

**CITY OF MONROE
CITY COUNCIL STRATEGIC PLANNING MEETING
300 WEST CROWELL STREET
MONROE, NORTH CAROLINA 28112
FEBRUARY 5, 2020 - 4:00 PM**

AGENDA

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1. Health Plan and Cafeteria Plan for Fiscal Year 2020-2021
2. Willis Towers and Watson Annual Benchmark Update to Enterprise Pay Plan
3. Winchester Neighborhood Environmental Assessment
4. Volunteer Fire Department Funding Model Update
5. Ordinance Amending Fiscal Year 2019-2020 Fees Schedule to Add Facility and Program Fees for Dowd Center Theatre
6. Travel Policy for Elected Officials



STAFF REPORT

TO: City Council

VIA: E.L. Faison, City Manager

DATE: February 5, 2020

FROM: Debra Chestnut Reed, Director of Human Resources

PREPARED BY: Debra Chestnut Reed, Director of Human Resources

SUBJECT: 2020-2021 Renewal Expectation and Options for the City's Medical Plan

SUMMARY STATEMENT

City Council is requested to review the FY 2020-2021 renewal expectation and options for the City's Medical Plan.

REVIEW

The City's Medical Plan cost projections for July 1, 2020 to June 30, 2021 with the renewal option to increase for the City and the employees with no proposed design change in the Medical Plan.

RECOMMENDATION

The City Manager is recommending Council approval of the FY 2020-2021 renewal expectations and options for the City's Medical Plan.

In addition, the City Manager is recommending that Council approve the authorization for Tucker Administrators to administer the 2020-2021 plan year of the City's Health and Cafeteria Plans. It is also requested that the City Manager be authorized to execute the necessary documents.

Attachment: Medical Plan Renewal Options



MEDICAL PLAN UPDATE

2020 – 2021 Renewal Expectation



January 16, 2020



- The Medical Plan had a four year run of no funding increases or benefit changes.
- The City developed a strong reserve position over that period.
- 2018 – 2019 claims increased 12%.
- This was driven by high claimants.
- A single digit increase in City funding was made 2019 – 2020.

2018 – 2019 Plan Experience



PPO													
Date	Subs	Medical	Dental	Pharmacy	Vision	Combined Claims	Claims Per Active/Retiree Per Month						
July-18	455	\$401,165.08	\$24,442.91	\$83,766.91	\$141.77	\$509,516.67	\$1,119.82						
August-18	451	\$293,897.13	\$36,346.77	\$92,166.06	\$16.00	\$422,425.96	\$936.64						
September-18	450	\$234,714.92	\$43,329.91	\$80,276.33	\$16.00	\$358,337.16	\$796.30						
October-18	452	\$392,452.51	\$34,478.38	\$97,174.07	\$96.00	\$524,200.96	\$1,159.74						
November-18	464	\$276,878.21	\$13,947.48	\$2,380.35	\$450.44	\$293,656.48	\$632.88						
December-18	461	\$227,040.43	\$28,213.12	\$135,005.90	\$235.96	\$390,495.41	\$847.06						
January-19	467	\$289,584.66	\$28,966.46	\$57,514.36	\$0.00	\$376,065.48	\$805.28						
February-19	459	\$484,068.64	\$27,604.12	\$111,973.76	\$137.00	\$623,783.52	\$1,359.01						
March-19	458	\$395,242.58	\$29,733.38	\$95,716.81	\$0.00	\$520,692.77	\$1,136.88						
April-19	467	\$688,981.38	\$34,080.17	\$0.00	\$83.00	\$723,144.55	\$1,548.49						
May-19	462	\$398,726.29	\$29,237.65	\$171,178.92	\$72.00	\$599,214.86	\$1,297.00						
June-19	474	\$445,791.06	\$32,277.59	\$132,679.89	\$0.00	\$610,748.54	\$1,288.50						
Total	5,520	\$4,528,542.89	\$362,657.94	\$1,059,833.36	\$1,248.17	\$5,952,282.36	\$1,078.31						
HSA													
Date	Subs	Medical	Dental	Pharmacy	Vision	Combined Claims	Claims Per Active/Retiree Per Month						
July-18	19	\$2,880.34	\$9.85	\$304.00	\$0.00	\$3,194.19	\$168.12						
August-18	19	\$207.70	\$9.85	\$242.00	\$0.00	\$459.55	\$24.19						
September-18	19	\$3,430.29	\$9.85	\$735.00	\$0.00	\$4,175.14	\$219.74						
October-18	18	\$1,330.09	\$35.92	\$561.00	\$0.00	\$1,927.01	\$107.06						
November-18	20	\$2,644.12	\$9.85	\$0.00	\$0.00	\$2,653.97	\$132.70						
December-18	19	\$3,875.92	\$0.00	\$511.00	\$0.00	\$4,386.92	\$230.89						
January-19	20	\$6,633.96	\$142.20	\$706.60	\$0.00	\$7,482.76	\$374.14						
February-19	20	\$1,407.59	\$9.80	\$443.00	\$0.00	\$1,860.39	\$93.02						
March-19	21	\$4,347.48	\$9.80	\$501.00	\$0.00	\$4,858.28	\$231.35						
April-19	21	\$462.65	\$1,349.00	\$0.00	\$0.00	\$1,811.65	\$86.27						
May-19	21	\$5,067.85	\$9.99	\$0.00	\$0.00	\$5,077.84	\$241.80						
June-19	21	\$4,663.29	\$9.33	\$191.00	\$0.00	\$4,863.62	\$231.60						
Total	238	\$36,951.28	\$1,605.44	\$4,194.60	\$0.00	\$42,751.32	\$179.63						
Clinic/X-rays Wellness Program Health Risk Ass HSA Contribution													
Date	Subs	Medical	Dental	Pharmacy	Vision	Combined Claims	Claims Per Active/Retiree Per Month	Total Cost	Stop-loss Credits	Net Costs	City Budgeted	Net Position	
July-18	474	\$404,045.42	\$24,452.76	\$84,070.91	\$141.77	\$512,710.86	\$1,081.67	\$637,061.83	\$0.00	\$637,061.83	\$586,409.10	\$23,503.83	\$661,441.41
August-18	470	\$294,104.83	\$36,356.62	\$92,408.06	\$16.00	\$422,885.51	\$899.76	\$542,515.49	\$0.00	\$542,515.49	\$581,460.50	\$23,503.83	\$566,895.07
September-18	469	\$238,145.21	\$43,339.76	\$81,011.33	\$16.00	\$362,512.30	\$772.95	\$481,981.32	\$0.00	\$481,981.32	\$580,223.35	\$23,503.83	\$506,360.90
October-18	470	\$393,782.60	\$34,514.30	\$97,735.07	\$96.00	\$526,127.97	\$1,119.42	\$647,143.38	\$0.00	\$647,143.38	\$581,460.50	\$23,441.33	\$671,460.46
November-18	484	\$279,522.33	\$13,957.33	\$2,380.35	\$450.44	\$296,310.45	\$612.21	\$420,035.87	\$0.00	\$420,035.87	\$598,780.60	\$23,566.33	\$444,477.95
December-18	480	\$230,916.35	\$28,213.12	\$135,516.90	\$235.96	\$394,882.33	\$822.67	\$512,513.61	\$0.00	\$512,513.61	\$593,832.00	\$23,503.83	\$536,893.19
January-19	487	\$296,218.62	\$29,108.66	\$58,220.96	\$0.00	\$383,548.24	\$787.57	\$510,574.25	\$66,237.01	\$444,337.24	\$602,492.05	\$23,566.33	\$468,779.32
February-19	479	\$485,476.23	\$27,613.92	\$112,416.76	\$137.00	\$625,643.91	\$1,306.15	\$747,938.77	\$100,818.45	\$647,120.32	\$592,594.85	\$23,566.33	\$671,562.40
March-19	479	\$399,590.06	\$29,743.18	\$96,217.81	\$0.00	\$525,551.05	\$1,097.18	\$644,805.50	\$140,695.04	\$504,110.46	\$592,594.85	\$23,628.83	\$528,615.04
April-19	488	\$689,444.03	\$35,429.17	\$0.00	\$83.00	\$724,956.20	\$1,485.57	\$849,049.73	\$350,287.75	\$498,761.98	\$603,729.20	\$23,628.83	\$523,266.56
May-19	483	\$403,794.14	\$29,247.64	\$171,178.92	\$72.00	\$604,292.70	\$1,251.12	\$728,070.86	\$139,450.81	\$588,620.05	\$597,543.45	\$23,628.83	\$613,124.63
June-19	495	\$450,454.35	\$32,286.92	\$132,870.89	\$0.00	\$615,612.16	\$1,243.66	\$741,628.07	\$210,599.51	\$531,028.56	\$612,389.25	\$23,628.83	\$555,533.14
Total	5,758	\$4,565,494.17	\$364,263.38	\$1,064,027.96	\$1,248.17	\$5,995,033.68	\$1,041.17	\$7,463,318.68	\$1,008,088.57	\$6,455,230.11	\$7,123,509.70	\$282,670.96	\$6,748,410.07
			Rx/Sub/Mth	\$184.79		Change	112.23%		82.75%		\$668,279.59		\$375,099.63
				94.71%									

