



City of CHARLOTTE

MEMORANDUM

TO: Mayor Ridge and City Council Members

FROM: Gregg Guetschow, City Manager

SUBJECT: City Manager Report

DATE: December 20, 2019

Pension and OPEB. You might recall that the City was required to prepare corrective action plans to address underfunding of the City's pension and retiree health insurance programs. Those plans were submitted to the Michigan Department of Treasury in early November. At the time, I was optimistic that the plan for retiree health would be approved but was skeptical that Treasury would accept the plan for the pension program. This skepticism was due to the plan's dependence on future actions of the City Council to identify additional revenue sources to meet projected increases in annual required contributions. I had an email exchange with a Treasury staff member concerning this issue. I received notification today that both plans had been accepted. Treasury is expecting, however, that within 180 days we will take the steps discussed in the plans. The first and easier of the two is to establish a \$200,000 trust for retiree health. I will begin working on this in January. The second is to seek new millage to pay for legacy pension cost increases or to impose a special assessment to pay for police and fire pension costs. As I previously indicated, we will begin discussing this in January.

Payroll Conversion. Following Council's authorization, the signed proposal was returned to BS&A. We have been added to their implementation schedule with the first live payroll on the new system scheduled for the second pay in July. I will be giving notice soon regarding our intent to terminate the contract with Kronos at its renewal date in August.

Special Meetings. I have copied below the topics to be discussed at the Council work sessions scheduled for January and February. Mayor Ridge has approved a format to standardize department objectives and key tasks using Google Sheets. I will be sharing with Council a link to the workbook, along with instructions for how to use and interpret it, prior to the January 21 meeting.

Holiday Schedule. City offices are closed Christmas eve, Christmas day, New Year's eve and New Year's day.

Vacation. I will be extending my New Year holiday by taking vacation on January 2 and 3. I will be available via phone, text and email.

CITY COUNCIL WORK SESSIONS

BOARDS AND COMMISSIONS:

Jan. 13	Planning Commission & ZBA
Jan. 27	Parks Advisory, Camp Frances & CARC
Feb. 10	DDA, Economic Development & CharlotteRising
Feb. 24	Airport & Other Misc. incl. CARA

DEPARTMENT GOALS AND OBJECTIVES

Jan. 21	Police, Fire, Clerk-Treasurer & City Manager (time permitting)
Feb. 17	Public Works & Community Development