

Cuyahoga Falls City Council
Minutes of the Finance and Appropriations Committee Meeting

November 3, 2025

Members: Mary Nichols-Rhodes, Chair
Mike Brillhart, Vice Chair
Meika Penta, Brian Ashton, Joe Siegfert

Ms. Nichols-Rhodes called the meeting to order at 6:31 p.m. All members were present.

The minutes of the September 15, 2025 and October 20, 2025 Finance Committee meetings were approved as written.

Legislation Discussed

Temp. Ord. B-93
Temp. Ord. B-88
Temp. Ord. B-90
Temp. Ord. B-91
Temp. Ord. B-89

Discussion:

Temp. Ord. B-93

An ordinance authorizing the mayor to execute a grant agreement with the Akron-Canton Regional Food Bank, to provide emergency food assistance to residents affected by the loss of Supplemental Nutrition Assistance Program (“SNAP”) food assistance, and declaring an emergency.

Mayor Walters presented Temporary Ordinance B-93 to Council. Approximately 4,345 City of Cuyahoga Falls residents are currently enrolled in the federally-funded Supplemental Nutrition Assistance Program (“SNAP”). As of October 27, 2025, Congress has not passed a federal budget or appropriated funding for the continuation of SNAP benefits. In a letter dated October 10, 2025, the United States Department of Agriculture notified Regional SNAP Directors and SNAP State Agency Directors that there will be insufficient funds to pay full November SNAP benefits for approximately 42 million across the Nation. Many impacted City of Cuyahoga Falls residents will likely turn to the Akron-Canton Regional Food Bank and other local non-profit food providers for emergency food assistance. In light of the need created by the Federal Government’s shutdown, the Mayor has proposed providing a grant to the Akron-Canton Regional Food Bank to provide additional emergency food assistance to residents affected by the loss of SNAP food assistance, in an amount not to exceed \$51,114.00.

The Mayor will be authorized to execute a grant agreement with the Akron-Canton Regional Food Bank, to provide emergency food assistance to residents affected by the loss of Supplemental Nutrition Assistance Program (“SNAP”) food assistance, in an amount not to exceed \$51,114. 44 The Director of Finance will be authorized to increase appropriations in the General Fund, General Administration Department, Line Item Other Operations by \$51,114 and make payment from same.

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Mayor Walters stated that SNAP benefits have stopped as of November 1st. While talking with Summit County, the County has donated a quarter of a million to the Food Bank and has asked all the communities to collectively match that. Someone had mentioned a dollar per resident in the city, and they thought it was a good number given the percentages that they've ascribed to each city. Cuyahoga Falls has 4,345 residents that receive SNAP benefits. Obviously, this will go to the Food Bank and get pushed out to the different organizations. There are places in the city that will benefit from this and it will reach Cuyahoga Falls residents.

Ms. Nichols-Rhodes stated that people are in a real bind right now. She appreciates that Cuyahoga Falls is looking at it to try to make sure keep people whole at least for a while.

Mr. Balthis thanked the Administration for bringing this forward and Council's willingness to consider it in a timely manner. Food security is always a real threat, and it is important that programs like this impact so many people in so many walks of life. It is not lost on him that it is November, the month of Thanksgiving, and people are going into the holidays. People in construction are getting laid off, and this is the time of the year they need SNAP. It is unfortunate that the situation has arisen, but it is great that here, at the local level, they are doing something to help their neighbors. The Akron-Canton Food Bank does partner with organizations in Cuyahoga Falls like Good Neighbors and the Pantry on the Corner. It is good to know that those resources will be available to residents in Cuyahoga Falls.

Ms. Nichols-Rhodes asked if there were any comments or questions from the public. There were none.

Mr. Brillhart moved to bring out Temp. Ord. B-93 with a favorable recommendation, second by Mr. Ashton. Motion passed (5-0).

Ms. Nichols-Rhodes recessed the Finance Committee Meeting at 6:36 and reconvened the meeting at 7:36 p.m.

Temp. Ord. B-88

An ordinance amending Section 921.06 of the Codified Ordinances, relating to termination of service, and declaring an emergency.

