

# THE CITY OF KIRTLAND FISCAL REVIEW TASK FORCE 2018



Dear Kirtland Residents,

I want to thank the members of the Fiscal Review Task Force for the hours of consideration and the summation of their findings in the following document. I would also like to thank the Department Heads for being forthcoming with information, and the City Council for nominating the members of the Task Force.

The diversity of backgrounds, experiences, and opinions on the Task Force added great value to the work product. With this document, the Task Force provided worthwhile insights into local government for the residents, council, and administration alike.

It's important to scrutinize our current activities, evaluate our successes and challenges for the present and the near future and work prudently and methodically to improve.

For their work without expectation of remuneration, votes, or recognition:

Louis Slapnick – Chair  
Chris Caimi  
Kevin Johnson

Mark Bailey  
Dave Dicillo  
Betsy Philips

Ken Boyd  
Tom Friedl  
Terry Simonian

Thank You!

Douglas E. Davidson  
Mayor, City of Kirtland

# **CITY OF KIRTLAND**

Fiscal Review Task Force

2018

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# FISCAL TASK FORCE MEMBERS

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# MISSION STATEMENT

To review and analyze the current financial position of the City of Kirtland for the purpose of promoting efficient and effective operations that ensure a financially strong government.



# INTRODUCTION

The Fiscal Review Task Force was convened to examine the current financial condition of the City of Kirtland, and to make recommendations to the Mayor and City Council for ways to reduce the City's expenses and increase revenues. The Task Force was comprised of 9 members appointed by the Mayor and members of City Council. The Task Force was given unlimited access to the City's financial management information. The City administration imposed no constraints on the Task Force about what findings it could or could not make.

The Task Force had the opportunity to interview each of the City's Departmental Directors, the Chief of Police and Fire, members of City Council and the Mayor. Each department's budget was available for review and questioning. Each director and chief sufficiently answered questions on functions within their purview where efficiencies could be improved or costs otherwise reduced. This report is the Task Force's analysis of its fact finding and recommendations.

The recommendations contained in this report are made without regard to political ramifications. Some of the recommendations may not be well received; some may ultimately be unworkable. However, the Task Force looked at all ways to reduce costs and increase revenues. The Task Force defers to the City's elected officials to determine what level of changes will be made or services affected.



# STATEMENT OF THE PROBLEM

Kirtland, while successful in many ways as a city, has insufficient carryover in its budget to allow the city to sustain the current level of operations and services. In addition, the budget does not allow for unexpected expenditures in the near term or into the future.

Significant indicators of this condition include the downgrading of the City's credit rating by the rating agencies, the informed opinion of our Finance Director, and the Auditor of State's report on fiscal health. As noted in the AOS report, the City had 5 critical outlook factors in 2016 which is an increase from 2015. The report shows that the City's General Fund expenditures have exceeded revenues over the last few years, has no unassigned fund balance and is in need of replacing its aging capital assets.

Among the causes of the current financial position include the reduction in the local government funds from the State of Ohio, the pressure of inflation on labor and operations costs, and the failure to anticipate the need for additional revenue streams and reductions in expenditures. Increases in general fees, periodic construction of homes, and incidental efficiencies found in operations will not by themselves allow the City to sustain.



# FORMAT OF THE REPORT

The Task Force looked at the operations of the City and explained its suggestions and recommendations by breaking them first into two general categories: Reductions in Expenses and Increases in Revenues. For each general category the report further broke down the suggestions and recommendations into those that can be addressed in the Short, Intermediate and Long Terms. Short Term changes are those that can be implemented within the next twelve months. Intermediate Term changes are those that would be expected to take between one and five years. Long Term changes are those that would be expected to take more than five years to implement.

Real long-term planning is essential to the City's continued financial health. City leaders will need to plan beyond current terms of office, and possibly beyond their own working lives, if Kirtland is to continue to be a desirable place to live and work in the future. Decisions that will need to be made in the next several years will be neither easy nor politically popular. What is done now, though, will directly affect Kirtland and its residents well into the decades to come.



