

**CITY COUNCIL STRATEGIC PLANNING MEETING
300 WEST CROWELL STREET
MONROE, NORTH CAROLINA 28112
MARCH 11, 2025 – 4:30 P.M.**

AGENDA

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MEETING RECESSED TO MARCH 18, 2025 – 4:30 P.M.

1. Discussion of Proposed City of Monroe Insurance Plan for Fiscal Year 2025-2026
2. Discussion of Cost and Funding for State Championship Rings for Monroe High School Football Team
3. Revised Committee Structure and Flow
4. Diversity, Equity and Inclusion Committee

- **Agenda** is tentative and is subject to change up to and including the time of the meeting.
- At the discretion of City Council, **Agenda Items** listed above that are not discussed at the Strategic Planning Meeting or moved at the request of Council, may be carried forward to the City Council Regular Meeting at 6:00 p.m. to be considered.
- **Cell Phones/Pagers:** As a courtesy, please turn off cell phones and pagers while Meeting is in progress.



STAFF REPORT

TO: City Council

VIA: Mark Watson, City Manager

DATE: March 11, 2025

FROM: Lisa Hollowell, Assistant City Manager

PREPARED BY: Leesa Jensen, Director of Human Resources

SUBJECT: Discussion of Proposed City of Monroe Insurance Plan for Fiscal Year 2025-2026

SUMMARY STATEMENT

City Council is requested to review and consider approval of the Blue Cross Blue Shield of North Carolina Proposal as the 2025-2026 Insurance Plan as prepared by Mark III Employee Benefits.

REVIEW

City Council is requested to review the Blue Cross Blue Shield of North Carolina Proposal for 2025-2026 Insurance Plan as prepared by Mark III Employee Benefits. The proposal is outlining a potential savings for the City in the amount of \$467,084.80. The City would continue to be a self-funded insurance provider. The same employee benefits and contribution structure would continue with Blue Cross Blue Shield of North Carolina with some adjudication differences. The plan would be effective July 1, 2025 if approved.

RECOMMENDATION

Staff recommends that City Council discuss the information presented and provide direction to Staff regarding the City's insurance plan for Fiscal Year 2025-2026.

Attachment: Proposal



MEDICAL PLAN UPDATE

2025 – 2026 BCBSNC Offer



March 11, 2025



- ✓ The City of Monroe has a current relationship with BCBSNC on the stop loss contract.
- ✓ The City can benefit from the Mark III/IHA contract terms with BCBSNC to create the following improvements:
 - ✓ Integrated opportunity to improve the employee experience.
 - ✓ Improved employee resources from a payor with significant assets.
 - ✓ A streamlined administrative solution to improve staff efficiencies.
 - ✓ Cohesive claims and administrative processing.
 - ✓ Pursuing known cost opportunities.
- ✓ **The net savings to the City by transitioning to BCBSNC will save the City approximately - \$467,084.80**
- ✓ **We are recommending a transition to BCBSNC and remain self-funded effective July 1, 2025.**



- ✓ BCBSNC is working on a formulary disruption report.
- ✓ There will be formulary differences, but all of the therapeutic classes will be covered.
- ✓ From a medical network perspective, the BCBSNC network is robust and competitive.
- ✓ BCBSNC offers a Teledoc solution and will be included.
- ✓ We are recommending Flexible Benefit Administrators as the FSAs, HSAs, and COBRA solutions.
- ✓ For Dental Plan administration, Ameritas is the recommended solution, is an excellent provider, and all licensed providers covered.

Intergovernmental Healthcare Alliance (IHA)

IHA Participants

- | | | |
|----------------------|--------------------|---------------------------|
| ✓ Chatham County | ✓ Gaston County | ✓ Randolph County |
| ✓ City of Brevard | ✓ Granville County | ✓ Robeson County |
| ✓ City of Gastonia | ✓ Halifax County | ✓ Rowan County |
| ✓ City of Hamlet | ✓ Harnett County | ✓ Scotland County |
| ✓ City of Henderson | ✓ Henderson County | ✓ Town of Cramerton |
| ✓ City of Monroe | ✓ Hertford County | ✓ Transylvania County |
| ✓ City of Salisbury | ✓ Hoke County | ✓ Wayne County |
| ✓ City of Sanford | ✓ Jackson County | ✓ Wilkes County |
| ✓ City of Washington | ✓ Lee County | ✓ Western Piedmont
COG |
| ✓ Cleveland County | ✓ Lumbee Tribe | |
| ✓ Dare County | ✓ Pitt County | |