Ms. Janet Ciotola, Law Director, presented Temporary Ordinance B-88 to Council. Section 921.06 of the Codified Ordinances of the City of Cuyahoga Falls will be amended to read in full as follows (new language in bold):

921.06 TERMINATION OF SERVICE, GENERALLY

The City may terminate utility service to any premises, in accordance with the procedures set forth by ordinance and related rules and regulations, for any of the following reasons:

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- (a) Non-payment of a bill; or
- (b) Request of the customer; or
- (c) Tampering with a meter for the premises by the customer or consumer; or
- (d) Failure to install remote reading meters, **as mandated from time to time by the Director of Public Service**, in accordance with ordinances and related rules and regulations; or
- (e) Failure of the customer or consumer to permit the City access to the meter(s); or
- (f) Emergency termination for repairs or for the protection of the health, safety and welfare of others; or
- (g) Failure to install meters within ten days after purchase and/or failure to have the installed meter inspected; or
- (h) Failure of a customer to place a deposit or pay a service charge required by Section 921.03; or
- (i) Failure of a bankrupt customer to open a new account and place a deposit within twenty (20) days of the order for relief in the customer's bankruptcy case; or
- (j) As a condition of continued utility service, customer shall consent to, cooperate with, and provide access to the premises for the purpose of installing a new meter by the City or its authorized designee. Such installation shall be conducted in accordance with the terms, conditions, and schedule as may be prescribed from time to time by the Director of Public Service.**

Ms. Ciotola stated that, in addition to the comments made during Executive Session, she would like to add that they are wrapping up the Meter Project. This ordinance is to clarify that, because the existing water meters and software are becoming obsolete and residents need to provide access to update services. The City will not be able to provide service if updated meters are not installed.

Ms. Nichols-Rhodes asked if there were any comments or questions from the public. There were none.

Mr. Brillhart moved to bring out Temp. Ord. B-88 with a favorable recommendation, second by Mr. Ashton. Motion passed (5-0).

Temp. Ord. B-90

An ordinance authorizing the Mayor to enter into a contract or contracts, without competitive bidding, with NEOGOV for human resources and payroll management software and related services for a period not to exceed three years, and declaring an emergency.

Ms. Vickie Steiner, Human Resources Director, presented Temporary Ordinance B-90 to Council. NEOGOV provides recruitment, data management, and training-module platform services, which include electronic centralized applicant tracking, screening, advertising, new hire onboarding, electronic file data management, and learning management software. NEOGOV's software is compatible with modules used in the Human Resources and Payroll Departments, and its implementation will streamline their operations.

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The Mayor will be authorized to enter into a contract or contracts, without competitive bidding, with NEOGOV for human resources and payroll management software and related services for a period not to exceed three years. The Director of Finance will be authorized to make payment for same from the General Fund, Human Resources, Line Item Other Operations.

Ms. Steiner stated that this ordinance is a renewal ordinance with an additional module with NEOGOV service. The City looked at three different providers for the service and the providers they looked at did not meet the standard for public-sector employment. They are looking to sign for a two-year period and this will also be a renewal for the other products they currently have, as well as adding NEOGOV.

Ms. Nichols-Rhodes thanked Ms. Steiner for letting them know that she viewed other companies. The cost for 2026 will be \$71,305.

Ms. Nichols-Rhodes asked if there were any comments or questions from the public. There were none.

Mr. Brillhart moved to bring out Temp. Ord. B-90 with a favorable recommendation, second by Mr. Ashton. Motion passed (5-0).

Temp. Ord. B-91

An ordinance authorizing Director of Public Service to enter into a contract or contracts, according to law, for the replacement of the 6” water main with an 8” water main, on Valley Road, from Maitland Avenue to the intersection of Valley Road and State Road, and declaring an emergency.

Mr. Tony Demasi, City Engineer, presented Temporary Ordinance B-91 to Council. The Director of Public Service will be authorized to enter into a contract or contracts, according to law, for replacement of the 6” water main with an 8” water main, on Valley Road, from Maitland Avenue to the intersection of Valley Road and State Road. The Director of Finance will be authorized and directed to make payment for same from the Water Fund, Line Item Capital Outlay.

