestnut Ridge Road to the top of the list, since residents are in attendance for this discussion.

**12. The matter of the purchase the property located at 39009 Chestnut Ridge Rd.**

Referred By: Ward 3 Council Member Corbin **[DISCUSSION ONLY]**

Mr. Corbin said he has received about 25 phone calls and emails since the accident happened a few weeks ago. To his knowledge, no other house in the City has been hit four times. The recent accident is the fourth time that an accident occurred and the vehicle ended up in their living room. There have been deaths associated with accidents at this location in the past. His objective is to make the Campanellis whole. He has received many suggestions; reduce the speed limit on Abbe, blockade at Abbe and Chestnut, move the house. The Campanellis have moved out of their house after living there for 40 years. How can the City help this family? He would like to see the house bought by the City and donate the land and repurpose that land to some other use. He's rec'd suggestions for a park or just an empty lot. These are crimes and most have been at night.

Chair Tollett said he has a concern about the purchase of the house because the City has to live with this decision for years to come. If we set a precedent on purchasing homes or businesses that are struck by vehicles, how do we live with that for the coming years. We have to do something, we don't know what that is but we have to do something. He asked Engineer McKillips to speak on this topic.

Engineer McKillips said this situation is definitely one that is difficult to deal with. The office has looked at what can be done, what can be changed, what can be done within the right-a-way to help the issue. The City has put up a guardrail and greenery to screen the area. There is also signage, but when there is a driver who is impaired, not much will help. They talked about extending the guardrail beyond the original driveway and provide an additional access to the property on the west side. That would provide a U-shape drive way. An issue is that this is at the T-intersection. These are just ideas. This option was proposed previously but the Campanalies said that driveway won't work well. This time around we're looking at possibly doing a second driveway which may make it a little bit palatable to change for the property. With additional greenery and trees, orvietos and guardrail and concrete work, they would be

looking at around \$40,000 to \$45,000. Engineer McKillips said she and the department have discussed other ideas; can they move the house back farther on the property, but not enough space. Guardrails are not meant to stop a headline collision and a vehicle can go thru them. They are not a solution that will prevent property damage.

Mr. Tollett asked if the City can reinforce that guardrail so it becomes a stopping barrier?

Engineer McKillips said that the City cannot put something, such as a reinforced guardrail or concrete barricades in our right-a-way that could potentially cause injury to someone who may hit that and the City could be liable.

Mr. Tollett asked if anyone wanted to speak on the Campanalies behalf.

Michael Whitlock, 5598 Wallace Blvd., N Ridgeville said that not all of these 'crimes' have happened at night. There are numerous incidents that have taken place at all hours of the day. Some go unreported, where a car just goes up on the landscaping and just drives away. He understands not setting a precedent for the City to start buying up properties but this is a house that has been struck four times due to the intersection. Some of the measures taken by the City that they don't want to go any further due to liability. Where does the liability lay when someone who lives there dies because the City decided to protect the impaired or careless driver. He and his family will hold someone responsible if something's not done. All of this needs to be taken into consideration for the community. The community deserves to be protected, that's the precedent you want to set. Not a precedent of how do we save money. There should not be anything on that property, not a park, not a wall, maybe a water feature.

Mr. Tollett asked how far back from the guardrail does the house sit?

Mr. Whitlock said it's maybe 60 feet to 75 feet. Guardrails don't stop anything. In 2017 when the house was hit, half of the guardrail was in the backyard. The guardrail is what launched the car in the air and it landed on top of the house.

Mayor Whitfield was thinking about things we already do as a city and we do already demolish homes, which have been condemned. There are organizations that help with home ownership to navigate to find a new place of where to locate to, perhaps get some grant incentive. Maybe some entity can acquire the home and then tear it down. He does see a path for this family.

Mr. Tollett asked if Law Dir Deery is allowed to speak with the Campanalies insurance agency to discuss different options with their insurance. If the house is worth \$200,000 and there is \$180,000 in damage; if the City could take ownership which would have to be agreed on by the homeowner, the City and the Insurance Company.