2019 – 2020 Plan Experience



PPO													
Date	Subs	Medical	Dental	Pharmacy	Vision	Combined Claims	Claims Per Active/Retiree Per Month						
July-19	461	\$409,123.52	\$35,721.87	\$40,173.22	\$101.00	\$485,119.61	\$1,052.32						
August-19	460	\$437,642.52	\$38,406.19	\$130,097.89	\$257.97	\$606,404.57	\$1,318.27						
September-19	457	\$561,302.79	\$31,956.95	\$138,403.15	\$351.33	\$732,014.22	\$1,601.78						
October-19	459	\$388,283.39	\$36,549.88	\$47,423.78	\$554.00	\$472,811.05	\$1,030.09						
November-19													
December-19													
January-20													
February-20													
March-20													
April-20													
May-20													
June-20													
Total	1,837	\$1,796,352.22	\$142,634.89	\$356,098.04	\$1,264.30	\$2,296,349.45	\$1,250.05						
HSA													
Date	Subs	Medical	Dental	Pharmacy	Vision	Combined Claims	Claims Per Active/Retiree Per Month						
July-19	29	\$801.47	\$4,426.40	\$18.66	\$0.00	\$5,246.53	\$180.91						
August-19	28	\$901.93	\$1,880.60	\$10.09	\$0.00	\$2,792.62	\$99.74						
September-19	29	\$434.94	\$134.19	\$1,234.00	\$0.00	\$1,803.13	\$62.18						
October-19	29	\$13,775.45	\$446.34	\$725.00	\$0.00	\$14,946.79	\$515.41						
November-19													
December-19													
January-20													
February-20													
March-20													
April-20													
May-20													
June-20													
Total	115	\$15,913.79	\$6,887.53	\$1,987.75	\$0.00	\$24,789.07	\$215.56						
Combined													
Date	Subs	Medical	Dental	Pharmacy	Vision	Combined Claims	Claims Per Active/Retiree Per Month	Total Cost	Stop-loss Credits	Net Costs	City Budgeted	Clinic/X-rays Wellness Program Health Risk Ass HSA Contribution	Net Position
July-19	490	\$409,924.99	\$40,148.27	\$40,191.88	\$101.00	\$490,366.14	\$1,000.75	\$624,887.50	\$0.00	\$624,887.50	\$630,296.80	\$24,128.83	\$649,892.08
August-19	488	\$438,544.45	\$40,286.79	\$130,107.98	\$257.97	\$609,197.19	\$1,248.35	\$743,369.63	\$0.00	\$743,369.63	\$627,724.16	\$24,066.33	\$768,311.71
September-19	486	\$561,737.73	\$32,091.14	\$139,637.15	\$351.33	\$733,817.35	\$1,509.91	\$866,062.18	\$56,017.23	\$810,044.95	\$625,151.52	\$24,128.83	\$835,049.53
October-19	488	\$402,058.84	\$36,996.22	\$48,148.78	\$554.00	\$487,757.84	\$999.50	\$621,042.63	\$62,422.76	\$558,619.87	\$628,212.16	\$24,128.83	\$583,624.45
November-19													
December-19													
January-20													
February-20													
March-20													
April-20													
May-20													
June-20													
Total	1,952	\$1,812,266.01	\$149,522.42	\$358,085.79	\$1,264.30	\$2,321,138.52	\$1,189.11	\$2,855,361.94	\$118,439.99	\$2,736,921.95	\$2,511,384.64	\$96,452.82	\$2,836,877.77
			Rx/Sub/Mth	\$183.45		Change	114.21%		26.13%		-\$225,537.31		-\$325,493.13
				99.27%									