Mr. Demasi stated that the existing water main on Valley Road has experienced several significant breaks, specifically the section between Maitland Avenue to State Road. The existing water main was built in two parts. The first part was built in 1928 from State Road to 26th Street and, in 1956, the section between 26th Street and Maitland Avenue was built. Both sections are only six inches in diameter. Council will recall that Valley Road was on the paving list for 2025, but after a series of breaks this spring, they decided to postpone until they get the waterline replaced. They received seven bids. The lowest and best bidder is HM Miller out of Mogadore. They have done a handful of projects for the City this year. They are getting ready to replace the water lines in the Cedar Hill neighborhood, and that project should be done at the end of April. They anticipate work on Valley Road to begin in early May and that it be done by the end of July. That will fit nicely with

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the 2026 paving schedule and they will talk about adding Valley Road back into the program. In the worst case scenario, it will be 2027, but they are hopeful they can get it paved next year.

Ms. Nichols-Rhodes stated that they know that Valley Vista Park is being put on hold. It is nice that will come together at the same time. This project is estimated to cost \$1 million.

Ms. Nichols-Rhodes asked if there were any comments or questions from the public. There were none.

Mr. Brillhart moved to bring out Temp. Ord. B-91 with a favorable recommendation, second by Mr. Ashton. Motion passed (5-0).

Temp. Ord. B-89

An ordinance establishing annual appropriations of money for the current expenses, capital expenditures and other expenses of the City of Cuyahoga Falls for the fiscal year ending December 31, 2026, and declaring an emergency.

Mr. Bryan Hoffman, Finance Director, presented Temporary Ordinance B-89 to Council. Ohio Revised Code §5705.38 requires local taxing authorities to pass an annual appropriations measure classified so as to set forth the amounts appropriated to each office, department and division of the taxing authority. Article VI, Section 6 of the City Charter requires the Mayor to submit an estimated budget for the coming fiscal year showing the requested allotments of the appropriations and estimated income for each office or department for the calendar year.

Mayor Walters gave the following 2026 Budget introductory speech: “Thank you to Director Hoffman, the Finance Department, and all the department heads for your long hours in compiling the operating budget for 2026. As Council knows, this is a lengthy process each year, and just like your budgets at home, we prioritize wants vs. needs. We always budget conservatively, meaning we expect our revenues to come in slightly higher than projected, and expenditures to be slightly lower than projected. We monitor the economy closely and analyze trends in withholding tax, income tax, and net profit tax. Fortunately, due to us having the largest reserve cash balance in the city's history, just the interest income alone from our cash reserves has allowed us to prepay all the debt in the bond retirement fund for the next 5 years!

Although not glamorous, but vitally important, you will see renewed improvements to infrastructure which includes a total of \$14-1/4M in street paving and street improvements. This budget also includes substantial investment in sidewalk replacements, water line replacements, storm water improvements, electric upgrades, and major improvements to the water treatment plant. We are also adding additional employees to the Street Department to expand their summer and winter duties. And as always, pray for no snow!

In 2026, we will be one of the first Police Departments in the region to have an all-electric police car! We are purchasing a Chevy Blazer Police Edition with an estimated 250-300 miles of range

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and a top speed of over 130mph. For EV's, the price has come down, the range has gone up, and the maintenance basically consists of adding windshield washer fluid!

And finally, in 2026, you will see the completion of the Riverloop, South Front Street improvements, Fire Station #4 combined with the state-of-the-art training facility, and the Wyoga Lake Road widening project.

With that, I am proud to present our 2026 budget proposal.”

Ms. Nichols-Rhodes stated that there are four meetings where Council will discuss the budget. Tonight, 10 departments will be reviewed. She would like to thank the Finance Department for all their work in answering her questions. In the binders Council received, there is a page that indicates each of the departments they are going to be reviewing tonight. They also received highlights.

