



CITY OF TONKA BAY

4901 Manitou Road
Tonka Bay MN 55331
Phone: 952-474-7994
www.cityoftonkabay.net

ITEM NO. 9B

Memo

To: Mayor and City Council
From: Lindy Crawford, City Administrator
Date: May 24, 2016
Re: City Credit Card

Staff has been researching use of a city credit card. Currently staff is reimbursed for city purchases made on personal credit cards. We find that some items are cheaper online. Urgent purchases with unestablished vendors (examples: audio cables; dirt, straw) have had to be reimbursed. We feel it would be easier to use a city credit card for city purchases rather than be reimbursed.

Staff found the US Bank Visa Community Card available through US Bank, our current bank. This card is only available to municipalities and nonprofits. There is no annual, late or over limit fees. There is a 24-30 day grace period after each billing cycle to pay the balance in full and there are no interest charges incurred if the balance is paid in full each month.

A credit card limit for the city could be an umbrella limit of \$7,500. There would have to be an authorized representative for the cards. This person must be authorized by the City to access all information and make changes *and is not* a cardholder, example: Bookkeeper. There would have to be an authorized officer. This person must be authorized by the City to execute binding agreements *and is* a cardholder, example: City Administrator.

Staff is proposing to have two credit cards, one for Administration and one for Public Works. Additional cards may be added/ subtracted any time, as long as city limits are not exceeded.

Attachments

US Bank Community Card Application

Council Action Requested

Motion to direct staff to apply for a city owned credit card.