

**HIGH POINT CITY COUNCIL  
SPECIAL MEETING  
May 1, 2023 – 4:00 P.M.  
Council Chambers – Municipal Building  
211 S. Hamilton Street**

**CALL TO ORDER, ROLL CALL**

*Mayor Wagner called the meeting to order at 4:02 p.m.*

**Present:** Mayor Jay W. Wagner; Mayor Pro Tempore S. Wesley Hudson, Ward 4; Council Member Britt W. Moore, At Large Council Member; Council Member Tyrone E. Johnson At Large (arrived at 4:42 p.m.); Cyril A. Jefferson, Ward 1; Council Member Christopher Williams, Ward 2 (arrived at 4:28 p.m.); Council Member Monica Peters, Ward 3 (Arrived at 4:08 p.m.); Council Member Victor A. Jones, Ward 5; and Council Member Michael A. Holmes, Ward 6 (arrived at 4:04 p.m.)

**PRESENTATION OF ITEMS**

**2023-203      Presentation-Proposed City of High Point FY 2023-2024 Budget**

Staff will be giving a presentation regarding the Proposed City of High Point FY 2023-2024 Budget.

*Tasha Logan Ford, City Manager stated the proposed fiscal year 2023-2024 budget allows the city to meet operational goals, maintain the current tax rate, and continue some capital projects associated in downtown such as parking and 300 Oak and as well as move forward with the senior center project. She noted that the pace of some projects could be impacted based on discussions with Davenport & Company, LLC, the city's financial advisor.*

*Council Member Holmes arrived at 4:04 p.m.*

*Mrs. Logan Ford explained the city has plans to close on the property associated with the construction of a new city hall in the fall of this year and noted this budget does not consider the initial debt the city would need to take on to support that project. She explained the budget includes employee pay increases and there might be some additional changes needed as the budget process progresses. She introduced Stephen Hawryluk.*

*Stephen Hawryluk, Budget, and Performance Manager stated the proposed fiscal year 2023-2024 is balanced in accordance with North Carolina General Statutes and an official copy has been filed with the City Clerk's Office. He noted additional copies can be found at the library and will be placed on the City's website.*

*Mr. Hawryluk stated there were some challenges with this budget, noting employee salaries, employee retention, as well as inflation. He stated the total budget is \$478.8 million with the general fund consisting of \$142.1 million which is the largest fund, electric is the next largest with \$135.3 million and noted that \$90 million of the electric fund is to purchase wholesale power. He provided information regarding revenues which included the following:*

- *Fund Balance - Proposed Budget \$14,125,091*
- *Property Taxes - Proposed Budget \$83,146,149*
- *Sales & Use Taxes - Proposed Budget \$41,479,080*
- *Intergovernmental Revenues - Proposed Budget \$28,138,684*
- *Licenses & Permits - Proposed Budget \$6,657,675*
- *Charges for Service - Proposed Budget \$257,188,657*
- *Miscellaneous - Proposed Budget \$11,747,747*
- *Reimbursements/Transfers - \$36,054,504*

*Total proposed revenues of \$178,537,587*

*Council Member Peters arrived at 4:08 p.m.*

*He explained that the tax rate will remain at 61.75 cents per \$100 of valuation, there will be no increase to electric rates, there is a proposed 4% increase in water/sewer rates, and proposed fee schedule changes in the following areas:*

- *Parks and Recreation fees*
- *Customer Service fees*
- *Parking fees*
- *Solid Waste fees*
- *Stormwater fees*

*He stated the City of High Point is in four counties but noted that Guilford County's valuation is about 94% of the tax base and that is projected to increase about 1.8%. He stated there is growth regarding the Sales and Use Tax and year-end projections are 10% above FY 2021-22 which is about a \$2.73 million increase and noted occupancy tax increased to \$696,000. He reviewed other revenues such as Intergovernmental revenues which included NCDOT Capital Grants, Transit Capital Grants, and Stormwater Federal Capital Grants. He reviewed Charges for Services such as water/sewer and central services as well as fund balance which includes electric and solid waste post-closure revenues.*

