



CITY OF TWINSBURG, OHIO

Finance Committee Meeting

Tuesday, February 27, 2024

6:30 PM

Meeting Called to Order: Mr. Bellan called the meeting to order at 6:30 PM.

1. Roll Call: Mr. Barr, Mr. Furey, Mr. Bellan, Ms. Walker, Mr. Post, Mr. Bonacci, Ms. Labbe
Also in attendance: Ms. Conway-Finance Director and Mayor Scaffide

2. Audience Participation: None

3. Approval of January 23, 2024 Finance Committee Minutes: Mr. Post motioned to approve the 01/23/24 meeting minutes presented. Mr. Barr seconded the Motion. Minutes were approved unanimously as submitted.

4. Presentation on Overview of H.B. 296:

- H.B. 296 seeks to rectify the difference between the current contribution amounts with a gradual change to the Employer contribution for police officers to match Fire's 24%
 - The current Employer contribution amounts are: Police 19.5% and FIRE 24%
- The graduated increase as proposed would be:
 - January 1, 2024 to December 31, 2024 – 21%
 - January 1, 2025 to December 31, 2025 – 22%
 - January 1, 2026 to December 31, 2026 – 23%
 - January 1, 2027 to December 31, 2027 – 24%
- The City has 3 separate fund to pay for Police and Fire Pension contributions
 - Police Pension Fund (.30 mills – inside)
 - Fire Pension Fund (.30 mills – inside)
 - Police & Fire Levy Fund (2.4 mills – 20 year levy)
- The collection of property tax for each fund is
 - Police Pension Fund - \$280,838
 - Fire Pension Fund - \$280,838
 - Police & Fire Levy Fund - \$1,762,591
- Under the current employer contribution rate (19.5%), the City contributes at minimum \$606,000 for the Police portion of pension. This contribution only takes into account the employee's base salary, excluding any overtime or premium type pay.

- In 2023, the City paid \$709,259.34 for their employer contribution to OP&F for Police; the City's portion for Fire was \$766,163.92
- What does this mean going forward?
 - First, it means that more of the Police & Fire Levy fund will need to be dedicated to pension costs. Right now the split is roughly 60% for capital and 40% for pension expenses
 - That scenario will likely flip by 2027 with the proposed changes; the majority of the Police & Fire Levy will go to pension costs
 - This creates an issue because Police and Fire capital expenditures are expensive due to physical size or the items involved (examples: fire trucks and cruiser replacements)
 - Capital replacements and improvements are continual expenses, so either capital requests will need to be reduced or the City's General Fund will need to assist in supporting those requests.

5. Series #1 of Finance Functions – Payroll:

- Processing payroll
 - Working with each department to accurately determine each employee's pay
 - Approving each individual time card and uploading from Kronos Timekeeping to VIP (accounting software)
 - Making manual changes for items the system cannot recognize
 - Sending department pay proofs for review and approval
- Determining Employee Pay Rates
 - Assisting with the annual salary ordinance and adjusting pay ranges accordingly
 - Determining employee pay rates and manually changing each employee's file
 - Manual calculation of each alternate rate (longevity, FTO, OIC, education add-on, etc.
- Creating files for upload to various agencies/entities (Bank, RITA, ODJFS, Bankruptcy Trustees, Pensions, Deductions)
 - Creating and uploading the direct deposit file to the bank
 - Making timely payment to RITA and each municipality requested by employees
 - Making timely payment to pensions (OPERS, OP&F, & Social Security)
 - Ensuring accuracy of employee deductions and remittance
- Processing retro-active payrolls
 - For example, in 2023, we had 4 contracts approved after the prior contract's expiration – meaning retro payments for all of those employees (Police Patrol, Police Sergeants, Dispatch, Fire Captains) and the corresponding pension payments
- Processing Special Pays
 - We process the following additional pays throughout the year: Comp Time Cash Outs (quarterly); Holiday Cash Outs (twice); Boot & Uniform Allowance (annually); Sick Leave Cash out to HAS (annually); Sick Leave Cash out at 50% (annually); Police & Fire Training Bonus (annually)
- Determining accrual banks
 - Monitoring vacation carryover requests and manually adjusting time banks
- Interpreting contract language & 147 and its applications
 - Each CBA has language that affects wages
 - Employees who fall under 147 have language that applies differently than CBA employees

- Ensuring accuracy of W2s
 - Finance is responsible for creating the W2file; ensuring its accuracy; and submitting it to the IRS

6. Comments / Questions: None Presented.

7. Miscellaneous: Finance Director stated that RITA work at home tax case has been won. The taxpayers are responsible for all their taxes and not due a refund. The work at home money is being held by RITA until the percentages are worked out, but the city should see some money coming in at a later date.

8. Next Meeting Date: March 26, 2024 at 6:30PM

9. Adjournment: Mr. Post adjourned meeting at 6:55 PM.