Mr. Hoffman stated that the overall budget this year is a little over \$305 million throughout the entire city, which is the largest he has been a part of and the largest they have had in the history of the city. They appropriated over 36 funds that encompass all police, fire, electric, water, sewer and includes the operations here in this building, as well as Waterworks, Brookledge, Downview and many other departments throughout the city. This year, in the General Fund, they provided a budget that is a little off between revenues and expenses. They generally budget conservatively between revenues and expenses. This year the difference is \$600,000 and the main item they are providing is a \$1 million loan to the Mud Brook/Mill Pond TIF Fund for the construction of a Phase II trail around the pond. That trail is going to be paid for entirely of TIF dollars from that district, but those dollars take time to come in. The General Fund is going to provide a loan and then will be paid back over the next three years from the TIF Funds that will be the difference in the TIF Fund from a revenue-to-finance standpoint. They have had some strong cash balances throughout the city this last year and it is the reason they were able to put the loans. It puts them in a great position over the long term because they are able to save on interest. They have presented a debt schedule on page 39 which shows all of the debts in the city. On the General side, it is the same as last year. They did not end up taking out the debt last year for the Fire Station Number 4 Project. They did a similar thing to the Mill Pond Trail. They borrowed from themselves and are going to repay that back in 2026. Their plan is go out for long-term borrowing on the Fire Station once that project is completed and they have all the known costs associated with that project.

In every department, they have an additional 27th pay. That increases the salary line items in 2026 because there is an extra pay period in that year. The City has anticipated that. Over the last three years, they put money aside to account for the 27th pay. He wants to thank all of the departments that do a great job of getting information to the Finance Department because there is no way that the Finance Department can do this alone. The department heads and other administrative staff get them that information in a timely manner, so they can compile it and provide it to City Council

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in a timely manner. The Finance Department works long hours during that period of time and they do a great job.

General Fund Five-Year Forecast (Page 32)

Revenues

Property Tax - Slight increase in year 2026 (< 1%), to account for delinquencies. Revenue category has an increase of 2% for sexennial re-appraisal in 2027, then flat again for 2028, and 2029, and an increase of 2% for triennial re-appraisal in 2030.

Admissions Tax - We are projecting a decrease of 2.5% in 2026, based on current year estimated results. Actual receipts as of September 2025 is \$697,600 with some outstanding revenue due for September and October. Then 1% increase in subsequent years (2027-30). We are cautiously optimistic it will maintain small growth.

County Local Government - Increase of approximately 5% in 2026 over adopted 2025 budget. The 2026 budget is based on our Official Certificate of Estimated Resources for the fiscal year beginning January 1, 2026 as prepared by the County Fiscal Office on 8/4/25. We have an increase of 1% increase in subsequent years (2027-30).

Charges for Services - Law, and Fire are an increase of 3% based on contractual agreements. Communications is no longer budgeted due to the creation of the Summit Emergency Communications Center Council of Government (COG). The Villages/City we previously served are members of the COG and pay directly. Other notable items include an increase of 50% for Building & Grounds associated with the sales associated with Oakwood Cemetery, as planned revenues are more than projected for 2025. This is mostly due to Cemetery Columbarium lots from construction in recent years. We are conservatively projecting additional revenue of \$25,000 for Columbarium lots and flat growth in subsequent years (2027 -2030).

Internal Service Charges - For 2026, total budgeted is \$288,264 higher than the current year, which is mostly attributable to General Administration + \$269,702, and Information Services + \$19,364, due to increase in personnel and operational costs.

Interest Earnings - Decrease of about 13% in 2026 over adopted 2025 budget of \$5,000,000. Actual revenue of \$4,025,211 as of 9/30/25, is 554,290 less than 2024. This revenue is difficult to forecast, so we are conservatively anticipating flat revenue projection of \$4,000,000 in subsequent years (2027 2030).

Income Tax Transfer In - 5% decrease in 2026 from 2025 budget based on recent trending and forecasting for 2026, which predicts modest increase, and declines in manufacturing relating to demand for goods attributable to tariffs and trade-policy uncertainty, with an increase of 2% in subsequent years (2027-2030).