Dir Deery said if the owner's insurance company is at play they are a necessary seat at the table and if the City is going to potentially move forward to possibly purchase this, that's something that that Council makes those calls on, it would not move forward until Council gave the go ahead on it. All of these options are on the table, including with the insurance company.

Mr. Corbin is happy with these ideas and suggestions. If this would happen a fifth time if someone in the house were to be injured, what would the City's liability be then? Does the City suffer consequence for not taking final action?

Dir Deery said that Engineer McKillips stated that under ODOT protocols and other regulations, as a City we are not permitted to put up the type of barriers that would cause grave harm to a driver on impact. That seems counterintuitive and we're balancing safety to someone in their home versus the impaired driver. There is such a thing as governmental immunity and our insurance company would cross that bridge when they get to it. She's not convinced that we would have legal liability.

Mrs. Davis wondered when does the insurance company say 'this is enough'? and when does the insurance company say they will buy them out?

Mr. Oswald said if it was his house, he wouldn't want these barriers in front of his house. He feels the City can get creative and look into possibly using some grant money.

Mr. Lipian said the fourth time is already unprecedented enough and a fifth time would just increase that the nature of these repetitions of these crashes. Because there are already traffic concerns already, have we thought about the possibility of a roundabout?

Engineer McKillips said that has been discussed, but there is not enough room, they would have to take more property and it would be very expensive.

Chair Tollett said he understood that the person who hit the house was speeding at an excess of 100 mph in a hellcat.

Mr. Lipian wanted to make sure that this is on the record; the Campanalie family said they don't know if the drivers have insurance.

**Chair Tollett said he will table this matter again and bring it back for discussion at the November 27<sup>th</sup> Meeting.**

**2. The matter of Inactive/Delinquent EPU Accounts to be certified to The Lorain County Auditor's Office. [Standing Referral]**

Referred By: Public Works Supervisor Conner

Sup Conner said this is a recent list which was approved by the EPU resolution board on November 3<sup>rd</sup>. The list totals an amount due to the City of \$7,949.67. Ms. Conner said that everything that has been leaned to property taxes, have been collected.

**Motion made by Mr. Cerra and second by Mrs. Davis to authorize a resolution for the 'said' charges.**

**MOTION CARRIED COMMITTEE REPORT WRITTEN**

**3. The matter of applying for an Ohio Environmental Protection Agency Grant.**

Referred By: Parks Dir Reardon (*This was passed by Utilities Committee on 11/8*)

There was no discussion on this matter.

**Motion made by Mr. Schneider and second by Mr. Cerra to authorize applying for and to accept 'said' grant.**

**MOTION CARRIED COMMITTEE REPORT WRITTEN**

#### **4. The matter of establishing an Animal Control Officer position for the EPD.**

Referred By: Ward 1 Council Member Lipian

**[DISCUSSION ONLY]**

Mr. Lipian said they talked about the position at a previous meeting and the position has already been established and just not currently filled. We should consider funding it. There has been an increase in animal issues throughout the City and in Ward One. He's noticed dogs without leashes, skunks, deer. We should seriously consider handling these issues in a way that is humane.

Chief Pelko said we had an animal warden awhile back. There is a need for it. They've handled an estimated 400 calls this year dealing with animals. He would welcome an animal warden but knows it will take some money.

Chair Tollett said we had an animal officer/dog catcher in the 1970's named Charlie Bright. Then it evolved into an animal control position with Doug Gelotti and then after that we contracted out in the to a Jack Salenta from the County in the 90's that the City had a contract with. The rough annual expense to operate an Animal Warden is around \$130,000. If we could partner with the County, that might be an option, though he doesn't know how that would work with the Unions. He agrees with Mr. Lipian, we do have an animal problem in the City.

Mr. Cerra asked if maybe it didn't work to partner with the County, perhaps we could partner with a neighboring community; Lorain or N Ridgeville or any other community that has an active animal control position.

Mr. Oswald said he's had residents call him and he's referred them to the County. He's received calls on coyotes and asking what to do. We do have a representative from ODNR who we've had the deer discussions with. It takes someone that has the knowledge of knowing how to do the job of trapping these animals.

Dir Lundy said his understanding was that the Dog Warden at the county would come out and assist communities if they had animal issues. He understood the deer issue was always an ODNR and nuisance animals is that the residents would call private companies to trap those.

