

**FAYETTEVILLE CITY COUNCIL
BUDGET WORKSHOP MINUTES
LAFAYETTE ROOM
MAY 16, 2012
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) (arrived at 6:15 p.m.); Darrell J. Haire (District 4); Bobby Hurst (District 5); William J. L. Crisp (District 6); Valencia A. Applewhite (District 7) (arrived at 6:16 p.m.); Wade Fowler (District 8); James W. Arp, Jr. (District 9)

Absent: Robert A. Massey, Jr. (District 3)

Others Present:

Kristoff Bauer, Interim 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
Ron McElrath, Human Relations Director
Jerry Dietzen, Environmental Services Director
Melissa Coleman, IT Business Analyst
Steven K. Blanchard, PWC CEO/General Manager
Mike Lallier, PWC Chairman
Pamela Megill, City Clerk
Members of the Press

1. Open Meeting

Mayor Chavonne opened the meeting and called it to order. He stated the questions that had been submitted would be answered this evening; first by PWC and then the City.

2. PWC – City Council Questions on FY 2013 Budget

Mr. Mike Lallier, Chairman of the Public Works Commission, stated they were there tonight to address the questions they had regarding the PWC recommended budget. He stated before doing so, he wanted to take a couple of minutes to address what appeared to be the most discussed question, that being their proposed pay increase for PWC employees. He stated both City and PWC participated in a strategic planning process and through the process they both determined the goals they had for their respective bodies. He stated one of the main goals of the Commission was a top quality workforce. He stated they had almost 600 quality individuals at PWC that made sure each of them could take for granted the electric, water and sewer utilities each and every day. He stated their customers enjoyed not only outstanding utility services, but at extremely competitive rates. He stated their electric rates were the second lowest in the state and the water and sewer rates, while not the lowest, were in the middle tier. He recognized that in order to attract and retain a top quality workforce, they must offer compensation and benefits that were competitive. He stated to that end, they had retained for several years the services of the Hay Group to measure where their compensation ranked against their utility peers. He stated for several years and as a result of the recommendations from the Hay Group, they had set a target of having their employees at the mid-range in terms of compensation. He stated they have had a deliberate and targeted approach to achieving this

goal. He stated along the way, there had been challenges and tests where they were not able to attract or retain certain positions. He stated in addition, during the past two years, they have had economic challenges to maintaining compensation at the mid-range. He stated they made a conscious decision last year to forego the increase in compensation necessary to stay even with the mid-range because of the economy. He stated this year they were again faced with the issue of their action not putting them at the mid-range, but they felt it was their responsibility to the community and their customers to hold these increases back from what was necessary to achieve the mid-range. He stated their method of giving out pay increases varies somewhat from that of the City. He stated and while they may budget for X percent, the reality was not every employee received that percentage increase, they do not receive it until their anniversary date and any increase was based on their performance. Finally, he stated they were sensitive to the impact their decision had on the City. He stated but like you determining that police officer pay was below what it takes to attract and retain qualified officers, as Commissioners they were charged to make sure they had the people in place to ensure that utilities were provided in a safe, efficient, and consistent manner. He stated they could not accomplish this without properly compensating their employees.

Mr. Steven Blanchard, PWC CEO/General Manager, addressed the City Council's questions on the PWC's FY 2013 budget:

1. How many positions remain budgeted but unfilled in the proposed budget?

There are 629 approved positions at PWC; 627 are budgeted to be filled in the FY 2013 budget; presently there are 43 vacancies (14 positions are presently unassigned).

a. How long have the positions been vacant?

All positions have been vacant less than 6 months.

2. Identify any new positions in the proposed budget?

There are no new positions in the proposed budget; however, there are 15 unassigned positions that have been approved by the Commission during FY 2012 that will be funded in FY 2013.

3. Does the City and PWC use industry standard benchmarks to provide estimates of cost of living changes?

PWC uses the annual change in CPI as a guide to adjust its pay ranges on an annual basis. COLA's are not applied to individual employees.

