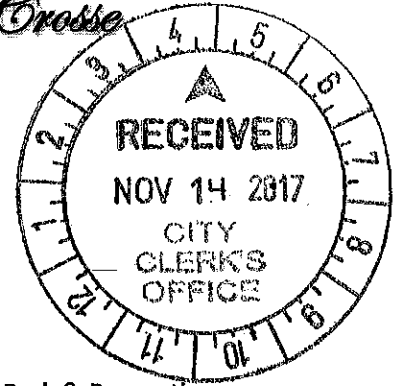


Tim Kabat
Mayor
City of La Crosse



November 14, 2017

Members of the Common Council
c/o City Clerk Teri Lehrke
400 La Crosse Street
La Crosse, WI 54601

RE: Item #17-1562 Resolution authorizing WIPFLI to conduct a complete audit of the Park & Recreation Department for the last three (3) years.

Dear Members of the La Crosse Common Council:

I hereby veto the above referenced legislation. The legislation is vague; it is duplicative to on-going audit practices and organizational improvement programs and establishes a precedent by accusing staff of wrong-doing without identifying any specific charges.

First, the legislation lacks focus. Is the audit about how funds are spent, how projects are moved forward, how architects are hired, or is the audit necessary to clear the department of alleged wrong-doing?

Unlike the vague legislation, I proposed a detailed review and analysis of several of the most recent park development projects including specifically the financing, private fundraising, special account balances and how the projects were moved forward – which addresses many of the concerns expressed by the Council.

As a way forward, my directive to the Finance department to undertake this review and analysis for the six park projects stands. And based on recent suggestions, my directive can be amended to include how professional services were solicited for each of these projects. I find it ironic that the Common Council selected the vendor to perform the audit without soliciting bids or proposals from qualified firms, which I understand is one of the significant concerns certain members of the Council has of the Parks department.

Second, the Common Council did not clearly spell out how the proposed audit is different than the city's annual, independent external audit from Hawkins Ash CPAs. The city's most recent audit confirms all funds are accounted for and the city is properly managing its finances, which addresses another of the Council's concerns.

As another option for moving forward, the Common Council could consider requesting a detailed look at the Parks, Recreation & Forestry accounts, internal processes, and financial procedures be completed as part of the city's annual external audit with Hawkins Ash, as this would be a more cost-effective approach while still providing the Common Council with an external review.

Regarding process improvement, the city is heavily engaged in establishing better financial procedures and it is not clear how the audit will offer better information. Here is where the review and analysis by the Finance department would bear the most fruit, as Finance could analyze internal accounting systems and identify additional improvements.

In 2014, the city accepted a report from Reinvention LLC on an organizational assessment for city operations. Several of the recommendations dealt with financial processes, confirming that the city relies too heavily on manual systems. However, these manual systems are not limited to the Parks, Recreation & Forestry department only.

Finally – and most troubling – to paraphrase a Council Member during the deliberations at the November 2nd Finance and Personnel committee in reference to City Hall, it has “...a reputation...of being dishonest, shady and crooked...” From another “...there are a lot of questions about how funds are spent and how projects move forward...this is an opportunity for the Parks department to have their name cleared...”

In my experience, sweeping general accusations about wrong-doing are difficult to address. It would be much more productive for the Council to limit the rhetoric and focus on solutions to address specific problems.

The internal review and analysis by Finance or amending our annual external audit to look more closely at the Parks department are more viable solutions to address the Council’s concerns. Accordingly, I do not feel it is in the best interest of the City of La Crosse to approve legislation that is vague in scope, duplicates current auditing practices and organizational improvement efforts and accuses staff without identifying any specific problems and therefore I veto the legislation.

Sincerely,

A handwritten signature in black ink that reads "Tim Kabat". The signature is written in a cursive, slightly slanted style.

Mayor Tim Kabat