

This Project Status Report provides a summary of the work activities completed by CMA's Strategic Consulting Group during the period June 1, 2021 through September 15, 2021. During this time our efforts to delve into the City's budget and financial operations have continued. We have received updates from various City Departments and have participated in conversations with several City officials.

Each project is further described, in detail, below.

REVAMPING THE CITY'S BUDGET BOOK & DEVELOPMENT OF INTERACTIVE BUDGET BROWSER

Overview: CMA assisted City officials to revamp the presentation of the City's (Proposed and Adopted) Annual Budget Book in connection with the 2021-2022 fiscal year. The revised Budget Book was constructed to comply with all applicable generally accepted industry best practices.

Next Steps: CMA completed and delivered to the City digital copies of the final proposed and adopted 2021-22 fiscal year operating budget. CMA is continuing to work with City officials to develop an online virtual presentation of the budget which it expects will be publicly released in the Fall of 2021.

CONTINUED SUPPORT OF (DEBTDASH) FISCAL TRANSPARENCY WEBSITE/PORTAL

Overview: In an effort to enhance the fiscal transparency and accountability of the City, CMA has worked with City officials to develop a Fiscal Transparency website/portal. The site hosts various financial documents, demographic and statistical information, monthly updates and a message from the City Manager. A final version of the site has been delivered to the City and has been made publicly available on the City's website.

Next Steps: CMA continues to monitor, manage and update the site as necessary. Over the period of this report CMA has updated the various dashboards and has developed and updated monthly budget reports. CMA anticipates that the City Comptroller will be providing additional information so that additional monthly budget reports may be developed and posted.

FIVE-YEAR FINANCIAL PLAN

Overview: The development of the City’s Five-Year Financial Plan (the “Plan”) continues to advance. A first draft of the Plan has been delivered to the City Administration and is further discussed below.

Plan: CMA has finalized a draft list of fiscal and operational recommendations which have been deemed reasonable, achievable and applicable for the consideration of the City. In conjunction with the development of these recommendations, CMA simultaneously prepared the first draft of the Plan. The Plan was delivered to the City Administration on August 19, 2020. During the second quarter of 2021 (calendar), CMA commenced efforts to “update” its previously completed departmental interviews. During this process CMA will host virtual conferences with key department heads to determine the status of previously identified initiatives and to update our understand current topics impacting the operations of these departments. To date, about half of the key departments have participated in

During period of this report, CMA presented and reviewed with the City an update of the multiyear plan numbers. IN addition, CMA met with the City stenographer to make various editorial changes to the document.

The Plan is considered to be a “living document” and the recommendations of the Plan continue to be updated and revised as necessary. In addition, throughout the Plan, there are a number of recommended studies which CMA suggested to be conducted. CMA advised the City that we stand ready to conduct those analyses as part of our contract with the City (with the exception of the cybersecurity analysis).

Next Steps: CMA anticipates additional information in the near future. Once received, CMA will distribute a revised draft version of the Plan to City officials. There will likely be additional comments to the Plan that will require additional drafts to be distributed. Once the Plan has been thoroughly vetted, CMA believes it is the City’s intention to publicly release the Plan. CMA will assist the City with respect to this release.

ASSISTANCE WITH THE CITY’S RESTRUCTURING EFFORTS

Overview: The City recently engaged two (2) firms to assist in the analysis and restructuring of various short and long-term liabilities.

Participation: CMA has participated on various conference calls with City officials and the engaged firms. In addition, CMA completed a analysis of the City’s real property taxing powers and the historic tax levy.

Next Steps: As requested, CMA stands ready to assist the City with respect to its restructuring efforts.

AMERICAN RESCUE PLAN – FEDERAL AID

Overview: The American Rescue Plan Act (“ARP”) was signed into law on March 12, 2021 to deliver billions of dollars in Federal aid to state and local governments throughout the United States and its territories. Through the ARP, the City anticipates the future receipt of approximately \$3 million in Federal aid.

Next Steps: ARP funds are formula driven “grants” and every eligible, municipal jurisdiction, including the City, is entitled to receive its calculated, proportionate share. Nevertheless, there is a certification process for claiming funds, eligible uses which may be analyzed and future reporting requirements which must be completed. CMA is well aware of ARP guidelines and parameters and intends to strategically assist the City with respect to its allocation. In June of 2021 CMA provided City officials with a formal presentation outlining the basics of the ARP. During September of 2021 CMA assisted the City to calculate the revenue loss as prescribed by the US Treasury. The first compliance report will be due to the Treasury by October 31, 2021. CMA anticipates assisting the City with respect to the filing.

FISCAL POLICIES AND PROCEDURES

Overview: The development of fiscal and management policies and procedures (the “Policies”) continues to advance. The Policies are intended to enhance transparency and to define and guide key operations of the City.

Next Steps: Over the period of this Report, CMA assisted the City Comptroller in drafting a petty cash policy. At the City’s request, CMA stands ready to develop additional policies and procedures.

WEEKLY STRATEGIC ADVISORY UPDATE MEETINGS

Overview: CMA continues to meet with the City Manager on a weekly basis to discuss the status of ongoing projects, current affairs and other matters which could impact the future fiscal conditions of the City. These meetings are expected to continue into the foreseeable future.