4. Salary expense is projected to increase by 5% next year. Please reconcile with Mr. Blanchard's presentation that raising salaries a total of 4 % (as proposed) only impacts the budget 2%.

The 5% is the increase in the total personnel costs from one FY 2012 to FY 2013. Personnel Costs include everything associated with personnel costs; such as, salaries, payroll taxes, all benefit costs, holiday pay, vacation pay, sick pay, etc. The 4% is used in our performance evaluation formula, not applied to individual employees. They will be evaluated on their hire anniversary date and given an increase in pay based on their individual performance.

5. What is the annual lease revenue from the RCW Building included in the budget?

\$756,800.00

a. What is the best estimate of the current market value of the building?

We do not have an answer at this time. Once a Commercial Real Estate Broker is selected, they would be able to give us an expected value for the building.

b. What are the plans to sell the building?

We are developing an RFP to select a real estate broker at this time. Hopefully it will be on the market in the next 3 – 6 months.

3. City of Fayetteville Fiscal Year 2013 Budget Questions – Group 1

Mr. Kristoff Bauer, Interim City Manager responded to the City Council questions:

General

1. Q. Please provide a summary of the total budget by major expenditure categories for all funds.

A. The table below provides a breakdown of the fund budgets by major expenditure categories.

	Personnel	Operating	Contract Services	Capital	Other Charges*	Total
General Fund	82,576,838	21,221,392	14,113,073	5,002,910	22,090,713	145,004,926
Parking Fund	-	184,061	231,068	-	-	415,129
Lake Valley Dr MSD	-	-	-	-	65,292	65,292
Central Bus Tax Dist	-	42,985	26,521	-	106,513	176,019
Stormwater Fund	1,521,682	565,655	306,940	20,000	6,569,871	8,984,148
Emergency Telephone Fund	-	501,138	146,984	-	128,630	776,752
Risk Management Fund	323,705	15,656,351	337,400	-	486,047	16,803,503
Transit Operating Fund	4,196,273	1,650,351	38,465	-	538,647	6,423,736
Airport Fund	1,350,297	1,229,965	150,510	263,000	1,952,586	4,946,358
Recycling Fund	32,957	100,916	2,084,883	-	509,717	2,728,473
LEOSSA Fund	565,626	-	-	-	160,474	726,100
Finance Corp	-	-	-	-	816,750	816,750
	90,567,378	41,152,814	17,435,844	5,285,910	33,425,240	187,867,186

*Includes transfers for capital projects totaling \$16,261,917.

2. Q. Please present the most current financial statement comparing actual to budget.

A. Staff has prepared a Revenue and Expenditure Report for Annually Budgeted Funds for the Period Ending March 31, 2012 (this information was provided in the form of a handout).

Compensation

3. Q. What are the total expense and the percentage of the proposed salary increase? Does that include benefits?

A. Across annually budgeted funds, a total of \$2,735,335 was added to the recommended budget for fiscal year 2013 for employee pay adjustments and for the reserve for mid-year implementation of additional compensation changes. This cost is inclusive of associated benefit costs. The proposed salary adjustments include continuation of the Police Officer step plan (4% to 5% increases) and merit increases for qualifying employees based upon 2.5% of pay grade midpoints. The combination of these pay changes represent an increase of approximately 3.1% over the original salary budget projections for the affected funds.

4. Q. Was there any increase in medical insurance premiums this year? Did the cost to the city to provide this coverage increase? Did the cost to the employees increase?

