



MAYOR & COUNCIL COMMUNICATION

DATE: September 20, 2016
CONSENT
ITEM #15
MOTION

AGENDA ITEM: Approve Payoff of Existing Building Department Vehicle Loan

SUBMITTED BY: Cathy Bendel, Finance Director

THROUGH: Cathy Bendel, Finance Director

REVIEWED BY: Kristina Handt, City Administrator
Finance Committee

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item.....City Administrator
- Report/Presentation.....City Administrator
- Questions from Council to Staff Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion..... Mayor & City Council
- Action on Motion..... Mayor Facilitates

POLICY RECOMMENDER: Finance

FISCAL IMPACT: Interest savings of approximately \$800 plus staff time savings

SUMMARY AND ACTION REQUESTED: As part of its Consent Agenda, the City Council is asked to approve paying in full the loan on the 2015 Jeep Cherokee (Loan #22830) with Lake Elmo Bank. This has been discussed with the Finance Committee who agrees with this recommendation. No specific motion is needed as this is recommended to be part of the overall approval of the *Consent Agenda*.

BACKGROUND INFORMATION AND STAFF REPORT: In 2015, staff proposed taking out a loan to purchase the 2015 Jeep Cherokee for the Building Department. The Finance Committee recently proposed spending down and discontinuing the use of the Vehicle Reserve fund. The current balance in the fund is approximately \$65k.

RECOMMENDATION: Staff recommends using \$18.5k of the vehicle replacement fund to pay off the remaining principal balance on Loan #22830 with Lake Elmo Bank.