



**HIGH POINT CITY COUNCIL
SPECIAL MEETING
(PROPOSED FY 2016-2017 BUDGET)
MAY 19, 2016 – 3:00 P.M.
COUNCIL CHAMBERS**

MINUTES

Present:

Mayor William S. Bencini, Jr., Mayor Pro Tem Jeff Golden (Ward 1); and Council Members Cynthia Davis (At-Large), Latimer Alexander (At-Large), Chris Williams (Ward 2), Alyce Hill (Ward 3), Jay Wagner (Ward 4) and Jason Ewing (Ward 6)

Absent:

Council Member Jim Davis (Ward 5)

Staff Present:

Greg Demko, City Manager; Randy McCaslin, Deputy City Manager; Randy Hemann, Assistant City Manager; Angela Kirkwood, Human Resources Director; Eric Olmedo, Budget & Performance Manager; Laura Altizer, Budget Analyst; Roslyn McNeil, Budget Analyst; Terry Houk, Director of Public Services; Robby Stone, Asst. Public Services Director; Glenda Barnes, Public Services Analyst; Jeff Moore, Director of Financial Services; JoAnne Carlyle, City Attorney; Loren Hill, President- High Point Economic Development Corporation; Ryan Ferguson, Marketing Manager; and Maria Smith, Deputy City Clerk

News Media:

Pat Kimbrough, High Point Enterprise

CALL TO ORDER

Mayor Bencini called the meeting to order at 3:07 p.m. and stated the purpose of the meeting was to take Public Comments on the Proposed 2016-2017 Annual Budget. Mayor Bencini opened the public comment period.

PUBLIC COMMENTS

Bob Carter: Mr. Mayor and City Council, My name Bob Carter, HPCCA Board, 2500 Midview Drive, High Point, NC, Ward 6 Mr. Ewing.

I am the Director of the High Point Community Concert Association and better known as the (HPCCA) also easier to say. We are affiliated with the High Point Arts Council and I thank you for allowing me to appear today. For 82 years the HPCCA has provided concerts mostly classical by highly skilled professional musicians. We strive to present excellent concerts and we need to continue that tradition. After all, we all want High Point to grow in excellence. Research data continues to underscore the fact that participation in and exposure in the performing arts play a pivotal role in the vibrancy and the healthy growth of individuals and the communities.

We thank you for the funding that you historically provided to augment the funds we raised through tickets sales and donation. We're doing our part to increase revenues and reduce expenses but we count on your support so we can continue to bring high caliber performance to our town. The cost of such performance trends upward not downward. Your job of managing and dispensing City funds is a daunting task and we understand that you have difficult decisions to make. However, the Arts Council has suffered large cuts in recent years. We strongly urge you to reconsider the proposal to cut, once again, funding for the High Point's Arts Council. Furthermore, we encourage you to restore funding to the level prior to last year's reduction. I believe that my colleagues on the HPCC Board do that High Point people do not have to travel to Greensboro or Winston-Salem or any other city to enjoy top notch classical music.

The goal of the High Point Community Concert Association is to provide opportunities for High Point's citizens to enjoy great concerts in our town. To enjoy an evening of an inspired entertainment, food and other amenities all awhile originally the culture life in our town. We have accomplished this goal in part in funding through the Arts Council so when you consider the City's budget, please think of your support for the Arts in High Point at least in part as an investment not merely as an expense. Finally, it's important to remember that while the Arts Organization in our city is indeed a source of pride and joy for now, the work we do now to enliven the culture in our City helps also helps to ensure a vibrant creative future for those who come after us. Best wishes to you as you deliberate the emirate needs of our wonderful City. Thank you.

Mayor Bencini: Thank you Mr. Carter. If I'm not mistaken, you and I use to work together, did we not? Hamptonville, NC, right? [laughter] Thank you. Next is Mr. Clint Bowman.

Clint Bowman: Hello, My name is Clint Bowman and I am the Programs Coordinator at the High Point Arts Council located downtown at 121 South Centennial Street, High Point, NC.

