



City of CHARLOTTE

MEMORANDUM

TO: Mayor Armitage and City Council Members

FROM: Gregg Guetschow, City Manager

SUBJECT: City Manager Report

DATE: September 25, 2020

Major Street Cash Flow. You will find elsewhere in the agenda packet an updated Major Street cash flow analysis. I update this analysis each year as a way of tracking funds available to undertake street reconstruction and rehabilitation projects in future years. This updated analysis reflects the best information available at this time regarding revenues and estimated project costs. These numbers will change, of course, as new information becomes available. Funding expected to be available appears sufficient to complete the projects that Council has previously identified as objectives while maintaining a significant cash balance in this fund.

Audit. We are at the end of the second week of field work for the audit. This process seems to have progressed quite smoothly this year with a minimum level of disruption to routine work for City employees. I am continuing to work on the statistical section of the financial report. Consideration was given to foregoing this portion of the report for this year. I felt that would create an additional burden if we wished to include this information in a subsequent year.

Interim City Manager. Mr. Thomas Thomas is tentatively scheduled to commence his work with the City on Wednesday, September 30. This will provide him an opportunity to meet with me during the last three days of my tenure. I would anticipate that he might be contacting some of you during those days as he begins to familiarize himself with the community and the organization.

Interim Clerk-Treasurer. I have been working with Darwin McClary to familiarize him with finance operations and activities with which Ginger Terpstra and I have been involved in the past. My goal has been to eliminate, to the greatest extent possible, day-to-day finance related functions that have been performed in my office. That seems to be going well. I believe, however, that it will be necessary to contract with another municipality for the preparation of the winter tax bills as I do not believe there will be sufficient time for Mr. McClary to acquire proficiency with the software to be confident in accomplishing this task. I will be leaving information about how to proceed in that regard but it is a decision that will be up to Mr. Thomas.

Grant for Election Costs. Ms. Terpstra was approved for a \$5000 grant to reimburse the City for additional costs that it has incurred in order to provide a safe environment for voters and poll workers during the pandemic.

Revenue Outlook. I sent an email yesterday in response to Council member McRae's inquiry that outlines projections for revenues from the state. I also reported to you on the receipt of \$172,000 through a CARES Act grant to reimburse the City for public safety wage and benefit costs. Finally, the City did receive another CARES Act grant that replaced statutory revenue sharing, helping to offset reductions in constitutional revenue sharing. All of these revenues will help to provide the Council a bit of breathing room from a budget standpoint, at least for the current fiscal year. At the same time, we also have vacancies that have not been filled. Additional expenses are being incurred for interim staffing services and management studies. I do not have time to update the budget outlook for the year but consideration might be given to this upon receipt of the audit when Council will know for certain what the general fund fund balance was as of June 30, 2020.