IHA is the largest collaboration in North Carolina – 18,301 Subscribers and 27,769 Members - IHA represents 23% of BCBSNC's Public Sector Book

The savings to these customers was \$20,350,000



Intergovernmental Healthcare Alliance (IHA)

- ✓ Began in the Spring of 2022
- ✓ Mark III seeks opportunities to provide customers with best-in-class solutions, leverage, scale, and **National Account contract terms** through partners that can deliver:
 - ✓ Administration
 - ✓ Pharmacy Benefit Management Contract – Terms and pass-through that provide prospects and clients with the greatest financial and contract terms.
 - ✓ Stop Loss Contracts – Representing significant book of business leverage that reduces risk and improves economic opportunity.
 - ✓ Unique Cost Containment Strategies

Intergovernmental Healthcare Alliance (IHA)

Incorporated the following policy provision to protect and reward performance at no additional cost to participants:

- ✓ No New Laser Contract
- ✓ Renewal Rate Cap Provision
- ✓ Custom Experience Refund Provision
 - ✓ **2022 – 2023 Plan Year – \$2,700,000**
 - ✓ **2023 – 2024 Plan Year – \$4,400,000**
- ✓ **Providing the stability of the largest block of stop loss business at BCBSNC**

2024 – 2025 Stop Loss Options



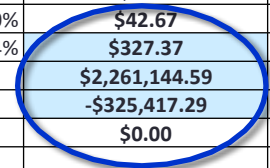
	Tucker/VOYA 70k: 7/23-6/24 - Paid/12 \$100,000 Agg Spec	Tucker/VOYA 70k: 7/24-6/25 - Paid/12 \$100,000 Agg Spec		Tucker/BCBSNC/IHA 70k: 7/24-6/25 - Paid/12 \$100,000 Agg Spec	
	MedCost	MedCost	Change	MedCost	Change
Network Access Fee	\$6.00	\$6.00	100.00%	\$6.00	100.00%
Utilization Management Fee	\$1.65	\$1.65	100.00%	\$1.65	100.00%
Plan Administration Fee	\$26.11	\$26.11	100.00%	\$26.11	100.00%
Specific Stop-loss (Paid/12)	\$309.62	\$334.38	108.00%	\$262.92	84.92%
Aggregate Stop-loss 125%	\$3.34	\$3.57	106.89%	\$4.04	120.96%
Broker Fees	\$2.77	\$2.77	100.00%	\$2.77	100.00%
Incentiv Access Fee	\$0.00	\$0.00		\$0.00	
ACA/SBC FEE ****	\$0.00	\$0.00		\$0.00	
Tucker Fees - Summary	\$36.53	\$36.53	100.00%	\$36.53	100.00%
Total Administration Fees (A)	\$349.49	\$374.48	107.15%	\$303.49	86.84%
Total Administration Cost	\$2,300,670.81	\$2,465,229.02		\$1,997,874.67	
Change		\$164,558.22		-\$302,796.14	
Difference				\$467,354.35	
Risk Protections					
No New Lasers	No	Yes		Yes	
50% Rate Cap	No	Yes		Yes	
Laser - \$500,000	\$500,000	\$500,000		\$0	
Run In Limit		No		Yes	
				Experience Below 60% Target, client receives 100% of the dollars Claims above \$450,000 excluded from calc	

✓ The net savings from the BCBSNC offer saved the City over \$450,000 for 2024 – 2025.