# **SHORT TERM SPENDING REDUCTIONS**

## **1. Eliminate the Pool Service Fee Paid to Mentor & Willoughby.**

In 2017, the City paid approximately \$10,000 combined to the City of Mentor & Willoughby. This payment allowed Kirtland residents to obtain pool passes from either City at the resident rate of those communities. With restricted funding, the City should consider discontinuing this program and allocate this money towards essential services that benefit all City taxpayers.

## **2. Install an Unleaded Gasoline Tank for Use by All City Vehicles.**

The city purchases most of its unleaded fuel from one of the local gas stations without discounts. In the Police Department alone, each patrol car accumulates approximately 40,000 miles per year; thus resulting in a significant fuel expense. By installing an unleaded fuel tank, the City would be able to purchase fuel in bulk at reduced rates. If the city decided against the storage tank, it is recommended that the city negotiate a discounted gasoline price from one or both of the local gas stations.



# SHORT TERM SPENDING REDUCTIONS

## **3. Create a Centralize Purchasing Function.**

During a review of the City's purchasing policy, it was noted that Department Head's are permitted to approve purchases under \$500. Any purchase over \$500 requires a purchase order unless it falls under the following exception: Purchases over \$500 are permitted without a purchase order through an "emergency" procedure. ORC then allows the Finance Director to issue a "Then and Now" certificate which certifies that the funds were available at purchase and available at payment approval. It is estimated that 15%-20% of purchases needed the "Then and Now" certificate.

It is recommended that the Mayor expand the role of one city employee to act as a city-wide "Purchasing Manager". Under this structure, all quotes would be reviewed prior to purchase in order to determine if the goods/services are necessary, the best way to obtain the items, and they are obtained at the best possible price. Consolidating the City's purchasing power to obtain goods/services will result in an overall savings to the City.



# SHORT TERM SPENDING REDUCTIONS

## **4. Obtain an RFP for Cleaning Services at the Police Department.**

The City spent approximately \$31,000 in 2017 on labor to clean the Police Department. Over the last decade, many organizations have found it advantageous to outsource the cost of cleaning buildings to companies that specialize in this process. It is recommended that the City participate in a formal request for proposal and compare the cost of cleaning the building via a City employee and the cost from that of the submitted RFP.

## **5. Extend the Police Department's Vehicle Life & Reduce the**

**Number of Squad Cars.** The current life expectancy of a police vehicle is approximately 3 years given the wear and tear that typically occurs on a daily basis. The department currently has 9 vehicles and requests the purchase of two cars per year at a cost of \$30,000 each (including necessary upgrades). The department requires the vehicles not only for daily patrolling but also for court appearances and appointments. Based on the current staffing model and the daily patrol car requirements/usage, we feel that one car per year would be sufficient for maintaining safe and efficient vehicles for patrol services. After a patrol car finishes its third year, the car then could be used for more routine trips such as transportation to and from court appearances. If the cost of maintenance becomes too expensive on a retired vehicle used for routine appointments, the City should consider employees use their personal vehicles for appointments and are reimbursed the mileage at the IRS standard rate.



# SHORT TERM SPENDING REDUCTIONS

## **6. Evaluate and Restructure Administrative Staffing Levels.**

The City should look at administrative staffing levels and the overall structure of the City. This would include analyzing employee duties and responsibilities to determine if any overlap exists for the purpose of combining positions. In addition, the City should consider replacing part-time positions with full-time, with the intent of increasing oversight that provides improved efficiency while reducing overall operating expenses.



# SHORT TERM REVENUE INCREASES

**1. Sell the Naming Rights of the City Owned Recreation Fields and Allow for Advertising Throughout the Park.** The City of Kirtland's recreation department accounts for \$516,050 (6%) of the total 2017 City budget. Approximately \$244,450 is funded through the voted recreation levy, rental income, and charges for services. The difference is funded by the General Fund. Generating advertising income can be a source of revenue that helps create a self-supportive department that is not nearly as reliant on the General Fund.