A. The City is self-insured for healthcare benefits for employees. "Premium equivalents" for employer and employee contributions are calculated each fiscal year to set the contribution levels necessary to fund projected expenditures for healthcare benefits. The monthly employer contributions made by the General Fund and other operating funds, and employee contributions for fiscal year 2013 will adjust as follows:

	<u>Employer</u>	<u>Employee</u>
Core Plan (B)		
Individual	\$491.20 (+ \$9.26)	\$11.50 (no change)
Employee/Spouse	\$553.94 (+ \$13.90)	\$200.12 (no change)
Employee/Child	\$541.78 (+ \$12.52)	\$136.88 (no change)
Family	\$558.08 (+ \$15.30)	\$271.38 (no change)
Buy-Up Plan (A)		
Individual	\$496.42 (+ \$10.62)	\$79.08 (no change)
Employee/Spouse	\$532.78 (+ \$15.92)	\$330.46 (no change)
Employee/Child	\$548.14 (+ \$14.32)	\$228.78 (no change)
Family	\$520.84 (+ \$17.54)	\$428.74 (no change)

5. Q. How much expense does the longevity pay included in the budget amount to? Does this include payroll taxes? What percentage of payroll does it represent?

A. The recommended fiscal year 2013 budget includes a projection of \$1,523,918 for longevity pay expenditures across all funds, plus an estimated \$260,438 for associated benefit costs. The total of \$1,784,346 represents approximately 1.98% of the total projected personnel budget for all affected funds.

6. Q. How many positions remain budgeted but unfilled in the proposed budget? How long have the positions been vacant?

A. As of May 14, 2012, there are currently 89 authorized, regular full-time and part-time positions and 10 authorized over-hire positions that are vacant. In addition, there are 22 regular full-time and part-time positions that are currently frozen and unfunded and, therefore, also unfilled. The number of vacancies and the periods for which the positions have been vacant varies since it is a dynamic situation that is constantly changing. When resignations occur, a position's knowledge, skill, and ability requirements typically influence how long the vacancy is posted. The resulting applicant pool may or may not meet the needs of the department, occasionally requiring the vacancy to be re-posted. Some positions may also remain vacant for a period of time as departments evaluate ongoing staffing needs and consider restructuring opportunities.

7. Q. Identify any new positions in the proposed budget.

A. The recommended budget includes a net increase of four full-time positions as compared to the fiscal year 2012 original budget; three for the General Fund, and one grant-funded position. The changes are outlined in the budget message, and include:

Full-Time Position Changes

RAMP Program	1 Code Enforcement Officer
	2 Crime Analysts
	1 Police Officer
	2 PROP Program Positions
Police	1 Records Management System Manager
Development Services	2 Office Assistants (for dispatch)
	1 Plans Examiner
Engineering & Infr.	1 Transportation Planner
Information Technology	1 Project Manager
	1 Web Developer
	1 IT Asset Specialist
Finance	1 Accounting Clerk
Fire	1 Emergency Management Administrator
Parks, Rec. & Maint.	1 Office Assistant
Solid Waste	10 Collectors (one-arm collector trucks)
Police (Grants)	1 Drug Treatment Court Coordinator

8. Q. Does the City use industry-standard benchmarks to provide estimated of cost-of-living changes?

A. The City uses benchmarks to assess whether or not pay structures are competitive in the market, as was done in the recently conducted compensation study. The City's current salary structures have not been adjusted since 2008. A key recommendation from the compensation study is that the City should adjust pay structures to be more competitive with benchmark survey organizations. The benchmark survey organizations, as approved by City Council in October 2011, included: PWC, Cumberland County, and eight municipalities (Durham, Greensboro, High Point, Wilmington, Winston-Salem, Cary, Augusta, GA and Norfolk, VA)

The City does not implement "cost-of-living" salary increases for employees; employee salary adjustments are made based upon performance.

CIP Budget

9. Q. What, if anything, could we do to take advantage of the fact that we benefit from significantly more debt capacity in a few years?

A. The ongoing funding dedicated to the capital funding plan (currently the equivalent of 5.65 cents of the 45.6 cent tax rate) is set by City Council. Council could elect to adjust that funding level as the cost to retire existing debt declines and redirect resources to other priorities, or continue to set aside the same level of funding for additional capital improvement priorities.

10. Q. Please provide an updated copy of the CIP.

A. Staff is preparing updates to the Capital Improvement Plan previously presented on February 6, 2012 due to the County's recent decision not to participate in the proposed bond issuance for parks and recreation facilities. Updates will be presented at the May 23, 2012 budget workshop.