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Expenses

Personal Services – City Council approved various collective bargaining agreements and non-bargaining pay scales for July 1, 2024 through June 30, 2027 in October 2024. Therefore, salaries and wages for 2026 are based on the applicable pay rates for these new agreements and pay scales. For most employees, the new pay scales are based on cost of living adjustment (COLA) of 5% July 1, 2024, 3% July 1, 2025 (first half of 2025 budget year), and 3% July 1, 2026 (second half of 2026 budget year).

Other Operations & Maintenance - 1% increase annually, beginning with an assumption of 2026 budget based on department planning, and budget input.

Personal Services

Salaries & Wages Cost-of-Living Adjustment (COLA) Assumptions

American Federation of State, County and Municipal Employees (AFSCME): 7/1/24 - 5%, 7/1/25 - 3%, 7/1/26 - 3%.

Ohio Patrolmen's Benevolent Association (Patrolmen and Community Service Officers): 7/1/24 - 5%, 7/1/25 - 3%, 7/1/26 - 3%.

Ohio Patrolmen's Benevolent Association (Police Sergeants & Police Lieutenants): 7/1/24 – Escalator clause on Patrolmen wage scale.

Non-Bargaining: 7/1/24 - 5%, 7/1/25 - 3%, 7/1/26 - 3%.

Utility Worker's Union of America AFL-CIO (Electric): 7/1/24 - 5%, 7/1/25 - 3%, 7/1/26 - 3%.

International Firefighter's Association: 7/1/24 - 5%, 7/1/25 - 3%, 7/1/26 - 3%.

Benefits (Employer Share)

Pension: No change.

Medicare: No change.

Workers' Compensation: After not having made payroll related contributions to this fund since 2019. We are planning on a City contribution of 1% again in 2026 for all departments after beginning to fund this again in 2024.

Medical Insurance: + 3.5%.

Dental: + 3.5%.

Vision: + 3.5%.

Life Insurance: No change.

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Note: We have a 27th pay in FY 2026, which occurs for the City every eleven years or so, due to a 52 week year actually being 52.1786 weeks, therefore, departments with the same staffing level will have an estimated 3.8% increase on salaries, wages, pension and Medicare from the additional pay alone. To plan for the 27th pay in 2026, we began encumbering 1/3 of the estimated cost of one pay period for 2023, 2024, and 2025, to lessen the financial burden of the additional pay in 2026. However, due to union contractual obligations, this does not affect health care benefits, and life insurance. This last occurred in FY 2015.

City Council (Page 57)

Personal Services – Cost of Living Increases proportionate non bargaining wages. Increase in benefits that are related to pension and Medicare on increase in salaries and wages, and Insurance-Medical/Dental (51104) +3.50%, offset by a reduction of those electing medical coverage.

Operations expenditures - \$2,485 increase, which is related to Computer System Support (54004) \$2,508 mostly for an increase in the department's share of E-mail and Spam Filter.

Mr. Hoffman stated that Council's budget is very similar every year. They account for salary and benefits of Council members; then there is a small increase this year in Other Operations due to Council's associated costs for the e-mail system. They are planning to upgrade to an Outlook system. They allocate other costs to Council as needed.

Mayor's Office (Page 61)

Personal Services - Cost of Living Increases proportionate non bargaining wages. Increase in benefits that are related to pension and Medicare on increase in salaries and wages, and Insurance-Medical/Dental (51104) +3.5%, offset by a reduction from employee health plan selection being different than what was budgeted in the prior year.

Operations expenditures - \$523 increase, which is related to Computer System Support (54004) +\$379 mostly for an increase in the department's share of E-mail and Spam Filter.

Mr. Hoffman stated that the Mayor's Office is very similar to City Council. The Mayor's Office has salary and benefits as well as some office staff. Other than that, they share in a portion of the Information Services allocations that aren't discretionary in nature.

Mayor's Court (Page 65)

Personal Services - \$2,764 increase. Cost of living (COLA) increase and increase in benefits that are primarily related to pension and Medicare on increase in salaries and wages, increase in benefits that are related to pension and Medicare on increase in salaries and wages, and Insurance-Medical/Dental (51104) +3.5%, offset by a reduction from employee health plan selection being different than what was budgeted in the prior year.