**2. Increase Cemetery Burial Fees & Charge a Perpetual Care Fee.** Out of six surrounding communities, the City of Kirtland has the second lowest resident grave fee. The city should consider raising the fee to be comparable to that of surrounding communities. In addition, the City is one of two Communities (out of the 6) that do not have a "perpetual care" fee. This is an important fee where the principal is held in trust and any income is used to fund the ongoing maintenance of the cemetery. It is also recommended that the City



# SHORT TERM REVENUE INCREASES

**3. Levy an Admissions Tax.** There are several large scale special events that take place in the City of Kirtland on an annual basis. These events are typically held at the Lake Farm Park & Holden Arboretum and include the Vintage Ohio - Wine Festival, Halloween Hayrides, Goblin in the Gardens and Country Lights. With high attendance rates, there is an increased demand on City roads and services. We recommend the City look to approve a tax on the amounts paid for entry not only on the special events noted above but on all admissions.

**4. Increase Effort to Collect Unpaid Taxes.** As of 2017, the City had approximately \$392,000 in delinquent income taxes. Of the total, \$169,000 is comprised of the original tax while \$222,750 is from penalties and interest. It is recommended that the City consider a one-time waiver of penalty & interest in order to incentivize the payment of the original delinquent income taxes.



# SHORT TERM REVENUE INCREASES

**5. Reduce the City Residence Income Tax Credit.** Currently, the City's 2% income tax generates approximately \$3,640,000 per year. The City gives residents who work outside of Kirtland a 100% credit up to 1.75%. Reducing the credit rate to 1.50% or 1.25% would increase income tax revenue by an estimate of \$395,000 and \$795,000 respectively. The increase would have no effect on residents who work in Kirtland. It may, however, influence residents to move out of the City or discourage new individual's / families from moving in.

## **6. Submit a Bid to Obtain the Waite Hill Village Fire & EMS Service**

**Contract.** The Village of Waite Hill is under contract with the City of Willoughby Hills for Fire, EMS, and Dispatch through the end of 2018. Although Willoughby Hills is a neighboring community, Kirtland borders more of Waite Hill and could potentially provide faster response times than what is currently provided. This could be a great opportunity to raise additional revenue while also providing a value-added service to a neighboring community.



# INTERMEDIATE SPENDING REDUCTIONS

- 1. Conduct a Comprehensive Energy Analysis.** Utilities are a significant expense of the City and administration should be constantly looking at ways to save on energy. One specific area the City should look to is the First Energy Rebate Program. This program is designed to save usage hours on electrical accounts by reimbursing customers for the purchase of energy efficient bulbs. The City would also benefit from reduced monthly electrical expenses by utilizing energy efficient bulbs that use significantly less wattage. We recommend that the City take advantage of this program not only on indoor lighting (which they are currently performing), but also on outdoor lighting such as traffic signals and street lighting.
- 2. Perform a Comprehensive Review of the Cost's Associated with Maintaining the Kirtland Dispatch Center vs. Joining the County's Central Service Dispatch.**



# INTERMEDIATE SPENDING REDUCTIONS

It is estimated that the City spends over \$300,000 (including labor and benefits) providing 911 dispatch services each year. The current system is in need of replacement and will cost at least \$135,000 to upgrade. Based upon discussions with multiple employees in the city including both the Fire and Police Chief, there is a strong bias for the city to maintain its own 911 dispatch service as it provides many benefits to the city and its residents in a time of emergency.

Several years ago, Lake County created a county-wide dispatch center located across the street from Lakeland Community College. The concept was to create one operating system that can be utilized for all of the participating cities. The cost of the center is shared with all of the participating neighboring cities. At that time, the City of Kirtland decided to keep its own dispatch services. We understand that the County's Central Services has prepared a proposal to the City. While we have not seen the proposal, it has been reported to us that the annual cost to the city would be less than \$160,000 annually, however; the report management system costs have not yet been received. In order to switch over to the Central Services there is a one-time cost of approximately \$50,000. While these costs are significant, it is still less than the \$300,000 annual cost and the \$135,000 capital expenditure needed to maintain our current dispatch system.