I wanted to thank you all for allowing me this opportunity to speak with you today. I'm here to stress the point of why the High Point Arts Council needs public funding and cannot afford the proposed budget cuts. I just graduated with a degree in Parks, Recreation, and Tourism Management this past December at NC State University. I know very well how public Parks &

Recreation departments rely on public funding to make recreation opportunities available and affordable to the general public. For this same reason, the High Point Arts Council needs public funding to make the arts accessible to the general public and improve the quality of life for everyone in High Point and surrounding communities.

If the High Point Arts Council were to rely solely on private funding, then ticket prices to events presented through our affiliates and ourselves would make the arts inaccessible to the general public. Ticket prices for plays, concerts, and dance recitals that are normally fairly priced would have to be increased- causing them to only be accessible by the wealthy. The cost for rising 7th-12th graders to attend our John Coltrane Jazz Workshop would increase to the point that we take away the opportunity for most kids and families to learn and further appreciate a form of art that is rooted so deep in our History here in High Point. The arts enrich the lives of everyone around them; kids who participate in the arts have been scientifically proven to perform better academically and socially inside and outside of the classroom. If you truly want to invest in the future of High Point, then cutting funding for the arts is the biggest step backward you can take. Thank you for your time.

Mayor Bencini: Thank you Mr. Bowman. Anna Parrish.

Anna Parrish: Hello, my name is Anna Parrish. I am an intern for the High Point Arts Council and I live on 1104 North Main Street, High Point, NC.

When most people think of the arts, their minds automatically go to one specific thing, however, Arts Education includes four separate things, such as dance, music, theatre arts, and visual arts. Each of these branches have their own body of knowledge and set of skills.

I, myself, have been involved in the arts almost my whole life. I started dance at the age of three. When I was six years old, I was in the children's choir from kindergarten to eighth grade. At the end of my eight grade year, I was awarded the Musical Excellence award and the Perfect Attendance award. During my sophomore year of high school, I was introduced to theatre and all of its wonders.

When it came to deciding what I wanted to do with my life, there was no question about it. I am now majoring in Performing Arts Studies at Lees-McRae College, with a minor in Tech work and possibly a second minor in Education. This coming school year, I will be a semester ahead of my graduating class and Treasurer of Alpha Psi Omega, the Theatre Arts Honors Society.

Why are the Arts so important? Students that participate in the arts on a regular basis score higher on their SAT tests than students who do not. Students of the arts are more likely to be recognized for academic achievement, to participate in a math or science fair, to be elected to class office within their schools, and to win an award for school attendance.

The High Point Arts Council invests in public, private, and charter schools with their Teacher Arts Grant program. They provide funding for projects that integrate the arts with curriculum to enhance the learning process, such as teaching history through drama, literature through music, science through dance, or math through visual arts.

An arts education is important in preparing successful leaders who are problem solvers; ask any drama student what they learn from improvisation. Leaders, who have perseverance, ask a musician how much discipline it takes to play scales. Leaders, who are team builders, ask a dancer about the importance of being a team player in a ballet. Leaders, who are visionaries, ask a child who draws how they view the world.

The arts are a Science. The arts are Mathematical. The arts are a Foreign Language, History, Physical Education, Language-Arts, Business Technology and Economics. The arts are important to be taught to our community not because we expect our youth to major in it, and not because you are expected to perform all through life. But, so you will recognize beauty, so you will be sensitive, so you will be closer to an infinite beyond this world, so you will have more compassion, more gentleness, more good, in short, more life.

Mayor Bencini: Thank you. Mrs. Heidi Majors.

Heidi Majors: Good afternoon, I am Heidi Majors, the Executive Director of the High Point YWCA, 112 Gatewood Avenue, High Point, NC

I wanted to thank you for the opportunity to come and talk about the YWCA's proposed teaching kitchen. It has been a vision for our organization to have a teaching kitchen since early 2004 when we did our first strategic plan, which is when I came to the organization. Over the years, we've had many opportunities when we've partnered with the North Carolina Cooperative Extension, as well as NC State, to bring in teaching classes for our community. These classes teach eating on a budget, eating nutritionally and we also bring in chefs and nutritionists to talk about eating and the four different chronic diseases and health issues associated with improper eating habits. As we move into the second phase of our capital campaign, we would really like to bring in the teaching kitchen. It would expand the opportunity to serve more people within our community and we would also work with the High Point Greater Food Alliance and be able to provide more teaching classes for individuals. In the near future, and the next few months, we'll actually be submitting plans for our phase two development of which we have already raised \$500,000 we would love to add in the teaching kitchen to this portion of this phase and not wait until phase three. So, we thank you for the opportunity to potentially have this as one of our capital projects. Thank you.

