

**MINUTES  
BUDGET & FINANCE COMMITTEE**

**FEBRUARY 9, 2015**

Jean Soine called the meeting to order at 4:30 p.m. Other members present were Neil Herzberg, Elliot LaBeau, Belinda Ludwig, Finance Specialist.; and Renee Eckerly, City Administrator. Paul Wegner, Police Chief was also in attendance.

No meeting minutes available for approval.

**ELECTION OF OFFICERS**

**Motion was made by Eckerly to elect Soine as Chairperson; LaBeau as Vice Chairperson; and Eckerly as Secretary. Seconded by Herzberg and unanimously carried.**

**MEETING SCHEDULE**

**Motion was made by Herzberg to set the Budget & Finance Committee meetings for the 1<sup>st</sup> Tuesday of each month at 4:45 p.m. Seconded by Ludwig and unanimously carried.**

**POLICE DEPARTMENT - PURCHASE OF 2015 SQUAD CAR**

Wegner gave a report on the need for a new squad and recommended another SUV. The radar and camera system has been purchased through a grant. The ability to transfer equipment would not work. The current SUV would be replaced in 2018 as the squads are on a 5 year replacement schedule. The current squad car's condition is okay; however, recently spent \$700.00 for repairs. The sale of the surplus vehicle would be on eBay. Wegner is budgeting \$16,000.00 each year for capital improvement. Nelson Auto is the state contract bidder. Chevy doesn't have an SUV and a Durango is \$30,000.00. It is recommended to stay local for \$37,823.83. In the depreciation schedule a new vehicle is estimated at \$38,000.00. Wegner is also negotiating for an in-car ticket system grant. There is a deadline of February 13, 2015 to order a 2015. The vehicle should be in by May of 2015. Wegner would also use DWI forfeiture funds to help fund the purchase. Last year the Committee reduced the capital improvement transfer from \$16,000.00 to \$11,500.00. The next two new squads will not need new cameras.

**Statement of Need:**

The Paynesville Police Department is requesting authorization to purchase a new squad car in the first quarter of 2015. The department currently has two squad cars that are used for patrol with the last one being purchased in 2013. That squad car currently has 47,000+ miles on it and the 2010 squad has 107,000+. As stated in the depreciation schedule put out in 2013; 2015 is the next year to replace a squad car. The department currently has a fund balance of over \$68,000.00+ in the Capital Improvement fund not including this year's budgeted transfer. Due to grants and awards from various entities, the department will not need to purchase a camera system and radar as those items have already been purchased. The department would need to purchase a computer for the squad car at this point. The department did receive a matching grant for half of a computer. By purchasing a squad this year, we will not need to purchase another squad car until most likely 2018. This will also provide the department with

two reliable squad cars that can be utilized for patrol purposes if needed and will eliminate concerns if a squad car were to become inoperable.

**Recommendations:**

Wegner received bids from Yarmon Ford as well as the state contract companies. With Minnesota winters being what they are and the fact that we live in a rural area, Wegner recommends purchasing the Ford Interceptor Utility. The all-wheel drive of the Utility and the additional clearance make it the best option. Wegner has also provided documents related to the industry standard for the vehicle. The Utility has been the dominate vehicle purchased for law enforcement due to the space and function of the vehicle. The sale of the SUV when it is disposed will also bring a higher dollar amount than the sedan. With the Capital Improvement depreciation schedule, Wegner has budgeted \$38,000.00 from Capital Improvement for this squad car.

Wegner asked that the 2010 be sold and all equipment put on surplus with the exception of the radio which will transfer to the new squad. Wegner would like the funds placed into Capital Improvement to off-set the cost of the vehicle.

**Current Funds:**

\$68,647.82 in Capital Improvement (one vehicle and lawn mower)  
\$5,466.14 in Forfeiture Funds (some cash need to be added as well)  
Total: \$74,113.96

Ludwig state the currently the Police Department is over budget for 2015. The Committee discussed the need. Wegner feels that the additional mileage will reduce the resale value. The Committee discussed if there are any used vehicles out there. The Committee further discussed the reliability of newer model cars. Wegner stated that the cars get run hard and they start falling apart after 100,000 miles due to running at 100 mph, quick stops and starts, and idle time. It was questioned what would waiting a year accomplish or save by putting the purchase off for a year.

**Motion was made by Eckerly to deny the purchase of a 2015 Ford Interceptor Utility and necessary equipment for the vehicle in the amount of \$37,823.83 and recommend such to the City Council.**

The motion died for a lack of a second.

The Committee stated that they would like to know the amount of repairs that have incurred in the last year.

**Motion was made by Herzberg to approve the purchase of a 2015 Ford Interceptor Utility and necessary equipment for the vehicle in the amount of \$37,823.83 and recommend such to the City Council. Seconded by Eckerly and passed 4:1 (LaBeau, yes; Soine, yes; Ludwig, yes; Herzberg, yes; and Eckerly, no).**

**NEXT MEETING**

The next meeting is scheduled for Tuesday, March 3, 2015 at 4:45 p.m.

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