	Tucker/Zurich Cost Projection 7/15 - 6/16	Tucker/VOYA Cost Projection 7/16 - 6/17		Tucker/VOYA Cost Projection 7/17 - 6/18		Tucker/VOYA Cost Projection 7/18 - 6/19		Tucker/VOYA Cost Projection 7/19 - 6/20	
	PPO	PPO	HSA - \$750	PPO	HSA - \$750	PPO	HSA - \$750	PPO	HSA - \$750
Primary Care Visits	\$35	\$35	Ded/Coinsurance	\$35	Ded/Coinsurance	\$35	Ded/Coinsurance	\$35	Ded/Coinsurance
Specialist Visits	\$70	\$70	Ded/Coinsurance	\$70	Ded/Coinsurance	\$70	Ded/Coinsurance	\$70	Ded/Coinsurance
Deductible - Benefit Period	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Deductible - Family Maximum	\$4,500	\$4,500	\$3,000	\$4,500	\$3,000	\$4,500	\$3,000	\$4,500	\$3,000
Coinsurance Limit - Benefit Period	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Coinsurance Limit - Family Max	\$6,000	\$6,000	\$2,000	\$6,000	\$2,000	\$6,000	\$2,000	\$6,000	\$2,000
Hospital Services	90%	90%	80%	90%	80%	90%	80%	90%	80%
Emergency Room	\$250	\$250	Ded/Coinsurance	\$250	Ded/Coinsurance	\$250	Ded/Coinsurance	\$250	Ded/Coinsurance
Pharmacy	\$5/\$45/\$60/25% Maximum \$100	\$5/\$45/\$60/25% Maximum \$100	Ded/Coinsurance	\$5/\$45/\$60/25% Maximum \$100	Ded/Coinsurance	\$5/\$45/\$60/25% Maximum \$100	Ded/Coinsurance	\$5/\$45/\$60/25% Maximum \$100	Ded/Coinsurance
Urgent Care	\$70	\$70	Ded/Coinsurance	\$70	Ded/Coinsurance	\$70	Ded/Coinsurance	\$70	Ded/Coinsurance
Lifetime Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
	MedCost	MedCost	MedCost	MedCost	MedCost	MedCost	MedCost	MedCost	MedCost
Percentage Change	0.0%	0.0%		0.0%		0.0%		103.6%	
Total Dollars	\$7,030,723	\$7,030,723		\$7,030,723		\$7,030,723		\$7,282,932	
Dollar Change	N/A	N/A		N/A		N/A		\$252,209	
Implement Spouse Eligibility Change	No	Yes		Yes		Yes		Yes	
								Recommended 5% City Only - Net 4%	
Dollar Change - City	\$0	\$0		\$0		\$0		\$281,229	
Dollar Change - Employee	\$0	\$0		\$0		\$0		\$0	
	City Monthly	City Monthly	City Monthly	City Monthly	City Monthly	City Monthly	City Monthly	City Monthly - 5%	City Monthly - 5%
Employee Only	\$765.94	\$765.94	\$765.94	\$765.94	\$765.94	\$765.94	\$765.94	\$793.42	\$793.42
Employee & Children	\$1,140.19	\$1,140.19	\$1,140.19	\$1,140.19	\$1,140.19	\$1,140.19	\$1,140.19	\$1,181.09	\$1,181.09
Employee & Spouse	\$1,140.19	\$1,140.19	\$1,140.19	\$1,140.19	\$1,140.19	\$1,140.19	\$1,140.19	\$1,181.09	\$1,181.09
Employee & Family	\$1,140.19	\$1,140.19	\$1,140.19	\$1,140.19	\$1,140.19	\$1,140.19	\$1,140.19	\$1,181.09	\$1,181.09
		\$0							
	Employee Monthly	Employee Monthly	Employee Monthly	Employee Monthly	Employee Monthly	Employee Monthly	Employee Monthly	Employee Monthly	Employee Monthly
Employee Only	\$29.67	\$29.67	\$0.00	\$29.67	\$0.00	\$29.67	\$0.00	\$29.67	\$0.00
Children	\$137.46	\$137.46	\$137.46	\$137.46	\$137.46	\$137.46	\$137.46	\$137.46	\$137.46
Spouse	\$318.97	\$318.97	\$318.97	\$318.97	\$318.97	\$318.97	\$318.97	\$318.97	\$318.97
Family	\$609.39	\$609.39	\$609.39	\$609.39	\$609.39	\$609.39	\$609.39	\$609.39	\$609.39

- The recommendation is for a 5% increase to City funding, which nets out to an overall 4% increase.
- No increase to employee premiums.
- No benefit changes.

