

**FAYETTEVILLE CITY COUNCIL
BUDGET WORK SESSION MINUTES
LAFAYETTE ROOM
JUNE 9, 2014
5:00 P.M.**

Present: Mayor Nat Robertson

Council Members: Kathy Jensen, (District 1) Kady-Ann Davy (District 2); H. Mitchell Colvin, Jr., (District 3); Chalmers McDougald (District 4); Robert T. Hurst, Jr. (District 5); William J. L. Crisp (District 6); Larry O. Wright, Sr., (District 7); Theodore Mohn (District 8) James W. Arp (District 9)

Others Present:

Theodore L. Voorhees, City Manager
Karen McDonald, City Attorney
Kristoff Bauer, Deputy City Manager
Rochelle Small-Toney, Deputy City Manager
Jay Reinstein, Assistant City Manager
Lisa Smith, Chief Finance Officer
Harold Medlock, Police Chief
Ben Major, Fire Chief
Michael Gibson, Parks, Recreation, and Maintenance Director
Scott Shuford, Development Services Director
Russell Thompson, Engineering Director
Victor Sharpe, Community Development Director
Dwayne Campbell, Chief Information Officer
Michael Gibson, Parks, Recreation, and Maintenance Director
Jerry Dietzen, Environmental Services Director
Randy Hume, Transit Director
Wick Smith, PWC Commissioner
Mark Brown, PWC Customer Relations Officer
Pamela Megill, City Clerk
Members of the Public
Members of the Press

1.0 CALL TO ORDER

Mayor Robertson called the meeting to order.

2.0 INVOCATION

The invocation was offered by Council Member McDougald.

3.0 APPROVAL OF AGENDA

MOTION: Mayor Pro Tem Davy moved to approve the agenda.

SECOND: Council Member Wright

VOTE: UNANIMOUS (10-0)

4.0 OTHER ITEMS OF BUSINESS

4.1 Fiscal Year 2014-15 Budget

Mr. Theodore Voorhees, City Manager, presented this item, provided a handout and stated he appreciated council's engagement working on the budget and hoped Council would be able to reach consensus and said he looked forward to the discussion.

Council Member Colvin stated over the course of the last few weeks there have been some great ideas and input from all Council members and asked Council to listen to the staff presentation with an open mind.

Ms. Lisa Smith, Chief Finance Officer provided a handout that detailed tax package scenario comparisons for tax increases at 4.2%, 3.8%, 3.0%, and 2.8%. Ms. Smith provided an overview of the handout and detailed the scenarios for Public Safety, Development Services, Economic and Business Development, and excess debris crew enhancement. Ms. Smith detailed the one-time FY 2015 adjustments:

Add Parks Funding - One Time Funds \$2,000,000
Reduce Alliance (\$50,000)
Reduce Sidewalks (\$150,000)
Eliminate Public Streets Development (\$250,000)
Eliminate Texfi Allocation (\$100,000)
Reduce City Hall Renovations Allocation (\$250,000)
Reduce Street Resurfacing (\$445,000)
Eliminate Funding for Potential Amtrak Grant Match (\$155,000)
Use One-Time Funds from Tax Increase (\$350,000)
Reduce Funding - Murchison Rd Property Acquisition

Council Member McDougald said he did not like the idea of reducing the Alliance funding and said they are doing a great job and want to incentivize them.

Council Member Crisp stated the need for a Civilian Crash Investigator, stated support for the two million dollars for additional Parks and Recreation funding and stated Mr. Gibson and his staff should return to Council at a future meeting to present a plan of how the two million dollars should be spent.

Council Member Wright asked how much a Civilian Crash Investigator costs. Ms. Smith responded approximately \$50,000 annually for salary and benefits.

Discussion ensued regarding reducing the City Hall Renovations Allocations and which floors of city hall would be affected, and the impact on customer services. Discussion ensued regarding the Development Services Customer Advocate Planner.

Mayor Pro Tem Davy initiated discussion on the reduction of funding for the Street Resurfacing program. Council Member Mohn stated concerns regarding Powell Bill expenditures. The road paving schedule was discussed with Mr. Rusty Thompson, Engineering and Infrastructure Director.

Council Member Arp asked about freezing vacant positions to pay for the Civilian Crash Investigator. Discussion ensued.

Mr. Voorhees provided a recap of the discussions and stated staff could make the revisions over the next two hours, to accommodate for the budget ordinance to be adopted later this evening at the regular meeting. Ms. Smith stated the Capital Project Ordinances and Capital Improvement Ordinances could be voted on at the June 23, 2014 regular meeting.

Council Member Arp asked what the current fund balance is. Ms. Smith stated City policy dictates 10%, and we are currently projected at 11%.

Ms. Smith stated the fee schedule will remain as presented. Council Member Arp asked what the employee pay increase proposal is. Ms. Smith responded it is 2%.

MOTION: Mayor Robertson moved for consensus to adopt the FY 2014-15 Budget that includes a tax increase of 3%

VOTE: CONSENSUS by a vote of 7 in favor to 3 in opposition (Mayor Robertson, Council Members Arp, and Mohn)

5.0 ADJOURNMENT

There being no further business, the meeting adjourned at 5:56 p.m.