Chair Tollett said the person he spoke to from the County said they are so inundated with dog calls that they've partnered with APL.

Finance Dir Pileski said there was a City Worker who at one time was dismissed because he shot a dog. That position was eliminated during the recession and it is a union position.

**Chair Tollett said he would like to pursue with the County and bring this back to the table at a later date.**

#### **5. The matter of Amending Ordinance 2022-44 to increase the amount to purchase a dual axle plow truck for the Street Dept. Referred By: Dir Williams**

Dir Lundy said the original amount of this piece of equipment would be in the amount of \$225,000 which was appropriated in Ord 2022-23. Now we're looking at an amount of not to exceed \$231,000 and it was originally appropriated in the 2016 50% income tax fund, Capital Outlay, so that is a revised amount and this would need to be done as emergency clause.

**Motion made by Mr. Cerra and second by Mr. Schneider to authorize an ordinance to amend ordinance 2022-23 to increase the not to exceed amount, emergency.**  
**MOTION CARRIED                      COMMITTEE REPORT WRITTEN**

**6. The matter of entering into a professional service agreement with McCaulley & Company for grant writing and consulting services for 2024.**  
Referred By: Safety Service Dir Lundy

**This matter is being TABLED as requested by Director Lundy.**

**7. The matter of a entering into a professional service agreement with Roetzel & Andress, LPA for legal services for 2024.** Referred By: Safety Service Dir Lundy

Dir Lundy said this is the firm that provides with legal guidance and works with Legal Counsel on Labor Issues. Susan Anderson is the representative we work with from this firm. The contract amount is not to exceed \$130,000 and is general fund expenditure.

**Motion made by Mr. Cerra and second by Mr. Schneider to authorize an ordinance to enter into the ‘said’ agreement not to exceed \$130,000.**  
**MOTION CARRIED                      COMMITTEE REPORT WRITTEN**

**8. The matter of a request to purchase license plate readers to increase the safety of residents.** Referred By: Mayor Whitfield **[DISCUSSION ONLY]**

**9. The matter of amending the salary ordinance to increase salary & benefits for Elyria Police Officers.** Referred By: Mayor Whitfield **[DISCUSSION ONLY]**

**10. The matter of amending the salary ordinance to increase the salary of the Police Chief.** Referred By: Mayor Whitfield **[DISCUSSION ONLY]**

Mayor Whitfield said these referrals are related to public service. These were intentionally referred after the election so they wouldn't be perceived as being done to try to get votes. This are matters we genuinely need as a City. One of the top challenges is retaining and hiring new officers. Over the past 3 years we've hired 30 new officers, the challenges are that we've lost 10 to retirement and 10 through other means. We've struggled to retain. To be able to attract we recognize that we need to be more competitive in terms of our wages. We've budgeted to have 100 officers and we've reached reality that we would rather have 85 well paid officers that to keep trying to get 100 officers with a low wage, which isn't working. We're looking at how we might increase the entry-level pay which will also increase the pay amongst our force to help us retain good officers.

The next item is retention of the Police Chief. The Chief has put in his time and tomorrow he could write his letter of retirement. If we want to retain him, we need to make sure we're adequately compensating him. If you look at neighboring communities, they're making \$20,000 to \$30,000 more than our chief.

Chief Pleko has done more than exceeded our expectations as a city and we need to take that into account if we want to keep a leader like this. We need to pay them fairly and adequately.

The last piece is around license plate readers. We've had a number of tragedies in the City where if we had these installed it would've helped to solve these crimes. Councilman Corbin recommended doing 2 per ward. It's a good use of technology. It would be \$15,000 for the equipment. There is installation charges and expenses to go with that as well. This is something to explore in the upcoming 2024 budget.

Chief Pelko and Captain Grooms have put together a proposal to share with everyone.

Chief Pelko began with the license plate readers [LPR's] saying it would cost \$15,000 for two cameras at an intersection. It would be north and south or one direction either way, if you want the whole intersection, we would have to have four cameras, which would be \$30,000. If there is communication already, the cost would be about \$12,000 for two and \$24,000 for four. He strongly recommends these.

