



City of CHARLOTTE

MEMORNADUM

TO: Mayor Lewis and City Council Members

FROM: Gregg Guetschow, City Manager

SUBJECT: City Manager's Report

DATE: December 9, 2016

Health Insurance. In my report of November 23, I advised Council of our efforts to explore a reduction in health insurance premiums by splitting retired employees from the group we insured. Our agent has worked with Blue Cross on this concept but the company is unwilling to offer a reduction in premiums at this time. Accordingly, we are not proposing to pursue this now. Our agent believes that making this change in mid-2017 could result in lower premiums in future years, however, so we will be looking into this further in the coming year.

CARA. We are continuing to work on addressing the operation deficit expected in the recycling operation. We have explored privatizing the operation but have found no cost savings in doing so. I am currently working to arrange a meeting with the supervisors of the townships that are part of CARA to address their issues with allocation of operational deficits among the participating entities. I expect that meeting to take place within the next two weeks.

Street Program. Matters related to street reconstruction and rehabilitation will be appearing on Council agendas beginning with the meeting of December 27. We will be presenting cost information for mill-and-fill projects and staff recommendations for the order of street projects for the next several years. Statements of Qualifications for engineering consultants are due today and will be reviewed by staff over the next couple of weeks with a recommendation to Council to follow.

Accountability and Transparency. Each year, as a requirement to receive a portion of state revenue sharing funds, the City is required to publish a dashboard and a citizens guide to local government finances. Both of these have been completed and posted on the City's website under the "About" menu. The only negative indicator on the dashboard is related to funding of legacy costs for pensions and retiree health insurance. This downward trend is an expected outcome of our decision to close defined benefit pension plans to new hires as well as changes in actuarial assumptions.

Next Meeting. Please note that the next Council meeting is scheduled for *Tuesday, December 27.*

Holiday Closings. City offices will be closed on Friday, December 23 and Monday, December 26 and again on Friday, December 30 and Monday, January 2.