

LEGAL AND FINANCE COMMITTEE MINUTES
Rapid City, South Dakota

August 30, 2017

A Legal and Finance Committee meeting was held at the City/School Administration Center in Rapid City, South Dakota, on Wednesday, August 30, 2017, at 12:30 p.m.

A quorum was determined with the following members answering the roll call: Amanda Scott, Steve Laurenti, Laura Armstrong, Becky Drury and Chad Lewis. Absent: None.

(NOTE: For sake of continuity, the following minutes are not necessarily in chronological order. Also, all referenced documents are on file with the Master Agenda.)

ADOPTION OF AGENDA

Motion was made by Drury, second by Laurenti and carried to adopt the agenda.

GENERAL PUBLIC COMMENT

None.

CONSENT ITEMS

Motion was made by Laurenti, second by Drury and carried to approve Items 1-9 as they appear on the Consent Items with the exception of Item Nos. 3 and 6.

- 1) Approve Minutes for August 16, 2017

FINANCE DEPARTMENT

- 2) Acknowledge the Following Volunteers for Worker's Compensation Purposes: Rob Bailey (RSVP+), Vicki Dirks (RSVP+), Mary Gummo (RSVP+)
- 3) LF083017-01 – Drury asked Finance Officer Pauline Sumption to explain the \$4 million dollar deficit shown on this report. Sumption explained there are a couple of reasons why the report is showing a deficit. One reason is in July we only received one sales tax payment. The first payment in August was over \$2 million dollars which typically would have been shown in July but because of timing differences it was received in August. The County sends property tax payments twice a year in May and November which helps us at the end of the year with our cash balance. Even if we did not use the designated amount of \$3.7 million dollars it would still show a negative mainly because of the timing. The reserves are set by ordinance, 15% of our general fund expenses less capital outlay type expenditures. The designated is what we have allocated through the budget process or the supplemental appropriations saying we are paying for this service or this expense with the cash in the account. More than likely some of that \$3.7 million dollars that is sitting in undesignated cash has already been spent, but because we cannot pinpoint exactly what has been purchased from that as far as the carryovers are concerned. It is difficult to give you a true picture of where we are at with undesignated cash other than the first of the year or the end of the year because that is when you know nothing has been paid or everything reverts back to undesignated cash on the last day of the year. Lewis moved to approve Acknowledge July 2017 General Fund Cash Balance Report. Second by Armstrong. Motion carried.
- 4) LF083017-02 – Approve Resolution No. 2017-077 a Resolution Declaring Miscellaneous Personal Property Surplus
- 5) LF083017-03 – Approve Resolution No. 2017-062B a Resolution Levying Assessment for Cleanup of Miscellaneous Property

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- 6) LF083017-10 – Laurenti asked Michelle Thompson, President of Black Hills and Badlands Tourism Association regarding a change in the lease which allows for the association to move its offices to the Visitor Information Center. Laurenti asked City Attorney Joel Landeen why it is now listed in the lease where it was not included before. Assistant City Attorney Wade Nyberg added that the business offices have always been in the Visitor Center. The former lease did not address it so the addition of that language is just a way to clean up the matter. Lewis moved to approve Authorize Mayor and Finance Officer to Sign Lease Agreement Between the City of Rapid City and Black Hills Visitor Information Corporation. Second by Laurenti. Motion carried.

COMMUNITY RESOURCES

- 7) LF083017-04 – Authorize Mayor and Finance Officer to Sign FY2017 Community Development Block Grant Contract with Behavior Management Systems, Inc.
- 8) LF083017-05 – Authorize Mayor and Finance Officer to Sign FY2017 Community Development Block Grant Contract with Pennington County Health and Human Services
- 9) LF083017-06 – Authorize Mayor and Finance Officer to Sign Local Governing Body Approval Form for Black Hills Work’s South Dakota Housing Opportunity Funds (SD HOF) Application – 803 Soo San Drive

END OF CONSENT CALENDAR

NON-CONSENT ITEMS – Items 10 - 12

Public Comment opened – Items 10 - 12
Public Comment closed

MAYOR’S ITEMS

- 10) LF083017-08 – Laurenti stated he will vote against this resolution. The public has not had an opportunity to weigh in on this throughout the budget hearings. He feels the media has abdicated their responsibilities to report to the citizens that their property taxes are about to be raised by the City. He noted property taxes have been raised by 45% over the last ten years. Lewis moved to approve Resolution No. 2017-080 a Resolution of Intent to Take the Statutorily Authorized Increase in Property Tax Revenue as Part of the Annual Appropriation Ordinance for 2018 Fiscal Year. Second by Armstrong. A vote was taken with Armstrong and Lewis voting “yes” and Scott, Laurenti and Drury voting “no”. Motion denied.

FINANCE DEPARTMENT

- 11) LF083017-07 – Lewis moved to approve Introduction and First Reading of Ordinance No. 6189 Regarding Supplemental Appropriation #3 for 2017. Second by Laurenti. Motion carried.

CITY ATTORNEY’S OFFICE

- 12) LF083017-09 – Scott explained this ordinance change was requested by the Council to reallocate two pennies of sales tax amongst the Vision Fund, CIP Fund and General Fund. Lewis stated he will be voting against this ordinance change. He does not have a problem with increasing money into the CIP Fund but he prefers that we keep the Vision Fund at the current levels. Laurenti moved to approve Introduction and First Reading of Ordinance No. 6195 an Ordinance to Change the Allocation of the Revenue Raised by the Retail Occupational Sales and Service Tax by Amending Section 3.16.060 and Section 3.16.090 of the Rapid City Municipal Code. Second by Drury. A vote was taken with Scott, Laurenti, Armstrong and Drury voting “yes” and Lewis voting “no”. Motion carried.

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ADJOURN

There being no further business to come before the Council at this time, motion was made by Armstrong, second by Drury and carried to adjourn the meeting at 12:45 p.m.