Chair Tollett said Engineering is in the process of completing the traffic cameras, can those be paralleled with license plate readers into that program?

Chief Pelko said that is the plan that Larry Showalter is working on with those intersections.

Chief Pelko went on to discuss the situation with hiring of police officers. He said he needs help with hiring police officers. There were 80 officers in the department when he took office and there are currently 79. 13 officers have left for other departments since 2019, 21 officers have retired since 2019. It costs the City \$100,000 to get an officer who hasn't been to the academy to get them road ready, that includes the cost of the police academy, their first-year salary, uniform, health benefits. And then these guys might walk out the door after 5 to 10 years. one of the Chief's proposals is to increase the base salary to \$75,000. That is comparable to other departments. This would help with recruiting officers and retaining officers. He just had a Sargent leave to go to Westlake and a detective leave to go to the private industry.

Chair Tollett asked if there is a way to factor in longevity?

Chief Pelko showed a spreadsheet of what they're currently paying in longevity. Right now, we're paying \$190,000 for current longevity. This proposal would be for a lateral who would have 5 years of experience from another department and the extra amount the City would have to pay would be \$30,000 total for those current officers that the City has that qualify. Their experience is worth it to pay that 5% longevity. They got a few from CMHA and a couple from Cleveland who were able to expedite their training and experienced and those officers are invaluable, it's money well spent. Some laterals are coming from smaller departments and they still have to put them through the training program, but they don't have to go through the academy.

Finance Dir Pileski said that longevity does attach itself to some of the overtime hours.

Mayor Whitfield said they believe that if they increase the base wage, they don't necessarily need to touch longevity.

Chief Pelko said once a Patrolman reaches Class A, they're at around \$67,000, pension contributions at \$13,000, family medical \$20,000, uniforms at \$5,000, Academy \$5,000 total is \$110,000.

In discussions with the Mayor and Finance Dir Pileski, they decided instead of budgeting for 100 officers they would budget for 90 officers which would save the City \$1.1 million dollars. And if they raise the base salary to \$75,000 from class A, which is a \$7,700 increase and take into account the raises the supervisors would get based on that and that total would be \$945,499. By only budgeting for 90 officers and giving that \$75,000 base we would be at \$160,000 less than if they were at 100 officers at the current salary.

Mayor Whitfield said the Police Department is being paid out of 5 different funds, which two will be going away. One is ARPA Federal and the other is the ARPA State. He feels we should continue to invest in Economic Development and come up with a plan for the next 3 years that can help build our Police Dept., to put us in a good position three years from now, where we can sustain through attrition and also, we'll have more Public Safety and good jobs.

Mrs. Davis asked if these officers are in a union? Yes, they are in a union and she asked why are we talking about this and they have a union, isn't it a union matter?

Chair Tollett said yes, that's what they will be discussing. Chief Pelko said he spoke to the union about this and inquired if they were good with opening up the wages and they were fine with that because they are aware of the crisis of hiring police officers. They will have to open up the contract.

Law Dir Deery said that any sort of adjustments would require one or more memos of understanding, should we go this route. There would be wage differentials that would come into play because once base pay changes, everyone else's pay changes.

Chief Pelko said Attorney Anderson is aware that they are having these conversations.

Chair Tollett said as strong as our financial carry over is right now, we are still in deficit spending, spending more than we have coming in. ARPA on a Federal and State level really helped us. Between the Mayor and City Council, we've banked a tremendous amount of this money to take us into the next few years. We have to be strong stewards of that money. When we open up a Police contract are we also mandated to open up all the other unions? We don't know the answer. Do we need to take into consideration what impact that will have on the Fire Dept.?