# INTERMEDIATE SPENDING REDUCTIONS

Our recommendation is that a person independent of the city performs a complete evaluation of the operating costs associated with dispatch services and the capital outlay to continue to maintain the current system. This should include bids from multiple vendors, if available, and written specifications, on the proposed system installation to improve/repair the communication center. It should then be compared to the cost to participate in the county program or any other potential programs and include the capital outlay required to convert our police and fire equipment to the county program. After this evaluation, the city can evaluate the real cost differential compared to the benefits of having its own dispatch system. The Mayor and City Council can then choose the best path forward.

We are unable to make a specific recommendation as to which would be more cost effective in the long-run as we do not have a complete set of data. We understand that there are reasons to support maintaining the current system and reasons to switch to a collaborative system. A comprehensive look at the data, cost and ramifications of both will help decide what is best for the City.



# INTERMEDIATE SPENDING REDUCTIONS

## **3. Align Employee Benefits with Other Cities in the State of Ohio.**

The Fiscal Task Force reviewed the City's overall benefits package and compared it to the State Employment Relations Board's 2017 Insurance Report. Based on that information, some key points were highlighted and summarized below. This information was used in developing ways to reduce expenses for consideration by the City Administration.

### **Healthcare**

Based on the 2017 State Employment Relations Board report on insurance, the cost of healthcare for Ohio Cities increased on average approximately 13% from 2015-2017. The City of Kirtland's total healthcare expenditures have grown less than the average over that time period. In addition, the average monthly premium for single and family for Ohio Cities during 2017 was \$618 and \$1,688 as compared to Kirtland's of \$655 and \$2,064. The average monthly employee contribution for single and family for 2017 was \$63 and \$181 or approximately 10% of the total premium. The City of Kirtland requires a similar contribution of 10%.



# INTERMEDIATE SPENDING REDUCTIONS

Also, it should be noted that Kirtland is in the majority when it comes to offering a 100% co-insurance and no offer of an opt-out-incentive. 32% of Ohio Cities require an 80/20 split and 46.8% offer an opt-out incentive. Overall, the City of Kirtland is relatively comparable to other Ohio Cities in this regard.

One area where the City is not comparable with other Cities is the employee deductible. The City currently offers employees a \$0 deductible plan. Only 9% of Cities surveyed in the 2017 SERB report offered a \$0 deductible. The largest group of Ohio Cities totaling 39.9% required a \$1,300 or more deductible for single coverage and \$2,600 or more for family.

## **Dental**

The 2017 SERB report also discussed Dental costs. Based on the report, 95.4% of Ohio public employers offer Dental insurance to their employees. Cities in the State average a monthly family premium cost of \$89.69 of which \$23.63 is funded through the employee. The City of Kirtland's monthly family premium costs of \$78.94 is comparable, however; employees do not share in the cost.



# INTERMEDIATE SPENDING REDUCTIONS

**The Fiscal Task Force Recommends the City Consider the  
Following:**

- 1. Shop insurance that aligns the employee deductible with that of other Ohio Cities.** Offering a plan with an employee deductible can save significantly on premiums.
- 2. Offer an opt-out incentive.** Although the City is in the majority of Ohio Cities that do not offer an opt-out payment, this is a way to encourage employees to use other available insurance options and reduce City expenditures.
- 3. Implement a wellness program to improve employee health thus resulting in lower potential premiums.**
- 4. Consider Self-Insurance.**

# INTERMEDIATE REVENUE INCREASES

- 1. Consider the Purchase and Construction of Columbarium's at the City's South Cemetery.** Based on the 2017 report released by the "National Funeral Directors Association" the rate of cremation is at an all time high and has surpassed the rate of burial for the second year in a row. The NFDA projects the rate of cremation to be 78.8% by 2035. The City's South Cemetery currently has approximately 1 acre of empty space. The City should consider utilizing part of the undeveloped land to construct columbarium's to maximize space now and into the future.
- 2. Open City Properties to Gas Well Leases.** Northeast Ohio sits atop natural resources including Marcellus Shale. These resources provide an untapped revenue source that should be explored. RFP's set out to local drillers on current city owned land should be done at little to no cost.



