



City of CHARLOTTE

MEMORANDUM

TO: Mayor Lewis and City Council Members

FROM: Gregg Guetschow, City Manager

SUBJECT: City Manager Report

DATE: June 20, 2019

Pension. We received the December 31, 2018 actuarial report for the City's pension program last week. As expected, we experienced a further decrease in the City's funded percentage from 58% and 56%. Consequently, unfunded liabilities increased from \$9.5 million to 10 million. The City Clerk and I met with a representative from the Municipal Employees Retirement System to discuss how we can better address the unfunded liability particularly given the forecast required increase in annual contributions. We will be exploring alternative plan designs as one part of the solution. It is clear, however, that additional contributions beyond the required minimum will be required which will necessitate, I believe, exploring alternative revenue sources.

New Fire Truck. The Fire Department has taken delivery of the new fire truck. The bill for the truck is included with the claims included in this agenda and accounts for part of the larger than usual total. (Expenditures related to the Lovett Street project have also added to the total.) You will recall that the Rural Fire Association will reimburse the City for half the cost of the new vehicle.