*Mr. Hawryluk then explained expenditures noting personnel service is about 33% of the total budget. Other expenditures include operating, capital outlay, debt service, reimbursements, contingency, and interfund transfers with a total expected expenditures of \$478,537,587. Personnel salary changes are \$1.37million due to the classification and compensation study of 1/3 of city positions which includes police. Other proposed salary changes are an average 3% mid-year merit pay adjustment for employees, increase employer contribution to the Local Government Employees' Retirement System, increase cost for worker's compensation and increase employer costs to city health plan (no increase for employee contributions). He noted some goals of the City are to transition from fully insured to self-insured, implement full-service employee health clinic, and the creation of a paid six-week parental leave/family caregiver policy. New positions being added to the budget include an Assistant Recreation Supervisor for Parks and Recreation, Utility Locator and a Power Line Technician for Electric. Reclassifications include*

*Budget and Performance to Budget and Performance Director, Information Technology to Telecommunicator, Police to Firearms and Tool Mark Examiner, Library to Library Outreach Coordinator, and Transportation to Assistant Transportation Director. The new position as well as reclassifications will cost \$453,709.*

*He reviewed operating cost, capital and capital overlay and provided information regarding the general fund. He explained Enterprise Funds, and the Capital Improvement Plan.*

*Council Member Williams arrived at 4:28 p.m.*

*A discussion ensued regarding city vacancies and being creative when competing with private entities for employees.*

*Upon conclusion, Mr. Hawryluk introduced the Budget Staff: Roslyn McNeill, Budget Analyst and Donald Scales, Budget Analyst. He provided the next steps regarding Budget Work Sessions and conducting the public hearing. Next steps include meetings on:*

- *Wednesday, May 10, 2023, 3-5 pm -Budget Work Session*
- *Monday, May 15, 2023, 5:30 pm -Public Hearing at City Council meeting*
- *Thursday, May 18, 2023, 3-5 pm -Budget Work Session*
- *Wednesday, May 24, 2023, 3-5 pm -Budget Work Session (if necessary)*

## **2023-204**

### **Closed Session-Attorney Client Privilege, Economic Development, and Personnel**

Council is requested to go into Closed Session Pursuant to N.C. General Statute §143-318.11(a)(3) for Attorney-Client Privilege; into Closed Session Pursuant to N.C. General Statute §143-318.11(a)(4) for Economic Development; and into Closed Session Pursuant to N.C. General Statute §143-318.11(a)(6) for Personnel.

**Council Member Moore made a motion, seconded by Council Member Jones, to enter to closed session Pursuant to N.C. General Statute §143-318.11(a)(3) for Attorney-Client Privilege, for Economic Development Pursuant to N.C. General Statute §143-318.11(a)(4), and into Closed Session Pursuant to N.C. General Statute §143-318.11(a)(6) for Personnel.**

**Motion carried with the following vote:**

**Aye: Mayor Wagner, Mayor Pro Tempore Hudson, Council Member Moore, Council Member Jefferson, Council Member Williams, Council Member Peters, Council Member Jones, and Council Member Holmes**

**Absent: Council Member Tyrone E. Johnson**

**Closed Session began at 4:31 p.m.**

**The Special Meeting and Closed Session was recessed at 5:33 p.m. to conduct the Regular Meeting scheduled for 5:30 p.m.**

**At 7:35 p.m. The Special Meeting and Closed Session reconvened.**

**A motion was made by Council Member Jones, seconded by Council Member Williams to end Closed Session.**

**Closed Session ended at 7:55 p.m.**

**Motion carried with the following vote:**

**Aye: Mayor Wagner, Mayor Pro Tempore Hudson, Council Member Moore, Council Member Tyrone E. Johnson, Council Member Jefferson, Council Member Williams, Council Member Peters, Council Member Jones, and Council Member Holmes**

*Mayor Wagner stated no formal action would be taken because of the Closed Session.*

**ADJOURNMENT**

*There being no further business to come before the City Council, the meeting adjourned at 7:55 p.m.*

Respectfully Submitted,

\_\_\_\_\_  
Jay W. Wagner, Mayor

Attest:

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Sandra Keeney  
City Clerk