

KIRTLAND CITY COUNCIL MINUTES

FINANCE COMMITTEE / WORK SESSION

March 4, 2024

The Kirtland City Council Finance Committee (Council as a Whole) / Work Session meeting commenced at 6:04 p.m. Council members present were: Ronald Fenstermaker, Suzanne Grazia, Scott Haymer, Matthew Schulz, Joseph Smolic, Julie Symonds and Eric Ziegler.

Also in attendance were Mayor Kevin Potter, Law Director Matthew Lallo, Finance Director Louis Slapnicker, City Engineer Douglas Courtney, Service Director Joseph Fornaro, Police Chief Brian McCallister and Fire Chief Anthony Hutton.

There was brief discussion regarding items on tonight's meeting agenda.

Mr. Slapnicker advised that there will be a change to the budget. Chief Hutton advised that Willoughby Dispatch is still using some old technology, and the old low-band system failed. The new system, for both Kirtland stations, will cost approximately \$18,000. Mr. Slapnicker advised that the updated appropriation will be sent to Council this week.

Mr. Slapnicker advised that he sent Council a new debt worksheet that included some interest costs. With regard to capital, Mr. Slapnicker said he prepared a compilation of the items requested by the Department Heads.

Mr. Slapnicker advised that the wastewater treatment plants are separate individual funds that are funded by the rates from the houses tied into those specific treatment plants. He noted that the funds cannot afford the necessary capital improvements, and those funds cannot become negative because of audit citations. He said the City needs to address those rates.

Mr. Slapnicker reviewed the remaining Service Department capital requests that would be funded from the General Fund, noting that the worksheet also lists those that are not being funded. Mr. Slapnicker reviewed the capital requests relating to City lands and buildings.

With regard to storm and drainage, Mr. Slapnicker said the City uses the Lake County Stormwater funds that are available, noting that he budgeted the current balance and the amount that is expected to be received in 2024, which is approximately \$151,000. The total available funds from the County is \$624,000. He noted those projects are always pre-funded. Mr. Slapnicker said that the Parkwood project will be done in two phases; Phase I will be this year and Phase II will be next year. If the entire balance is used this year, he noted that the City would have to take some dollars from the General Fund to make up the difference for Phase II.

With regard to the road program and the \$2.5 million note legislation, there was discussion regarding the debt breakdown. Mr. Slapnicker said he provided an updated worksheet, with interest estimates added. He said this shows that the City has the cash flow and capacity for the principal and interest payments, noting that a long-term bond will be coming off the books in 2026.

For the Police Department, Mr. Slapnicker said one new cruiser will be funded. Chief McCallister said that with the two new vehicles purchased last year, the Department has been trying to stagger the vehicles and spread out the mileage in order to stay on a purchase program of one car per year.

Councilman Fenstermaker suggested that dash-cams be considered in place of purchasing a new cruiser, noting that they protect the officers and the City. Chief McCallister said there are two cars that are at 100,000

miles; they begin to fall apart when they reach that mileage. He said the dash-cams would be a \$70,000 to \$80,000 investment. Mr. Lallo noted that the question of not having dash-cams often comes up in court hearings. Noting that the City chose to go to a singular body camera system and to eliminate the vehicle cameras due to old technology, Chief McCallister said that he will start putting out requests for information this year. He noted the only grant opportunities are for the body cameras, which is why a lot of agencies are choosing to go with just the body worn cameras. He added that Lexipol only has a policy for body worn cameras; they do not have a policy for dash cameras. Discussion ensued.

With regard to the Fire Department, Mr. Slapnicker said there is \$225,000 in the capital reserve; with a \$150,000 transfer it would bring the total to \$375,000 to purchase a fire truck chassis. Chief Hutton said he has been working to get a fire truck for the last couple of years. He said the cost of fire trucks keeps rising, and the time frame to build them is three to four years. He noted that the City paid \$381,000 for the 2017 Rosenbauer; the cost of that same truck is now \$873,000. The Chief noted he has looked at other vendors and compared prices of trucks. He is concerned that if the purchase is delayed until 2026, the cost will be near \$1 million; there is an option now to use the available \$375,000 to pre-order the Rosenbauer chassis this year. The chassis would be ready in approximately 18 months; it would be shipped to the Rosenbauer factory in South Dakota where the cab would be built on the chassis, at which time the cost of the chassis would be paid. He noted that a few months before the chassis arrives at the factory, the City would receive an updated quote on the body of the truck, including the pump, ladders and tank. He noted the truck would be complete in late 2026 or early 2027; Council would see legislation for the truck body at that time. Mr. Slapnicker explained how the funding would be accomplished.

Answering Councilman Haymer, Chief Hutton said it would be hard to find a used or demo fire truck to fit the City of Kirtland's needs. Noting that fire levies have been passed and EMS billing has been implemented, Chief Hutton said \$235,000 was generated each of the past two years from EMS billing. He said in order to take care of the community, a used fire truck is not an option. Chief Hutton stressed the importance of funding the Fire Department for a new truck. He noted that parts are no longer available for the two 2002 LaFrance fire trucks.

Mayor Potter suggested that a meeting of the Police and Fire Standing Committee be scheduled.

Mr. Slapnicker reviewed the Community Center capital requests, noting that funding is through the Kirtland local levy. He noted that the \$50,000 is a grant award from the County levy.

From the General Fund, Mr. Slapnicker said \$881,000 would fund capital; the remaining funds come from other sources. He said that based on the conservative revenue estimates, and if the City were to spend every dollar that is in the appropriation ordinance, the City would have an estimated balance of \$1.1 million. Mr. Slapnicker reviewed the debt that will be paid this year.

Referring to the other line items that make up the appropriation ordinance, Mr. Slapnicker noted that he highlighted the items that Council has already approved.

Referring to the increase in the breakdown for the Law Department, Mr. Lallo said the only difference this year is that the Assistant Law Director is a W-2 employee rather than a 1099. Mr. Slapnicker said it shows up in gross wages and not in contract services.

Mr. Slapnicker reviewed the estimated fund balances, explaining how each are funded. Councilman Fenstermaker suggested that consideration be given to a Police and Fire levy.

It was agreed that a 6:30 p.m. work session be scheduled before the next Council meeting for a final review of the appropriation.

With regard to legislation on tonight's agenda relating to engine brakes, Mr. Lallo requested that it be passed tonight, noting he received a letter from the Jake Brake company. This would remove the Jake Brake name from the ordinance.

There was no further discussion, and the meeting adjourned at 6:56 p.m. upon the unanimous consent of Council.

President of Council

Clerk of Council