

CITY OF SHEBOYGAN

FINANCE AND PERSONNEL COMMITTEE

MAY 11, 2020

Chair Mary Lynne Donohue called the meeting to order at 5: 00 p.m. The Pledge of Allegiance followed.

COMMITTEE MEMBERS PRESENT: Chair Mary Lynne Donohue, Vice Chair Jim Bohren (remote), Alderpersons Trey Mitchell (remote), Markus Savaglio (remote) and Todd Wolf

STAFF / OFFICIALS PRESENT:

Mayor Mike Vandersteen, City Attorney Chuck Adams (remote), City Clerk Meredith DeBruin, City Administrator Darrell Hofland, Finance Director/Treasurer Marty Halverson, Director of Human Resources and Labor Relations Vicky Schneider, Director of Planning and Development Chad Pelishek, Director of Information Technology Eric Bushman, Deputy Finance Director Tara Duwe, Human Resource Generalist Melissa Ness

PUBLIC PRESENT: Bill Judd, Joan Schulz, Paul Rudnick President of the Harbor Centre Business Improvement District

MINUTES: Motion by Alderperson Wolf, seconded by Alderperson Savaglio to approve the minutes of May 4, 2020. Motion carried.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

3.1 RC 301 - 19 - 20 (RO 155 - 19 - 20) / APRILS, 2020 / DOC

6.11: Finance Director submitting the Operational and Organizational Assessment report dated February 7, 2020 with regard to the City of Sheboygan Finance and Human Resources Departments which was prepared by CliftonLarsonAllen LLP ("CLA") pursuant to Res. No. 206 - 18 - 19 adopted on April 15, 2019 ; recommends referring to the Finance and Personnel Committee of the 2020 - 2021 Council.

Joan Schulz presented the information gathered in the CLA assessment conducted last fall. She identified the following key needs uncovered: Lack of training, Cross-training of employees in the Finance and Human Resource Departments, Policies and procedures, Proper segregation of duties, increased use of technology, and Month end closing and financial process.

Ms. Schulz also discussed areas in which efficiencies could be created. She listed moving to MUNIS for all its functional capabilities, expense reduction in utilizing vendors for assistance, working with vendors to reduce manual processes currently in use, increased collection activity for delinquent taxes, timely approvals for payroll processing, and properly review changes to benefits. The recommendations presented are as follows by department. Information Technology needs to focus on moving all AS 400 activities to MUNIS and increase employee training on current systems. The Finance Department needs to focus on improving workflows for vendor approvals in Accounts Payable, maintaining reconciliation and utilizing any assistance banks can provide in the city s cash and bank accounts. Human Resources need to focus on succession planning, training, Onboarding/offboarding, and policies, and procedures.

Finance Director/Treasurer Marty Halverson discussed the action plan for the Finance Department. They will address the following in their action plan:

Policies, Documented Procedures, Internal Controls, General Ledger and accounting inquiries, Staffing, and Tools. Director of Information and Technology indicated the timeline to completely move away from the AS 400 would be a 5 -year commitment. Director of Human Resources and Labor Relations Vicky Schneider disused her priorities are to gain internal departmental trust and become an employer of choice. They will address the following in their action plan: Policies, Procedures, Onboarding/ offboarding, Employee Relations, a Learning culture, and Performance management.

All department heads indicated that the changes identified will take time to implement and that each has already begun addressing the issues and implementing changes.

Motion by Alderperson Savaglio, seconded by Alderperson Bohren to recommend Common Council accept and file the document. Motion carried.

3.2 DIRECT REFERRAL RO 6 - 20 - 21 / MAY 11, 2020 / Submitting for your information the 2021 Budget Schedule.

City Administrator Darrell Hofland advised Covid- 19 may significantly change the city s revenues. This RO delays the submittal deadline two weeks to allow for more information to be available.

Motion by Alderperson Savaglio, seconded by Alderperson Bohren to recommend Common Council adopt the resolution. Motion carried.

3.3 RO 180 - 19 - 20 / APRIL 8, 2020 / DOC

4.3: Submitting a communication from Harbor Centre Business Improvement District requesting that the City of Sheboygan release all funds collected on their behalf and those funds allocated to them for fiscal year 2020.

Director of Planning and Development Chad Pelishek advised this is an annual

request and introduced Paul Rudnick, President of the Harbor Centre Business Improvement District will be using some of the money to help businesses impacted by Covid- 19. Director Pelishek estimated the amount to be \$150,000.