General Fund Revenues

11. Q. What are the trends of property tax revenue over the past five years?

A. The table below provides comparisons of actual taxable values from fiscal years 2007 to 2011, and the projected taxable values for fiscal years 2012 and 2013.

Fiscal Year Ended June 30	Taxable Real Property	Personal' Property	Public Services Property	Total Assessed Value	City General Tax Rate	Growth in Assessed Value	Current Year Tax Collection
(Excluding Impact of 2013 Annexation Projected)							
\$60,705,701	<i>Excluding Estimated Gates Four Annexation Impact</i>	11,729,429,633	1,743,224,31	167,761,2013,640,415,4	068	\$0.456	3.8%
	2012 Projected	11,282,133,911	1,695,712,88	167,761,2013,145,608,4	103	\$0.456	2.1%
\$58,501,043	2011	11,086,569,089	1,628,238,92	161,145,4912,875,952,2	673	\$0.456	1.1%
\$57,406,499	2010	10,929,960,838	1,638,183,40	162,847,7412,730,992,0	118	\$0.456	22.0%
\$57,126,776	2009	8,586,552,41,699,962,6	144,941,4010,431,456,8	455	\$0.530	2.1%	
\$53,901,099	2008	8,360,950,31,699,309,4	156,856,8610,217,116,4	684	\$0.530	3.2%	
\$52,738,807	2007	8,092,345,61,634,081,6	172,573,849,899,001,1	34	\$0.530		

*Excludes estimated collection of \$156,662 of FY 2012 taxes for Gates Four Annexation.

**FY 2010 growth in tax base includes growth due to the property revaluation process. The sales assessment ratio at the end of FY 2009 was 81.72%.

12. Q. What does one cent on the tax rate generate?

A. For fiscal year 2013, regular, first-year tax collections are estimated to be \$60,705,701, or \$1,331,265 per penny. Excluding estimated collections for the Gates Four annexation, estimated first-year tax collections would be \$59,700,737, or \$1,309,227 per penny.

13. Q. Prepare a schedule of the General Fund revenue budget net of any impact of Gates Four revenue that will allow for a comparison with projections for this year.

A. The table below illustrates the revenue adjustments made for the Gates Four annexation. The reduction in local intergovernmental revenues reflects a reduction in recreation tax proceeds for the County District.

Revenues	FY 2011 Actual	FY 2012 Original Budget	FY 2012 Estimated	FY 2013 Projection w/o Gates Four	FY 2013 Estimate For Gates Four	FY 2013 Total Recommend ed
Ad Valorem Taxes						
Current Year Taxes	57,406,499	58,733,292	58,501,043	59,700,737	1,161,626	60,862,363
Prior Years Taxes	1,085,988	993,000	1,077,000	1,115,000	0	1,115,000
Penalties & Interest	362,318	315,000	297,000	303,000	0	303,000
	\$58,854,805	\$60,041,292	\$59,875,043	\$61,118,737	\$1,161,626	\$62,280,363
Other Taxes						
Vehicle License Tax	624,591	630,750	625,500	632,475	7,738	640,213
Privilege License Tax	1,226,057	1,102,385	2,476,920	1,108,420	0	1,108,420
Franchise Fees	426,687	400,000	407,000	67,000	0	67,000
Vehicle Gross Receipts	562,089	481,000	544,000	544,000	0	544,000
	\$2,839,424	\$2,614,135	\$4,053,420	\$2,351,895	\$7,738	\$2,359,633
Intergovern mental Revenues						
Federal	900,749	584,634	2,973,065	444,973	0	444,973
State						
Sales Taxes	31,633,373	31,798,043	33,290,790	34,325,625	242,227	34,567,852
Utility Taxes	10,178,684	9,807,674	9,759,959	11,191,155	53,335	11,244,490
Other	6,398,828	6,133,713	6,558,474	6,585,452	36,608	6,622,060
Local	4,335,985	4,328,263	3,878,293	4,278,823	(110,193)	4,168,630
	\$53,447,619	\$52,652,327	\$56,460,581	\$56,826,028	\$221,977	\$57,048,005
Functional Revenues						
Permits and Fees	2,824,584	2,967,105	2,830,310	2,966,175	9,748	2,975,923

