

**FAYETTEVILLE CITY COUNCIL  
BUDGET WORKSHOP MINUTES  
LAFAYETTE ROOM  
MAY 23, 2011  
6:00 P.M.**

Present: Mayor Anthony G. Chavonne  
Council Members Keith Bates, Sr. (District 1) (left at 6:35 p.m.); Kady-Ann Davy (District 2); Robert A. Massey, Jr. (District 3); Darrell J. Haire (District 4); Bobby Hurst (District 5); William J. L. Crisp (District 6); Valencia A. Applewhite (District 7) (arrived at 6:30 p.m.); James W. Arp, Jr. (District 9) (via telephone, left at 6:20 p.m.)

Absent: Council Member Wade Fowler (District 8)

Others Present:

Kristoff Bauer, Interim City Manager  
Bradley Whited, Interim Assistant City Manager  
Karen M. McDonald, City Attorney  
Lisa Smith, Chief Financial Officer  
Tracey Broyles, Budget and Evaluation Manager  
Tom Bergamine, Police Chief  
Ben Major, Fire Chief  
John Kuhls, Human Resource Development Director  
Michael Gibson, Parks and Recreation Director  
Randy Hume, Transit Director  
Rusty Thompson, Engineering and Infrastructure Director  
Scott Shuford, Development Services Director  
Victor Sharpe, Community Development Director  
Ron McElrath, Human Relations Director  
Jerry Dietzen, Environmental Services Director  
Dwayne Campbell, Chief Information Officer  
Ron McElrath, Human Relations Director  
Steven K. Blanchard, PWC CEO/General Manager  
Pamela Megill, City Clerk  
Members of the Press

### **1. Open Meeting**

Mayor Chavonne opened the meeting and called it to order.

### **2. United Way, Cumberland County, NC, 211-Program Briefing**

Mr. Kristoff Bauer, Interim City Manager, introduced Mr. Robert Hines, President/CEO, United Way Cumberland County, NC. Mr. Hines stated the United Way of Cumberland County was committed to building a stronger community by identifying critical needs and determining the most effective manner to address those needs. He stated United Way was identifying and strategically investing in community programs that address the following impact areas:

Education-strengthening and supporting children, youth, families, and neighborhoods; income-supporting basic needs, financial stability, and independence for low-income families, older adults, and persons with disabilities; and health-advocating for health and healing, counseling services, and physical health programs. He stated there were about 30,000 nonprofit organizations in North Carolina and finding the right one to assist citizens could be difficult. He stated 2-1-1 was the phone number for finding community health and human service resources and the service was free to the public and operated 24 hours per day, seven days per week. He stated the service was also multilingual.

A brief question and answer period ensued.

### **3. Phase V Project Contribution Restructuring**

Mr. Bauer provided a power point presentation and provided information on the operating transfer agreement, Phase V Water and Sewer Funding agreement, the projected City project contributions by fiscal year, and proposed resources to be available for operations.

#### 4. Police Staffing Enhancement Proposal

Mr. Bauer presented the following proposal for the police staffing enhancement:

##### Effective July 1, 2012

Police Officers (7) - Gang Enforcement

Public Safety Dispatchers (3) - Additional staffing for heavy call for service volume. No enhancements for 2013.

##### Effective July 1, 2014

Police Officers (6)

Patrol Support Operations (2)

DWI Team (4)

##### Effective July 1, 2015

Police Officers (4) - Patrol Support Operations

##### Effective July 2016

Police Officers (5) - Patrol Support Operations

Civilian Traffic Investigators (3) - Process traffic accidents.

The total cost if funded in FY 2013 is \$2.8 million.

Mr. Bauer provided the funding plan for phased implementation of the proposal.

#### 5. Group 2 Budget Questions

Mr. Bauer addressed the group 2 budget questions.

