

**FAYETTEVILLE CITY COUNCIL
BUDGET WORK SESSION MINUTES
COUNCIL CHAMBER
MAY 26, 2022
5:00 P.M.**

Present: Mayor Mitch Colvin

Council Members Katherine K. Jensen (District 1) (via zoom); Shakeyla Ingram (District 2) (departed at 7:57 p.m.); Antonio Jones (District 3); (D. J. Haire (District 4); Johnny Dawkins (District 5); Chris Davis (District 6); Larry O. Wright, Sr. (District 7); Courtney Banks-McLaughlin (District 8) (via zoom); Yvonne Kinston (District 9)

Others Present: Douglas Hewett, City Manager
Karen McDonald, City Attorney
Telly Whitfield, Assistant City Manager
Jay Toland, Assistant City Manager
Gina Hawkins, Police Chief
Mike Hill, Fire Chief
Kelly Olivera, Budget and Evaluation Director
Rebecca Jackson, Chief of Staff
Gerald Newton, Development Services Director
Michael Gibson, Parks, Recreation and Maintenance Director
Sheila Thomas-Ambat, Public Services Director
Dwayne Campbell, Chief Information Officer
Rob Stone, Construction Management Director
Jodi Phelps, Corporate Communications Director
Randy Hume, Transit Director
Chris Cauley, Economic and Community Development Director
Pamela Megill, City Clerk
Members of the Press

1.0 CALL TO ORDER

Mayor Colvin called the meeting to order at 5:00 p.m.

2.0 INVOCATION

The invocation was offered by Council Member Wright.

3.0 PLEDGE OF ALLEGIANCE

Mayor Colvin led the Pledge of Allegiance.

4.0 APPROVAL OF AGENDA

MOTION: Council Member Haire moved to approve the agenda, with the addition of a closed session for attorney-client privilege matter.

SECOND: Council Member Ingram

VOTE: UNANIMOUS (10-0)

CLOSED SESSION

MOTION: Council Member Wright moved to go into a closed session for attorney-client privileged and confidential matters.

SECOND: Council Member Haire

VOTE: UNANIMOUS (10-0)

The regular session recessed at 5:04 p.m. The regular session reconvened at 5:11 p.m.

MOTION: Council Member Davis moved to go into open session.

SECOND: Council Member Dawkins

VOTE: UNANIMOUS (10-0)

5.0 ITEMS OF BUSINESS

5.1 Establish the Parking Lot

Presented by Kelly Olivera, Budget & Evaluation Director

Ms. Kelly Olivera, Budget & Evaluation Director, presented this item and stated the Parking Lot is a running list of items that Council members are contemplating adding to the budget. At the end of the final budget work session, Council will take consensus votes on each requested item to determine which (if any) items will be included in the FY 2022-23 budget.

5.2 Compensation Study Presentation

Presented by Jerry Clipp, Human Resources Development Director and Mark Holcombe, Evergreen Solutions

Mr. Jerry Clipp, Human Resources Development Director, provided an overview of the "Employer of Choice" presentation and the vision statement. Mr. Clipp introduced Mr. Mark Holcombe, Evergreen Solutions.

Mr. Mark Holcombe presented the Compensation Study results and stated the last comprehensive salary survey was in 2012 with minimal implementation of the recommendations in 2013. City staff continued to review at least 25 percent of the total positions for market competitiveness each year, and also tried to keep up with the market by moving some positions to higher pay grades and moving employees to minimum only. All City employees with the exception of part-time/seasonal workers were moved to a minimum of \$15.00 per hour. There were also increased salaries for Police Officers and other various positions.

COVID has had a significant impact on the work force. The turnover rate in July 2020 was 12.7 percent, and the turnover for March 2022 was 14.9 percent. Mr. Holcombe provided an overview of the decreasing number of applications received for vacant advertised positions.

The recommendations as a result of the survey are for general employees to receive a 4 percent (of mid-point pay) salary increase, effective July 18, 2022. In August 2022, new step plans will be implemented along with associated increases. New pay grades will be implemented, and an implement of 50 percent of the "class parity" solution to affected employees.

Discussion ensued pertaining to seasonal employees.

Mayor Colvin asked how much the compensation study cost. Ms. Olivera responded the cost was \$80,000.00.

Mayor Colvin thanked Mr. Holcombe for the presentation.

5.3 Peer Cities and Sales Tax Information

Presented by Kelly Olivera, Budget & Evaluation Director

Ms. Kelly Olivera, Budget & Evaluation Director, provided an overview of the Peer Cities and Sales Tax Information: Charlotte, Raleigh, Greensboro, Durham, Winston-Salem, Fayetteville, Cary, Wilmington, High Point, and Asheville. Fayetteville has a tax rate of 0.4995.

5.4 ARPA and Legislative Update

Presented by Brook Redding, Special Project Manager

Mr. Brook Redding, Special Project Manager, presented this item and stated in September 2021, Mayor Colvin established three Council Committees to produce policy framework. In November of 2021 the Mayor

and Council prioritized the outcomes and allocated funding levels. In April of 2022, the Mayor and Council gave consensus to accept the ARPA strategies as presented and request staff to bring formal funding approvals forward.

- Business and Economic Vitality - \$5,000,000.00
- Infrastructure and Community Reinvestment - \$5,000,000.00
- Housing and Community Livability - \$5,000,000.00
- Administration - \$5,000,000.00

Discussion ensued.

6.0 Other Items of Business

Mr. Hewett, City Manager, asked all budget related questions be e-mailed to himself and Ms. Olivera to be posted on the Budget Chronicles.

The next budget work session is scheduled for June 2, 2022, at 5:00 p.m. in the Council Chamber.

7.0 ADJOURNMENT

There being no further business, the meeting adjourned at 6:44 p.m.