Mayor Bencini: Thank you Heidi.

Carl Vierling: Good afternoon. I'm Carl Vierling, the Executive Director of the Greater High Point Food Alliance and my address is 1411 Grantham Drive, High Point, NC

I want to speak on behalf and support of the teaching kitchen at the YWCA. One of our goals at the Food Alliance is to improve food education because often times we find people don't know how to prepare the simplest of recipes. And, this is one of the number of ways of touching a large number of people in order to give them the tools to empower them to make the right choices. As we struggle with the issues surrounding food insecurity, often time's people are making difficult choices and this will enable us to give them the tools to cook what's coming out of community gardens. Right now, for example, squash is being raised in the Burns Hill Community garden and is going to West End Ministries because there is such an abundance

produce. Without this kitchen, we won't be able to teach people. Another thing about the YWCA, it serves a very diverse portion of our community. It's situated right in the middle of the food desert and that's the most diverse population that we know of. Long term, we would like to see these community kitchens or teaching kitchens throughout the City. It serves two purposes: 1) It's a form of education 2) It's another access to food. As the community comes together, we begin to knock down some of those walls which is one of the goals of the YWCA. So, we're just speaking on behalf and support of the YWCA and the teaching kitchen they have in mind. We really appreciate all that this City Council has done in the support of the efforts of the Greater High Point Food Alliance. And, I can tell you right now, that we've established a model that's being looked at across the state of North Carolina and the City Council has been a big part of it with the "adopt a lot" program and the overall support you've given us. We just think that this is another worthwhile project to bring the community together to make a world difference. Thank you very much for your time.

Mayor Bencini: Thank you Carl. Miss Holly Davis.

Holly Davis: Good afternoon, I am Holly Davis of 307 Otteray Avenue, High Point, NC. I represent High Point Community Theatre and we are a funded affiliate of the Arts Council.

I am a member of the board of High Point Community Theatre, celebrating its 40th year. I've been a member of this organization for three years and during that time our programs have grown significantly. In our audition process, we noticed a need for more shows that involved children, so we started a Youth Stage division to complement our Main Stage productions and reach out to children from 6-17. This has been successful and we produced two shows this year, Babes in Toyland and Godspell Jr., in addition to our summer camp programs. We are now starting a Teen Thespian group for children 15-22 who are too old for the youth shows, but not quite old enough for some of our main stage productions. We often perform at Centennial Station and it becomes easy for us to perform there and we'd like you to reconsider your funding for the Centennial Station and Arts Council. Thank you.

Mayor Bencini: Thank you Miss Davis. Mr. Ralph Rodland.

Ralph Rodland: Good afternoon, my name is Ralph Rodland. I live at 131 West Hartley Drive, High Point, NC

I have the privilege of serving as the Executive Director for Caring Services and we're located at 102 Chestnut Drive. We're a non-profit that's been here for 22 years. We have 11 long term transitional houses here in the High Point area that serves approximately 300-500 clients per year with more contacts that are made just on a in drop-in basis. I was unaware that there was a funding request for non-profits so I wanted just to say thank you that this is a possibility here in the City. I've been coming to your meetings where I've watched you all discuss and go over items from the budget and, as a citizen, you know with my ED hat off, I just wanted to thank you all for taking the time to really go over the numbers that are presented and really looking at how you can best be of assistance to the City of High Point. For us, we put forward a request for our phone system, maybe not one of the sexiest of topics to put forward, but if you have any interactions with any non-profit grant writing, you know that the requirements can be very

