

KIRTLAND CITY COUNCIL MINUTES

FINANCE COMMITTEE / SERVICE DEPARTMENT STANDING COMMITTEE

March 6, 2023

The combined meeting of the Kirtland City Council Finance Committee (Council as a Whole) and the Service Department Standing Committee commenced at 6:00 p.m. Council members present were: Ronald Fenstermaker, Scott Haymer, Jeffrey Ruple, Matthew Schulz, Joseph Smolic and Eric Ziegler. Absent: Richard Lowery.

Also in attendance were Mayor Kevin Potter, Finance Director Louis Slapnicker, City Engineer Douglas Courtney, Service Director Joseph Fornaro, Police Chief Brian McCallister, Fire Chief Anthony Hutton and Senior Center Coordinator Teresa Szary.

Addressing the topic of the roads first, Mr. Slapnicker advised that in the 2023 budget, there is \$1,114,365.08 budgeted for the 2023 road improvement project. He said that \$100,000 relates to road maintenance that is budgeted in the General Fund, and the remaining \$1,014,365 is budgeted from the Road Improvement Fund 460. There are three funding sources for this year's road program – \$676,000 from the General Fund transfer; remaining funds from previous projects out of Fund 205; and additional funds from previous ARPA funds out of Fund 217.

Mr. Fornaro said two roads that will need to go out for bids for reconstruction are Fox Hill (to line up with the drainage project) and Crestwood Drive South. The estimated cost for Fox Hill is \$232,600; and the estimated cost for Crestwood is \$278,500. Mr. Fornaro provided details on the scope of the drainage and road project.

For the rest of the road program, Mr. Fornaro said that chip and seal is an option; he noted that potential streets are identified for chip seal and some for infra-red paving. Mr. Fornaro said there will be two different treatment options for consideration. He noted that the streets identified are Blueberry Hill, Crary and Far Bar, and Hillcrest and Highland; he stressed that this is a potential list. Mr. Fornaro said that another potential street is Regency Woods, from Cardinal to Kirtland-Chardon. He said the plan is to do full-depth repairs in those areas. There was discussion regarding the asphalt recycle process, and potential full and partial depth repair on Hobart and Kirtland-Chardon.

Mr. Fornaro said that road striping is planned for Booth, Sperry, Kirtland-Chardon and Eagle. He noted that the City spends \$28,000 to \$35,000 on road striping. Answering Councilman Schulz, Mr. Fornaro said that the equipment needed for striping is very expensive.

Discussion ensued regarding the condition of various streets throughout the City.

Moving to the finance portion of the meeting, Mr. Slapnicker noted that a lot of material was covered at the last Finance Committee meeting. Picking up on the topic of gross wages, Mr. Slapnicker said that some changes from last year to this year include two percent raises in the collective bargaining agreements that run through 2023. Additionally, the City has budgeted for a new hire for a patrol officer. He noted it was in the budget last year for two patrol officers; one individual was hired last year, so there is still another patrol officer in this year's budget.

Mr. Slapnicker noted there has been discussion on the hiring of the three new full-time firefighters as a result of the grant. He said that an additional item in the budget is for three firefighter/paramedic promotions to lieutenants. Chief Hutton said this is something the Department has been trying to accomplish for many years. He noted there have been a lot of changes in the Fire Department over the past couple months.

Chief Hutton noted that with mutual aid, Kirtland is often left with no officer on duty. He said that an officer needs to be sent with the crew, but it is a good idea to have an officer stay in Kirtland as well. Chief Hutton noted that Captain Bode will be replaced with a captain; he said there will be a test for one captain and three lieutenants.

Chief Hutton noted that the pay increase from firefighter to lieutenant is minimal, at approximately \$3,000 per person. He said the goal is to have the best person fill the gap when the captain is not on duty; with the three promotions to lieutenant, the Department will always have a captain or lieutenant on duty, which will increase safety.

Chief Hutton said that one of the recent changes was putting the administrative assistant back on shift, while continuing with the duties of administrative assistant. However, he resigned in mid-February, and the administrative duties will now be spread to the lieutenants and the captain, which will be a benefit financially and for the Department.

Referring to the gross wages by department, Mr. Slapnicker said that for the Community/Rec. Center, there is an increase of approximately \$20,000 in labor costs related to part-time hours. He noted the center is staying open later in the evening and there have been more rentals. He said there is a 27 percent increase in the part-time hours in order to be fully funded for all of the events at the Community Center.

With regard to the rising cost of fuel and utilities, Mr. Slapnicker said that a ten percent increase for commodities is built into the budget.

Mr. Slapnicker advised that this is the last year in the consortium with the county for medical benefits. He noted there was a ten percent increase in rates, which was part of the contract with the county.

Council President Ruple inquired about municipal court charges. Referring to the line item detail, Mr. Slapnicker advised that \$50,000 is budgeted for the City's share of the Willoughby Municipal Court operations. He noted that in January, Mrs. Kovalchik attended the Willoughby Municipal Court meeting, and they are anticipating \$525,000 deficit spending; the City's share last year was 8.38 percent. Mr. Slapnicker said he has estimated a 9.5 percent share (\$50,000) of that operating deficit that will be the responsibility of the City.

Responding to Councilman Schulz requiring debt paydown, Mr. Slapnicker said that long-term debt amortization schedules will remain the same. He said the City is not making any payments over and above the required payouts for the zero percent loans. He noted that the other long-term bonds are fixed rates, and the City follows the amortization schedule. Mr. Slapnicker stated that Mr. Reidy assisted the City with an analysis relating to staying in the note market or moving into the bond market. He noted that income tax revenue has been increasing the past few years, and the City has been aggressive with optional paydowns. In discussion, Mr. Slapnicker said there is interest rate risk, but it is important for the City to maintain flexibility by staying in the short-term note market.

Councilman Schulz inquired about updating the Ordinances. Mayor Potter advised it was in last year's budget, but it was not done; he noted that the Planning and Zoning Commission has recently reviewed the Ordinances and are still working on some possible amendments. The Mayor said it is his hope that the Ordinances will be updated this year.

Councilman Schulz noted that the 2021 audited financial statements are not on the City's website. Mr. Slapnicker said he will have them added to the City's website, noting that the City's audit is also available on the State's website.

There was no further discussion, and the meeting adjourned at 6:38 p.m. upon the motion of Mr. Smolic and the second of Mr. Fenstermaker.

President of Council

Service Department Standing Committee Chair

Clerk of Council