

## **Finance Committee**

**April 18, 2022**

**5:00pm - City Hall Council Chambers**

Chairman Ptak called the Meeting to order at 5:03 p.m.

### **ROLL CALL**

**Present:** Chairman Ptak, Aldermen Lavieri, Jeppson, Herndon

**Absent:** Alderman Demes

Moved by Alderman Lavieri and seconded by Alderman Jeppson to allow for Alderman Demes to attend remotely.

Voice vote, all ayes. Motion carried.

### **ROLL CALL**

**Present:** Chairman Ptak, Aldermen Lavieri, Jeppson, Herndon

**Present Remotely (via phone):** Alderman Demes

**Absent:** NONE

**Others Present:** Mayor Jeff Grove, Deputy Clerk Brent Bader, Superintendent of Public Works Patrick Watson, Alderman Reynolds, Alderman Bacidore, Alderman Crane (arrived at 6:12pm), Finance Director John Duncan, Fire Chief Jerry Janick, Treasurer Virginia Kochanowski, City Attorney James McPhedran (arrived at 5:19pm), City Engineer Brian Brown (arrived at 6:13pm).

**A quorum was present.**

Moved by Alderman Lavieri and seconded by Alderman Jeppson to approve and place on file the amended minutes of the Finance Committee for April 4, 2022. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

Jeppson questioned the bill for the Concrete planters for \$10,000. Mayor Grove clarified that it will be for 20 planters at \$500/piece. TIF downtown beautification money is used to purchase these.

Lavieri questioned the bill for \$14,000 for new benches and tables. This will be for the new walkway path to lake. They will be purchased under the grant from BARCO. Mayor also mentioned that a shelter is needed over those, which was suggested in the grant. Brian is trying to find an aftermarket Shelter/Coverage due to prices being so high currently.

Lavieri also questioned the \$4,000 under Economic Development, Tracy Cross and assoc. Duncan clarified it was for the downtown residential study and some downtown developers will possibly be splitting the cost down the road with the city.

Lavieri did ask about a traffic light repair for \$10,000. Duncan stated that the city does bill the proportionate share to the state of Illinois. The city does split those with state. But the one on 5<sup>th</sup> and 351, three of them are state so they pay for 75%. The city does maintenance and then bills the state. Mayor did state that the city is a year behind charging to IDOT. The city should be seeing their share back soon.

Moved by Alderman Lavieri and seconded by Alderman Jeppson to approve the request from North Central Area Transit for an annual donation of \$2,500.

## **ROLL CALL**

**AYE:** Chairman Ptak, Aldermen Demes, Lavieri, Jeppson, Herndon

**NAY:** NONE

## **MOTION CARRIED: 5-0**

Finance Director Duncan stated discussion of the FY22 line-item appropriations is strictly housekeeping issue.

Discussion regarding union contract renewal between the Fraternal Order of Police – FD Duncan everyone received a copy. This contract has the most significant changes, with changes in scheduling. Since 2001 they had worked an 84 hr. payroll period, 7 12hr shifts. No overtime with hours after 80. If a 12hr shift day was a vacation day, they only received 8 hrs. off. Over the last 20 years, there is software in place to keep track of the hours but has become a negotiation issue with the last few contracts. The automatic 1% longevity is no longer. The city did look at comparables from Peru, Princeton, Streator, Mendota. In 2011, when the city went to arbitration, the arbitrator ruled those were the comparable for the area. Police Officer is eligible at age 50 with 20 years on if they are a Tier 1 employee. The base wage for an officer started at \$58,987.93 and topped out at \$71,982.81. Compared with Peru officers, City of LaSalle is at 93.2% of Peru scale. After 20 years, La Salle officers would be making 7% less of what where you would be in Peru. The city is trying to tighten that percentage up a bit. There is a significant labor shortage, and this industry is struggling to attract young new candidates. There used to be 20 to 30 people testing for these positions that would test and then be ranked. The most recent test, the city had 8 with 2 being viable candidates. An officer that has been with the department for 20 years would have grossed \$1,389,000.00. Now with the adjustments to the wage scale, an officer will gross \$1,451,000.00 which makes for a 4.4% increase within that 20-year timeframe. The whole wage scale has been revamped. The subsequent 3 years to 2%, 3%, 3%, after the 1<sup>st</sup> year wage adjustments. This vote was not unanimous, 10-4. It is substantial enough that majority has accepted the changes. Each and every alderman has a copy.

