

**SPECIAL BUDGET & FINANCE COMMITTEE MEETING
CITY HALL CONFERENCE ROOM
MONDAY, AUGUST 18, 2014
4:30 P.M.**

AGENDA

- I. CALL TO ORDER
- II. CONSENT AGENDA
 - A. Minutes (page 1)
- III. NEW BUSINESS
 - A. 2015 Budget (page 7)
- IV. OLD BUSINESS
- V. INFORMATIONAL
 - A. Next Meeting – Monday, September 8, 2014 at 4:30 p.m.
- VI. ADJOURN

*****Please contact Renee Eckerly if you can't attend the meeting.*****

Voting Members: Jean Soine, Belinda Ludwig, Elliot LaBeau, Kay McDaniel, and Renee Eckerly.

This agenda has been prepared to provide information regarding an upcoming meeting of the Paynesville Budget & Finance Committee. This document does not claim to be complete and is subject to change.

BARRIER FREE: All Paynesville Budget & Finance Committee meetings are accessible to the handicapped. Attempts will be made to accommodate any other individual need for special services. Please contact City Hall (320) 243-3714 early, so necessary arrangements can be made.

REQUEST FOR COMMITTEE/COUNCIL ACTION

COMMITTEE/COUNCIL NAME: Budget & Finance Committee

Committee/Council Meeting Date: August 18, 2014

Agenda Section: Consent Agenda

Originating Department: Administration

Item Number: III - A

ITEM DESCRIPTION: Minutes

Prepared by: Staff

COMMENTS:

Please review the minutes from the June 30 and July 21, 2014 Budget & Finance Committee meetings.

ADMINISTRATOR COMMENTS:

COMMITTEE/COUNCIL ACTION:

Motion to approve the minutes from the June 30 and July 21, 2014 Budget & Finance Committee meetings.

**MINUTES
SPECIAL BUDGET & FINANCE COMMITTEE**

JUNE 30, 2014

Jean Soine called the meeting to order at 4:45 p.m. Other members present were Kay McDaniel, Belinda Ludwig, Finance Specialist.; and Renee Eckerly, City Administrator. Elliott LaBeau was absent. Paul Wegner, Police Chief was also in attendance.

There were no minutes available for approval.

MAYOR & COUNCIL MEMBERS SALARIES & OTHER COMPENSATION

The Committee discussed if there would be any increase for 2015. The Committee suggested putting this on the next City Council meeting agenda for discussion.

CONTRACTS

The following contracts were reviewed:

Bennett – the Committee is currently reviewing this.

Stearns County Sheriff's Department – nothing will be done this year since it is an election year.

Recreational Programs – 2015 Preliminary Budget:

After Prom	2014 =	\$450.00	2015 =	\$0.00
Historical Society	2014 =	\$8,000.00	2015 =	\$7,000.00
Paynesville Area Center	2014 =	\$8,500.00	2015 =	\$9,000.00
Community Education	2014 =	\$6,251.00	2015 =	\$6,251.00
Hockey Association	2014 =	\$6,500.00	2015 =	\$6,500.00
Fireworks	2014 =	\$2,000.00	2015 =	\$2,000.00
AIS – same as 2014				

PURCHASE OF NEW/REPLACEMENT EQUIPMENT FOR THE POLICE DEPARTMENT

The Police Department is in need of replacing some of the old/nonfunctioning equipment. In April, the City Council transferred the remaining balance of the 2013 budget into the department's capital improvement accounts. With the additional funds, the department would like to purchase the following items:

- Tasers- New Tasers. Current X26 tasers purchased in 2005 and 2006. One of the Tasers currently is inoperable. Recommended replacement is 5 years. Taser has come out with a new program called TAP. Upfront costs are slightly less however there is a yearly fee of \$615. This amount is included in the quoted price for year one. At the end of 5 years, Taser will replace the Tasers at no cost with the newest Taser in that class. The department would be given 4 Tasers for the price of 3, thus eliminating the need to purchase a taser in 2015 (Cost \$4,300- This covers X2 Taser, Extended Warranty, cartridges, holster, and power magazine)
- Squad Camera- Replace current Digital Ally with Watch Guard. Digital Ally Video Manager may have issues running in Windows 7. Camera will be able to transfer to future squads.

This will provide the department with two of the same in-squad camera systems. The current WatchGuard camera system is functioning great and has provided exceptional evidence when needed. The department applied for and was awarded a matching grant from CenterPoint Energy to cover half the cost of the camera system. (Cost \$2,450)

Total Expense: Estimated \$6,750 (This is down from the initial \$11,500 originally requested)

Chief Wegner has prepared a depreciation scale for the continued replacement of aging equipment. With the purchase of these items, the department will use the depreciation scale for future purchases of these items.

The Police Department currently has over \$70,000 in capital improvement. This does not include a possible transfer of \$10,000 into the Capital Improvement Fund at the end of the year (based on need from the hiring of Officer Klingfus).

Wegner reported that the grant from CenterPoint Energy was to purchase new Watch Guard. Wegner requested \$3,000.00 from the Police Department CIP. The camera system should be \$4,900.00.