# INTERMEDIATE REVENUE INCREASES

## **3. Consider Charter Millage Instead of Renewing Voted Levies.**

The City currently has several voted levies from the 1980's which are based on market values from that time. Instead of continually renewing the voted levies, the City should make a coordinated effort to explain to voters the concept of renewal, replacement, and charter millage. By replacing levies or implementing charter millage, the property tax revenue generated would adjust to current market values.

## **4. Consider Adding Additional Communities to Kirtland Dispatch.**

If the City determines that it is more cost effective to maintain a dispatch center, the City should look to service additional communities. Although this would require an increase in capital outlay upfront, the additional revenue from contracts with area communities would provide the City funding to improve/maintain the dispatch center. Not only would this investment benefit the residents by keeping the dispatch center within City limits, it would reduce costs for surrounding communities.



# INTERMEDIATE REVENUE INCREASES

## **5. Seek Voter Approval for an Increase in the City Income Tax Rate.**

Although one of the least desirable options discussed by the Fiscal Task Force, the City should consider this option to raise additional revenue. By raising the rate to 2.25%, the City would generate an estimated \$359,000 - \$409,000 in additional revenue. This must be considered carefully as Kirtland's income tax rate would be greater than that of surrounding communities. This could result in several negative impacts that include stunting economic development growth and the loss of current businesses and residents. One additional option is to increase the income tax rate and the credit rate proportionately. This effects two categories of residents 1) Individuals that both live and work in Kirtland and 2) Individuals who live in Kirtland and work in another City that has a lower tax rate. By offering a refund process to the affected residents for the additional rate increase would alleviate the increased tax burden while still increasing income tax revenue.



# LONG TERM SPENDING REDUCTIONS

## **1. Complete a Full Review of the City's Capital Assets & Seek an Appraisal by a Certified Company.**

The City spends approximately \$70,000 each year for insurance. This cost is mainly derived from the insurable dollar value of assets the City submits to the insurance company. Without an individual on staff that specializes in tracking current market values on its assets including building materials, it is impossible to know if the City is insuring their assets at correct values. If assets are not insured appropriately, several negative scenarios can occur. These include:

- An out-of-pocket expense not covered by insurance as a result of under-insuring an asset. This can have a detrimental effect on the City's current budget and any reserves it may have.
- Over-insured assets or insuring assets no longer owned by the City will result in an inflated insurance premium cost.

The purpose of an appraisal is to establish an independent, professional opinion of the insurable value of the property appraised and provide proof of loss documentation should the need arise.

Although this would require an immediate expense by the City, it can have a cost savings impact in the short-term, intermediate, and into the future.



# LONG TERM SPENDING REDUCTIONS

## **2. Reduce the Number of Fire Stations from 2 to 1.**

The City of Kirtland currently owns and operates two fire stations. Outside of the labor costs, the City incurs additional expenses that include utilities, building maintenance, insurance, etc. The City should look to replace both stations with one centrally located building. Although this would initially require a large capital cost, over time, the City could recoup these expenditures with the cost savings from eliminating the operation of two stations. The City should perform a full analysis on the cost to operate two stations and determine the overall savings.

**3. Implement an Early Retirement Incentive Plan.** State law permits Ohio's public employers to establish a retirement incentive plan. Such a plan, if established, allows the employer to purchase additional service credit for eligible employees, enabling those employees to retire early. This plan would act as an incentive for long-term personnel to retire resulting in lower labor costs. This is achieved by replacing open positions with new employees brought in at lower starting rates or not replacing the positions at all. The City should conduct a full analysis on it's workforce to determine the overall cost savings.



# LONG TERM SPENDING REDUCTIONS

**4. Regionalize Fire & EMS Service with Surrounding Cities.** Regionalism is a way that communities can potentially increase efficiency when providing services. This in no way suggests any reduction in service or manpower, but only the collaboration of funding and equipment.

Chief Hutton and the previously Chief Harvey, have already done an excellent job working with other Lake County/neighboring departments to implement many regional services. Examples include the Mutual Aid Box Alarm System (MABAS) that notifies and implements a response system for major incidents. Kirtland Fire is also part of Lake County Teams that provide technical rescue (rope, confined space, trench, water, and collapse rescue), and Hazardous Materials Mitigation. If the City of Kirtland had to provide all of the training, apparatus and equipment needed for these emergency services the cost would be unrealistic.

