



To: Board of Mayor & Aldermen
From: Russell G. Treadway, City Administrator
Date: March 19, 2018
Subject: Letter from State Comptroller

The attached letter was previously transmitted to you on March 9, 2018. The letter was to be provided to the Board "for review at the governing body's next scheduled public meeting."

The letter's bullet points recommend many of the things we have already discussed, including reducing spending and increasing revenues. These components will be a central part of the FY 2019 budget.

The letter also includes several questions regarding differences between project estimates and what was actually spent. There are some significant differences. We are working on the answers to these and will be providing them to the Comptroller as soon as practicable.

We are in the process of refinancing the final \$45,305,000 due on June 1, 2018. We have sent our refunding plan to the Comptroller for approval. They have requested a definitive plan on how we are going to handle the entire TDZ debt. We have told them of our basic plan to reduce costs and increase revenues.

It is imperative that the City develop a definitive plan as part of the FY 2019 budget process. We are working on that budget now. We are looking at reducing spending, reallocating current revenues to debt service, and increasing selected revenues.