2020 – 2021 Renewal Calculation



City of Monroe	Total Number of Employees	Medical Benefit Payments	Pharmacy Benefit Payments	Dental Benefit Payments	Stop-Loss Credits	Net Claims
November-18	484	\$279,522.33	\$2,380.35	\$13,957.33	\$0.00	\$295,860.01
December-18	480	\$230,916.35	\$135,516.90	\$28,213.12	\$0.00	\$394,646.37
January-19	487	\$296,218.62	\$58,220.96	\$29,108.66	\$66,237.01	\$317,311.23
February-19	479	\$485,476.23	\$112,416.76	\$27,613.92	\$100,818.45	\$524,688.46
March-19	479	\$399,590.06	\$96,217.81	\$29,743.18	\$140,695.04	\$384,856.01
April-19	488	\$689,444.03	\$0.00	\$35,429.17	\$350,287.75	\$374,585.45
May-19	483	\$403,794.14	\$171,178.92	\$29,247.64	\$139,450.81	\$464,769.89
June-19	495	\$450,454.35	\$132,870.89	\$32,286.92	\$210,599.51	\$405,012.65
July-19	490	\$409,924.99	\$40,191.88	\$40,148.27	\$0.00	\$490,265.14
August-19	488	\$438,544.45	\$130,107.98	\$40,286.79	\$0.00	\$608,939.22
September-19	486	\$561,737.73	\$139,637.15	\$32,091.14	\$56,017.23	\$677,448.79
October-19	488	\$402,058.84	\$48,148.78	\$36,996.22	\$62,422.76	\$424,781.08
Total	5,827	\$5,047,682.12	\$1,066,888.38	\$375,122.36	\$1,126,528.56	\$5,363,164.30

Standard Renewal Calculations 2020 - 2021

Current Plan Designs	Mature WSL
Claims	\$5,363,164.30
Standard Trend 8%	\$6,078,074.10
Benefit Enhancements	\$6,078,074.10
Annual Employee Count	5,827
Administration and Stop-loss	\$1,748,100.00
Expected Medical Plan Cost - 2020 - 2021	\$7,826,174.10
PPACA - Fee for Comparative Effectiveness Research Agency - July 31, 2020	\$2,090.00
Clinic, X-rays, Wellness Program, Health Risk Assessments	\$267,796.00
FSA Fees	\$10,509.00
Laser - \$400,000	\$0.00
Wellness Bonus - \$250	\$65,500.00
Expected Cost - 2020 - 2021	\$8,172,069.10
Pharmacy Contract Improvements	\$136,652.00
Total 2020 - 2021 Cost	\$8,035,417.10
City 2019 - 2020	\$7,495,386.64
2020 - 2021 Rate Action - Projection	107.20%
Dollars	\$540,030.46

- Claims accelerated in the back half of 2018 – 2019.
- The upward trend continues in 2019 – 2020.
- Stop Loss Reimbursements have dampened the renewal calc.
- The 2020 – 2021 Renewal is calling for a mid-single digit increase.



	Tucker/VOYA Cost Projection 7/19 - 6/20			Tucker/VOYA Cost Projection 7/20 - 6/21	
	PPO	HSA - \$750		PPO	HSA - \$750
Primary Care Visits	\$35	Ded/Coinsurance		\$35	Ded/Coinsurance
Specialist Visits	\$70	Ded/Coinsurance		\$70	Ded/Coinsurance
Deductible - Benefit Period	\$1,500	\$1,500		\$1,500	\$1,500
Deductible - Family Maximum	\$4,500	\$3,000		\$4,500	\$3,000
Coinsurance Limit - Benefit Period	\$2,000	\$2,000		\$2,000	\$2,000
Coinsurance Limit - Family Max	\$6,000	\$2,000		\$6,000	\$2,000
Hospital Services	90%	80%		90%	80%
Emergency Room	\$250	Ded/Coinsurance		\$250	Ded/Coinsurance
Pharmacy	\$5/\$45/\$60/25% Maximum \$100	Ded/Coinsurance		\$5/\$45/\$60/25% Maximum \$100	Ded/Coinsurance
Urgent Care	\$70	Ded/Coinsurance		\$70	Ded/Coinsurance
Lifetime Maximum	Unlimited	Unlimited		Unlimited	Unlimited
	MedCost	MedCost		MedCost	MedCost
Percentage Change	104.0%			107.2%	
Total Dollars	\$7,495,387			\$8,035,417	
Dollar Change	\$281,229			\$540,030	
Implement Spouse Eligibility Change	Yes			Yes	
	Recommended 5% City Only - Net 4%			Recommended 7.2%	
Dollar Change - City	\$281,229			\$432,024	
Dollar Change - Employee	\$0			\$108,006	
	City Monthly	City Monthly		City Monthly - 7.2%	City Monthly - 7.2%
Employee Only	\$804.24	\$804.24		\$821.12	\$821.12
Employee & Children	\$1,197.20	\$1,197.20		\$1,222.34	\$1,222.34
Employee & Spouse	\$1,197.20	\$1,197.20		\$1,222.34	\$1,222.34
Employee & Family	\$1,197.20	\$1,197.20		\$1,222.34	\$1,222.34
	Employee Monthly	Employee Monthly		Employee Monthly 7.2%	Employee Monthly 7.2%
Employee Only	\$29.67	\$0.00		\$31.81	\$0.00
Children	\$137.46	\$137.46		\$147.36	\$147.36
Spouse	\$318.97	\$318.97		\$341.94	\$341.94
Family	\$609.39	\$609.39		\$653.27	\$653.27



- For 2020 – 2021, the recommendation is for a 7.2% increase for City and Employee funding.
- There hasn't been an increase in employee premiums in 5 years.
- No benefit changes.
- We will continue to monitor Plan performance.
- As the year progresses, if claims don't moderate, we will begin evaluating the options available.





STAFF REPORT

TO: City Council

VIA: E.L. Faison, City Manager

DATE: February 5, 2020

FROM: Debra Chestnut Reed, Director of Human Resources

PREPARED BY: Debra Chestnut Reed, Director of Human Resources

SUBJECT: Annual Update to Benchmark the City's Enterprise Pay Plans with the Southeastern Market

SUMMARY STATEMENT

City Council is requested to review the City's Enterprise Pay Plans which is due for its annual update with Willis Towers Watson (WTW) to benchmark the Enterprise positions with the Willis Towers Watson database of Southeastern Utility positions.

REVIEW

Willis Towers Watson, a global advisory and solutions firm that ElectriCities of North Carolina uses, is performing an annual update to benchmark the City's Enterprise positions to their database of Southeastern utility positions and provide recommendations to City Council concerning what, if any adjustments, need to be made to the pay plans to help insure continuity of a qualified workforce.

RECOMMENDATION

The City Manager is recommending that the City Council review the annual update to benchmark the Enterprise Pay Plan with the Southeastern Market.