##### New Initiatives

**30. Q. Please present specific cost and justification information on the New Initiatives identified for funding in this budget (Separate spreadsheet provided to council).**

A. The new initiative funded in this budget include:

##### **New Initiatives by Fund**

##### General Fund

Development Services & Police	RAMP Program	\$337,308
Police	RMS Database Manager	\$58,667
Development Services	Code Enforcement Vehicles	\$174,875
Development Services	Office Assistant II for Dispatch	\$46,205
Development Services	Tablet Computers	\$22,259
Engineering & Infrastructure	Transportation Planner	\$59,186
Finance	Grant Duty Reassignment	\$8,263
Finance	Accounting Clerk of Assessment Collections	\$40,937
Fire	Emergency Management Administrator	\$64,598
Information Technology	Asset Specialist	\$57,877
Information Technology	ERP Project Manager	\$81,138
Information Technology	Web Developer	\$10,129
Management Services	Parks & Recreation Bond Education Campaign	\$69,475
Other Appropriations	Capital Match for Transit New Initiatives*	\$32,500
Parks, Recreation & Maintenance	Bus Shelter Maintenance Costs	\$22,000
Parks, Recreation & Maintenance	Office Assistant II (Shared with County District)	19,114
Police	Equipment for Mobile Surveillance Unit	\$30,000
<u>Transit</u>		
Operating Budget	Bus Stop and Shelter Maintenance	\$22,000
Operating Budget	Split Route 15*	\$0
Operating Budget	Combine Routes 16/17*	\$0
Operating Budget	Strickland Bridge Road Route	\$0
<u>Airport</u>		
Operating Budget	Temporary Services for Fenceline Maintenance	23,296

\*Three transit new initiatives require investment in capital only for FY 2013; there are no operating budget impacts in FY 2013.

**31. Q. What is the total cost of “Transportation Planner” new initiative position?**

A. A total of \$59,186 was added to the recommended General Fund budget for the addition of the Transportation Planner position. The funding pledged by FAMPO will reimburse up to \$50,000 of that cost, leaving a balance of \$9,186 to be funded by existing General Fund resources. This includes estimates for all costs associated with supporting the new position, e.g. a computer, but the salary is estimated at the minimum of the range consistent with current policies.

**2. Q. A cost benefit of \$39.7K is anticipated for increased inspection fees with the addition of two dispatchers and one plans examiner. What performance accountability measures will be used to determine the cost benefit of these additional positions (improved accountability and efficiency – measured how)?**

A. The \$39,675 amount is the projected increase in revenues resulting from a minor increase in permit fees. This revenue would go toward funding two initiatives that will dramatically enhance accountability and customer service in the inspections and plan review areas. The proposed central call center and dispatch program will produce data essential to evaluating inspector productivity, efficiency and workload and enable each inspector to devote at least one more hour a day in performing inspections; customers will benefit by having more in-field inspections and having a single number to call to request inspections. New performance metrics will include inspections per day, period between request and inspection, and travel time, for example. The centralized plan review program will likewise free up inspector time for inspections, as well as providing customer benefits of faster plan review turnaround and more consistency in plan review. More detail is provided below.

**Inspection Requests**

Current Approach: Inspectors manage their own inspection schedule - receiving requests for inspection, making appointments, visiting sites, and entering results. Daily inspections caseload is determined by each inspector based on his or her knowledge of specific jobs and the time required performing the requested inspections. Inspectors take the paperwork for their inspection schedule into the field. This is a continuance of longstanding practice. Inspectors spend an hour or more each day in the office setting their schedules.

Concerns:

- Management and Supervision – There is no opportunity to determine if timely responses to inspection requests occur. There is no consistent entry of inspection requests into the permitting system. Workload inequities are difficult to identify. Inspection priorities are set by inspectors, not necessarily by departmental policies.
- Customer Service – Customers may go considerable periods of time without inspection of HVAC change-outs and other “low priority” construction. Customers must know how to contact their particular inspector(s) when they call for service. Customer service expectations for precise inspection times are created and not always able to be delivered. Field inspections are not able to be accommodated because paperwork is at the office.
- Resources – Inspector schedule management reduces time available for inspections.

Proposed Approach: **Central Call Center and Dispatch** – Request intake and inspection dispatch could be centralized, using clerical personnel to receive calls for inspection, enter them into the permitting system, prioritize the inspections based on department policy (e.g., inspections associated with real estate closings and with footings and other trench work might receive priority), assign inspections based on equitable workload policies and inspector districts, and manage most routine, nontechnical communication with customers.

Benefits:

- Management and Supervision – Timeliness, workload equity, data entry, and inspections priorities would be better managed. Supervisors would have workload information to evaluate that aspect of employee job performance.