Property Leases	279,970	588,929	788,011	861,878	0	861,878
Engineering/ Planning Svcs	525,201	418,133	460,139	456,400	0	456,400
Public Safety Services	1,047,405	1,073,370	1,084,471	1,123,471	0	1,123,471
Environmental Services	59,200	154,075	153,100	145,800	0	145,800
Parks & Recreation Fees	1,249,691	1,265,951	1,350,285	1,352,150	0	1,352,150
Other Fees and Services	80,577	81,174	113,019	197,829	0	197,829
	\$6,066,628	\$6,548,737	\$6,779,335	\$7,103,703	\$9,748	\$7,113,451
Other Revenues						
Refunds & Sundry	678,411	697,157	674,801	120,150	0	120,150
Indirect Cost Allocation	1,152,696	1,160,528	1,166,578	1,196,170	0	1,196,170
Special Use Assessments	211,959	185,000	105,000	220,937	0	220,937
Sale of Assets & Materials	312,336	245,000	250,000	250,000	0	250,000
	\$2,355,402	\$2,287,684	\$2,196,379	\$1,787,257	\$0	\$1,787,257
Investment Income	\$411,644	\$362,784	\$304,100	\$316,000	\$0	\$316,000
Other Financing Sources						
Interfund Transfers	12,339,363	10,289,961	10,273,663	11,433,931	0	11,433,931
Proceeds from Bonds	0	0	0	0	0	0
Proceeds from Loans	0	0	0	0	0	0
Capital Leases	0	0	0	0	0	0
	\$12,339,363	\$10,289,961	\$10,273,663	\$11,433,931	0	\$11,433,931
Fund Balance	\$0	\$4,212,108	\$0	\$3,402,967	(\$736,681)	\$2,666,286
TOTAL	\$136,314,885	\$139,009,028	\$139,942,521	\$144,340,518	\$664,408	\$145,004,926

14. Q. Why is there such a large reduction in privilege license taxes projected for next year?

A. Privilege license tax revenue for fiscal year 2013 is projected to be \$1,108,420, as compared to the fiscal year 2012 year-end projections of \$2,476,920 because the projections do not assume continuation of approximately \$1.4 million in payments from internet sweepstakes operators. It is unclear how many of the relatively small number of these businesses will continue operations, and there has been indication that the State may take over the regulation and licensing of these businesses.

15. Q. What changes result in the significant reduction in franchise fees?

A. The City's only local franchise fees are the fees associated with the franchise agreement with Time Warner Cable that will expire on August 31, 2012. In fiscal year 2007, the State assumed taxation of video programming revenues and makes distributions from those revenues to local governments. Local governments were eligible to continue to collect franchise fees under existing franchise agreements on services not taxed by the State only until the expiration date of the existing agreements. For the twelve months in fiscal year 2012, the City is projecting to receive \$407,000 in franchise fees, but will only receive an estimated \$67,000 for the first two months of fiscal year 2013.

16. Q. Are we implementing a \$3.50 "Convenience Fee for Internet Payments?" Don't online payments save us expense versus payments in person or handling payments by mail?

A. Staff is requesting Council approval to assess a convenience fee for internet payments. The Finance and Information Technology staffs will be working to provide internet payment options to the public. The recommended convenience fee is intended to partially recover processing fees assessed on the City by the credit card processing agency. While online payments are less labor intensive for cash handling, staff labor is still necessary to reconcile and record the revenues. PWC charges \$3.50 per transaction. Cumberland County's third-party provider charge varies based upon the type of payment card used; however, the minimum Visa debit card fee is \$3.95 per transaction.

City Manager

17. Q. What accounts for the 15% increase in Operating Expense included in the budget?

A. The operating expense increase primarily relates to an increase in budgeted travel and development costs for department staff.