Wegner reported that the tasers should be individually assigned to each officer and then accountability/responsibility to maintain the equipment is on the officer. Wegner researched purchasing, but now is suggesting utilizing the TAP Program which is put out by Taser. Under the program the department would buy 3 and get 1 free. Initial startup is \$4,300.00 and then a yearly fee of \$615.00 for 4 years for a total of \$2,650.00. TAP comes with a 5 year warranty and would not need an extended warranty. TAP saves approximately \$1,544.95. Tasers would be \$4,300.00 which includes the 1st month for \$615.00 and then annual payments of \$615.00 for the next 4 years. Wegner's taser doesn't need to be replaced for 4 years. The \$4,300.00 includes the holster and power magazine and should not need to be replaced for 5 years.

Motion was made by McDaniel to approve the purchase of New X2 Tasers on the TAP program through Taser and a new WatchGuard Camera System with a matching grant from CenterPoint Energy from the Police Departments Capital Improvement Fund up to a maximum of \$7,300.00 and recommend such to the City Council. Seconded by Soine and unanimously carried.

The Committee discussed with Wegner the future of more purchases because of the concern of depleting the Capital Improvement account. Wegner is confident that he will not need any more purchases and will follow his purchase schedule.

IT SERVICE PROPOSAL

This item was tabled.

PURCHASE OF COPIER

Eckerly presented 3 proposals. The Committee questioned if all the proposals had 15,000 back and white and 4,000 color included in the base price. Eckerly will research this.

STADIUM/GRANDSTAND

Eckerly recommended that the City contribute \$5,000.00 a year for 5 years toward the storm shelter, only to protect and save citizen's lives in the event of a disaster.

**Motion was made by McDaniel to pay the school \$5,000.00 a year for the next 5 years toward the storm shelter and recommend such to the City Council.
Seconded by Ludwig and unanimously carried.**

NEXT MEETING

The next meeting will be July 21, 2014 at 4:30 p.m.

There being no further business, the meeting was adjourned at 6:10 p.m.

**MINUTES
SPECIAL BUDGET & FINANCE COMMITTEE**

JULY 21, 2014

Jean Soine called the meeting to order at 4:30 p.m. Other members present were Kay McDaniel, Elliot LaBeau, Belinda Ludwig, Finance Specialist.; and Renee Eckerly, City Administrator. Elliott LaBeau was absent.

There were no minutes available for approval.

IT SERVICE PROPOSAL

Eckerly reported on the two IT providers:

Marco	=	\$1,504.00 per month
Bennett	=	\$2,500.00 per month

The Committee suggested cutting all the time frames in half for early termination penalties. The City has been with Bennett for many years. Since December, the servers have been rebooting every Monday until June and the City paid for all this support for a situation that Bennett never resolved for 6 months. Eckerly visited with representatives from Bennett and no consideration was given for the hours paid for, for the same problem over numerous months. Some staff can't print to the copier and Bennett can't figure it out. Bennett's proposal didn't include Appendix B. The Committee also discussed a new virtual server costing about \$9,922.00.

Motion was made by Ludwig to approve the IT proposal from Marco with a decrease in time frame in the termination clause and recommend such to the City Council. Seconded by LaBeau and unanimously carried.

PURCHASE OF COPIER

Eckerly reviewed the spreadsheet on the 3 options for copiers. All three copiers have the same features. The Committee reviewed the rates for black and white and colored. It was asked if there was a base rate or not and if they are locked in or not. Loffler is the only one with locked rates. All the companies would buyout the current lease and ship the current copier back. Marco is the only company that guarantees to replace the machine with a different machine if it has issues.

The price quotes are as follows:

1. Marco	=	\$6,163.44 annually
2. Loffler	=	\$5,850.72 annually
3. MN Computer Systems	=	\$5,247.84 annually

Currently the City is paying \$6,429.89 annually.

Motion was made by McDaniel to approve the Konica C654e, lock in the rates, and recommend such to the City Council. Seconded by LaBeau and unanimously carried.

COALITION OF GREATER MINNESOTA CITIES

The Committee discussed joining the Coalition of Greater MN Cities. The dues are phased in at a cost of \$1,156.00; which is only a quarter of the annual fees. The City is already a member of the League of Minnesota Cities and the Small Cities Association. The Committee is not interested in joining for the quoted amount.

INITIATIVE FOUNDATION

The Committee discussed what the Initiative Foundation has done for the City through grants and would like to budget \$250.00 in the 2015 Budget.

NEXT MEETING

The next meeting will be August 4, 2014 at 4:30 p.m.

There being no further business, the meeting was adjourned at 5:30 p.m.

2014 Levy Calculation

As of 8-15-14

2015 Expenses	\$1,950,990.00				
2015 Revenue	(\$1,285,014.00)				
Difference needed to Balance Budget	\$665,976.00				
Levy 2015	\$665,976.00				
Levy 2014	(\$565,762.00)	this line is previous yr property tax, market value credit & mobile home credit			
Levy Increase	\$100,214.00				
Levy Increase	\$100,214.00	divide by	\$565,762.00 (Levy 2014)=	0.177131	
2014 property tax amount \$565,762; market value \$0; mobile home \$0.00					