- Customer Service – Field inspections could be picked up by inspectors through communication with dispatcher(s). One telephone number would be all a customer would need to know. Nontechnical customer issues could be handled by clerical staff.
- Resources – Nontechnical issues, including scheduling, follow-up contact with contractors who are tardy calling for inspections, and data entry other than inspections resulting, would be handled by clerical staff, freeing inspectors for more technical work.
- Cross-training of permit clerical staff would enable resources to be deployed where necessary (e.g., customer service at the permit counter when lines form, additional staffing phone banks when inspections call-in volume is high, etc.).

**Plan Review**

**Current Approach:** Timeliness of plan review was of significant concern to the contractors' staff engaged in our customer outreach through focus groups. Currently, plan review occurs in a highly decentralized fashion, with inspectors and inspection supervisors conducting plan review for the projects they inspect in their individual districts. Projects requiring a Level III certification are reviewed by inspections supervisors regardless of district. Workload priorities determine whether plan review or inspections occur. This decentralized approach results in inconsistencies in how plans are reviewed, another concern expressed by our customers.

**Proposed Approach:** **Centralized Plan Review** – This approach would involve the hire of a plans reviewer position. This position would have to have Level III certifications in most or all trades. A collateral advantage of this approach would be to provide an additional in-office source for code information and interpretations in addition to Building Official Doug Maples.

**Benefits:**

- Timeliness - Faster plan reviews would occur.
- Consistency – A single source for most plan review and for most interpretations and code information would enhance consistency, both in terms of information shared with customers and with how building design is interpreted for code compliance. In other words, consistent plan review would facilitate consistency in inspections since the inspections are conducted for compliance with approved plans.
- Resources – Inspectors and inspection supervisors would have time freed up to perform their primary tasks.

**33. Q. Provide the Council an overview of the position requested by the Human Relations department, including the duties and responsibilities and the impact to the department's operations if the position is not funded.**

A. The new initiative request form prepared by the Human Relations Department is attached as Appendix A to this document.

**34. Q. Please provide a summary of transfers to and from PWC.**

A. The table below provides a summary of the projected impact of transfers, and other revenue impacts, between PWC and the City for fiscal year 2013.

	<u>Current Projection</u>	<u>Proposed Amendment</u>
Transfer from PWC to City (% of Net Assets)	10,961,399	10,961,399
Increase in City Gross Receipts Tax Revenues	844,062	844,062
Transfers from City to PWC		
Phase V Project Funding	3,054,451	2,528,451
Prior Annexation Sewer Debt Service	385,200	385,200
Black & Decker Annexation Adjustment	20,847	20,847
Reimbursement of Gross Receipts Tax Proceeds	263,769	263,769
Annexation Assessment Cap Costs	<u>110,000</u>	<u>110,000</u>
	<u>3,834,267</u>	<u>3,308,267</u>
Net Impact for City FY 2013 Budget	<u>7,971,194</u>	<u>8,497,194</u>

**Personnel**

**35. Q. Do we have a graph depicting growth in the number of employees over the past 5 to 10 years?**

A. The chart below illustrates the number full-time positions authorized across all funds in the original budgets for each fiscal year.

Fiscal Year	Full-Time Positions Authorized
FY 06-07	1,421
FY 07-08	1,444
FY 08-09	1,468
FY 09-10	1,509
FY 10-11	1,494
FY 11-12	1,500
FY 12-13	1,504

**36. Q. What is the annual personnel turnover rate by department for the past five years?**

A. Please see the table below for a history of gross turnover rates by department.

**GROSS TURNOVER BY DEPARTMENT**

**FY 06/07 TO FY 10/11**

**WITH FY 11/12 YEAR-TO-DATE**

DEPARTMENT	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	AVERAGE FY 07-FY 11	FY 11/12 YTD
AIRPORT	13.33%	6.67%	6.67%	6.25%	17.65%	10.11%	17.65%
CITY ATTORNEY	11.11%	12.50%	22.22%	12.50%	11.11%	13.89%	33.33%
CITY MANAGER	28.57%	16.67%	33.33%	0.00%	0.00%	15.71%	33.33%
COMMUNITY DEVELOPMENT	0.00%	33.33%	33.33%	50.00%	33.33%	30.00%	0.00%
CUSTOMER FOCUS	62.50%					62.50%	
DEVELOPMENT SERVICES				13.33%	9.30%	11.32%	13.04%
INSPECTIONS	5.00%	2.50%	12.82%			6.77%	
PLANNING	0.00%	0.00%	0.00%			0.00%	
ENGINEERING & INFRASTRUCTURE	11.32%	4.10%	9.02%	6.31%	7.83%	7.72%	5.79%
ENVIRONMENTAL SERVICES	21.92%	7.37%	14.74%	13.13%	15.24%	14.48%	5.21%
FINANCE	20.00%	11.11%	11.11%	15.79%	26.32%	16.87%	15.79%

