

**FAYETTEVILLE CITY COUNCIL
BUDGET WORK SESSION MINUTES
LAFAYETTE ROOM
APRIL 16, 2014
5:00 P.M.**

Present: Mayor Nat Robertson

Council Members Council Member 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);

Absent: James W. Arp (District 9)

Others Present:

Theodore L. Voorhees, City Manager
Kristoff Bauer, Deputy City Manager
Jay Reinstein, Assistant City Manager
Karen McDonald, City Attorney
Lisa Smith, Finance Officer
Tracey Broyles, Budget Manager
Brian Meyer, Assistant City Attorney
Michael Gibson, Parks, Recreation, and Maintenance Director
Harold Medlock, Police Chief
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 Wright.

3.0 PLEDGE OF ALLEGIANCE

Mayor Robertson led everyone in the pledge.

4.0 APPROVAL OF AGENDA

MOTION: Council Member Mohn moved to approve the agenda

SECOND: Council Member Wright

VOTE: UNANIMOUS (10-0)

5.0 OTHER ITEMS OF BUSINESS

5.1 Budget Guidelines

Mr. Theodore L. Voorhees, City Manager, presented this item and stated he had revised the document as directed by Council at the April 14, 2014, regular meeting. Mr. Voorhees provided a hard copy of the Budget Development Guidelines. A brief discussion ensued.

MOTION: Council Member McDougald moved to accept the Budget Development Guidelines as presented by the City Manager.

SECOND: Council Member Colvin

VOTE: UNANIMOUS (9-0)

5.2 Police Step Plan

Mr. Kristoff Bauer, Deputy City Manager, presented this item with the aid of a PowerPoint presentation. Mr. Bauer provided an overview of the current step plan for officers and upper ranks and highlighted the significant overlap. Mr. Bauer reported that 92% of the upper ranks are above midpoint (market), and provided graphs to illustrate the findings. Mr. Bauer introduced a proposal to revise the pay plan by way of having new step ranges. The ranges are \$10,000 to \$20,000 in width, the steps range from 1.9% to 4%, and all ranges to start above market and provide no overlap. The benefits of the revised step plan are that it preserves fast movement below market, provides certainty, creates consistent incentive to seek promotion, is market based, sustainable, and equitable, and there is reduced opportunity for compression.

The implementation of the plan was discussed.

Mayor Pro Tem Davy stated she understood why we would need to implement this type of pay plan, and commented that the Fire Fighters do not have a step plan.

Council Member McDougald stated that the annual 4% increase is a little high and should be more in line with the increases of all other employees.

Council Member Crisp stated he does not want to do anything that will inadvertently affect the morale of the Police Department.

Council Member Hurst thanked Mr. Bauer for his great presentation and stated the current pay plan was adopted 7 years ago, and it is time to review it.

Council Member Wright stated Mr. Bauer had done a great job analyzing the problem and said we have a unique problem.

Council Member Mohn requested all of the information be sent to him electronically in order for him to conduct further research. Council Member Mohn also said he intended to speak with several police officers.

Council Member Jensen stated she understands the concern but does not want to place Chief Medlock in situation that will lower morale.

Council Member Colvin stated he agreed that we need to do something; the lowering of the 4% increase to 2%.

Mr. Voorhees stated the 4% increase was never guaranteed and stated the Police Department provides a take home vehicle, which is a very lucrative benefit.

Mayor Robertson stated this was his 9th budget and it would be a huge dis-service to go with this proposed pay plan and he liked that our Police Department is above market.

Mayor Robertson recessed the meeting at 6:05 p.m. Mayor Robertson reconvened the meeting at 6:15 p.m.

5.3 Parks and Recreation Capital Projects

Mr. Michael Gibson, Parks, Recreation and Maintenance Director, presented a history of the Parks and Recreation Capital Projects Bond Proposal. Mr. Gibson provided an overview of the proposed facilities: multi-purpose aquatic center with senior center, neighborhood and community aquatic centers, tennis center, sports complex, Cape Fear River Park, Crystal Springs Recreation Center, splash pads, neighborhood parks, skateboard park, greenways, and existing parks and building renovations, for a total estimated cost of \$65,662,485.

Mr. Kristoff Bauer, Deputy City Manager, presented the Park and Recreation Capital Projects Bond Proposal financing options with the aid of a PowerPoint presentation and stated the various methods of financing are “pay as you go”, Federal and State grants (these often require matching funds from the local government) and debt issuance. Mr. Bauer provided an overview of installment financing contract, bonds, and debt under Local Government Code. Mr. Bauer provided graphs that illustrated the level of principle verses the level of payment. Mr. Bauer provided an overview of ballot measures required for General Obligation bonds. Mr. Bauer stated there are four keys to a successful park bond ballot measure: strong, unified, and consistent political support, well supported public information campaign with strong private participation, a special election and a ‘big tent’ strategy to package design.

Mr. Voorhees, City Manager, stated staff is requesting direction.

Council Member Crisp stated he did not want to rush this item this evening and requested all Council return to their constituents and discuss with them.

Council Member Colvin stated his constituents had already expressed their desire and need and said we have stalled since 2006.

Council Member Hurst stated his constituents are tired of no action and we need to focus on moving forward.

Mayor Pro Tem Davy stated staff has done due diligence and said the elected officials were elected by the people and we should allow them the vote.

Council Member McDougald stated we have been sitting on the can and it is now time to move forward.

MOTION: Council Member Colvin moved to allow staff to move forward with processes necessary to revise the calendar.

SECOND: Council Member McDougald

Council Member Mohn questioned the motion and asked for the cost associated with the information campaign, and stated that dollar amount would need to be factored into the upcoming fiscal year 2014-15 budget. Mr. Voorhees responded the information campaign will cost approximately \$75,000. Council Member Mohn said we should ask staff to amend the time line and bring back the information with regards to cost of the public information campaign and election costs. Mr. Voorhees said staff would brief the Council on these issues.

MOTION REMOVED: Council Member Colvin removed his motion from the table.

Council Member Crisp stated we have to show the citizens where all proposed facilities will be located.

6.0 ADJOURNMENT

There being no further business, the meeting adjourned at 8:00 p.m.