intensive and many at times don't allow for certain things to be put forward. Our phone system is 15-16 years old and on its very last legs. We've been told by North State that if we don't repair the system that if it goes out and they don't have the ability or the replacement parts to fix it. One of the things that we've done over the past year, as you may be aware of the opioid overdose epidemic from the spike in use of heroin, is that we have partnered with the High Point Police Department to do cold calling outreach anytime in the lock zone which is the opioid reversal agent administered in the field in the City of High Point. This makes it possible for the person to have a point of contact with someone who is offering and making treatment available to that individual should they so desire it within 24 hours. Also, the barrier to access treatment is often very high. Someone initiating treatment by walking into a center, may find it a burden too high for them to even reach. So, by us being able to have people call in and are constantly seeking referrals to our agencies or to other agencies is a key opponent of what we do. Also, family members who feel so unsupported and don't have the ability to reach out and find access to suitable substance use disorder and mental health care have professionals that are right here in the City of High Point. Where we are either able to refer them to our facility or somewhere else should their needs be different from what we provide. Again, I just really wanted to thank you all for all the effort you put into the budget considerations. I've been to all your meetings where you've considered them and I really appreciate that and I hope you'll consider keeping your proposed grant funding for Caring Services in your budget for this year. Thanks so much.

Mayor Bencini: Thank you Mr. Rodland. Mr. Louis Thibodeaux.

Louis Thibodeaux: Good evening my name is Louis Thibodeaux and I reside 1242 Kensington Drive, High Point, NC

Mayor, City Council and City Manager, first the Kensington stormwater project and those effected would like to know how things will be different with this project. And I know, I've said that many times, and I'm going to touch on stormwater and will continue to talk about it and just want to keep this in front of you.

Second, as stated in the High Point Enterprise on May 18th concerning the utility debt when the City failed to recalculate bills, my proposal cuts that in half, since it was part the City's failure to recalculate the bills. An example was, my own example is: buy a car, set a payment for three years. Later, you're told you owe \$2,500. Three years later, I ask you, would you pay it saying, "Thank you for letting me pay the \$2,500 that you didn't add to my payment."

Another issue stated was the 20,000 out of 42,000 that don't pay on time. Why is that and what is being done to remedy this situation? I agree, Council you are to delegate. The City Manager oversees department heads, so Council please do your job.

Third, blighted property and the \$1M to deal with it. We should not single out one area but all the City since all the citizens pay taxes are we trying to set an area up for the ballpark to be built. The City needs to be more diverse and revenue then to build a ballpark will come. Why not ask the Chamber of Commerce and the citizens to come together and share ideas to raise revenue? Because a bigger HPU and ballpark will not create the revenue that the City needs.

In closing, we are half way through this election cycle. When will the City Council listen to the citizens and not just do what you want to do or see done. You're elected to represent all citizens not just the selected few. I believe you hear what I'm saying but when will you comprehend what I am saying. Thank you.

Mayor Bencini: Thank you Mr. Thibodeaux. Anyone else present this evening care to speak? Please come forward and give us your name and address.

Larry Diggs: Larry Diggs, 1127 Gilmore Avenue, High Point, NC

I was reading in the paper and I know that you're all working on the budget and everything like this. There's still a lot of I noticed, a lot of boarded up houses and I don't know how much money you plan to put into that. But, I've seen many houses that have been sitting for year and I know it's been difficult because it's kind of got behind because there's a lot of them all over the city. But, I know just in particular, one that I've seen that's an eye sore on Washington Street that use to be a little two-story place where I think there were four people in there and it's been boarded up for at least five or six years and because of ones like that I was wondering when are you planning to do get more proactive tearing down more of these houses. Thank you, I don't know if you have any answers to that.

Mayor Bencini: Mr. Diggs, this is your time to give comments to us.

Larry Diggs: Ok, well, I'm saying, I was talking about the budget hoping that you would give more consideration to give more funding towards the tearing down some of the boarded houses all over the City. The people in my area, especially around Washington Street, in Mr. Golden's area would like to see more of these houses torn down.

[end of public comments]

Mayor Bencini: Thank you Mr. Diggs. Anyone else care to speak? See no one. I entertain a motion.

Council Member Alexander: I like to make a motion to ask Council to consider holding the tax rate of 65¢ and using that one quarter of one cent rate to add to our street resurfacing budget.

Mayor Bencini: We have a motion; do we have a second?

Council Member Williams: Do we discuss it; can we discuss it before we have to address the motion?

Mayor Bencini: Sure, after we have second we'll discuss it.

Council Member Williams: Ok, with that, I'll open for discussion, I'll SECOND it.

