

Finance Committee Minutes February 12, 2024

PRESENT: Committee Chair Lesley DeSouza, Committee Vice-Chair Rick Haase, Committee member Tom Rounds and Council Clerk Allen.

IN THE AUDIENCE: Councilwoman Maruschak and Durichko

The meeting was called to order on Monday, February 12, 2024 by Chairwoman DeSouza at 5:30 p.m.

Clerk Allen called the Roll call: Haase, Rounds and DeSouza

Chairwoman DeSouza: Opened the discussion regarding the mayor and city council salary's withing the city's Pay-Band Ordinance. Keep in mind that if there are any salary adjustments, they will not take effect until January 1, 2026, after the General Election in 2025. City Council's salaries on the handout provided, listed in the middle are the rates for Council President, members and the mayor. I found cities with relatively close populations to Parma Heights which is in the far-left column. The average salary for council president is \$13,873; average per council member is \$12,330 and average for mayor is \$81,957. I also show on the left side projections with either 3% or 3.5% increases for council and below that are increases for the mayor's salary with increases ranging from 3% to 25%. Below that shows our Chiefs, and a few of the city's directors' salaries.

Councilman Haase confirmed that during Mayor Burns term that the position was considered part-time. He was making between \$67 - \$68; and the current mayor is making \$70K as a full-time position.

Councilman Rounds added that he had heard that there was a terrible deficit back during his administration and knowing him, he probably tried to make sure everyone else was taken care of and not his own self.

Councilman Haase and Chairwoman DeSouza acknowledged that as a correct statement. Councilwoman DeSouza added that he also knew he was going to be getting a full retirement pension from OPERS, he was comfortable with that decision at that time.

Councilman Rounds stated that although the mayor's salary looks to be about \$11K below the average right now, that was 14 years ago and during these years the unions have gotten 3% - 5% increases in their last contract, the mayor's salary has almost remained the stagnant.

Chairwoman DeSouza made the comment that in 2024 the non-bargaining staff received a 2.5%. In 2022 when the mayor took office, there was a lot of re-assignments and changes to the salaries.

Councilman Haase feels that the mayor's salary is embarrassing and needs to be elevated to a level that at least commemorative, something more than what her highest paid director is. I don't think she should be making less than her directors.

Councilman Rounds added that we've been talking about sustainability, we've bought language back from the unions, spent a lot of money on bringing the departments up to the caliber for them to do their jobs with working vehicles and so we are spending a lot of money but those expenses have also taken care of three

departments that should be now just on a rotation aging out vehicles. I think we should talk with the Finance Director, but I agree with Rick, I don't think any of the directors should make more than the mayor, but I want to make sure we can sustain that level of cost.

Councilman Haase stated that he understands why and how this mayor's salary has gotten to where it is, it was admirable however, it is now 2024 and we need to make up for that. It's all about retention. You have good people in place, you want to keep them. It's a 24-hour position. This position leads the city, it's the face of the city and it should be commemorated accordingly. We don't want to do this and cause repercussions afterwards.

Councilwoman DeSouza agreed that a discussion with Director Iaconis should take place. Once it gets out there, we need to be able to justify that this is not only why but that is okay and the city's okay. We have the justification of why we want to do it with the comparison of like cities, CEO compared to the CFO, etc. we need to justification that we can afford to do it. That's the balance.

Councilman Rounds asked about the council members and rates. He stated that none of us go into this position expecting to make money or be able to make our house payments. If we were looking at any kind of increase, I think it should be more in line with the non-bargainers (2.5%) but it won't go into effect for two more years.

Chairwoman DeSouza suggested because of the two years wait perhaps consider the 3% increase, it's not as easy to make elected officials salaries into effect. It would bring them into the average, but still below.

Councilman Haase agreed but how would it look if we went 3.5%. Is that going to create problems with the other employees? But remember it doesn't go into effect for two years, and by that time they will have received another increase. I would agree again, if we can talk with the Finance Director if we can comfortably afford that bump for council. If she say's no, then we re-evaluate.

Chairwoman DeSouza stated then her suggestion would be to present this and prior to the next council meeting and if she agrees with what we are suggesting we can have a 5-minute meeting to make it official. If not, then we can discuss this again.

Councilman Rounds stated that what we are really talking about is about a \$60K increase annually for both the mayor and city council salaries. My only hesitation would be if it would take away from a city function of any kind. It would be less than 3% of the city's budget.

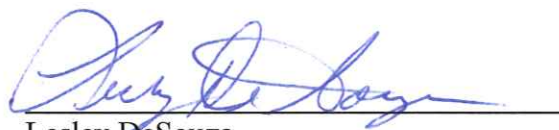
Chairwoman DeSouza asked for a motion to adjourn. So moved by Councilman Rounds; seconded by Councilman Haase.

Council Clerk: Roll Call: Aye: Rounds, Haase, DeSouza

Finance Committee meeting of 2/12/2024 is adjourned at 6:11 p.m.



Barbara Allen
Clerk of Council



Lesley DeSouza
Chair, Finance Committee