Community Development

18. Q. What is the status of the \$100,000 Goodyear incentive? Have they demonstrated that they have met the conditions?

A. The City's contract with Goodyear requires a \$200 million "Direct Investment" by December 31, 2012. The contract defines "Direct Investment" as: "...the cumulative total by the Company or on its behalf on the increase in taxable ad valorem value of all buildings, property, furniture, fixtures and equipment installed by the Company, including, without limitation, the value of capital and operating leases, regardless of funding source for any such items, over the ad valorem taxable value of such property as listed effective January 1, 2007."

The most recent data received from the Cumberland County Tax Office is for the 2011 tax year and indicates an increase in taxable value of \$139,776,705 for the specified period, which falls \$60,223,295 short of the qualifying threshold. The increase in taxable value for tax year 2011 would be used to determine whether an incentive payment was due during FY2012. The value for tax year 2012 has not yet been provided; this value will be used to determine whether an incentive payment is due in FY2013.

Goodyear has requested to have the definition of "Direct Investment" changed to reference the original cost of the investment as opposed to the increase in taxable value. The Council has the ability to consider such a request.

19. Q. What is the net financial impact of the Festival Plaza building in the proposed budget? Are we considering selling it?

A. As noted on page D-7 of the recommended budget document, expenditures totaling \$757,052 are projected for fiscal year 2013. These expenditures include operating and management costs for the building, debt service and a capital transfer for upfit improvements. Tenant lease revenues for fiscal year 2013 are projected to total \$581,927, resulting in a net financial impact of \$175,125 for the General Fund for the fiscal year. The City does not intend to keep the building long-term and will be considering options for the sale of the building.

20. Q. How much has been budgeted to purchase land along Murchison Road?

A. Consistent with the Capital Improvement Plan presented to Council on February 6, 2012, the recommended fiscal year 2013 budget includes a transfer of \$200,000 from the General Fund to purchase land for the Murchison Road Redevelopment project. The Capital Improvement Plan also includes \$180,000 per year for fiscal years 2014 through 2017 for future land purchases, and planned use of \$66,000 of Community Development Block Grant funds each year for five years for associated demolition costs.

Development Services

21. Q. What is included in the \$220,000 Capital Outlay budget?

A. The \$220,000 is requested to provide vehicles to code enforcement staff, in lieu of staff driving personal vehicles and being reimbursed on a mileage basis. The change is anticipated to improve efficiency, visibility and accountability. Specifically, seven compact cars at a cost of \$20,000 each and 4 small pick-up trucks, also at a cost of \$20,000 each, are included in the recommended budget.

Engineering and Infrastructure

22. Q. Will there be additional funding for our Engineering Department (speed humps, etc.)?

A. The recommended fiscal year 2013 General Fund budget includes funding for the following street infrastructure improvements:

Street Resurfacing \$3,500,000

Sidewalks \$158,000

There is also funding included in the operating budget for the Street Maintenance division for minor repair projects, including \$25,000 for traffic calming devices. In addition, \$300,000 of funding available in the Transportation Capital Project Fund will be applied to the Fort Bragg Road Rehabilitation project.

Information Technology

23. Q. What is the estimated return on investment for information technology new initiative requests?

A. The Information Technology department prepared the estimates of the return on investment for various new initiative requests (this information was provided to the Council in the form of a handout).

24. Q. How do the new budgeted positions – Project Manager, Web Developer and Asset Specialist – match up with the position requests presented to Council during the department's report several months ago?

A. The 2011 strategic plan crafted in conjunction with UNC School of Government outlined the staffing needs for the Information Technology department. The plan stated that "in order to optimize the organization, the specialization of current staff indicates a need for training and certification among the IT staff, as well as an increase in staff to provide additional services to the end users in the departments". The request for a Project Manager and HelpDesk Technician (Asset Specialist) is in line with the positions the strategic plan stated should be considered as priority investments. Additional positions that should be considered are: Network Security Analyst, Business Analyst, and GIS Analyst. These positions would allow the department to better align the it's goals and objectives to the goals and objectives of the governmental enterprise, as well as to individual departments, in an effort to meet citizen needs using innovative techniques and approaches.