In 2017 the city allocated nearly \$500,000 for a new fire engine. This is a large capital purchase for any city, but especially for one that has an overall budget of \$8 million dollars. If fire departments in this area were regionalized into one entity then large purchases could be reduced or shared amongst communities. With many communities, like ours, looking for ways to reduce expenditures, regionalism is an option that cannot and will not happen overnight, but must be explored.



# LONG TERM REVENUE INCREASES

## **1. Develop a Master Plan for the City that Includes the Creation of an Economic Development Committee.**

The Economic Development Committee should look at ways to attract new businesses to the City. A few items that the Fiscal Task Force believe to be of importance include:

- Educate the City business owners regarding the Federal Tax Reform Act regarding C-Corporations and LLC's.
- Consider tax abatements.
- Complete a full inventory of all City owned property for the purpose of development.

## **2. Develop and Build a Municipal Broadband Network.**

Students within our school district and Lakeland along with the businesses and families who work from home depend on the internet. This places a continual increased demand on internet services each year with no end in sight. Currently, Spectrum is the major company that offers internet services to consumers in Kirtland and typically provides speeds of 60 megabytes per second to a residential home.



# LONG TERM REVENUE INCREASES

This is considered slow when compared to that of a Municipal Broadband Network such as the one implemented by the City Fairlawn, Ohio where speeds reach 1,000 megabytes per second. By building and implementing a Municipal Broadband Network, the City of Kirtland would be one of the few that offer this service. Not only would this attract new businesses, it would increase property values and ensure the future of the current stakeholders including the students at Kirtland Local Schools and Lakeland Community College. Although there are potentially significant benefits to this project, the City should carefully research this as there is a large upfront cost to build the network and other inherent risks that come with new and innovative projects.

# OTHER SIGNIFICANT ITEMS

**During the Fiscal Task Force review of the City's financial information, a few significant items stood out that were not categorized above. These items are as follows:**

## **1. The Service Department Lacks Overall Accountability.**

- Employee time is not tracked or logged based on the type of work completed. This is problematic as the Task Force was unable to determine the true cost of specific projects to properly analyze. It is recommended that the City implement a strict recording policy in order to track time and properly assign it to the corresponding account code on specific projects including road levy work.
- Maintenance history on equipment and operating hours are not tracked. An equipment summary of cost needs to be developed for individual pieces of equipment to properly evaluate repair method and/or purchasing decision options. Operating hours should also be tracked to help aid in recommending the need for purchasing versus renting equipment.



# SIGNIFICANT ISSUES CONTINUED

- The department does not continually receive safety training. More safety training needs to be integrated since road work has a very high-risk exposure to the employees. Safety classes recommended are OSHA 10-hour or 30-hour, trench/excavation safety and work zone traffic control classes. In addition, field training courses for asphalt, concrete and work zone certification should be obtained.
- There were several instances where work performed by the department was not up to code. This results in significant inefficiencies where the original work must be repaired or replaced. Quality Control (QC) needs to be implemented and should be in-place during reconstruction and resurfacing work that is being self-performed. This will aid in assuring only ODOT approved materials are used and that ODOT standard construction methods are followed to prevent potential pavement failures that may occur prematurely. In addition, more engineering and/or in-depth analysis of the existing road conditions needs to be evaluated. ODOT's Pavement Condition Rating system (PCR), as well as ODOT's flexible pavement design guidelines should be adhered to. Developing and adhering to a pavement maintenance program will help extend the life cycle of the pavement.



# SIGNIFICANT ISSUES CONTINUED

These bulletin points are not actual cost reducing expenditures, however, implementing these accounting practices, developing a pavement maintenance programs, developing a quality control program and providing safety/field training will benefit the City's budget indirectly. Accurate accounting history will aid in making better decisions and eliminate wasteful expenditures. Implementing pavement maintenance programs, quality control program and safety/training will help assure that the roadway pavement have longer useful life cycles which equate to lower costs.