FIRE & EMERGENCY MANAGEMENT	6.29%	1.32%	3.99%	4.26%	4.24%	4.02%	7.27%
HUMAN RELATIONS	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
HUMAN RESOURCE DEVELOPMENT	26.67%	16.67%	30.77%	7.69%	28.57%	22.07%	0.00%
INFORMATION SYSTEMS	12.50%	6.25%	12.50%	34.78%	30.00%	19.21%	15.00%
MANAGEMENT SERVICES	0.00%	0.00%	8.33%	9.09%	20.00%	7.48%	30.00%
PARKS, RECREATION & MAINTENANCE	10.33%	4.07%	8.67%	30.94%	8.05%	12.41%	6.04%
POLICE DEPARTMENT	12.34%	4.20%	8.12%	10.00%	11.11%	9.15%	8.09%
RISK MANAGEMENT	60.00%	0.00%	0.00%	20.00%	20.00%	20.00%	25.00%
TRANSIT	15.25%	8.82%	20.59%	18.29%	25.30%	17.65%	15.22%

**POLICE DEPARTMENT BREAKDOWN**

SWORN LAW ENFORCEMENT	8.76%	2.20%	6.32%	6.02%	8.09%	6.28%	6.79%
NON-SWORN	19.34%	8.75%	12.42%	18.54%	20.00%	15.81%	12.10%

Note: Shaded areas represent changes in department alignments. Customer Focus no longer exists as an independent department, and Development Services now encompasses Inspections and Planning.

General Fund Revenues

**37. Q. According to the budget message, funding for the 17 police officers added under the Federal COPS Grant ends in FY13 (extended for a portion of FY13). Does this budget fund the balance of the requirement that is unfunded when the grant expires? What are the impacts for the 2014 budget?**

A. The fiscal year 2013 recommended budget provides funding for all but \$676,784 of the projected annual costs for the 17 police officer positions funded by the COPS grant. In fiscal year 2014, additional resources will need to be identified in the General Fund budget for the remaining \$676,784.

City Manager's Office

**38. Q. Please provide additional details on the budgeted increase for travel and development.**

A. Two items have impacted this budget line: First, for reasons that are not well documented or understood, this budget line was reduced in the FY12 budget below previous years and actual expenditures. The proposal this year is in line with actual expenditures over the last few years. Second, travel expenses related to both the City Manager and Assistant City Manager recruitment will be charged to this line item.

Community Development

**39. Q. Operating expenses for Community Development increased 57.03%. What is included in this increase?**

A. The total increase in the Operating Services expenditure category over the prior year original budget is \$56,918, of which \$53,038 relates to increases in budgeted operating expenditures for the Festival Park Plaza building.

Human Relations

**40. Q. Contract Services expenses for Human Relations increased 347.83% (\$2K)? What does this fund?**

A. The \$2,000 increase funds the expected General Fund allocation of the cost to hire an ADA consultant to assist with the preparation of an ADA Self Evaluation Report. Community Development and Transit grant funding is projected to fund the balance of the anticipated \$20,000 cost for the project.

Human Resources Development

**41. Q. Contract Services expenses for Human Resources Development decreased 71%. What services were discontinued or absorbed by staff? Impacts?**

A. The total reduction in contract services as compared to the original budget for fiscal year 2012 is \$91,536, of which \$85,000 relates to the compensation study that was funded in fiscal year 2012 which is non-recurring expenditure.

Information Technology

**42. Q. Have we exhausted all means of leveraging IT efficiencies with PWC? Have we examined areas that we can contract support or services (e.g. Cloud storage, contract web services etc.)?**

A. As we grow our ability to design and construct IT services that meet business demands to accomplish more with technology, leveraging ITP efficiencies with PWC continues to be a work in progress.