Stop Loss Options



	Tucker/VOYA 70k: 7/23-6/24 - Paid/12 \$100,000 Agg Spec	Tucker/VOYA 70k: 7/24-6/25 - Paid/12 \$100,000 Agg Spec		Tucker/BCBSNC/IHA 70k: 7/24-6/25 - Paid/12 \$100,000 Agg Spec Firm		Tucker/BCBSNC/IHA 70k: 7/25-6/26 - Paid/12 \$100,000 Agg Spec Firm		Tucker/BCBSNC/IHA 70k: 7/24-6/25 - Paid/12 \$100,000 Agg Spec Firm	
	MedCost	MedCost	Change	MedCost	Change	MedCost	Change	BCBSNC	Change
Network Access Fee	\$6.00	\$6.00	100.00%	\$6.00	100.00%	\$6.00	100.00%	\$0.00	0.00%
Utilization Management Fee	\$1.65	\$1.65	100.00%	\$1.65	100.00%	\$1.65	100.00%	\$0.00	0.00%
Plan Administration Fee - Ameritas	\$26.11	\$26.11	100.00%	\$26.11	100.00%	\$26.11	100.00%	\$39.90	152.82%
Dental Plan Administration	\$0.00	\$0.00		\$0.00		\$0.00		\$4.19	
Specific Stop-loss (Paid/12)	\$309.62	\$334.38	108.00%	\$262.92	84.92%	\$299.78	114.02%	\$276.44	105.14%
Aggregate Stop-loss 125%	\$3.34	\$3.57	106.89%	\$4.07	121.86%	\$4.07	100.00%	\$4.07	100.00%
Broker Fees	\$2.77	\$2.77	100.00%	\$2.77	100.00%	\$2.77	100.00%	\$2.77	100.00%
Inventiv Access Fee	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
ACA/SBC FEE ****	\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Tucker Fees - Summary	\$36.53	\$36.53	100.00%	\$36.53	100.00%	\$36.53	100.00%	\$42.67	116.81%
Total Administration Fees (A)	\$349.49	\$374.48	107.15%	\$303.52	86.85%	\$340.38	112.14%	\$327.37	107.86%
Total Administration Cost	\$2,413,904.49	\$2,586,561.88		\$2,096,412.64		\$2,351,004.66		\$2,261,144.59	
Change from 2024 - 2025 Voya Renewal		\$172,657.39		-\$490,149.24		-\$235,557.22		-\$325,417.29	
Difference						\$0.00		\$0.00	
Risk Protections									
No New Lasers	No	Yes		Yes		Yes		Yes	
50% Rate Cap	No	Yes		Yes		Yes		Yes	
Laser - \$500,000	\$500,000	\$500,000		\$0		\$0		\$0	
Run In Limit		No		No		No		No	
				Experience Below 60% Target, client receives 100% of the dollars Claims above \$450,000 excluded from calc		Experience Below 60% Target, client receives 100% of the dollars Claims above \$450,000 excluded from calc		Experience Below 60% Target, client receives 100% of the dollars Claims above \$450,000 excluded from calc	



✓ The 2025 – 2026 BCBSNC stop loss renewal is still below the 2024 – 2025 VOYA renewal.

✓ The BCBSNC renewal fell below our cost expectations.

