



City of CHARLOTTE

MEMORANDUM

TO: Mayor Lewis and City Council Members

FROM: Gregg Guetschow, City Manager

SUBJECT: City Manager Report

DATE: December 8, 2017

RV Parking. As was reported during the November 27 Council meeting, the Planning Commission has chosen not to pursue a review of zoning provisions related to the parking of recreational vehicles on residential lots and is seeking guidance from the City Council on the subject. Mayor Lewis has asked that a special meeting be set for a Council workshop on this topic for Thursday, January 4 at 6:00 p.m. The first reading of a proposed ordinance on the subject would take place during the January 8 meeting. Staff will be preparing information for Council in advance of these dates. In the meantime, I encourage Council members to pay attention to instances of violations of current ordinance violations during travels around town so as to have a sense as to the varied nature of these violations. These violations should be easy to identify since current ordinances limit parking in front of residences, including in driveways, to passenger vehicles, including light trucks.

Major Street Cash Flow Update. You will find below an update to the Major Street cash flow projection component of the street reconstruction plan Council approved last year. This update reflects the cash balance in the Major Street Fund from the audit and unaudited expenditures associated with the reconstruction of the 100 block of East Lovett Street. Both of these amounts show positive variance from my original projection. Accordingly, the projected cash-on-hand for June 30, 2018 increases from \$1,354,000 to \$1,667,000. This updated cash flow projection now includes the appropriation of \$100,000 annually from Major Street to Local Street beginning in the 2018-19 fiscal year to address projected operating deficits. Overall, these changes project a more positive outlook for cash-on-hand with the lowest year end amount increasing from \$76,000 to \$189,000 at June 30, 2020. The projections for the current fiscal year do not include costs currently being incurred for engineering services related to the Lincoln-State project; these costs were included in projections for next fiscal year to better coincide with the construction season. The next update to the cash flow projection will be undertaken when bids are received next spring.

Lincoln-State Project. Your agenda includes approval of a change order to the engineering services contract for this project. It is proposed for action as an expedited item to avoid delaying work.

2017 Dashboard. Each year as a condition of receiving a portion of state revenue sharing, the City must publish on its website certain documents. Most of these relate to fiscal condition. One is a dashboard showing metrics for various performance indicators. A copy of the most recent dashboard will be found below. A few comments are in order relative to the negative indicators. General Fund fund balance shows a decline over the two years for which data is provided. This decrease was planned and results from the timing of the reconstruction of parking lots 4 and 10. Fund balance in 2017 returned to the same level as 2015. The same is true of crimes against persons with the 2016 rate equivalent to the 2014 rate. The rate of property crimes, 69.75 incidents per 1000 population, however is up over both 2015 and 2014. It remains below rates for 2013 (79.13), 2012 (97.09) and 2011 (95.71). Nevertheless, the trend is worrisome and we will be exploring potential causes. The final item showing an increase is Fire Department response time. The 6:30 average for 2016 is consistent with 2014. At the time of the significant decrease in 2015, I suspected it was an anomaly. It is also worth noting that the proportion of responses to townships increased between 2015 and 2016 which would be expected to result in an increase in average response time.

Clerk Certification. Included below is a letter from the Michigan Association of Municipal Clerks announcing Ginger Terpstra's recertification as a Certified Michigan Municipal Clerk. Maintaining this certification is an indication of Ms. Terpstra's dedication to her profession and to continuing education. She is a valued member of my administrative team and I offer my congratulations to her.

MAJOR STREET FUND CASH FLOW (Updated 11/29/2017)

Cash-on-Hand 6/30/17			\$1,400,000
	2017-18 Revenues:		
	Act 51	\$534,000	
	County Millage	310,000	
	Total Revenues		844,000
	2017-18 Expenditures:		
	Routine Maint.	(350,000)	
	E. Lovett Street (2017)	(227,000)	
	Rehab. Projects	(0)	
	Total Expenditures		(577,000)
Cash-on-Hand 6/30/18			\$1,667,000
	2018-19 Revenues:		
	Act 51	570,000	
	County Millage	310,000	
	Interfund Loan – O-I	800,000	
	Interfund Loan – LDFA	400,000	
	Total Revenues		2,080,000
	2018-19 Expenditures:		
	Routine Maint.	(350,000)	
	S. Lincoln Street (2018)	(970,000)	
	State Street (2018)	(2,000,000)	
	Rehab. Projects	(0)	
	Transfer to Local	(100,000)	
	Total Expenditures		(3,420,000)
Cash-on-Hand 6/30/19			\$327,000
	2019-20 Revenues:		
	Act 51	612,000	
	County Millage	310,000	
	TIP – W. Lovett	375,000	
	Total Revenues		1,297,000
	2019-20 Expenditures:		
	Routine Maint.	(350,000)	
	W. Lovett Street (2019)	(585,000)	
	Rehab. Projects	(250,000)	
	Repay Interfund Loan	(150,000)	
	Transfer to Local	(100,000)	
	Total Expenditures		(1,435,000)
Cash-on-Hand 6/30/20			\$189,000
	2020-21 Revenues:		
	Act 51	677,000	
	County Millage	310,000	
	Total Revenues		987,000
	2020-21 Expenditures:		
	Routine Maint.	(350,000)	
	Rehab. Projects	(250,000)	
	Repay Interfund Loan	(150,000)	
	Transfer to Local	(100,000)	
	Total Expenditures		(850,000)









