

**HIGH POINT CITY COUNCIL
SPECIAL MEETING
May 16, 2019 – 3:00 P.M.
3RD FLOOR LOBBY CONFERENCE ROOM**

MINUTES

Present:

Mayor Jay Wagner, Mayor Pro Tem Jason Ewing (Ward 6); and Council Members Britt Moore (At Large); Don Scarborough (At Large); Jeffrey Golden (Ward 1) [arrived at 3:19 p.m.]; Monica Peters (Ward 3); and Wesley Hudson (Ward 4); and Council Member Victor Jones (Ward 5)

Absent:

Council Member Chris Williams (Ward 2)

Staff Present:

Greg Demko, City Manager; Randy McCaslin, Deputy City Manager; Randy Hemann, Assistant City Manager; JoAnne Carlyle, City Attorney; Bobby Fitzjohn, Financial Services Director; Loren Hill, President- High Point Economic Development Corporation; Sandy Dunbeck, Executive Vice President- High Point Economic Development Corporation; Laura Altizer, Budget and Performance Manager; Roslyn McNeill, Budget Analyst; Michael McNair, Director of Community Development and Housing; Jeron Hollis, Communications and Public Engagement Director; Eric Olmedo, Managing Director; Mary Brooks, Deputy City Clerk; and Lisa Vierling, City Clerk

Others Present:

Thad Juszczak, David Willett

News Media Present:

Pat Kimbrough

CALL TO ORDER

Mayor Wagner called the meeting to order at 3:02 p.m.

Greg Demko, City Manager introduced Laura to present the proposed FY 2019-2020 budget.

Handouts distributed at the meeting that will be incorporated as a permanent part of these proceedings: *Budget at a Glance; and Proposed Budget for 2019-2020*

PRESENTATION OF ITEMS

2019-224 Presentation and Distribution of the proposed FY 2019-20 Budget

The City Manager will present the proposed FY 2019-2020 Budget.

Laura Altizer, Budget and Performance Manager referenced the proposed FY 2019-20 Budget as being a translation of the organization's mission; and highlighted the Strategic Plan and the Budget at a Glance as follows:

Strategic Plan

- Increase the population of active, engaged, and entrepreneurial and working young professionals living in High Point by 25%
- 100% proactive enforcement of codes
- Create a downtown catalyst project that produces:
 - ✓ 500 private sector jobs
 - ✓ 15-20 new restaurants and shops
 - ✓ 250 additional housing units
 - ✓ Centralized gathering place

In addition to the three goals, on January 2018 Council identified three additional items for future focus as follows:

- How do we address underperforming schools?
- How do we plan for and build around our catalyst project?
- How can we utilize technology to communicate?

Budget at a Glance

- No tax rate increase
- A 1.8% electric rate decrease, effective October 1
- No garbage collection fee increase
- No stormwater fee increase
- No motor vehicle fee increase
- 4% water and sewer fee increase, effective October 1
- Continues 0-4% pay for performance program
- Continues 1% city match for 401K contributions
- Adds 7 full time positions citywide
- Continues funding for redevelopment and blight removal efforts
- Continues neighborhood street resurfacing investments
- Funds anticipated 5% increase in city funded health and dental premiums
- Continues utility assistance program
- Continues partnership with Forward High Point
- Continues investment to reduce deferred maintenance at Parks and Recreation facilities
- Replaces three paratransit buses
- Continues fleet replacement program to replace large equipment and light duty vehicles

Ms. Altizer discussed the rate adjustments for the Oak Hollow Campground that increased from \$35 to \$40 dollars that would be effective in July; spoke to city departments reducing their budgets by 4%; and stated the City Manager's direct important asset were people.

Mayor ProTem Ewing asked if the fee for all campground sites was the same; and Council Member Moore asked what the 4% budget cut was translated into dollars.

Eric Olmedo, Managing Director responded that the fee for the campground site was only for RVs, and that the 4% amounted to \$4 million.

Ms. Altizer continued with an overview on the pay for performance program with an 0-4% increase rate; on the 1% match from the city for the 401k/457 contributions; spoke to an anticipated 5% increase in health and dental cost in January 2020; and to the retirement contribution increase from 7.75% to 8.95% (equivalent to \$1 million). By 2023, it will be at 12.25%.

City Manager Demko spoke to the history of the pay for performance program; to the average 3% increase of the program; and to the increased participation for the 401k/457 contributions.

Ms. Altizer continued discussion regarding the core city redevelopment programs; street resurfacing funding; the pavement analysis survey; the partnership with Forward High Point; continuing the utility assistance program; the capital funds to replace large vehicles and large equipment.

Mr. Olmedo stated the municipal vehicles, such as garbage trucks and police cars, rate increased by \$1.2 million three years ago; the state allows up to a \$30 fee rate; and that the city's rate was lower than what the state allowed.

Council Member Peters departed the meeting at 3:23 p.m.

Ms. Altizer spoke to the next budget work session to be held on May 29th at 3 p.m., and on May 30th at 3 p.m., if needed; and to the public hearing scheduled for June 3rd at the council meeting.

Council Member Moore asked how often the policy goals were measured. City Manager Demko replied each month there was an update of activities for the Community and Housing Development department projects; spoke to the 170 new jobs; to new businesses; and to providing budget messages with details of dollar amounts and the results that are happening.

Council Member Moore thanked staff and department heads for their hard work and difficult decisions in cutting 4% from their budgets as directed by management.

Adjournment

The meeting adjourned at 3:30 p.m. upon motion duly made by Mayor Pro-Tem Ewing and seconded by Council Member Moore.

Respectfully Submitted,

Jay W. Wagner, Mayor

Attest:

Mary S. Brooks, Deputy City Clerk

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