

The Croswell City Council met in Regular Session January 19, 2009, at the William Aitkin Memorial Library, 111 N. Howard Ave., Croswell, MI. Mayor Macklem called the meeting to order at 7:30 P.M.

Present: G. Macklem, M. Willis, M. O'Veil, M. McMillan, J. Geiger

Administration: City Administrator Dave Tait, City Clerk Suzanne Dobson

Guests: Electric Supervisor Jack Williams, DaCott Energy Services Representative Scott Childs, County Commissioner Judy Van Sickle, Kathleen & John Inman, Terry Meneghin, Bill Meneghin

**I. PLEDGE OF ALLEGIANCE:**

II. **Approval of Minutes** from the Regular Council Meeting of January 5, 2009  
Geiger moved to approve the minutes of January 5, 2009 as presented, second by O'Veil. Motion Carried.

**III. PUBLIC COMMENTS:**

**IV. APPROVAL OF AGENDA:**

O'Veil moved to approve the agenda as presented, second by McMillan. Motion Carried.

**V. MENEGHIN - Lot Split - 86 W. Harrington:**

Request to split 86 W. Harrington into 4 splits, but adding split "C" and "D" to the address of Inman at 248 George V. All parcels conform to the size requirements.

McMillan moved to approve the lot split for 86 W. Harrington and the adding of parcel "C" and "D" to 248 George V, second by O'Veil. Motion Carried.

**VI. ELECTRIC RATES - SCOTT CHILDS:**

Scott Childs from DaCott Energy Services summarized the electric rate study performed by DaCott Energy Services.

- 52 rates down to 10
- 8% increase with no transfers and just to cover expenditures
- 16 – 17% covering \$230,000 transfers and Plastech leaving
- 10% recommended at this time.
- Renewal with Detroit Edison in 2010
- Last City of Croswell rate increase was 1988

Request by Council for a rate comparison between Detroit Edison and Consumer Powers residential rates. Will hold special meeting January 28<sup>th</sup> to discuss the procedure for the hearing of the electric rates. Electric Rate hearing to be held at February 17<sup>th</sup> meeting.

**VII. CORRESPONDENCE:**

a. Lexington Twp. Planning Commission - Public Hearing: Receive and file

VIII **ADMINISTRATOR'S REPORT:**

- Mills St. trial January 19<sup>th</sup>
- Will be bidding out Rubbish contract, will be adding Recycling has a separate item.
- Received Water System Evaluation from DEQ
- Crosswell Mill contacting City to see if interested in purchasing
- Sanilac Economic Alliance meeting February 4<sup>th</sup>
- Sewer Project payment completed

IX **COUNCIL MEMBER REPORT:**

- A. Macklem: 1. City Administrator Evaluation for the next meeting February 2<sup>nd</sup>; 2. Budget meeting to begin after the electric rate meeting.
- B. Willis: 1. Council Chambers; 2. Web Page
- C. O’Vell: 1. Healthcare – Ans: bids due 2/23
- D. McMillan: 1. Feels council should write down their list of budget concerns before the budget meeting, so they may be researched by the City Administrator.
- E. Geiger: 1. Recycling bins – Ans: Sanilac Recycling Center is suppose to receive the items, but they are being taken to the county to the south of us. The School would like the bin moved to their property to make it a school project.

X **UNFINISHED BUSINESS:**

None

XI **NEW BUSINESS:**

- a. Credit/Debit Card Resolution & Policy:

Geiger moved to adopt Resolution #01-19-2009 establishing a credit/debit card policy and procedures for the City of Crosswell, second by O’Vell.

Roll Call Vote: Geiger, yes; O’Vell, yes; Willis, yes; McMillan, yes; Macklem, yes. 5 yeas., 0 nays. Motion Carried.

CITY OF CROSWELL  
COUNTY OF SANILAC  
STATE OF MICHIGAN

RESOLUTION NO. 01-19-2009

A RESOLUTION ESTABLISHING A CREDIT/DEBIT CARD POLICY AND PROCEDURES FOR THE CITY OF CROSWELL PURSUANT TO PUBLIC ACT 266 OF 1995.