2025 – 2026 Renewal Calculation



City of Monroe	Total Number of Employees	Medical Benefit Payments	Pharmacy Benefit Payments	Dental Benefit Payments	Total Claims	Stop-Loss Credits	Net Claims
February-24	553	\$453,089.15	\$187,483.15	\$37,889.15	\$678,461.45	\$159,683.74	\$518,777.71
March-24	545	\$433,943.11	\$198,825.67	\$24,829.40	\$657,598.18	\$139,184.63	\$518,413.55
April-24	560	\$1,222,222.52	\$157,041.21	\$42,391.81	\$1,421,655.54	\$554,705.70	\$866,949.84
May-24	561	\$303,103.49	\$84,809.23	\$42,376.88	\$430,289.60	\$120,772.25	\$309,517.35
June-24	569	\$332,403.91	\$224,577.65	\$22,818.74	\$579,800.30	\$140,866.08	\$438,934.22
July-24	566	\$574,796.89	\$52,489.65	\$52,489.65	\$679,776.19	\$0.00	\$679,776.19
August-24	590	\$434,914.65	\$44,600.51	\$44,600.51	\$524,115.67	\$0.00	\$524,115.67
September-24	592	\$480,647.68	\$36,643.90	\$36,643.90	\$553,935.48	\$0.00	\$553,935.48
October-24	594	\$613,503.56	\$35,767.81	\$35,767.81	\$685,039.18	\$152,779.87	\$532,259.31
November-24	588	\$442,079.38	\$46,161.47	\$46,161.47	\$534,402.32	\$78,571.39	\$455,830.93
December-24	593	\$937,730.01	\$34,150.64	\$34,150.64	\$1,006,031.29	\$156,557.72	\$849,473.57
January-25	596	\$623,524.12	\$30,740.87	\$30,740.87	\$685,005.86	\$196,833.86	\$488,172.00
Total	6,907	\$6,851,958.47	\$1,133,291.76	\$450,860.83	\$8,436,111.06	\$1,699,955.24	\$6,736,155.82
Standard Renewal Calculations 2025 - 2026							
Current Plan Designs	Mature WSL	Mature WSL					
	MedCost/Tucker	BCBSNC - IHA					
Claims	\$6,736,155.82	\$6,736,155.82					
Standard Trend 8%	\$7,544,494.52	\$7,544,494.52					
Benefit Enhancements/Network Value	\$7,544,494.52	\$7,167,269.79					
Annual Employee Count	6,907	6,907					
Administration and Stop-loss	\$2,351,004.66	\$2,261,144.59					
Projected Medical Plan Cost - 2025 - 2026	\$9,895,499.18	\$9,428,414.38					
PPACA - Fee for Comparative Effectiveness Research Agency - July 31, 2025	\$3,954.16	\$3,954.16					
Clinic, X-rays, Wellness Program, Health Risk Assessments	\$267,796.00	\$267,796.00					
FSA Fees	\$10,509.00	\$10,509.00					
Laser - \$500,000 - \$430,000 of Exposure	\$0.00	\$0.00					
Wellness Bonus - \$250	\$65,500.00	\$65,500.00					
Data Analytics	\$12,000.00	\$12,000.00					
PPCN - Diabetes Management	\$33,024.00	\$33,024.00					
PPCN - Medical Weight Management	\$28,980.00	\$28,980.00					
Rebate Credit	\$0.00	\$0.00					
Projected Cost - 2025 - 2026	\$10,317,262.34	\$9,850,177.54					
2024 Cost	\$10,636,120.29						
2025 - 2026 Expected Cost	\$10,758,858.67						
2025 - 2026 Expected Cost Change	101.15%						
	MedCost/Tucker	BCBSNC - IHA					
Total Projected 2025 - 2026 Cost	\$10,317,262.34	\$9,850,177.54					
Difference		-\$467,084.80					
City 2024 - 2025	\$12,340,224.00	\$12,340,224.00					
2025 - 2026 Rate Action - Projection	83.61%	79.82%					
Dollars	-\$2,022,961.66	-\$2,490,046.46					

- ✓ The BCBSNC/IHA terms are favorable and we are recommending the City transition effective 7/1/25.
- ✓ Employee benefit and contribution structure will remain intact, with some adjudication differences.
- ✓ The City has approved a 3% funding increase for the City 2025 – 2026, which meets the City's long-term funding strategy.





STAFF REPORT

TO: City Council

VIA: Mark Watson, City Manager

DATE: March 11, 2025

FROM: David Dotson, Mayor Pro Tem
Robert Burns, Mayor

PREPARED BY: Bridgette H. Robinson, City Clerk

SUBJECT: Discussion of Cost and Funding for State Championship Rings for Monroe High School Football Team

SUMMARY STATEMENT

City Council is requested to discuss the cost and funding for state championship rings for the Monroe High School football team.

REVIEW

This is a request to hold a discussion on the cost and funding for state championship rings for the Monroe High School Football Team as they secured the 2024 North Carolina High School Athletic Association 2A Championship title.

RECOMMENDATION

City Council is requested to hold a discussion on this item.



STAFF REPORT

TO: City Council

VIA: Mark Watson, City Manager

DATE: March 11, 2025

FROM: Robert Burns, Mayor

PREPARED BY: Bridgette H. Robinson, City Clerk

SUBJECT: Revised Committee Structure and Flow

SUMMARY STATEMENT

Following discussions at the previous Council meeting, it became clear that the current committee structure has led to confusion and a lack of clear staff direction. To improve efficiency and ensure better alignment with city priorities, Mayor Burns has worked with Senior Staff Attorney Terry Sholar to refine committee types, enhance procedural flow, and potentially introduce a Citizens Advisory to Council Committee to serve as a filtering mechanism for community input.

This report outlines the proposed adjustments, with the goal of adopting this new process and determining whether the Citizens Advisory to Council Committee should replace the existing Citizens Appointment Committee or function as an entirely new entity. Senior Staff Attorney Sholar will assist in presenting this item for Council discussion and decision.

REVIEW

Background: Monroe's current committee system lacks a clear procedural framework, leading to inefficiencies and uncertainty in staff direction. The need for improved structure became evident in previous Council discussions, prompting a review of committee definitions, roles, and flow.

