

KIRTLAND CITY COUNCIL MINUTES

November 8, 2023 – Work Session

The work session meeting of Kirtland City Council commenced at 6:37 p.m. Council members present were: Ronald Fenstermaker, Suzanne Grazia, Scott Haymer, Richard Lowery, Joseph Smolic and Eric Ziegler. Absent: Matthew Schulz.

Mayor Kevin Potter, Service Director Joseph Fornaro, Police Chief Brian McCallister, Fire Chief Anthony Hutton and Senior Center Coordinator Teresa Szary were also in attendance. Finance Director Louis Slapnicker was present by telephone.

Mr. Slapnicker noted that legislation is on First Reading at tonight's meeting for the healthcare program participation agreement. Noting that the three-year County contract expires on December 31, 2023, Mr. Slapnicker said the City went to market with the County and another vendor. Once the results were received, a hard look was taken at both the premium and the employee benefit. Mr. Slapnicker said his recommendation is to remain with the County consortium, for a couple different reasons. Although there will be an eight percent increase in premium, he noted that because Kirtland has done so well with loss ratios over the last two years, the County is giving the City a two-month holiday on the premium for 2024. He advised that this is the overall best and lowest premium for 2024 against any other market rate the City received. Mr. Slapnicker stated additionally that the County offers the best employee benefits for deductible, maximum out-of-pocket and co-insurance.

Mr. Slapnicker said that the legislation before Council is to enter into a three-year agreement. He noted it was negotiated for 2025 and 2026 in the contract that the County will consider another premium holiday based on the City's experiences. Mr. Slapnicker said he is requesting that this legislation be passed this evening so the agreement can be signed and sent to the County, and open enrollment can be held allowing the necessary time for employees to make any changes that they wish.

Mr. Slapnicker noted that over the last five years the County has averaged a five percent increase across the board. He noted they have done a good job of not spiking the rates, so he is comfortable staying with the County consortium.

Council President Smolic inquired about the dollar amount of the premium holiday. Mr. Slapnicker said there are four tiers offered – employee only, employee and spouse, employee and child, and family. He said that based on the current census (number of employees on the healthcare and their plan) with the new rate, the estimated premium for 2024 is \$793,000. The holiday is \$132,000, so the premium is reduced by the holiday; the total net premium estimate is \$661,000 for next year.

Responding to Council President Smolic regarding the employee benefit, Mr. Slapnicker said it is a little bit enhanced. He noted that under the old contract there were certain in-network providers with Lake Health, and it is now expanded to all University Hospitals facilities. He noted there are no reductions in benefits for the employees relating to deductible or co-insurance.

Referring to the two-month premium holiday, Councilman Lowery asked how it affects the City employees. Mr. Slapnicker said the employee share is 12 percent, with certain maximums. He said with the two-month holiday, there is no premium to the City, so there is no employee deduction in those first two months.

Mayor Potter noted that three or four different providers/consortiums were reviewed in depth, to make sure the best deal was reached for the City. Mr. Slapnickner said that Aetna was one of the strongest quotes received; they matched the County in employee benefit but the overall cost of the premium was higher. He noted they also looked at another consortium, which is mostly Cuyahoga County cities and schools. Mr. Slapnickner noted that for the past five months they have done the due diligence to find what is best for both the employees and the City.

Mr. Slapnickner noted there are two pieces of legislation on the agenda relating to grants for the Fire Department; he is requesting that Council pass the legislation tonight. If approved by Council, there will be an amendment to the appropriation on the next agenda. He noted that Chief Hutton has indicated that the funds for one of the grants must be expended within 30 days (by the end of November). Mr. Slapnickner noted that the City will account for these dollars in a new fund; they are ARPA related dollars. He noted there will also be legislation to create the new fund.

Referring to Resolution 23-R-69, Chief Hutton said this relates to the \$20,000 Ohio Ambulance Transportation grant from the Ohio Board of Budget Management. The grant will be used for premium pay during the pandemic. He noted that both grants are based on ARPA funds. For this grant, there was a time period of 38 months, and it was broken out for full-time and part-time. Those employees had to be working during that time and must still be employed with the City now. Chief Hutton said there were issues with the Pension Board in finalizing these grants, and he explained how it was resolved. Chief Hutton said there is zero cost to the City of Kirtland with either of these grants.

Referring to Resolution 23-R-70, Chief Hutton said this is the \$61,000 ARPA grant. He noted that this is the same grant that was used to hire three firefighters, and the retention bonuses were also included. He noted this grant also took some time and a lot of work, and it was based on 2021 wages (it was written in 2022); they had to work through the pension issues.

Answering Council President Smolic, Chief Hutton said the City has already received the funds and has 30 days (as of last Thursday) to issue checks. Therefore, Chief Hutton is requesting that the legislation be adopted tonight.

Council President Smolic thanked Chief Hutton for the hard work the Department has done in securing these grants.

Answering Councilman Fenstermaker, Chief Hutton said they began working on these grants in 2022 and were awarded the grant in September for the hiring of the three firefighters. He noted this grant was finally rolled out. Answering Council President Smolic, Chief Hutton said that the time frame involved with these grants is at least one year, and sometimes longer. The Federal government has pushed out the Assistance to Firefighters grants; in the past there was one year to complete everything, and now it is two to three years.

There was no further discussion, and the work session meeting adjourned at 7:00 p.m. upon the consensus of Council.

President of Council

Clerk of Council