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Operations expenditures - \$13,603 increase. Increase is mostly attributable to an increase in Miscellaneous Contractual Services (54005) +\$9,520, for Magistrate services +\$7,020 (for an additional 1/2 hour per/day, and \$10 per/hour), and language interpretation fees +\$2,000, coupled with an increase in Computer System Support (54004) +\$1,579 mostly for an increase in the department's share of E-mail and Spam Filter.

Mr. Hoffman stated that the Mayor's Court, as well, is generally very similar from year to year. The Mayor's Court Clerk is in the room tonight if Council has any questions about what the Mayor's Court is doing or how they are operating. There have been increases in their Other Operations from time to time, based upon office space renovations that needed to be made in the past and computer systems that need to be upgraded. This year is very similar to 2025. There have not been many upgrades or anything different than last year.

Ms. Nichols-Rhodes asked if there were comments or questions from the Committee, the Rail, and the public about Council, the Mayor or Mayor's Court regarding budget items.

Finance (Page 73)

Personal Services - \$59,639 increase. Cost of living (COLA) increase and increase in benefits that are primarily related to pension and Medicare on increase in salaries and wages, increase in benefits that are related to pension and Medicare on increase in salaries and wages, and Insurance-Medical/Dental (51104) +3.5%, offset by a reduction from employee health plan selection being different than what was budgeted in the prior year.

Operations expenditures - \$16,405 increase. Increase mostly related to Office Equipment (53032) +\$8,500 for one-time personal computer and monitor replacements for five employees; Computer System Support (54004) +\$3,136 related to across the board increases for recurring items; and Non Operating expense group Reserve: Sick Leave (54875) +\$988, and Reserve: Vacation +\$2,591 for the department's share of contributions to the Compensated Absences Fund (707). Department allocation is based on the compensated absences liability in the City's 12/31/2024 audited financial statements.

Mr. Hoffman stated that Mr. Scott Fitzsimmons and Mr. Paul Novelli are the two primary budget people in the city and there are others that do help out on this budget, as well. In the Finance Department, they are not doing anything different for 2026. They have similar numbers with general increases to the line items based upon the various items that are used in Finance and they have put those increases in the budget like every other department.

Service Director's Office (Page 191)

Personal Services - \$47,254 increase. Cost of living (COLA) increase and increase in benefits that are primarily related to pension and Medicare on increase in salaries and wages, and Insurance-Medical/Dental (51104), and Vision +3.5%.

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Operations expenditures - \$12,655 increase. Increase mostly related to Office Equipment (53032) +\$1,650 for one-time Conference Room A computer equipment (85" TV/monitor and mini personal computer); Internal Services - Direct - Garage (54505) for garage needs for Deputy Service Director (fuel and repair); and Non-Operating expense group Reserve: Sick Leave (54875) +\$1,252, and Reserve: Vacation +\$2,020 for the department's share of contributions to the Compensated Absences Fund (707). Department allocation is based on the compensated absences liability in the City's 12/31/2024 audited financial statements.

Mr. Hoffman stated that the Service Director's office is similar to the other departments. Mr. Anthony Zumbo, Service Director, was present to answer any questions that Council may have in the budget. Over the past few years, they have had a Deputy Director of Service position in the budget that has not been filled. They recently filled that item and he is here tonight. Mr. Jim Colopy has filled that position. They are happy to have him there and he will be a definite resource to that department. That is indicated in the budget as are any general increases to the Other Operations line items based on most computer systems and support increases and allocations.

Mr. Zumbo stated that this next year is going to be very busy. Mr. Hoffman did a great job putting this budget together. The Finance Department is the straw that stirs this drink for them and that enables them to do all these amazing things, so thanks to them. They have heard this from him before, but Ms. Teresa Hazlett is the reason he can keep his train on the rails and, being an engineer, that is important. It is difficult managing all these departments and she does a yeoman's job in keeping the office together. Mr. Colopy is going to be a great addition. He has a background in public service and engineering programs, which should be exciting to Council. He's going to be out at the Service Complex, so it is going to be nice to have a presence out there from their office. It is difficult to have a good feel of the operations without having someone there, so this is going to work out very well. He would remiss not to mention Ms. Shannon Witchey who handles all the walk-ins and telephone calls. Everybody does a good job, so any accolades belong to them.

