



City council Agenda Memo

Crest Hill, IL

Meeting Date: August 1, 2022
Submitter: Jim Marino, city administrator
Department: Administration
Agenda Item: Approve an Amendment to Chapter 2.26 of the Code of Ordinances

Summary: The city attorney was asked draft different versions of an amendment to Chapter 2.26 of the code of ordinances pertaining to the finance director position. Three versions of an amendment are attached for council's consideration.

Please note that the requested amendment to Chapter 2.26 conflicts with Chapter 2.22 of the code of ordinances which makes the city administrator responsible for the direction and supervision of all city departments. The conflict created by having the finance director report to the treasurer effectively makes these sections of the code of ordinances unenforceable.

Having an employee report to an elected official will breach the fundamental distinction between the legislative and administrative functions of local government and it infringes upon the letter and spirit of why municipalities adopt a manager/administrator form of government. Comingling the roles of elected officials and managers creates conflicts, confusion, and inefficiencies that will disrupt daily operations. This is a poor management practice, and it jeopardizes the ability to effectuate good government. It also exposes management of our operations to politics. The purpose of a professionally run municipality is to prevent politics from subverting the proper management of municipal services.

As I understand the issue of concern from the document provided by Treasurer Conklin, expenditures for the construction of the public works and city center buildings were inadequately reported by individuals that are no longer employed by the city. There is a desire to prevent this from happening again, even though these expenditures have been reported to the council multiple times by me and our finance director during our tenure.

As I stated in my July 8 city administrator report, Lisa Banovetz and I have apprised you of the financial status of the city center and public works buildings in my city administrator reports and emails to Glen dating back to January. Financial information may have been provided before I started working here of which I am not aware. On March 24, I reported that Harbour provided an initial outline of the city center budget based on records to date. On April 29, I provided Harbour's report on their inspection of the public works building that included cost estimates for

further investigation. The cost for both buildings were provided and discussed during budget discussions at council meetings. The April 25 work session packet included Harbour's project budget for the city center and their report on the public works building. Expenditures on these two projects for each year from 2017 to 2022 were included in a budget memo dated May 25.

On the week of June 27, I instructed Lisa to prepare a report on all the expenditures for the city center and public works building construction projects in response to Glen's request at a council meeting for this information. Glen provided this information to the council

In addition, Lisa sent reports on expenditures via mail to Glen on June 9, 13, 20, 30 and July 1 and 15.

As you can see, the pathway to give the council pertinent and relevant information has not been obstructed. Having the finance director report to the treasurer instead of the city administrator is not necessary to achieve the council's desired outcome for transparency of financial information. This information has been provided without the finance director reporting to the treasurer. Having the finance director report to the treasurer "corrects" a problem that does not exist in a manner that is problematic.

While amending the finance director section of the code to require financial reporting for projects more than \$500,00 is duplicative of what is already required in the code and job duties of both the finance director and city administrator, this change alone would address the council's concern as I understand it. The additional amendment to have the finance director report to the treasurer is not needed to address this concern.

In my professional opinion, it would be sensible to amend the code to only require the additional financial reporting requirement.

Recommended council Action: I recommend the city council amend Chapter 2.26 of the code of ordinances to add only an additional financial reporting requirement.

Financial Impact:

Funding Source:

Budgeted Amount:

Attachments: Ordinances