Management Services

25. Q. What would the savings be of eliminating the Kaleidoscope program or its reducing frequency?

A. The recommended budget includes \$25,800 to fund six episodes of the Kaleidoscope program.

Other Appropriations

26. Q. What is the planned support of the Chamber? How will the City’s specific economic projects like Hope VI Business Park, etc., be managed?

A. The recommended funding for the Chamber contract on economic development is the same as last year (\$100,000). No amendment to the existing contract is anticipated before the ending of the fiscal year. A new contract and revised expectations are expected to be developed in the first or second quarter of the next fiscal year. It will be important to consider how urban economic development efforts are resourced as part of those discussions with the Chamber.

27. Q. What has been included in the recommended budget for funding of non-profits?

A. The following amounts are included in the recommended fiscal year 2013 General Fund budget:

Airborne and Special Operations Museum Foundation	\$56,250
Arts Council of Fayetteville/Cumberland County	\$75,000
Center for Economic Empowerment and Development	\$28,125
Fayetteville/Cumberland Chamber of Commerce	\$100,000
Friends of the Park Foundation (Fascinate U)	\$48,000
United Way (211 Program)	\$5,500

Police

28. Q. Council members would like to see financial models developed to increase police staffing over the next several years starting this year.

A. Staff is developing a proposal to increase police department staffing which will be presented at the May 23, 2012 budget workshop.

Transit

29. Q. What transit improvements have been included in the City Manager’s recommended budget for fiscal year 2013?

A. The transit improvements reflected in the fiscal year 2013 recommended budget include:

Split Route 15

Route 15 currently provides hourly service between Cross Creek Mall and the hospital complex with two buses. The TDP recommended the route to be split into two routes - one providing more direct service between the mall and hospital area, the other providing service to some neighborhood areas currently served by the existing route, but also serve some new areas.

Combine Routes 16 & 17

Combining routes 16 & 17 will provide direct service to the mall from Raeford Road and provide more transfer options to other routes. It will also provide new service to those in the area along Reilly Road between Morganton and Cliffdale Roads, eliminate the awkward transfer location at Bunce and Cliffdale and may provide an opportunity to serve Fort Bragg via the Yadkin gate. This change was suggested in the TDP. The same two small buses that now operate these routes would operate along a single route at hourly frequencies.

Bus Stop and Shelter Maintenance

Since fall 2010, Transit has added 25 bus shelters and 18 bench locations. Bus stop cleaning and maintenance has been handled by the same transit maintenance staff that also clean and service buses. The Transit department will contract with the Parks, Recreation and Maintenance department for additional maintenance and cleaning services.

Strickland Bridge Road Route

The Strickland Bridge Road corridor in west Fayetteville is an area that was identified for future expansion in the TDP. The route would operate from New Century Circle and connect with other routes near Target on Skibo Road and would provide new service to the area along Cliffdale Road between Pritchard and Skibo. Necessary curb and gutter and sidewalk infrastructure along the proposed route is very limited. The funding included for fiscal year 2013

is the local match required to order two vehicles (LTV's) and to prepare a limited number of stops along Strickland Bridge Road in order to prepare to provide future service.

Mayor Chavonne announced the next budget workshop would be held at 5:00 p.m. on Wednesday, May 23, 2012.

MOTION: Mayor Pro Tem Arp moved to go into closed session for consultation with the attorney for litigation involving Gates Four.

SECOND: Council Member Crisp

VOTE: UNANIMOUS (8-0)

The regular session recessed at 7:45 p.m. The regular session reconvened at 8:05 p.m.

MOTION: Council Member Crisp moved to go into open session.

SECOND: Council Member Fowler

VOTE: UNANIMOUS (8-0)

There being no further business, the meeting adjourned at 8:05 p.m.