STAFF REPORT

TO: City Council

VIA: Larry Faison, City Manager

DATE: February 5, 2020

FROM: Lisa Stiwinter, Director of Planning and Development

PREPARED BY: Teresa Campo, Community Development Division

SUBJECT: Environmental Assessment for Winchester Area

SUMMARY STATEMENT

City Council is requested to consider for information and discussion the Environmental Assessment prepared by LaBella & Associates, LLC for the City-Owned Winchester Area Lots and Winchester Neighborhood Overlay.

REVIEW

The Community Development Division within the Planning and Development Department is responsible for fostering an economic, social and physical environment with focus on community revitalization that is inclusive of all members in our community.

In 2017, Community Development implemented the Community Development Action Plan, per the direction of City Council, that included neighborhood outreach for revitalization and facilitation of stakeholder groups.

At the August 21, 2018 City Council meeting, City Council voted to establish a Winchester Neighborhood Committee that consist of three Council Members. The purpose of the committee was to allow an opportunity for staff to work with the Committee and residents of the Winchester Neighborhood. At the December 4, 2018 City Council meeting, staff was requested to propose possible development opportunities for the vacant City-owned properties located on the south side of Winchester. City Council also requested staff to conduct research on vacant property located within the Winchester Neighborhood. The purpose of the research was to identify vacant

property in an attempt for the City to gain ownership and offer for residential development that would be geared toward homeownership.

Community Development was requested to attend the Winchester Neighborhood Committee meetings to monitor opportunities for revitalization and affordable housing. Although, there are many initiatives, Community Development's focus is on creating community place which encompasses revitalization, safe and affordable housing, and economic vitality activities. One area of concern of the committee members is the redevelopment of the City owned property that is directly across the street from the Winchester Recreation Complex. In order to determine eligible activities on the 12.8 acres of City owned property, Community Development conducted an environmental study. An environmental assessment is the first requirement of any federal funding assistance and evaluates 35 factors that impact the health and safety of our citizens, as well as the preservation of valuable natural resources. Labella and Associates was contracted to perform the environmental assessment for the City owned property. During the process of the environmental study, the Winchester Neighborhood Committee brought up concerns of regarding the loss of historically significant houses that may be in the neighborhood and the fact that the design standards under the overlay are no longer allowed under North Carolina State Law. Community Development presented the environmental strategy conducted in the Concord Avenue neighborhood and the Winchester Neighborhood Committee requested that a similar environmental strategy be performed for residential properties located within the Winchester Neighborhood Overlay District. As a result, the engineer performed an environmental study for the Winchester Neighborhood.

The purpose of this presentation is to summarize the 35 environmental factors and provide the guidance for eligible uses and any further mitigation. There are four areas of concern for the City Owned Property which prohibit some desired activities and provides guidance for improvements. The Winchester Neighborhood Overlay Unspecified Site Strategy will require individual review by the North Carolina State Historic Preservation Office for each property and has three areas of concern.

RECOMMENDATION

This report is for information purposes only and no recommendation is being requested.



STAFF REPORT

TO: City Council

VIA: E.L. Faison, City Manager

DATE: February 5, 2020

FROM: Ronald D. Fowler, Fire Chief

PREPARED BY: Alice Williams, Administrative Assistant

SUBJECT: Union County Volunteer Fire Department Funding

SUMMARY STATEMENT

Council update on Union County Volunteer Fire Department funding.

REVIEW

Staff will update City Council on a funding model recently adopted by the Union County Board of Commissioners to fund the County Volunteer Fire Departments.

RECOMMENDATION

For informational purposes and discussion.



STAFF REPORT

TO: City Council

VIA: E.L. Faison, City Manager

DATE: February 5, 2020

FROM: Peter Hovanec, Communications and Tourism Officer

PREPARED BY: Peter Hovanec, Communications and Tourism Officer

SUBJECT: Ordinance Amending Fiscal Year 2019-2020 Fees Schedule to Add Facility and Program Fees for Dowd Center Theatre

SUMMARY STATEMENT

The Dowd Center Theatre is close to opening for both city programming and community use. The unique configuration of both meeting space and auditorium space creates the opportunity to offer the theatre for rental for a variety of events including, but not limited to, weddings, parties/celebrations, corporate/professional events, private performances, guest lecturers, etc. Staff needs to have a working and defined fee schedule for the rental and use of the facility with the ability to work through the complex scheduling and logistic challenges each potential event brings. Staff has reviewed other similar facilities in the region and has looked at other city venues that offer space rentals (Monroe Country Club, Old Armory Community Center) along with private venues in the city/county (Rolling Hills, Bottle Factory). The proposed fee schedule recognizes that this is a public facility, and staff will maintain fees with consideration to Monroe residents and Union County non-profit organizations.

REVIEW

A fee schedule for the use of the Dowd Center Theatre is needed in order for staff to book the facility for rentals from the community. Staff has received numerous requests for usage of the theatre for a variety of private and corporate events. Staff has developed a working fee schedule that will allow for fair market price for use of the facility while covering the city's cost of operation during the private event. Theatre staff will work with prospective users to develop a clear understanding of the costs associated with the facility rental and will work with other city

departments (legal, finance, administration) to ensure any and all city policy and procedures are followed.

RECOMMENDATION

Adoption of Ordinance amending the 2019-2020 Fees Schedule to include fees for the Dowd Center Theatre.

Attachment: Ordinance O-2020-16

**ORDINANCE TO AMEND
FISCAL YEAR 2019-2020 CITY OF MONROE FEES SCHEDULE
O-2020-16**

BE IT ORDAINED BY THE CITY OF MONROE COUNCIL THAT THE FISCAL YEAR 2019-2020 CITY OF MONROE FEES SCHEDULE IS HEREBY AMENDED TO ADD THE FOLLOWING:

Section 1. Amend Chapter V. Downtown Monroe
Article A. Dowd Center Theatre
Section 1. Facility Rental Fees

BASIC RENTAL (SUNDAY THROUGH THURSDAY)

A basic rental includes use of the theatre, lobby, and gallery space, catering kitchen, and basic technical and administrative support (single microphone w/ stand, single video hookup, sound system, and rep light plot).