Motion by Alderperson Savaglio, seconded by Alderperson Wolf to recommend Common Council adopt the resolution. Motion carried.

3.4 RES 2 - 20 - 21 / APRIL 21, 2020 / DOC

3.2: Resolution authorizing the Information Technology Director to purchase additional network storage to support the City's growing digital storage needs.

Director of Information Technology Eric Bushman indicated that the network storage item is needed for digital evidence storage.

Motion by Alderperson Wolf, seconded by Alderperson Savaglio to recommend Common Council adopt the resolution. Motion carried.

3.5 RES 3 - 20 - 21 / APRIL 21, 2020 / DOC

3.3: Resolution authorizing a grant application to the Sheboygan County Stewardship Fund for a recreational trail along the Sheboygan River at Kiwanis Park. Director Pelishek discussed the match to CBDG funds for a riverside trail. The grant request of the county will be \$30,000 for the trail. The trail will meet all ADA guidelines.

Motion by Alderperson Bohren, seconded by Alderperson Mitchell to recommend Common Council adopt the resolution. Motion carried.

3.6 RES 16 - 20 - 21 / MAY 4, 2020 / DOC

4.7: Resolution authorizing the City of Sheboygan to enter into a contract with Municipal Property Insurance Company (MPIC) for building and property insurance coverage.

Director Halverson discussed the large increase in premium the city is facing. There was an appraisal done and due to the increase in property value, he believes the increase is not unrealistic.

Motion by Alderperson Wolf, seconded by Alderperson Savaglio to recommend Common Council adopt the resolution. Motion carried.

3.7 RES 17 - 20 - 21 / MAY 4, 2020 / DOC

4.8: Resolution authorizing the appropriate City officials to execute the First Amendment of Redevelopment Agreement between Aurora Health Care, Inc. and the City of Sheboygan with regard to the property located at 2629 North 7 th Street.

Director Pelishek discussed the redevelopment deal with Aurora Health Care, Inc. (Aurora) for the Memorial Hospital site. Due to Covid- 19, public meetings

have been delayed until September. Aurora is planning on utilizing some online options for public meetings. Director Pelishek believes they are still on track and Aurora has been doing its due diligence in the process.

Motion by Alderperson Wolf, seconded by Alderperson Savaglio to recommend Common Council adopt the resolution. Motion carried.

3.8 RES 18 - 20 - 21 / MAY 4, 2020 / DOC

4.9: Resolution authorizing an advance from the Capital Project Fund to the TID 16 Capital Fund.

Director Halverson discussed the funding advance for the Armory Demolition project. The contractor has accepted the cost which will be coming from TID 16.

Motion by Alderperson Wolf, seconded by Alderperson Savaglio to recommend Common Council adopt the resolution. Motion carried.

ITEMS FOR DISCUSSION ONLY

4.1 2020 FIRST QUARTER BENCHMARKS: Finance Department

Director Halverson discussed the Finance Department s Benchmarks

4.2 2020 FIRST QUARTER BENCHMARKS: Office of the City Clerk

City Clerk Meredith DeBruin discussed the Office of the City Clerk s benchmarks.

4.3 2020 FIRST QUARTER BENCHMARKS: City Planning and Development Department

Director Pelishek discussed the City Development Department s benchmarks.

4.4 2020 FIRST QUARTER BENCHMARKS: Information Technology

Director Bushman discussed Information Technology Department s benchmarks.

4.5 2020 FIRST QUARTER BENCHMARKS: WSCS Cable TV

Director Bushman discussed the WSCS Cable TV s benchmarks.

4.6 2020 FIRST QUARTER BENCHMARKS: Office of the City Administrator

City Administrator Hofland discussed the Office of the City Administrator s benchmarks.

4.7 2021 - 2025 CAPITAL IMPROVEMENTS PROJECT REQUESTS: WSCS Cable TV

Director Bushman discussed WSCS Cable TV Capital Improvement Program s project requests.

4.8 2021 - 2025 CAPITAL IMPROVEMENTS PROJECT REQUESTS: Information Technology

Director Bushman discussed Information Technology Department s Capital Improvement Program s project requests. The items indicated in the CLA assessment are included in the project requests.

DATE OF NEXT MEETING: Wednesday, May 27, 2020 ADJOURN

Motion by Alderperson Savaglio, seconded Alderperson Bohren to adjourn at 6: 37 p.m. Motion carried.