Lavieri has asked about the city would be able to hang onto employees longer than 20 years. Duncan did state that after 2011 reform, the new state statute, Tier 2, is that officers have to put in 25 years of service, age 55 to max out. It is suspected that most Tier 2 officers will retire at the age of 55 because of COLA. There is an automatic 3% every year. Financially it's not worth them staying after the age of 55.

Duncan state that within the FOP, there are 14 officers with new hire Alex Doll making it now 15 patrol members. Total Salary of the 15 patrolmen will be \$1,019,200.00, \$516,000 for Sergeants, and with Chief being at \$108,000.00 bringing total Police payroll to \$1.6 million.

Alderman Ptak and Duncan discussed laterals moves from La Salle to another community. It is not just for money; it is also for opportunity. With those lateral moves, officers are going for specialty positions and seeing the potential for more of those positions in the bigger towns. For the cities' 15 officers, only 3 of them are specialty positions; school resource officer, detective, and a drug task force officer.

The city is now at 97.46% of Peru's scale. The city did get as close as they could with this last contract. City of LaSalle does add some perks with some extra holidays and clothing allowance.

Duncan discussed the FOP Sergeants & Lieutenants contract proposal. The FOP patrol contract applies to this also. They have 6 sergeants and the first couple votes went 3-3. They weren't able to make any changes. They were able to eventually get a vote in the city's direction. This group of sergeants are a mature group that values time off. They are sergeants that are married, children, and their time off is more important. Going hour for hour is going to be a reduction of days that they are going to be taken. 3-2-3, 181 days year, with normal work year being 260 days. Their time off is sufficient and comparable to everywhere else. There was more effort to convince this group. But it is collective bargaining and the majority wins.

Mayor stated that the Sergeants wanted patrol to speak first, since there was more of them.

Duncan is happy with how it ended and is very happy with the simplicity to the wage scale.

Duncan began the discussion regarding union contract renewal between AFSCME and the City of La Salle. The city has lost some people to other trade unions, looking for labor as well. City jobs have added perks, travel time for example. The city did do some comparisons to the same cities. Currently there are no vacancies in ASFME. Overall, payroll for them benefited based on number of years that they have in. Senior, full year employee maxed out, 30 years, extra \$4500 to your base pay via the longevity. Back in 2018, wages were climbing, so the city's introduced a second tier. Duncan believes that their wage was too close to minimum wage for this kind of job. The city did increase the new employee wage. They did not need to take and apply to the employee

who has been here for years. The city was pleasantly surprised with approach they took and Duncan felt they were on the same page.

The city did propose a market adjustment in year 1, then a 2%, 3%, 2%. ASFME came back a proposed a jump to 2024, hold for 2 years. The current hourly is \$662.92 to \$706.88 just their hourly wage., which is an increase to 6.63%. They will potentially get a 6%, 0%, 3%, 2%. This does works out pretty much the same.

These contracts are very palatable for the city. Duncan ran the new wages with budget and the city is on pace. Duncan let the committee know that the city is not taking on any new debts. The city did have to invest some into labor force. There was only one nay vote with AFCSME.

Mayor wanted the committee know that the license pay was significantly bumped up to hopefully encourage candidates to go get their licenses. Mayor also wanted to point out to the committee how each Chief was not getting the old Chief's salary. They worked it where they would be stair stepping it to their increase.

