

Finance Committee Meeting

June 2, 2016

The Finance Committee met Thursday, June 2, 2016 at 6:00 p.m. in the City Hall Conference Room. Present were Committee Chairperson Susanne Galbraith and Committee Members Rachel Sloan, Kathy Wilcox and Dwayne Andrews.

Also present were Fire Chief Gary Warren, Fire Fighter Eric Hartse, Sarah Lewin, and Eddy Kanduch.

Committee Chairperson Galbraith called the meeting to order.

1. Request of Citizens:

None

2. Review and discussion of ambulance purchase

Firefighter/Mechanic Hartse explained the best ambulance to purchase would be number 28 on the spreadsheet that was handed out. This is a 2016 4x4 ambulance that would have the power cot system and defibrillator already installed. To refurbish an ambulance the cost would be around 100,000, and a new defibrillator and power cot would need to be purchased and installed at a cost of \$30,000- \$35,000 each. He felt if ambulance 28 was purchased the other vehicles in the fleet would be able to rotate in less demanding positions would extend the service of their lives.

The committee discussed what direction the City should go. Chairperson Galbraith explained that what is being proposed is the money would be loaned to the Ambulance fund from General Fund. With a 5 year pay back for the \$230,000, it would be approximately \$46,000 a year. Chief Warren said that amount would be hard to make every year.

Chairperson Galbraith said if the City approved buying a refurbished ambulance, adding the cot and life pac it would cost \$201,000. Fire Fighter Hartse said the committee would continue to look for a cheaper cost on a new ambulance but felt new was the way to go. Warranty on a new ambulance is 3-5 years as opposed to no warranty with a refurbished.

The committee felt that the ambulance fund had been in the hole for a long time and did not feel that the Ambulance Fund could make the payments back to General Fund.

Chairperson Galbraith said that the payback for long trips was 87% compared to 61% payback for local service. Committee Member Andrews said he would feel better if he was assured there would be more trips to Billings if the new ambulance was purchased. Fire fighter Hartse said they are limited by equipment and man power. Another ambulance would give us the opportunity to rotate one of the less reliable ones out of

service and give us a better platform to take Billings trips on, but did not feel comfortable saying a new ambulance would increase more trips to Billings.

If the purchase of a new ambulance were to be approved, it would take 2-3 months working with the vendors to get the best product for the best price. Then a lead in time is 200-400 days for manufacture to be completed. Usually a down payment of \$50,000-60,000 is asked for; he would need to look into that more.

Committee Member Wilcox said that would mean in 6 months the Ambulance would need \$50,000-\$60,000 for down payment, but then up to a year to pay for the rest of the ambulance. She thought some money could be put into a pot for the payment during that time.

****** *Committee Member Andrews moved to approve the purchase of a four wheel drive ambulance for the amount of \$230,000, seconded by Committee Member Sloan.*

Chairperson Galbraith said she felt very uncomfortable spending the \$230,000 because the flood study is coming up at a cost of \$300,000 and General Fund cash right now is almost down to nothing. She was hoping that a refurbished ambulance could be found and add the power cot and life pac, for a saving of \$6,000. If the motion is passed by Council she asked for a packet with all ambulances available before purchase is made. She added that realistically the ambulance purchase would put a big strain on General Fund, so the City needs to go as cheap as it can.

****** *The motion passed 4-0*

3. Review and recommendation on Ambulance Collections

****** *Committee Member Galbraith moved to approve sending to collection for the ambulance an amount of \$153,725.36, seconded by Committee Member Andrews. The motion passed 4-0*

4. Review and recommendation on revising Resolution No. 2989- A Resolution Providing for Procedures to Manage and Monitor Leases of Property Owned by the City of Miles City

Clerk Pearce explained that Carol Hardesty said there is no land in Miles City to compare the price to.

****** *Chairperson Galbraith moved to recommend to Council the approval of Resolution No. 2989. The motion failed for lack of a second.*

****** *Chairperson Wilcox moved to recommend to Council to approve amending Resolution No. 2989, part 2 Lease Standards, Section C, increasing the cost of square foot for Tracts with Highway 10 and 12 frontage to .04, increasing the rate of tracts with paved road frontage*

to .025 per square foot, and tracts with gravel road frontage to .020 per square foot, seconded by Chairperson Galbraith. The motion passed 4-0

5. Review and Recommendation Resolution No. 3923- A Resolution Adopting A City of Miles City Insufficient Funds Policy, and Setting A Public Hearing Thereon

*** Committee Member Wilcox moved to recommend to Council to approve Resolution No. 3923, seconded by Committee Member Sloan.*

Committee Member Andrews thought \$30.00 was too much. Clerk Pearce said there are about three people who consistently write nonsufficient checks to the City and the \$30.00 is the maximum allowed by the State to charge.

*** The motion passed 4-0*

6. Review and Recommendation on Bid for Lease of Land- Tract E, Lot 8 in Industrial Site

*** Committee Member Wilcox moved to recommend to Council to approve the bid of \$753.75 for Tract E, Lot 8 in Industrial Site, seconded by Committee Member Sloan.*

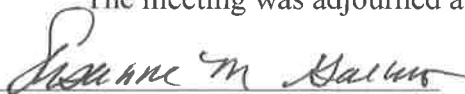
Mr. Diggins asked that grazing sheep be added to the lease under description of the purpose of the lease. He also asked if installing a well would be approved. Chairperson Galbraith said he needed to talk to DEQ and Director Kelm.

***The motion passed 4-0*

7. **Adjournment**

*** Committee Member Wilcox moved to adjourn the meeting, seconded by Committee Member Sloan and passed unanimously, 4-0.*

The meeting was adjourned at 7:07 p.m.


Susanne Galbraith, Chairperson


Lorrie Pearce Recorder/City Clerk