Ms. Nichols-Rhodes stated that Council has made many comments in the past about how one Director and one Deputy Director handle all the things that are happening, so she is thrilled they have Mr. Colopy.

Law (Page 187)

Personal Services - \$48,318 increase. Cost of living (COLA) increase and increase in benefits that are primarily related to pension and Medicare on increase in salaries and wages, , and Insurance - Medical/Dental (51104) +3.5%, offset by a reduction from employee health plan selection being different than what was budgeted in the prior year.

Operations expenditures - (\$9,258) decrease. Decrease mostly due to Publications & Periodicals (53041) (\$12,035) as the department is no longer planning on updating hard copy legal reference books through Westlaw, previously budgeted for \$13,185; Office Equipment (53032) (\$3,100) for removal of one-time personal computer and monitor replacements for two employees purchased

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in 2025; offset by an increase in Non-Operating expense group Reserve: Sick Leave (54875) +\$3,127, and Reserve: Vacation +\$1,974 for the department's share of contributions to the Compensated Absences Fund (707). Department allocation is based on the compensated absences liability in the City's 12/31/2024 audited financial statements.

Mr. Hoffman stated that the Law Department, similar to all the other departments, have salary and benefits and other operations. There is not anything that is out of the ordinary this year that they have not done in previous years. They are keeping their operations very steady and doing a great job in law. They tackle a multitude of problems and issues.

Ms. Janet Ciotola, Law Director, stated that she would like to echo Mr. Zumbo's comments. She appreciates the hard work of the Finance Department. Their office welcomed a new team member, Ms. Grace Edwards, taking over as Office Manager. She hit the ground running. She is proud of her staff. They handle a variety of issues, and no two days are the same. They strive to stay up on the current law and advanced technology, so they can provide the best service possible. They order their hardback periodicals online and attend online seminars to save costs.

Ms. Nichols-Rhodes stated that the Law Department is also adept in technology advances, so they can handle the problems that come to the city because of them

Ms. Nichols-Rhodes asked if there were comments or questions from the Committee, the Rail, and the public about the Finance Department, Service Department and Law Department regarding budget items.

Civil Service (Page 195)

Personal Services – No change.

Operations expenditures - \$7,671 increase. Increase is primarily for Advertising (53001) +\$1,700, and Miscellaneous Contractual Services (54005) \$6,000 for open competitive and promotional exams needs estimated for 2026.

Human Resources (Page 203)

Personal Services - \$22,173 increase. Cost of living (COLA) increase and increase in benefits that are primarily related to pension and Medicare on increase in salaries and wages, Insurance - Medical/Dental (51104) +3.5%, offset by a reduction from employee health plan selection being different than what was budgeted in the prior year.

Operations expenditures - \$48,698 increase. Increase mostly related to Computer System Support (54004) +\$27,114 for additional services related to NEOGOV human resources and payroll management software and related services (Temporary Ordinance B-90 introduced 10/27/2025); and Internal Services - Direct - Garage (54505) +\$18,000 for garage needs for Safety & Training Compliance Manager (training vehicle fuel and repair.

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Ms. Vickie Steiner, Human Resources Director, stated that the Civil Service Department is one that sometimes is difficult to estimate. They have had to come back for additional funds because they are very dependent on how many tests and openings there are throughout the city each year. They do their best at this time of the year to estimate the number of tests and the number of positions they anticipate and, this year, they are doing that as well. The general increase is based on costs associated with an estimate of open and competitive bids and exams that need to be done for the Police, Fire and other departmental staff that needs to be filled. The budgets are very similar. There is a slight increase this year over 2025.