Mayor Bencini: We have a motion to SECOND. Mr. Alexander I presume...

Council Member Alexander: We have for many, many years differed maintenance on our streets. All of us use our streets. It's important to every business and every citizen in this town that our streets be well maintained. Our City Manager has promised to get back to us with a road rating and street miles and traffic count so that we can actually have a quantifiable number but we know and that quantifiable number is significantly higher than what we have done. Granted that over the last couple years we have increased our budget for street resurfacing but we are coming nowhere near where we need to be maintained for our streets. As I said yesterday, one quarter of one cent is a tax reduction on a \$100,000 house. The old tax rate is \$650, the new tax rate would be \$647.50 so \$2.50 on a \$100,000 house would give us \$225,000 more in our street resurfacing budget which is a 10 percent increase over what is being proposed. While it's still inadequate, it's at least something extra on that budget and I feel like it's something that we need to consider.

Mayor Bencini: Any other comments?

Council Member C. Davis: Well, I would like to say that even at the .25¢ decrease that's in the budget it doesn't even come close to what was promised to the citizens when the enterprise fund was created. They were promised as the Enterprise Fund rate went up that their taxes would come down and that was supposed to be .125¢. So I can't support the motion.

Mayor Bencini: Any other comments?

Mayor Pro Tem Golden: Yeah, I won't be supporting the motion either. I understand that it's only \$2.50 per \$100,000 but when I look at the increases that we'd made in some of the fees that \$2.50 will at least off-set some of the fees in this budget, so I won't be supporting the motion.

Council Member Williams: I asked the same question when this was last brought before me and I posed the question to the staff and asked what exactly are we talking about as far as the coverage. What would that coverage...what would that \$225-\$230,000 coverage, you are talking about (if I'm saying this right and please have somebody correct me if I'm wrong), I thought it said it was about four lanes for four miles or two lanes for eight miles. That's a lot in a residential area, that's my point. And, the \$2 I think, I did with \$150,000, I think it was \$3.75. that's not even the cost of a cup of coffee in some places. So, if it was my decision, I would rather deal with the fees then to increase the fees. That's more, that's a bigger impact on the average person or the low income families as opposed to the \$3 or the \$2. I'd rather see the roads fixed. We spent a significantly amount of money fixing downtown. We've paved some streets over there recently with Grave and Hamilton and I don't even see, I can even see the biggest tax payer in the City wouldn't mind some of the taxes going back to fixing the roads in the community if that's what we could apply that to. So I will support it.

Mayor Bencini: Any other comments?

Council Member C. Davis: I'm sorry...go ahead.

Council Member Ewing: I'm not going to support the increase in the tax. I agree that we need to be more proactive than just catching up with where we need to be with resurfacing. And, we got budgeted about \$2M...\$2.1M?

Mayor Pro Tem Golden: \$3.5M or \$4M or didn't we go up about \$500,000 or \$600,000 from last year? So, we're gradually increasing it anyway.

Council Member Ewing: But, what I would rather do, we've got almost a \$4M surplus above and beyond and require a fund balance from a catch up stand point, I'd rather go in the fund balance to \$500,000-\$750,000 to try to get more street resurfacing done and then task staff for the next budget year to be able to get a \$3M road resurfacing budget in and try to squeeze that into the actual budget so we're not depending on the fund balance beyond this year to get to where we're closer to our goal. But, that would be my preference is using the fund balance as oppose to...

Council Member Alexander: We should have our audit back in a couple months and at that point in time, I would like Council to review the fund balance once we get our audit back and we know exactly where we are. We've always said that we wanted to keep a minimum of 10 percent and I think it's kind of been an unwritten policy that we want to keep that really above 12%. But, we might want to take a look after the audit at making a budget ordinance amendment and reallocating some dollars there, but I'd really like to see the books closed from last year so we know. I know they've given us a number here. But, I'd like to see the audit to make sure that we're, and I'm sure that we are, but make sure that we're exactly where we think we are before we do that.