Finance Dir Pileski went over a summary of the General Fund and ARPA for the last few years. In 2022 actual revenues in the General Fund were \$31,941,355 and actual expenditures were \$29,498,105. Revenues exceeded the General expenditures in the general fund by \$2.4 million. ARPA expenditures that would normally come out of the General Fund that will have to be moved back in after 2024 which is the last year that we can use ARPA for payroll related items. We spent \$41,553 in Muni Court, \$1,985,530 in Fire and currently paying for 16 firefighters out of ARPA, \$2,000,000 on Police and paying for 25 police officers out of ARPA. When you factor in that \$4,117,272 and subtract it from \$2,443,250, this is what've happened if we're spending from the General Fund, we'd be deficient spend by \$1,674,022. That's excess expenditures over revenues. For 2023, we're looking at receiving 32,818,844 in revenues in General Fund, \$30,068,153 in expenditures and that's \$2,750,691 to the good. Factor in ARPA, which will have to come out of the General Fund after next year; all payroll, total \$4,958,687 and expenditures exceeded revenues by \$2,207,996, which is anticipated for this year. Starting in 2025, the cash balance will be dropping. There is 12 million in the General Fund now, but it could be dropping as much as \$2.2 to \$3 million dollars starting in 2025.

Mayor Whitfield wanted to point out that our income tax revenue is increasing and we need to be mindful of this. He said that we made a lot of the decisions because we knew we had ARPA Funds.

Finance Dir Pileski said we made those decisions and we'll have to live with them after ARPA is gone and that's what we have to be mindful of.

Mayor Whitfield said we have 3 million dollars that's been unallocated that can be put into the General Fund that could help us for another year. The other piece is thru attrition, if there's good management and stewardship, some of these pieces will begin to correct themselves because we won't have to backfill every position we lose, in the context of the Police Department in terms of increasing these wages and increase to 85 officers and stick with that number and if we don't have to go above that number. In terms of other departments requesting raises, decisions have to be made and say no to some of those requests. If we believe that this is truly a public safety crisis right now, we're not short on firefighters, what we're hearing is that we're short on police officers and our City is less safe because of it. That is the crisis that we're dealing with. We're also dealing with the possibility of losing our chief. We need to think about long term around what our true reality is.

Finance Dir Pileski said currently all municipalities in Ohio pay 19 ½ percent of their gross pay to the Ohio police and fire pension. The board has voted to increase the employer contribution to 24 percent, though it still has to be passed by the legislature. That increase will cost the City approximately an additional \$400,000 per year. That amount will grow as often as the wages grow. In addition, OPERS, which is all other employee's pension, we currently pay 14 percent on gross wages and it's been voted to be increased to 18 percent which will cost approximately another \$800,000 per year for the City based on payroll numbers. That total is \$1,200,000 in additional annual expense compounding at 3% annually. These are things that will have to be addressed as we move forward with the budgeting process.

Mayor Whitfield said there's been talk around deficit spending and he thinks when we do our budgeting, they look at revenues and cash balance and they budget to the zero-dollar amount, which has been a deficient budget which has been happening for at least 10 years. He is recommending the Chief's pay to go into another classification that is in the salary ordinance where he would have the ability to grow from \$135,000 to have a range that could go up to \$180,000 and hopefully be able to move up closer to the \$150,000 range immediately.

Chair Tollett asked if there were comments or questions from the committee?

Captain Groomes said they're not asking to increase what the City spending is and they're willing to make concessions that being in the number as Mayor Whitfield said, the number of officers that we retain. They don't expect to have the 100 officers, especially since that pool is drying up and with other agencies offering higher pay, recently N Ridgeville is going up 18% in their base salary. We're not asking for that much and we're being responsible for what we're asking for. 13 officers that we've lost are directly related to wages. We're asking for deep consideration on both parts working together.

**Chair Tollett believes this committee owes it to the police department to have a decision sooner rather than later. These matters will be continued to the November 27<sup>th</sup> Meeting.**



**11. The matter of amending the salary ordinance with a 3% increase for Chapter 165 Employees.** Referred By: Mayor Whitfield

***This matter will be brought up at the November 27<sup>th</sup> Finance Meeting.***

**13. The matter of Amendments to the 2023 Permanent Appropriations.**

*[Standing Referral]*

Referred By: Finance Directors Pileski and Farrell

***There were no amendments this evening.***

**Mr. Cerra moved and second by Mr. Schneider to adjourn this evening's Finance Meeting at 8:48 P.M.**

**MOTION CARRIED**

Respectfully Submitted by,  
Colleen Rosado, Secretary/Administrative Assistant