Additional charges may apply for other services (see below).

	GALLERY/LOBBY	GALLERY/LOBBY & THEATRE
Corporate/Private	\$500 (4 hours) \$1,000 (day)	\$800 (4 hours) \$1,200 (day)
Monroe Resident (excluding weddings)	\$400 (4 hours) \$800 (day)	\$600 (4 hours) \$1,000 (day)
Union County Nonprofit	\$300 (4 hours) \$600 (day)	\$500 (4 hours) \$800 (day)

BASIC RENTAL (FRIDAY, SATURDAY, AND HOLIDAYS)

Half-Day Rental	\$1,000
Full-Day Rental	\$1,500

Please Note: The basic rental fees for non-ticketed events reflect Sunday through Thursday rates. Because the Dowd Center Theatre (“DCT”) is a multi-purpose presenting venue, rentals might preclude the booking of other forms of entertainment, especially on Friday, Saturday, and holidays, and so the rates are adjusted accordingly. In addition, the DCT requires a deposit of \$300 upon acceptance of a booking date, and 50% of the rental fee 90 days in advance of the rental date. The deposit can be applied to the cost of the rental, but the rental fee is

non-refundable. The remaining 50% is due 7 days before the rental date and is also non-refundable. A damage deposit (see below) is also due at the time of the second payment.

COMMERCIAL THEATRE RENTAL (TICKETED EVENTS)

There are two kinds of ticketed event rentals. The first rental involves ticketing by an individual, community group, or nonprofit organization, to cover the basic costs of its event and/or to provide fundraising support for that entity. In this instance the basic rental rates (see above) still apply. However, if the rental involves the sale of tickets for profit (usually in the form of entertainment), the following rates apply:

COMMERCIAL THEATRE RENTAL (SINGLE-TICKETED EVENTS)

Commercial/Private	Sunday – Thursday: \$1,400 vs. 12% of potential gross (whichever is higher) Friday - Saturday: \$2,000 vs. 12% of potential gross (whichever is higher)
Nonprofit Organization	Sunday – Thursday: \$800 vs. 12% of potential gross (whichever is higher) Friday - Saturday: \$1,500 vs. 12% of potential gross (whichever is higher)

COMMERCIAL THEATRE RENTAL (RESIDENCY/MULTIPLE EVENTS)

Fees and potential gross split are negotiated on an individual basis with each organization according to established rental rates, anticipated ticket revenue, and duration of residency. A residency is defined as two or more events or performances in consecutive days or three or more annual events or performances. Residency shall be awarded to an organization following consultation, recommendation of the Theater Division Manager and approval of City Council.

WEDDING RENTAL FEES

Monroe Residents	Full Day or Evening/Night Rental: \$1,500
Non-Residents	Full Day or Evening/Night Rental: \$2,000

Fees are based on a 6-hour block of time for the wedding and 2 hours for rehearsal. Scheduling of the wedding rehearsal is subject to the events calendar of The Dowd Center Theatre.

*A Monroe resident is defined as any individual or business owner residing within the city limits of Monroe.

AD HOC EXPENSES

Personnel*	
Technical Director (if event requires management and/or supervision)	\$400-\$600
Technical Director (Consultation beyond basic rental)	\$25 per hour
FOH Personnel: House Manager/Box Office Services/Ushers	\$15 per hour per person
Ad Hoc Personnel: Stagehands/Deck Crew/Board Ops	\$15 per person

*Please note: a complete quote for personnel for (concert) ticketed events provided only after review of Artist Contract and Rider.

Additional Expenses	
Damage Deposit (based on scope of event and areas rented)	\$300 - \$500
Security (provided by the City of Monroe)	\$30-35 per person per hour
Cleaning (based on number of attendees)	\$100 (1-100 persons) \$200 (101-200 persons) \$300 (201 persons and up)
Alcohol Sales Buyout	\$250
Holiday Surcharge	\$200
Artist Merchandise Sales	15%
Event Page On Website	\$200
Marquee (based on availability)	\$50

Gallery Fees	
Artist Commission	30% - 50%

Section 2. This Ordinance shall be effective February 5, 2020.

Adopted this 5th day of February, 2020.

Attest:

Bobby G. Kilgore, Mayor

Bridgette H. Robinson, City Clerk



STAFF REPORT

TO: City Council

DATE: February 5, 2020

FROM: Larry Faison, City Manager

PREPARED BY: Lisa Strickland, Finance Director

SUBJECT: Discussion of Travel Policy for Elected Officials

SUMMARY STATEMENT

The purpose of this report is to provide a history of the revisions to the Travel Policy (GA-02) for Elected Officials to aid in policy discussion. Council Member Anthony and Council Member McGee have requested that this item be added to the strategic meeting agenda.

REVIEW

The Council policy, originally adopted on August 21, 2001, is intended to provide Elected Officials a comprehensive reference for eligible payments or reimbursements for travel expenses pertaining to official city travel and subsistence while conducting official city business. A history of more recent changes/revisions to the policy are outlined as follows:

- June 3, 2014 Clarifications to the policy were made in regard to travel authorizations being submitted for review and approval by the City Manager prior to the travel date, specific costs covered when companions accompany the elected official and meal costs not exceeding the IRS per diem rate.
- Nov 4, 2014 Council voted to change the approval of travel authorizations from the City Manager to the Mayor.
- July 1, 2015 Council approved that the Mayor receive a \$6,000 travel allocation, the Mayor Pro Tem receive a \$5,000 allocation and Council Members receive a \$4,000 allocation. These funds are non-transferrable and left over funds will be returned to the General Fund at fiscal year-end.
- Nov 3, 2015 The travel policy was amended by City Council to reflect that City Council Discretionary Funds could not be used for Mayor or Council travel without Council approval.

- Oct 2, 2018 Council approved to remove the sentence “Portions of allocations shall not be transferred to the allocations for other elected officials.” This action allowed for the transfer of funds from one Council Member to another.
- July 1, 2019 Many revisions clarified various elements of the policy, but significant changes included elimination of coverage of spouse/companion travel expenses and changing the allocation for the Mayor and City Council to \$4,000 each. Any unused amount of an allocation is to be returned to the General Fund at the end of the fiscal year. Travel allocations were again non-transferrable.