Council Member Ewing: A few years ago when we still had some bond dollars left we dedicated it to sidewalks. We would put that into committee and staff brought us a priority list and we broke down all the priorities and looked at exact links and we we're able to give staff direction on how to best utilize those bond dollars. Even to that point, you know say, say we wanted to earmark \$750,000 in general fund, wait till we get the audit back before we actually act it and if we want to look at prioritization from staff's street analysis we can do that and decide as a Council, you know if it's between this street or that street or what residential streets to hit. I agree we need to put more in street resurfacing. I'm just not comfortable with the tax increase to do it. I think we need to hit it harder than just an extra \$200,000.

Council Member Williams: To be clear, we're not talking about a tax increase just not a reduction.

Mayor Bencini: Right.

Council Member Williams: Ok, I'm not supporting a tax increase.

Council Member Hill: Is your suggestion designating then the amount from the fund balance now and just say conditioned upon us maintaining the 10 or 12 or whatever percentage reserved amount at that point...

Council Member Ewing: Yes, then in I guess my, then I will make a form of a substitute motion to earmark.

Mr. Greg Demko, City Manager: It may be good because we do have opportunities for budget amendments during the year should that come through and just address it at that point.

Mayor Bencini: I think we're just getting ahead of ourselves if we deal with future budget amendments.

Council Member Wagner: I think it would be wise to look at it, as Jason had said, and after the audit, I'm combining Latimer's idea and your idea to look at it after the audit and see if we have some wiggle room and do a budget amendment and move some money over. But, I don't think it was a commitment of a prior Council to do this and I was on that Council and supported it then and I will have to continue to stand by what I said.

Council Member C. Davis: I think that taking from the fund balance is or even from the conversation of taking it from fund balance before we consider the presentations that we had from the City Manager that was supposed to be the wish list from the departments for the budget. I think we can find the money for the wish list from the departments for the amount of money we want. It's a minimal amount of money so if we go back and look at the presentations as we were given as wish lists that were folded over into the budget, I think we could find the dollars without having to do either.

Mayor Bencini: Anyone else?

The reduction from our previous year's rate to the proposed rate this year seems to be largely symbolic, and I appreciate what previous Council's promised in the future. I do appreciate it, but at the same time, the reduction is so minimal and our road needs are so great so I am going to support this. We have gotten way, way, way, behind in our street maintenance and I think we need to catch up. Again, as Mr. Williams pointed out, it's either eight miles with two lanes or four miles four lanes and that's an addition over what we we're going to do. And, again, I think it's fairly symbolic when you're talking about a quarter of a penny. With that, I guess we'll call it a question.

All those in favor say Aye. Motion FAILED due to a tie.

Any other business to come forward to us this evening?

Council Member Alexander: I'd like to make a motion to move forward with the Manager's budget as presented and ask staff to prepare the documents for our June 6th meeting.

Mayor Bencini: Is there a SECOND? **Council Member Hill:** SECONDED. **Mayor Bencini:** Motion to SECOND, any further discussion?

Council Member C. Davis: I say absolutely not. Councilman J. Davis isn't here and we knew that he would be out. We have it scheduled for us for us to approve this budget on June the 6th.

Mayor Bencini: That's what we are, we are preparing documents.

Council Member C. Davis: Oh...preparing the documents. Well, then I'll say, "No". Still then on the fact that we said yesterday, when I argued the fact that we wouldn't have any more conversation on this budget until June the 6th, and I believe Councilman Wagner said that people can still call us and can still give input, and if we lock in the date and have them do the documents and then if we're able to come to some consensus for another special called meeting should there be a need for one between now and then. I think it's a little premature but if you want to take their time and to do it because you've already made up your mind consensually, then that's something that you can certainly do but I think it's basically saying to those that are present here today that the majority has made up their mind that they're going to seal the deal today and that there's no need for them to look at the budget and no need for us to continue to look at it beyond today. And, I think that doesn't do our seat justice.

Mayor Bencini: Any other comments?

Council Member Wagner: I don't think it means that we can't change the budget, they just have to have the ability and the time to get everything together. If there's changes, we can still make changes between now and then. It won't be major changes but we can still make changes to the budget.

Mayor Bencini: Any other comments? Alright, all those in favor say Aye, Opposed. That motion CARRIES.

[end of transcript]

There being no further discussion, the meeting adjourned at 4:00 p.m. upon motion duly made and seconded.

Respectfully Submitted,

Maria A. Smith
Deputy City Clerk