Duncan began the discussion regarding an agreement between Paramedic Services of Illinois, Inc. PSI is the labor to run ambulance. They supply 2 full time paramedics. For the city ambulance service, the city has a full-time driver, which is one of the firemen. The city supplies one Part-time on call (POC) employee. The city tried to come up with system that is a little more competitive than the last ones from 2018. In 2018, the going rate was \$42,000 and then raising their rates to \$45,000, just a year or two ago. PSI came back for this negotiation and said the city needs to be at \$50,000, \$55,000 or \$60,000 for a paramedic.. With option 1, it would cost the city \$582,000.00/year, option 2 \$627,000.00/year, and option 3 \$672,000.00/year. Duncan went back and looked at ambulance budget. The ambulance fund is a good healthy fund and it only pays for these two pieces of labor, it does not pay for the part time on-call and the full-time firefighter. Duncan stated that he will be looking to discuss moving that poc position into the ambulance funds. Duncan recommends option 2, \$55,000 because it cashflows the best into system. Bacidore suggested having our own paramedics as city employees. Duncan stated that it is more effective for the city to be hiring out PSI for these two full-time positions. Duncan did mention that Option 2 is exactly the rate that the city settled on with Fire Dept union and their starting wage. This is the best option and makes the most economical sense. The city did get to an agreement with raises of 2% in year 2, 3% in year 3, 2.5% in the last year. also was fire negotiation too. they did get an extra .5% percent. PSI employees work 24hrs on, 48hrs off, and 24hrs on, working 2,912 hrs./year.

Duncan is suggesting a 4-year contract with PSI for starting wage at \$55,000. With the percentage bumps of 2% in year 2, 3% in year 3, 2.5% in the last year.

Duncan began the discussion regarding an agreement between LaSalle Professional Fire Fighters Local 4760 of the International Association of Fire Fighters and the City of La Salle. Duncan stated that this contract done very quickly. Chief is not under this

contract so it was Brian Zeller, bringing along the two new firefighters for this conversation. same strategy with them. This city was not that far off with Peru. There were no wholesale changes to schedule. The city does have Tom Melody, labor attorney to look over labor laws. He made about 5 or 6 changes in language and they were all things that were accepted.

Duncan began discussion regarding non-union wage ordinance. This is for the appointed staff. This was important for Duncan to have this established for salaries and payroll. This is a document that will come back for approval on an annual basis.

Duncan began discussion regarding POC & First Responder wage ordinance. These are for the paid-on calls, people that show up with ambulance call or ambulance transfer or fire call. They get a set rate for a call that is within a 2-hour timeframe. They will then get an overtime/hourly rate after the 2 hours is up. There is mileage of ambulance call based on the intensity of the call. There are three stages to a call: basic life support (BLS), Advanced Life Support (ALS), and Critical Care (CC) of intensity of their call. A CC transfer can only happen with certain degrees, so basically have to be a paramedic. Majority of transfer for the city have been 20-99 miles, with these being that's a one-way mileage.

The Mayor was very appreciative to Duncan for the work that has been put in since January.

### **OLD BUSINESS**

Ptak asked Duncan how projects like the "Big Dig" affect the budget. Mayor did mention how emergency situations are built into the budget. The project on 1<sup>st</sup> St., known as the Big Dig, can be pulled out of sewer fund.

Supt. Watson informed the committee on the 1<sup>st</sup> St project. There was a 12 in. sewer on south side, 9ft. deep, crushing and creating backup to for five of the businesses, 3 southside, 2 northside. The city has run all businesses to the new limestone structure, 18 feet deep. This has been an ongoing problem for 10 years ago. This issue has been due primarily with grease. The one business does now have a grease trap.

There were no more questions or comments from the public.

Chairman Ptak adjourned the meeting at 6:19 p.m.

A handwritten signature in black ink that reads "Amy Quinn". The signature is written in a cursive, flowing style.

Amy Quinn, City Clerk