

## MINUTES

### KIRTLAND CITY COUNCIL FINANCE COMMITTEE

March 12, 2024

The meeting of the Kirtland City Council Finance Committee (Council as a Whole) commenced at 5:03 p.m. Council members present were: Ronald Fenstermaker, Scott Haymer, Joseph Smolic, Julie Symonds and Eric Ziegler. Absent: Suzanne Grazia and Matthew Schulz.

Also in attendance were Mayor Kevin Potter, Finance Director Louis Slapnicker, Service Director Joseph Fornaro, Police Chief Brian McCallister and Fire Captain Frank Ponzani.

Councilman Ziegler, as Finance Committee Chair, said the purpose of the meeting is to review the budget before Third Reading, specifically the \$2.5 million note for road improvements, the cost of dash-cams for the Police Department, and a new fire truck.

With regard to the \$2.5 million note for road improvements, Mr. Slapnicker noted that he had provided an estimated cash flow worksheet for governmental debt, which showed that the City was able to make the payments without a new source of revenue, taking it through the life of the new note in addition to the current note on the books. He reviewed a revised worksheet that he provided to Council earlier today, which showed a faster paydown of notes and less interest costs. There was discussion regarding the different scenarios.

There was discussion regarding the negative impact of not taking out the note for the roads. It was noted that there would be \$150,000 in the General Fund for crack sealing, striping and patching. Mr. Slapnicker noted that in past years there was ARPA funding, with over \$700,000 designated for roads; it was supplemented with some transfers out of the General Fund. He said that going forward, it would be difficult to have a road plan without this note and the revenue sources. Councilman Hayer noted that everything in the budget is funded, except for roads. Mr. Slapnicker said there are no true reserves for capital or road improvement funding. Mayor Potter said there is almost \$900,000 in capital funded from the General Fund in this year's budget; noting that it is an either/or situation until the City has a dedicated source of funding. He said the next question for Council and the Administration relates to what is presented to the voters in the fall of 2024. Discussion ensued.

There was discussion regarding vehicles and equipment purchased the last few years. Mr. Slapnicker noted that in October, at Councilman Fenstermaker's request, he provided a list of all the capital purchases. Mr. Slapnicker advised that no vehicles or equipment have been financed since he has been in the Finance Department.

For Council to be able to vote on the \$2.5 million noted, Councilman Fenstermaker said Council should have a document with bullet points justifying taking on this debt, noting that it would also provide clarification for the residents. Mr. Slapnicker noted that the bond counsel looks at the City's debt and issues an opinion.

With regard to roads, Councilman Fenstermaker said that the Ordinance states the Mayor is supposed to provide Council with a ten-year plan, noting that the plan on the website is not up to date. Mr. Fornaro requested that a Service Department Standing Committee meeting be scheduled for review of the PMG report. It was agreed that a meeting be scheduled for Saturday, March 23 at 11:00 a.m.

With regard to dash-cams for the Police Department, Chief McCallister said he received a tentative quote from Axon; they will not provide a written quote until he sits through their sales presentation next Friday. He said that for body cameras, in-car cameras, and the cloud-based system with redaction software, they quoted \$153,000. The Chief said he also reached out to Motorola, who quoted \$105,000 for in-car cameras, body cameras and a cloud-based system with redaction software. He noted that Ohio has grant opportunities for the body camera portion, which would be approximately \$33,000. Chief McCallister confirmed that the Department has body cameras, but they are not equipped to work with a cloud-based system. He explained

the benefits of acquiring new body cameras that will work on the cloud. Answering Councilman Fenstermaker, Chief McCallister said that Axon and Motorola are two different software systems, with Axon's system being a little more sophisticated. In discussion, Chief McCallister said the Motorola system (Watch Guard) makes sense for the Department. He noted that there would be a \$16,000 installation charge and an annual cost for the subscription service. Discussion ensued.

Councilman Haymer inquired about the need for a police car. Chief McCallister said that once the police cars reach 100,000 miles, there are a lot of problems. He said he wants to make sure the officers have equipment that is functioning and as safe as possible. At such high mileage, a police car will reach a point where it is not worth the money being put into it; he noted that police cars are driven hard. Discussion ensued regarding the fleet rotation.

There was discussion regarding working the cameras into the budget and the grant opportunities. Mr. Slapnick noted that even if funds are included in the budget, authority to purchase would still be needed.

Discussion moved to budgeting for a new fire truck. Mayor Potter said the plan was to put \$150,000 from the General Fund into the Capital Reserve Fund for the Fire Department, for a total of \$375,000 in this year's budget; next year \$200,000 would be put in that fund, and the balance in 2026, and the truck would be ordered at that point. He noted that Chief Hutton found another option for Council to consider, as discussed at the last meeting. Council President Smolic said he has reservations about ordering the truck frame this year. Captain Ponzani said he understands the concern. He noted that everything is custom on a fire truck, and they are built to order. He noted that the Rosenbauer representative said he has never heard of a fire truck being delivered ahead of schedule.

With regard to differences between the existing Rosenbauer truck and the new one, Captain Ponzani said the new truck would be slightly larger, so the extrication equipment will fit; another difference is the light tower. He noted it would be used for a combination of structural firefighting and extrication.

Captain Ponzani said they are quoting 18 to 20 months, and possibly longer, for the chassis. He noted that he believes the Rosenbauer representative will be attending next week's Police and Fire Standing Committee meeting. Captain Ponzani said the chassis would go to South Dakota and be placed on the production line, noting that it takes two years to build the truck. He noted that if the chassis is purchased now, it does not lock in the price of the fire truck; but it gets the process moving because of the long lead times. Captain Ponzani compared the cost of the existing fire truck, which was ordered in 2017, to the increased cost of fire trucks purchased by neighboring cities in the past few years. Discussion ensued regarding the benefit and concerns of ordering the chassis ahead of time. Captain Ponzani said the two issues are lead time and cost increases. He noted that the representative said that the chassis will have a six to eight percent price increase on April 1, but he will see if he can hold the price for a couple weeks due to the timing of the budget process. Mayor Potter noted that if the fire truck is not ordered until 2026, the City will have to budget for the entire purchase at that time. Discussion ensued regarding budgeting.

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

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President of Council

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Clerk of Council