Current areas of review are:

- Disaster recovery
- City Wi-Fi across the PWC wireless backbone
- Customer/Citizen Relationship Management (CRM) system
- Enterprise Resource Planning (ERP) system

City IT always leverages contract support for new initiative implementation as well as for desktop services support.

**43. Q. Information Technology depicts a \$1.076M budget (246% increase) with one item listed being telephone maintenance and wiring. What is the cost of telephone maintenance and wiring? Is this an item that can be outsourced and can wireless communications be used to save money?**

A. The \$1,076,214 expenditure total is for the Other Charges expenditure category which reflects planned transfers to capital project funds for technology improvement projects as listed on page I-48 of the recommended budget document.

The note regarding telephone maintenance and wiring relates to the Contract Services expenditure category which totals \$221,170 and also includes services for other technical consulting and programming, and other support services. Of the \$221,170, only \$7,500 relates to telephone maintenance and wiring.

Management Services

**44. Q. Management Services reflects a 51% increase in operating expenses? Will the cost of the bond advertisement for parks and recreation be reduced?**

A. The total increase in the Operating Services expenditure category does primarily reflect the \$64,496 projected for the Parks and Recreation bond education campaign. The planned campaign incorporates various communication techniques and the production of collateral pieces which will educate the community on the details of the projects and bond proposal. The plan was not dependent upon County participation or funding, and is therefore not anticipated to be reduced based upon the County's decision not to participate in the bond process.

Mayor and Council

**45. Q. What savings can be achieved by reduction of the number of organizational memberships and dues for the Mayor and City Council (Currently projected at \$94K)?**

A. The recommended budget includes funding for the following projected membership expenditures for fiscal year 2013:

NC League of Municipalities	\$48,691
School of Government	21,781
NC Metropolitan Coalition	13,304
National League of Cities	8,961
Fay/Cumb. Chamber of Commerce	513
Military Affairs Council	250
Assoc. of US Army	150
National Civic League	50
	<u>\$93,700</u>

Other Appropriations

**46. Q. Please provide additional details regarding the United Way "211" program for which \$5,500 has been included as a City contribution for fiscal year 2013. Are other local governments also participating in funding the program?**

A. United Waystaff provided an overview of the 211 program at the beginning of this workshop  
Parks, Recreation and Maintenance

**47. Q. How much money could the city save by contracting grass cutting services conducted by Parks, Recreation and Maintenance (sale of equipment, reduction in operating cost and personnel)?**

A. Responding to this question accurately and completely would require significant effort and is beyond the scope of this process.

Recycling Fund

**48. Q. Did the addition of multifamily properties impact revenue for the recycling program (fees)?**

A. The multifamily recycling ordinance adopted by City Council requires multifamily communities to provide single stream recycling collection to their residents at their own expense. As such, these properties are not subject to City recycling fees and there is no impact upon Recycling Fund revenues.

Transit

**49. Q. In the budget message, the description of the CDBG includes a comment that "competitive grants continue to be difficult to qualify for and expensive to administer". What does this forbode for the multi-modal effort?**

A. The competitive grant environment adds uncertainty to the capital project and budget processes. It also requires persistence on the part of grantees to take advantage of grant opportunities as they are announced. Unlike the ARRA grants which added significant new reporting requirements, the Federal Transit Administration (FTA) competitive grant administration requirements do not differ from previous grants, other than the time spent preparing the proposal.

The City submitted a competitive grant proposal to the FTA in late March, 2012 for the Multimodal Transit Center (MMTC) construction funding. According to the FTA's Notice of

Funding Availability (NOFA), selected projects should be announced in July, 2012. Once a project is selected, the normal federal application process can be started.

Our MMTC proposal requested 80%, or \$10.9 million, of the \$13.7 million project. The FTA's process looks favorably upon projects that are scalable (i.e., that can be phased) in order to spread funding over multiple years. As such, our proposal included an initial phase of approximately \$9.5 million with federal contributions of just over \$8.0 million. The FTA has already committed funding of almost \$2.0 million (\$2.5 million total cost) for initial design, property acquisition, relocation and demolition. An additional FTA formula grant for \$650,000 to complete the MMTC design has been submitted and is under review by the FTA.

#### **6.0 ADJOURNMENT**

There being no further business, the meeting adjourned at 6:50 p.m.

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PAMELA J. MEGILL

ANTHONY G. CHAVONNE

City Clerk

Mayor

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