MAJOR STREET FUND CASH FLOW (cont.)

Cash-on-Hand 6/30/21			\$326,000
	2021-22 Revenues:		
	Act 51	\$677,000	
	County Millage	310,000	
	Total Revenues		987,000
	2021-22 Expenditures:		
	Routine Maint.	(350,000)	
	Rehab. Projects	(250,000)	
	Repay Interfund Loan	(150,000)	
	Transfer to Local	(100,000)	
	Total Expenditures		(850,000)
Cash-on-Hand 6/30/22			\$463,000
	2022-23 Revenues:		
	Act 51	677,000	
	County Millage	310,000	
	TIP—W. Harris	375,000	
	Total Revenues		1,362,000
	2022-23 Expenditures:		
	Routine Maint.	(350,000)	
	W. Harris (2022)	(580,000)	
	Rehab. Projects	(250,000)	
	Repay Interfund Loan	(150,000)	
	Transfer to Local	(100,000)	
	Total Expenditures		(1,430,000)
Cash-on-Hand 6/30/23			\$392,000



City of
CHARLOTTE
Michigan

2017 PERFORMANCE DASHBOARD

FISCAL STABILITY	General Fund Fund Balance as % of Non-Capital Expenditures	2016: 63%	2017: 52%	
	Average Age of Fixed Assets (years)	2016: 16	2017: 16	
	Pensions and Other Post-Employment Benefits (Percent Funded)	2016: 47%	2017: 48%	
	The City's pension funds were 61% and 59% funded for 2016 and 2017 respectively. The City has chosen to fund its OPEB obligations on a pay-as-you-go basis, resulting in the low total funding percentage shown. Additional information related to fiscal stability can be found in the Citizens' Guide to City Finances available on this website.			
PUBLIC SAFETY	Crimes Against Persons Per 1000 Population	2015: 32.07	2016: 41.76	
	Property Crimes Per 1000 Population	2015: 64.36	2016: 69.75	
	Fire Dept. Average Response Time (min.:sec.)	2015: 05:24	2016: 06:30	
	Due to differences in how information is reported, crime statistics should not be used for comparing Charlotte with other communities.			
ECONOMIC STRENGTH	Percent of Commercial Ground Floor Space Occupied in Downtown	2016: 89.4%	2017: 91.1%	
	Number of Employees at Principal Employers	2016: 2939	2017: 2911	
	For the purpose of measuring occupied space, "downtown" is defined as the 100 and 200 blocks of S. Cochran and the 100 blocks of adjacent side streets. "Principal employers" are Spartan Motors, Hayes Green Beach Memorial Hospital, Charlotte Public Schools, County of Eaton, Peckham Vocational Industries, Meijer, Inc., Eaton Intermediate School District, Wal-Mart Stores, Inc and Linn Products, Inc..			
KEY	Arrows represent the change from one year to the next. A green arrow indicates that the change was positive. A red arrow indicates that the change was negative. A white arrow indicates that there was no significant change.			



Michigan Association of Municipal Clerks

November 21, 2017

Gregg Guetschow, City Manager
City of Charlotte
111 E. Lawrence Ave.
Charlotte, MI 48813

Dear Manager Guetschow:

The Michigan Association of Municipal Clerks is an organization that promotes and educates Michigan's Clerks. Through our Certified Michigan Municipal Clerk (CMMC) certification program, Clerks are recognized for their knowledge of the multifaceted Clerk's profession. We are pleased to announce that your City Clerk, Ginger Terpstra, has met the program criteria and has recertified CMMC certification.

Ginger's commitment to education and desire to maintain certification clearly defines commitment to the Clerk's profession and your community. On behalf of the Michigan Association of Municipal Clerks Board of Directors, I ask that you join us in congratulating Ginger Terpstra for this accomplishment and well deserved recognition.

Sincerely,

A handwritten signature in black ink that reads "Sarah Bydalek". The signature is written in a cursive, flowing style.

Sarah Bydalek, CMMC
MAMC President