

**FINANCE COMMITTEE
DECEMBER 12, 2016 AT 7:20 P.M.
LINCOLN CENTER – 1519 WATER STREET**

PRESENT: Ald. Doxtator, Kneebone, Shorr and Dugan

EXCUSED: Ald. Phillips

ALSO

PRESENT: C/T Ladick; City Attorney Beveridge; Clerk Moe; Directors Lemke, Schrader, Ostrowski; Ald. Slowinski, Morrow, Ryan, McComb, Johnson; Human Resource Manager Jakusz; Fire Chief Finn; Police Chief Skibba; Deputy C/T Freeberg

ITEM #1 – COMMITMENT OF FUNDS 250 (CELL TOWER FUND) AND 251 (ARTS CENTER FUND).

C/T Ladick stated that we are creating two new funds, the Cell Tower Fund and the Arts Center Fund. The Cell Tower Fund will be including revenues from the rental of cell tower space at Zenoff and Goerke Parks, which were originally put into the general fund. The intent for these revenues was to support those parks, so now by creating a separate fund for those, it will be easier to track that. The Arts Center fund is for the Riverfront Arts Center, which has been run through the Room Tax Fund, however, with 70% of the room tax now being under the Tourism Commission, it is going to be easier to break those two apart and the subsidy that the Tourism Commission approves for the Riverfront Arts Center will be put into the Arts Center Fund.

Motion made by Ald. Shorr, seconded by Ald. Dugan, to approve creating the new funds for the Cell Tower Fund and the Arts Center Fund and committing the funds as stated in the resolution.

Ayes: All Nays: None Motion carried.

ITEM #2 – WRITE-OFF OF UNCOLLECTIBLE PERSONAL PROPERTY TAXES AND ACCOUNTS RECEIVABLE.

C/T Ladick stated this is an annual process of comparing what we have on the books for receivables and what is and is not collectable. These uncollectible accounts are usually from bankruptcy, businesses that have closed and the owners cannot be located or the people we need to collect from have other court related issues and we would be too far down the list to be able to collect.

Motion made by Ald. Kneebone, seconded by Ald. Dugan, to approve the write-off list of uncollectible personal property taxes and accounts receivable in the amount of \$2,195.09.

Ayes: All Nays: None Motion carried.

ITEM #3 – 3RD QUARTER ROOM TAX REPORT.

C/T Ladick commented that even though the report is showing a negative, the fund had a surplus from previous years that is kept in savings, so it is not a negative balance but rather showing that more was spent this year compared to what was brought in for the current year.

Motion made by Ald. Dugan, seconded by Ald. Shorr, to approve the 3rd quarter room tax report and place it on file.

Ayes: All Nays: None Motion carried.

ITEM #4 – UPDATED CREDIT CARD POLICY.

C/T Ladick stated the auditors made a recommendation to add more detail to our current credit card policy. He stated one of the items was that policy should require that documentation contain the business purpose of the purchase, for better tracking and to ensure proper internal controls, to expand what purchases are not allowable and to add more detail to the review and approval of credit card

invoices. They stressed that even if someone is a department head, they still need oversight and internal controls, so we had to formalize and document that process, especially in his office. The City Clerk now has to approve the credit card purchases of the City Comptroller-Treasurer.

Ald. Dugan stated she is pleased to see this, Ald. Shorr agreed, stating that he has experience with how things can happen when proper procedures are not in place.

Ald. Shorr made a motion to approve the updated credit card policy. Motion died due to no second.

Ald. Kneebone questioned how this would affect the Police Department because the Police & Fire Commission has not had an opportunity to look at this and she believes that the Police & Fire Commission oversees the spending for the Police and Fire Departments. She believes this could adversely affect some law enforcement travel if they cannot put meals on the credit card.

C/T Ladick stated that the part of the policy regarding travel and meals is existing, it is not something that is being changed. He asked Deputy C/T Freeberg how long that has been in place and she responded by saying it has been in existence since the beginning of the credit card rollout.

C/T Ladick stated this has more to do with internal controls from a financial perspective, which really is an operation of Finance. The Police & Fire Commission is in charge of the operations of the Police & Fire Department, but the Finance Committee would be in charge of internal controls as far as the City checkbook. He also stated that if it is really a concern, he could talk to President Wescott to see if he has any problems with it, but he has not heard that there are any problems with it.

Police Chief Skibba stated he received a call late this afternoon from President Wescott who requested this get tabled so the Police & Fire Commission could review it as they have not seen this.

Ald. Kneebone asked if that would be an issue to postpone this until they have had a chance to look at it, does this have to be done tonight.

C/T Ladick questioned if it would be sufficient if he would discuss this with President Wescott and then this can go forward to Council with no recommendation from this meeting. He stated he is surprised because typically if there is an issue with Finance, the liaison or someone would have contacted him. This does not change the meals and mileage policy, so he is not sure what the concern would be.

Ald. Kneebone stated one of the Commissioners looks at all the spending that is done, so if this would adversely affect their oversight responsibility, they should be aware.

C/T Ladick stated this should help them with their oversight, such as documenting the purpose of the purchase, that sort of clarification should help them perform their statutory oversight responsibilities to audit all bills before they are paid by the City Treasurer.

Ald. Kneebone stated that she cannot imagine that there would be any issues because the more oversight over finances, the better, but since the President of the Police and Fire Commission has a concern about it, before the Council votes next Monday, she would like the C/T reach out to the Police and Fire Commission President. C/T Ladick agreed.

Ald. Johnson questioned if the credit limits that are set by the C/T are also discussed with the Department Head or if it is an arbitrary decision. C/T Ladick stated when a new card is issued, they all have a fairly standard limit unless they need to order equipment, etc. and then we will look at the limit. We have not had any issues with the credit card limits and we do make adjustments as they are needed.

Motion made by Ald. Doxtator, seconded by Ald. Kneebone, to table the updated credit card policy until next month so that Police & Fire Commission President Wescott can meet with the C/T and go over the policy.

Ayes: All

Nays: None

Motion carried.

ITEM #5 – APPROVAL OF PAYMENT OF CLAIMS.

Motion made by Ald. Dugan, seconded by Ald. Shorr, to approve the payment of claims in the amount of \$2,100,907.82.

Ayes: All

Nays: None

Motion carried.

Adjournment at 7:43 P.M.