WHEREAS, Public Act 266 of 1995 requires all municipalities within the State of Michigan to formulate and maintain written policies when authorizing the use of Credit/debit cards for the purchase of goods and services for the official business of the municipality; and

WHEREAS, the City of Croswell desires to authorize certain city employees to use Credit/debit cards for the purchase of goods and services for the official business of the municipality;

NOW, THEREFORE, BE IT RESOLVED that the Croswell City Council does hereby adopt and establish the following policy for the use of credit/debit cards for the purchase of goods and services for the official business of the City of Croswell:

1. **ISSUANCE OF CREDIT/DEBIT CARDS**

Credit/Debit cards may only be issued to the following City employees: City Manager, City Treasurer, City Clerk, Chief of Police, Wastewater Supervisor, Electric Supervisor, Dept. of Public Works Supervisor and EMS Director. The City Manager shall be the officer responsible for the issuance, accounting, monitoring, and retrieval of any and all credit/debit cards issued in the name of the City of Croswell. Any credit/debit card issued in the name of the City of Croswell may only be used for the purchase of goods and services for the official business of the City of Croswell. No person shall be allowed to have custody or possession of a credit/debit card in the name of the City of Croswell unless said person is an active employee of the City. To this end, any person terminated or voluntarily discontinuing their employment with the City of Croswell, any person on sick leave, or any person on leave of absence for any reason other than vacation shall deposit any City credit/debit cards in their possession with the City Manager.

2. **TRANSACTION PROCEDURE**

Credit/debit card transactions may be performed in person, over the telephone, through the internet, or through the mail. When using a City credit/debit card, authorized employees are required to follow the below listed procedures, in addition to procedures for management approval and payment of the charges:

A. If the transaction is in person, present the credit/debit card to the vendor or merchant and advise that the item(s) is being purchased with a city government credit/debit card. If the transaction is via a telephone, internet, or mail order, the vendor or merchant must be provided with the credit/debit card account number and expiration date of the card.

B. Retain all receipts and credit/debit card slips. Transactions must be reported to the City Clerk by the next business day for accounting purposes.

C. Each authorized employee making use of a City credit/debit card shall make a full accounting of any expenditure at the same time the periodic credit/debit card billing is received by the City. This full accounting shall include, but not be limited to, the following:

- 1) A specific listing of any goods and services purchased;
- 2) The cost of any such goods or services;
- 3) The dates that the purchases were made; and
- 4) A statement of the official business purpose for which the goods or services were purchased.

3. **TAX EXEMPT STATUS**

An authorized employee using a City credit/debit card shall notify the vendor or merchant that the credit/debit card transaction is tax exempt for goods and services purchased in the State of Michigan (use the attached letter certifying the City's tax exempt status).

4. **CREDIT/DEBIT CARD SECURITY**

An authorized employee possessing a City credit/debit card shall always treat the credit/debit card with a level of care that will secure the credit/debit card and the account number.

a. **STORAGE OF THE CREDIT/DEBIT CARD.** The City credit/debit card shall be kept in an accessible but secure location at all times.

b. **CREDIT/DEBIT CARD ACCOUNT NUMBER.** The City credit/debit card account number shall be guarded carefully. The account number should not be written down or posted.

c. **LOST OR STOLEN CREDIT/DEBIT CARDS.** If a City credit/debit card is lost or stolen, the employee shall immediately notify the City Clerk and the organization issuing the card to report the same.

d. **PERSONAL LIABILITY.** The use of a City credit/debit card by an authorized employee will not impact the cardholder's personal credit/debit history when used for authorized purposes. The City issued credit/debit card is a corporate liability card, not a personal liability card. The cardholder does have a responsibility to use the credit/debit card in an approved manner only and will be held personally liable for using the card for unauthorized purchases or purposes.

5. **PROCEDURES FOR CREDIT/DEBIT CARD PAYMENT**

The authorized employee shall review and approve all credit/debit card billings received for payment prior to the submission of the billing to the City Clerk. The Clerk shall review each credit/debit card billing and all documentation as provided in Section 3 above to guarantee compliance with this Resolution prior to submitting any such bills to the City Council for approval and payment. The Clerk shall bring any discrepancies to the attention of the City Manager for resolution. The outstanding balance due on any credit/debit card account billing statement shall always be paid in

full by the due date listed on the billing.

6. **PENALTY FOR WRONGFUL USE**

Any employee of the City of Croswell who violates the provisions of this policy shall be subject to disciplinary action up to, and including dismissal, and may be subject to civil or criminal action.

CERTIFICATION

I, SUZANNE DOBSON, City Clerk of Croswell, do hereby certify that Resolution #01-19-2009 was adopted by the City of Croswell at a Regular meeting of the City of Croswell Council held at the Wm. Aitkin Memorial Library on the 19<sup>th</sup> day of January, 2009.

Vote on this Resolution, 5 members being present was as follows:

AYES: Geiger, O’Vell, Willis, McMillan, Macklem

NAYS: \_\_\_\_\_

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Suzanne M. Dobson, CMC  
Croswell City Clerk

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Gary Macklem, Mayor

O’Vell moved to adopt the City of Croswell Credit/Debit Card Use Policy, second by Willis.

Roll Call Vote: O’Vell, yes; Willis, yes; Geiger, yes; McMillan, yes; Macklem, yes. 5 yeas, 0 nays. Motion Carried.