Proposed Revisions:

1. Clarifying Committee Types and Flow
 - Define the roles and functions of all City committees to ensure structured decision-making.
 - Establish clearer pathways for staff involvement and reporting processes.

- Improve coordination between committees and the City Council.
2. **Introduction of the Citizens Advisory to Council Committee (Proposed Name)**
 - This committee would serve as a filtering committee for resident-driven concerns, ideas, and proposals before they reach the full Council.
 - It would enhance transparency and streamline Council discussions.
 3. **Determination of Committee Designation**
 - **Option 1:** Rename and repurpose the existing Citizens Appointment Committee into the Citizens Advisory to Council Committee while modifying its responsibilities.
 - **Option 2:** Establish a completely new Citizens Advisory to Council Committee with a distinct purpose.

Next Steps and Considerations

- Determine procedural steps for implementing these changes.
- Define appointment processes, membership criteria, and meeting schedules.
- Ensure legal and procedural compliance with City policies.

RECOMMENDATION

The Mayor and City Council recommend:

1. Adopting the revised committee structure and flow to improve efficiency and staff direction.
2. Discussing and determining whether the Citizens Advisory to Council Committee should be a new committee or a rebranding of the Citizens Appointment Committee.
3. Outlining procedural steps for implementing these changes, with Senior Staff Attorney Terry Sholar assisting in formalizing the process.



STAFF REPORT

TO: City Council

VIA: Mark Watson, City Manager

DATE: March 11, 2025

FROM: Robert Burns, Mayor
Mark Watson, City Manager

PREPARED BY: Bridgette H. Robinson, City Clerk

SUBJECT: Diversity, Equity and Inclusion Committee

SUMMARY STATEMENT

In compliance with recent federal guidelines and Executive Order directives, the City of Monroe must discontinue all Diversity, Equity, and Inclusion (DEI) programs. This action is necessary to maintain eligibility for federal funding, particularly for Monroe's airport, where allocated funds are critical for infrastructure projects. The Council, including Councilwoman Surluta Anthony, has been briefed on this matter. Given the urgency of compliance, the Mayor and City Council recommend the formal dissolution of the DEI Committee and the reallocation of its funds to the Winchester Revitalization Committee.

REVIEW

Background: The DEI Committee was originally established to support diversity-focused community initiatives. However, under recent federal mandates, local governments receiving federal funding must eliminate DEI-specific programs to remain compliant. Monroe relies on substantial federal funding, particularly for the airport, making this action necessary.

Current Status: The DEI Committee remains operational but must be dissolved to ensure compliance with federal funding requirements. Council members, including Councilwoman Anthony, have been briefed.

Financial & Operational Considerations: The DEI Committee's allocated budget will be reallocated to the Winchester Revitalization Committee, which focuses on neighborhood redevelopment and aligns with Monroe's strategic objectives.

Alternatives Considered: 1) Maintain the DEI Committee – This would risk non-compliance and potential loss of federal funding; and, 2) Dissolve the DEI Committee and reallocate funds to a different initiative – While other projects could benefit, the Winchester Revitalization Committee aligns best with the City’s development priorities.

RECOMMENDATION

The Mayor and City Council recommend approving the dissolution of the DEI Committee to ensure compliance with federal mandates and reallocating the DEI Committee’s budgeted funds to the Winchester Revitalization Committee to further neighborhood improvement efforts

**CAPITAL PROJECT BUDGET ORDINANCE
WINCHESTER REVITALIZATION PROJECT
BO-2025-06**

WHEREAS, the City previously approved the Winchester Revitalization project to focus on neighborhood redevelopment; and

WHEREAS, City Council wishes to reallocate funding for the DEI Committee to the Winchester Revitalization Committee and place funding in the Winchester Revitalization Project GB2001.

NOW, THEREFORE, BE IT ORDAINED that the City Council of the City of Monroe transfers funding for the Winchester Revitalization Project GB2001.

General Fund:

Expense:

Transfer to General Capital Project Fund	\$23,338
General Government	(\$23,338)

Capital Project Fund:

Revenue:

Transfer from General Fund	\$23,338
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Expense:

Project Costs (GB2001-Winchester Revitalization)	\$23,338
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Adopted this ____ day of March, 2025.

Robert A. Burns, Mayor

Attest:

Bridgette H. Robinson, City Clerk