RECOMMENDATION

This item is for Council discussion.

Attachments: Travel Policy for Elected Officials (GA-02)
History of City Council Travel Expenses

	Policy: Travel Policy for Elected Officials	Effective Date: August 21, 2001
		Revision Effective Date: February 5, 2002, April 1, 2007, January 1, 2008; June 3, 2014, July 1, 2015, November 3, 2015; October 2, 2018; July 1, 2019
	Policy Number: GA-02	Page 1 of 6
	 Bobby G. Kilgore, Mayor	City Council Responsible Party

SECTION 1. Purpose.

This policy provides City Elected Officials a comprehensive reference for eligible payments or reimbursements for travel expenses pertaining to official City travel and subsistence while conducting official City business as defined herein. Travel at the City's expense shall be for a designated public purpose, in support of official City business, and not for the purpose of campaigning for an office or position with any elected organization, professional or otherwise, position or person, or for a partisan political purpose.

SECTION 2. Applicability of Travel Policy.

This Policy is applicable to all Elected Officials serving the City of Monroe.

SECTION 3. General Policy.

1. An Elected Official traveling on official City business representing the City should exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business and expending personal funds.
2. Official travel expenses will be reimbursed in accordance with this Administrative Policy.
3. Officials authorized to use City credit cards may elect to use them instead of reimbursement; all receipts for expenditures must be submitted to the City Clerk in order for the expenditures to be approved.

SECTION 4. Definitions.

Authorizing Party. An individual authorized by this policy to approve or disapprove requests for travel, cash advances, travel reimbursements, etc.

Incidentals. Costs related to tips and telephone calls.

Official City Business. Travel that has a direct benefit to the City by enhancing the Elected Official's knowledge on various issues and responsibilities of local government or where the Elected Official is representing the City in their official capacity as a City Council Member. Examples of travel that would meet this requirement include, but are not limited to seminars and conferences offered by the National League of Cities, North Carolina League of Municipalities,

Policy No.: GA-02	Policy Name: Travel Policy for Elected Officials	Page 2 of 6
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North Carolina Legislative Conferences, ElectriCities and the Union County Chamber of Commerce. Travel and expenses related to partisan political activities or that are not directly beneficial to the City shall be paid for by the individual Elected Official without reimbursement by the City.

Reimbursements. All reimbursement requests shall be filed for approval and payment within five (5) working days after the travel period ends.

Requesting Party. The person who will be reimbursed for travel costs incurred while conducting City business or visiting for employment.

Subsistence. Subsistence is an allowance related to meals, based on actual expenses incurred by the Elected Official.

SECTION 5. General Guidelines.

1. Airline tickets, lodging, and registrations for the Elected Official will be paid directly by the City. All other costs will be paid directly by the requesting party, and will not be billed to the City. The Elected Official will be reimbursed for actual costs incurred only, subject to the limitations established in this Policy.
2. Travel requests shall be coordinated through the City Clerk. Travel authorization forms are to be submitted to the Mayor prior to the travel date. Travel authorization forms that include air travel should be submitted timely so that discount rates may be obtained.
3. The City Clerk will receive a copy of each approved Travel Authorization Form. The City Clerk will work with the City's Finance Director or his or her designee to determine if an unencumbered appropriation sufficient to cover the estimated cost of the approved travel remains in the Elected Official's travel allocation. If a sufficient balance remains in the Elected Official's travel allocation, the estimated travel cost will be encumbered. If the remaining balance in the Elected Official's travel allocation is insufficient to cover the estimated cost of travel and other monies are not yet available, the requesting Elected Official, the Mayor and City Manager will be notified by the City Clerk.
4. Elected Officials will have an annual individual travel allocation fund assigned to them in the amount of \$4,000. If any funds in an Elected Official's allocation remain unused by June 30 of any fiscal year, those funds shall be transferred to the City of Monroe's General Fund. No transfers are permitted from one Elected Official's allocation to another, except as expressly approved by City Council during a City Council meeting.
5. Elected Officials are unable to use their Council discretionary fund to pay for any travel.
6. Elected officials may make up any shortfall for travel through personal funds.

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SECTION 6. Travel Advances.

The City of Monroe will provide advance funds if the estimated expense exceeds \$100 or two night's stay.

SECTION 7. Specific Guidelines Relating to Transportation, Subsistence, and Other Cost.

1. Transportation.

Transportation may be through common carrier, personal vehicle, or rental vehicle pursuant to the following parameters:

A. Common Carrier:

- 1) Reimbursement for travel by air, rail, bus, or other common carrier shall not exceed the cost of coach fare or the economy rate in the chosen method of travel.
- 2) The Elected Official shall be personally liable for any charges assessed due to his/her failure to cancel their reservations within the time limit specified by carriers, unless the failure is due to circumstances beyond his/her control, or the change is made at the convenience of the City or in the event of accidents, serious illness or death within the individual's immediate family.

B. Personal Vehicle. An Elected Official may be reimbursed for the use of a privately owned vehicle at the federal government rate then in effect.

- 1) Reimbursement for use of a privately owned automobile shall not exceed the round trip coach air fare of all persons traveling in the car or the mileage allowance, whichever is the lesser. *For example: air fare between Charlotte to Los Angeles: \$315-\$730; mileage reimbursement: \$2661.78 (2,442 miles @ \$0.545) flying would be the least cost for three travelers, ['flight' 3x\$730: \$2190, or 3x\$315: \$945 vs 'auto' \$2,661 for the use of an automobile by three travelers]*
- 2) Mileage is payable to only one of two or more persons traveling on the same trip in the same vehicle. The names of all persons traveling on the same trip and in the same vehicle must be listed in the designated section of the travel and expense report.
- 3) The mileage rate is meant to cover all expenses incurred in using a privately owned vehicle, except for items such as parking fees, tolls, or storage fees which are reimbursable; receipts are required.

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C. Rental Vehicle. Rental vehicles are not to be used unless extenuating circumstances exist, has been substantiated, and use approved in advance by the Mayor.