CITY OF CROSWELL  
CREDIT/DEBIT CARD USE POLICY

The City Council, through adoption of Resolution #01-19-2009 on January 19, 2009, established this Credit/Debit Card Policy permitting the use of City issued credit/debit cards to authorized City personnel.

*(To receive your assigned or temporary-use credit card please read this Credit/Debit Card Policy and return the Credit/Debit Cardholder Agreement (Attachment A) to the City Clerk=s Office. Retain the Policy, a copy of the signed agreement and any future revisions for your reference.)*

**Cardholder Responsibilities:**

- a. Ensure that the credit card is used in compliance with the City's Purchasing Ordinance
- b. Only authorized employees of the City of Croswell may use the municipal credit card.
- c. A municipal credit card may be used for the purchase of goods or services for only official business of the City of Croswell.
- d. The employee using the credit card must submit receipts, documentation detailing the goods or services purchased, cost, date of the purchase and the official business explanation thereof.
- e. Above said receipts and documentation must be submitted to the City Clerk's Office in a timely manner to reconcile against the monthly credit card statement.
- f. The employee issued the card is responsible for its protection and custody and shall immediately notify the City Clerk's Office if the card is lost or stolen.
- g. Municipal credit card users must notify vendors or merchants that the credit card transaction should be exempt from Michigan Sales and Use Taxes (IRS Tax Identification #38-6004548) if it is used for the purchase of goods or services in the State of Michigan.
- h. The credit card may not be used for cash advances, personal use or any other type of purchase not permitted under the City's Purchasing Ordinance.
- i. Employees must immediately surrender the card upon termination of employment. The City reserves the right to withhold final payroll checks and payout of accrued leave until the card is surrendered.

**Internal Control Procedures:**

The City Manager is the administrator of this policy and shall be responsible for issuance and retrieval of assigned municipal credit cards to personnel and generally for overseeing compliance with this policy.

The Finance Director shall be responsible for:

- a. Assisting and maintaining record of issuance and retrieval of municipal credit cards and overseeing compliance with this policy.

- b. Accounting and payment of expenses. All documentation must accompany invoices before payment is made.
- c. Ensuring accuracy of the statement and that activity and account information is noted on the credit card statement for each line of entry.
- d. The balance including interest due on an extension of credit under the credit card arrangement shall be paid for within 30 days of the initial statement date.
- e. Compliance with State of Michigan records retention requirements for safekeeping of statements and receipts for seven years.

The total combined authorized credit limit of all credit cards issued by the City of Croswell shall not exceed 5% of the total budget of the City of Croswell for the current fiscal year.

Any employee found guilty of illegal or unauthorized use of a municipal credit card may be subject to penalties allowed by law and/or disciplinary action(s) under the City's Personnel Policies up to and including termination.

## **Attachment A**

### **City of Croswell**

### **Credit/Debit Card Use Policy**

Requirements for use of a Municipal Credit/Debit Card:

1. The credit card is to be used only to make purchases at the request of, and for the legitimate business benefit of, the City of Croswell, Michigan.
2. The credit card must be used in accordance with the provisions of the Credit/Debit Card Policy established by the City of Croswell, as attached hereto.

Violations of these requirements may result in revocation of use privileges. Employees found to have inappropriately used the credit/debit card will be required to reimburse the City of Croswell for all costs associated with such improper use through direct payment or payroll deduction. Disciplinary action(s) may be taken per the City's Personnel Policies, up to and including termination. The City of Croswell will investigate and commence, in appropriate cases, criminal prosecution against any employee found to have misused the credit card or who violates the provisions of the cardholder agreement.

Credit/Debit Card Account Number: \_\_\_\_\_

Received by: \_\_\_\_\_

Name (Please Print)

I acknowledge receipt of the attached Credit/Debit Card Policy and agree to abide by said Policy.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

(Below, For City Clerk's Office Use Only)

**Credit/Debit Card Returned**

Authorized Signature: \_\_\_\_\_

Date: \_\_\_\_\_

- b. EMS Director Employment Agreement: Geiger moved to table until the January 28, 2009 meeting, second by Willis. Motion Carried.
- c. City Administrator Evaluation: Geiger moved to table until the February 2, 2009 meeting, second by Willis. Motion Carried.

**XII PUBLIC COMMENTS**

County Commissioner Judy VanSickle thanked Council for supporting the Recycling Center.

**XIII APPROVAL OF ACCOUNTS PAYABLE:**

Under Miscellaneous, The Lapeer Group, change the dollar amount to \$318.95.

O’Vell moved to approve the Accounts Payable as amended and the bills to be paid in the amount of \$272,268.04 and the bills to be paid, second by Willis. Motion Carried.

**XIV ADJOURNMENT:**

With no further business Mayor Macklem adjourned the meeting at 8:22 p.m.

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Suzanne Dobson, CMC  
Croswell City Clerk

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Gary Macklem, Mayor