

City of High Point

*Municipal Office Building
211 S. Hamilton Street
High Point, NC 27260*



Minutes - Final

Monday, May 1, 2023

4:00 PM

City Council Chambers

Special Called Meeting

*Jay W. Wagner, Mayor
S. Wesley Hudson Mayor Pro Tem (Ward 4),
Britt W. Moore (At Large), Tyrone Johnson (At Large), Cyril Jefferson (Ward 1),
Christopher Williams (Ward 2), Monica L. Peters (Ward 3), Victor Jones (Ward 5), and
Michael Holmes (Ward 6)*

CALL TO ORDER, ROLL CALL

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

Present 9 - Council Member Britt Moore, Council Member Cyril Jefferson, Mayor Jay Wagner, Council Member Michael Holmes, Council Member Monica Peters, Council Member Tyrone Johnson, Council Member Victor Jones, Mayor Pro Tem Wesley Hudson, and Council Member Christopher Williams

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.

Attachments: [Memo - FY 2023-24 Proposed Budget Presentation](#)

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 continue to move forward with the senior center project. She noted that the pace of some projects could be impacted based on discussion with Davenport & Company, LLC the city's financial advisor.

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

She 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 take into account 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. He 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 and 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 whole sale power. He provided information regarding revenues 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, no increase to electric rates, 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 \$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. 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. Person Services salary changes are \$1.37 millions due to a 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 is 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 position 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, 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 provided next steps regarding Budget Work Sessions and conducting the public hearing. Next steps include:

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)

Information Only.

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 to enter to 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.

Motion carried with the following vote:

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:

Mayor Wagner stated no formal action would be taken as a result of the Closed Session.

Aye: 9 - Council Member Moore, Council Member Jefferson, Mayor Wagner, Council Member Holmes, Council Member Peters, Council Member Johnson, Council Member Jones, Mayor Pro Tem Hudson, and Council Member Williams

ADJOURNMENT

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