D. Expenses claimed under this section must be supported by an original receipt.

2. Lodging.

The Travel Authorization Form shall include the lodging accommodations as a part of the travel.

A. Lodging accommodations will not be reimbursed by the City to attend conferences or meeting venues that are within 60 miles or 60 minutes of an individual's residence.

1) An extenuating circumstance and/or demonstrated hardship may be considered by the Mayor for the purpose of granting an exception to this provision.

2) Extenuating circumstances may include, but are not necessarily limited to: attending consecutive early morning sessions, or existence of extended periods of commuter congestion into the conference City, or having a reoccurring role as a Presenter or Panel member.

3. Subsistence.

Actual costs of meals (substantiated by receipts) or per diem allowance will be reimbursed. In no case, shall the City reimburse any meal greater than the per diem allowance as set forth by the Internal Revenue Service (IRS).

In all situations in which a City-issued credit card is used, a detailed receipt showing itemized purchases shall be submitted as a part of the Travel Reimbursement and Expense Report.

In some situations, it may be appropriate for the City to bear the cost for a business meal for other individuals. Receipt and supporting documentation as to the purpose shall be provided for the business meal as a part of the reimbursement request or credit card voucher. In no case, shall the cost of alcohol be reimbursed or paid by the City without reimbursement to the City by the Elected Official.

4. Spousal/Companion Travel Costs to Meetings, Seminars, and Conferences.

A. Spouse or companion travel will not be paid for by the City, and is not eligible as a reimbursable expense.

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- B. Additional costs for overnight stays at a hotel/motel for a spouse/companion shall be paid for by the Elected Official or reimbursed to the City (substantiated by receipts).

5. Telecommunication.

The City encourages use of the most cost effective means of telecommunication. The City provides Elected Officials with a monthly stipend for mobile phones which would normally cover most phone usage. However, there are calls of an official nature that may arise while an Elected Official is on official business that requires use of a hotel or venue telephone thereby incurring charges.

- A. Reimbursement may be provided to an Elected Official choosing to use the hotel or venue phone system for official calls. To be reimbursed, include the individual phone number, whom called, purpose, and the original hotel or phone bill.
- B. Other calls will not be reimbursed, unless valid supporting documentation is provided. Calls to place of employment or home are reimbursed provided the calls do not exceed ten minutes and are not more frequent than once a day.

6. Not Reimbursable.

There are items which are NOT reimbursable even though incurred during official City business, these items include, but are not necessarily limited to:

- A. Any miscellaneous expense not supported by a receipt;
- B. Meals included in registration fees;
- C. Alcoholic beverages;
- D. Movie rental;
- E. Snacks or drinks other than a meal;
- F. Any traffic fines;
- G. Clothing, equipment, supply/material purchases.

SECTION 8. Procedure for Travel Authorization.

1. Submission, approval and processing of reimbursement requests.

- A. A "Travel Authorization Form" will be completed by the Elected Official and/or City Clerk detailing the purpose of travel, destination, and estimated costs. This

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form must be signed off on by the Mayor preferably in advance of the travel, but prior to payment of registration fees, hotel reservations and reimbursement of City funds.

- B. The Travel Reimbursement Request and Expense Report will be prepared by the City Clerk for the Elected Official along with the necessary processing.
- C. The City's Finance Director or his or her designee will review so as to determine that:
 - 1) the requesting Elected Official first has funds remaining in their travel allocation fund sufficient to permit all or a portion of the travel paid for by the City at the time the Travel Authorization Form is submitted (if the funds available are sufficient only to permit payment by the City for a portion of the requested travel, then the Elected Official will be advised of the amount available to be paid by the City, and if the Elected Official wishes to undertake the travel, he or she will be responsible for all other travel expenses in excess of the amount available from their travel allocation);
 - 2) the Travel Reimbursement Request and Expense Report has been properly approved and that it is mathematically correct; and
 - 3) that requested reimbursements agree to submitted receipts, when required, and are within the limits set by this Policy. If an error in the reimbursement request is found, the requesting party will be informed and the error will be corrected before payment is made.
- D. If the amount received as a travel advance exceeds the reported travel expense, settlement shall be made at the time the Travel Reimbursement Request and Expense Report is submitted.
- E. City Credit Card. The use and availability of a City credit card is a convenience for charging expenses that are directly related to official City business having a valid public purpose. On the existence of two occasions that an Elected Official uses a City credit card or submits credit card charges for items that per diem was or will be paid, or, where there were prohibited items charged on a City credit card, the Elected Official's City credit card will be terminated for a twelve month period. Thereafter reinstatement of the Elected Officials credit card will be at the discretion of the Mayor.
- F. Forms: an appropriate format is to be developed and may be revised as necessary to accommodate the needs of the Mayor and City Council and the requirements of the Monroe Finance Department. Forms may include those to transmit Travel Authorizations, Travel Reimbursement Requests, Expense Reports, Travel Allocation Transfers, and any other category necessary to demonstrate the stewardship of public funds.

**City Council
Travel Budget
Budget to Actual
FY13 - FY20**

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020 YTD
Dottie Nash	\$ 6,983	\$ 6,353	\$ 5,753	\$ -	\$ -	\$ -	\$ -	\$ -
Billy Jordan	1,578	1,732	1,600	-	-	-	-	-
Bobby Kilgore	7,150	6,267	3,312	757	1,516	1,083	1,795	122
Debra Duncan	-	437	2,661	-	-	-	-	-
Surluta Anthony	-	5,431	14,474	6,101	4,000	4,000	7,786	3,427
Gary Anderson	-	-	-	890	1,549	-	1,394	-
Franco McGee	-	-	-	-	-	2,428	5,105	3,137
Marion Holloway	-	-	-	-	-	630	1,543	26
Total	\$ 15,711	\$ 20,220	\$ 27,800	\$ 7,748	\$ 7,065	\$ 8,141	\$ 17,624	\$ 6,712
	-	-	-	-	-	-	-	-
Annual Budget	\$ 27,000	\$ 27,000	\$ 27,000	\$ 31,000	\$ 31,000	\$ 31,000	\$ 31,000	\$ 28,000