



TOWN OF FREEPORT, MAINE

Town Manager's Office
30 Main Street
Freeport, ME 04032

Phone: 207-865-4743
Email: pjoseph@freeportmaine.com

MEMORANDUM

TO: Freeport Town Council
FROM: Peter Joseph, Town Manager
DATE: 11/23/22
RE: Recommendation for Supplemental Appropriation of \$20,000 from Police Department Capital Reserve Account

The Police Department section of the approved FY23 capital budget included \$100,000 for the purchase of two new cruisers and changeover/equipment to outfit these vehicles. The estimates used for the calculation of the \$100,000 budget figure were as follows:

2x base "police package" cruisers @ approx. \$35,000 each

2x new equipment, changeover equipment, and upfit costs @ approx. \$15,000 each

Total: \$100,000

When the Police Department bid out cruisers this summer after budget approval, we were surprised to see that prices had escalated significantly since these estimates were put together, and the bare cruiser bids came back consistently around the \$46,000 - \$47,000 range. Furthermore, due to low supply and high demand, we were not able to source both cruisers from the same dealer, but were able to reserve two from different dealers at nearly identical prices.

If the department were to purchase both cruisers and have sufficient funding to purchase and install new equipment and changeover the carryover equipment from the old cruisers, the estimated cost will be \$120,000 or \$20,000 more than originally budgeted.

Pursuant to Freeport Charter section 6.08(a), I am recommending that the Town Council consider a supplemental appropriation of \$20,000 from the Police Department Equipment Capital Reserve Account to cover this cost increase. As required by the Charter, I certify that the Police Department Equipment Reserve Account has an unencumbered balance of approximately \$329,886.67 (as of 10/01/22), from which the \$20,000 can be transferred to the General Fund as surplus revenue and appropriated by ordinance of the Town Council.

In the event that the Council is not in favor of the above recommendation for supplemental appropriation, the Department would be able to purchase and outfit only one cruiser this year, and management will likely propose an increase to the Police Department line in the FY24 Capital Program to "catch up" on cruiser purchases. However, due to ordering timelines, this will likely push the acquisition date for the second replacement cruiser out 12-18 months from the originally planned replacement date, which could lead to some increased maintenance costs and downtimes.