

November 29, 2020

To: Charlotte City Council
From: Charlotte Volunteer Fire Department
Re: Stipend check amount

Dear Council members,

Based on findings of the recent city finance audit and suggestions from the Mayor and city council members, the Charlotte Volunteer Fire Department (hereafter CFD) has recently closed its financial account using the City of Charlotte's EIN. CFD has since opened an independent account with its own EIN in order to comply with the wishes of the city and audit team. Please note previous audits by the same company produced no findings relative to CFD use of the city EIN.

During this exercise, CFD also reviewed the stipend amounts being provided from the city. It has been noted that the stipend has not changed in over 10 years. CFD is formally requesting an increase in stipend amount to account for inflation and help offset additional expenses incurred with incorporation of a separate 501 (c)(4) organization. The proposed stipend amounts are as follows:

'A' check	\$510
'B' check	\$340
'C' check	\$170

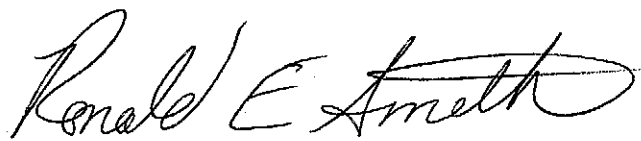
Please recognize that the elected Assistant Fire Chief salary is budgeted for in the volunteer ranks. However, this position is currently filled by a full-time employee, which is paid from the city full-time employee budget as a Fire Captain. This has been the case for the last 8 years, significantly offsetting the requested increase.

Furthermore, CFD is requesting that the City of Charlotte take on the responsibility of issuing W2 forms and quarterly stipend checks for each of the CFD volunteer members. This will insure the city has full control of compliance to federal and state tax regulations. This may also help mitigate future findings during the audit process.

Should you have any questions, feel free to contact us thru the Fire Chief.

Regards,


Jeffrey H Wertz – Firefighter 310


Ronald E Smith – Firefighter 330