Human Resources increases for the majority of their budget has to do with payroll. They welcomed a new member to their team, which is The Safety and Compliance Training Manager. He also does their CDL instruction for all new hires that are employed without a CDL, so the increase in Personal Services is for that. The other increase is in regard to operations and expenditures is in regard to their software for NEOGOV, which was in the B-90 ordinance. They also have some direct services for the garage with a vehicle for the Safety and Training Compliance Manager because he travels throughout the city on a regular basis doing training with the CDL holders, as well as all the different facilities and department and organizing the training that is required for them.

Self-Insurance Fund (Page 121)

Revenues - \$338,471 increase. This is mostly related to the anticipated increase of Medical/ Dental (Hospitalization) department charges of \$666,309, based on estimated current enrollment, employee plan selections, and estimated plan rates; offset by a reduction in Refunds (49204) related to Rx rebates (\$338,392).

Personal Services - \$10,160 increase. The two full time employees in Human Resources department are allocated to this fund 50%. Cost of living (COLA) increase. Increase in benefits is primarily related to pension and Medicare on increase in salaries and wages, and Insurance - Medical/Dental (51104), and Vision +3.5%.

Operations expenditures - \$107,997 increase. Primarily from an increase in Miscellaneous Contractual Services (54005) +\$52,513 for a new recurring Eligibility Audit Post Enrollment service which is estimated to be \$50,000; and Refunds & Reimbursements group (54301-54327) +\$53,075 mostly for pay-go costs associated with the City's Other Post Employment Benefit Plan.

Mr. Hoffman stated that the Self-Insurance Fund is an internal services fund. The revenues are provided by premiums through payroll deduction from the employee as well as the City contributing a portion of the premiums. Hospital and dental protection and drug claims are the primary expenses. He speaks about the Self-Insurance Fund when presenting Report 21 because he tracks these costs very closely. The City also has a Health Care Committee that is staffed by non-bargaining and representatives from every one of the city unions. The Health Care Committee is one of the best committees in the city. They provide insight. They are appreciative of the

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transparency of the Administration and they have very good discussions about ways to save on health care costs and what's going on with health care and how it is being provided in hospitals and doctors' offices. It works well to keep the benefits high for employees as well as to keep the costs down for the City and the employees. In the 2026 budget, they have a premium increase of just 3.5 percent with the overall inflation rate and service rate trend being the total cost of providing care for employees is somewhere in the six to nine percent range. The main issue is 3.5 percent increase to revenues and premiums for 2026.

Ms. Nichols-Rhodes asked how long the committee has been in existence.

Mr. Hoffman stated that the City started that in 2015, and, in 2016, they got it up and running fully. They were able to start that as part of bargaining negotiations during 2025, and they have been able to include language in all of the bargaining contracts that give teeth to the Health Care Committee. They do need buy-in from the Administration and they get the buy-in through the Health Care Committee. It's been a great tool for the City.

Workers' Compensation Fund (Page 127)

The City is in the Group-Retrospective Rating Program.

Revenues - \$30,787 increase mostly attributable to Workers' Compensation (49413) +\$40,132 from recording of employer withholding (department charges) of 1% of salaries and wages. As noted in the general narrative portion above, we had not funded Workers' Compensation through employer withholding since 2019, but began again in 2024 and feel we need to continue to do so. Increase is related to wages increases as noted previously noted.

Operations expenditures - \$173,227 increase, mostly from State Workers' Compensation (54885) in the amount of \$164,052 related to the estimated premiums owed to the bureau, as estimated by our consulting firm.

Mr. Hoffman stated that Workers' Compensation is a simple fund. They have revenues coming from the City for payroll purposes and they pay that out in a premium to the Workers Compensation Bureau. The City is in the Group-Retrospective Rating Program. The revenues come into the City based upon payroll, because the premiums are based on payroll figures. They get a premium from the Bureau. They pay that premium based on total payroll of the city.

Ms. Nichols-Rhodes asked if there were comments or questions from the Committee, the Rail, and the public about Civil Service, Human Resources, Self-Insurance or Workers' Compensation.

Ms. Nichols-Rhodes asked if there were comments or questions from the Committee, the Rail, and the public regarding this evening's presentation of the 2026 Budget. Hearing none, she adjourned the Finance Committee meeting.

The meeting adjourned at 8:18 p.m.