## **2. The City's Finance Software Has Aged Past its Useful Life.** It

was noted in several instances that the Finance Department had to create or modify a system report for the needs of the Fiscal Task Force. This creates a hardship on the department when information is not readily available and can't be quickly analyzed for decision making purposes. It is commendable that the City's Finance Director and staff are able to produce necessary information with a limited software. The City should consider upgrading the accounting software with the intent of improving efficiencies throughout all departments.



# **SIGNIFICANT ISSUES CONTINUED**

## **3. Evaluate the Protocol of Issuing Traffic Citations.**

In 2017, the City collected \$52,203 in fines or fees. Based only upon a most recent month, the City issued citations less than 20% of the time when stopping an automobile for a traffic violation. As a result, the Police Department has been able to maintain good relationships with its local citizens.

The impact of increasing the ratio of traffic citations to traffic stops when a violation has occurred, not only increases money from fines & fees but also ensures a safe environment for our citizens. We recommend the Mayor and the Police Chief evaluate its protocol on issuing traffic citations to make sure that it is appropriate. Changing this ratio would allow the Police Department to maintain a more favorable operating budget, to keep the outstanding reputation and respect of our Officers and to ensure the safety of our community.

# CONCLUSION

The City of Kirtland has been a desirable community to live for many years. Although the City has made improvements, more work must be done. With economic downturns and State funding cuts, the administration must make tough decisions to ensure the future of this City.

This report provides ideas for the Mayor & Council to consider when looking to reduce expenditures and increase revenues. These ideas should be carefully considered and analyzed by City administration as they will directly affect the residents now and into the future.

The Task Force would like to thank the Mayor & Council for the opportunity to serve on this committee. It was a pleasure to work with all City representatives.



# SUMMARY

## **Short Term Spending Reductions**

- Eliminate the Pool Service Fee Paid to Mentor & Willoughby.
- Install an Unleaded Gasoline Tank for Use by All City Vehicles.
- Create a Centralized Purchasing Function.
- Obtain an RFP for Cleaning Services at the Police Department.
- Extend the Police Department's Vehicle Life & Reduce the Number of Squad Cars.
- Evaluate and Restructure Administrative Staffing Levels.

## **Short Term Revenue Increases**

- Sell the Naming Rights of the City Owned Recreation Fields and Allow for Advertising Throughout the Park.
- Increase Cemetery Burial Fees & Charge a Perpetual Care Fee.
- Levy an Admissions Tax.
- Increase Effort to Collect Unpaid Taxes.
- Reduce the City Residence Income Tax Credit.
- Submit a Bid to Obtain the Waite Hill Village Fire & EMS Service.

# SUMMARY

## **Intermediate Spending Reductions**

- Conduct a Comprehensive Energy Analysis.
- Perform a Comprehensive Review of the Cost's Associated with Maintaining the Kirtland Dispatch Center vs. Joining the County's Central Service Dispatch.
- Align Employee Benefits with that of Other Cities in the State of Ohio.

## **Intermediate Revenue Increases**

- Consider the Purchase and Construction of Columbarium's at the City's South Cemetery.
- Open City Properties to Gas Well Leases.
- Consider Charter Millage Instead of Renewing Voted Levies.
- Consider Adding Additional Communities to Kirtland Dispatch.
- Seek Voter Approval for an Increase in the City Income Tax Rate.



# SUMMARY

## **Long Term Spending Reductions**

- Complete a Full Review of the City's Capital Assets & Seek an Appraisal by a Certified Company.
- Reduce the Number of Fire Stations from 2 to 1.
- Implement an Early Retirement Incentive Plan.
- Regionalize Fire & EMS Service with Surrounding Cities.

## **Long Term Revenue Increases**

- Develop a Master Plan for the City that Includes the Creation of an Economic Development Committee.
- Develop and Build a Municipal Broadband Network.

## **Other Significant Items**

- The Service Department Lacks Overall Accountability.
- The City's Finance Software Has Aged Past its Useful Life.
- Evaluate the Protocol of Issuing Traffic Citations.