

DRAFT

**FAYETTEVILLE CITY COUNCIL
BUDGET WORK SESSION MINUTES
COUNCIL CHAMBER, CITY HALL
MAY 15, 2025
10:00 A.M.**

Present: Mayor Mitch Colvin (departed at 10:15 a.m., returned at 11:01 a.m.)

Council Members Katherine K. Jensen (District 1) (arrived at 10:15 a.m.); Malik Davis (District 2) (arrived at 11:09 a.m.); Mario Benavente (District 3) (via TEAMS); D. J. Haire (District 4); Lynne Greene (District 5); Derrick Thompson (District 6); Brenda McNair (District 7) (via TEAMS); Courtney Banks-McLaughlin (District 8); Deno Hondros (District 9)

Others Present: Douglas Hewett, City Manager
Lachelle Pulliam, City Attorney (arrived at 10:34 a.m. via TEAMS)
Adam Lindsay, Assistant City Manager
Jeffrey Yates, Assistant City Manager
Jodi Phelps, Assistant City Manager
Kelly Strickland, Assistant City Manager
Todd Joyce, Interim Police Chief
Kevin Dove, Fire Chief
Lisa Harper, Senior Assistant City Attorney
Loren Bymer, Marketing & Communications Director
Jerry Clipp, Human Resource Development Director
Sheila Thomas-Ambat, Public Services Director
Brian McGill, Interim Public Services Director
Tyffany Neal, Transit Director
Willie Johnson, Chief Information Officer
Tiffany Murphy, Chief Financial Officer
Michael Gibson, Parks, Recreation and Maintenance Director
Rose Rasmussen, Internal Audit Director
Kimberly Leonard, Budget & Evaluation Director
Pricilla Xayaphet, Budget Analyst
Amena Mitchell, Budget Analyst
Jerome Coaxum, Budget Analyst
Tiffany Wolfhope, Budget Analyst
Jennifer Ayre, City Clerk
Members of the Press

1.0 CALL TO ORDER

Council Member Haire called the meeting to order at 10:04 a.m.

2.0 INVOCATION

No invocation was offered.

3.0 PLEDGE OF ALLEGIANCE

The pledge of allegiance was not recited.

4.0 APPROVAL OF THE AGENDA

Consensus of City Council was to approve the agenda.

5.0 ITEMS OF BUSINESS

5.1 Discussion of Fund Revenues and CIP

Dr. Douglas Hewett, City Manager, thanked everyone for their work in putting together the budget and requested Ms. Kimberly Leonard, Budget & Evaluation Director, introduce her team. Dr. Hewett stated the tax

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rate is the lowest numerical tax rate that the City of Fayetteville has had in more than thirty years.

Mr. Jeffery Yates, Assistant City Manager, presented the budgetary landscape, and historic tax rate, the Parks and Recreation General Obligation (GO) Bond ProForma, the Public Safety and Housing GO Bond ProForma, The Infrastructure GO Bond ProForma, General fund costs and new investments, the Stormwater Utility Fund and Solid Waste Enterprise Fund, and reviewed the parking lot items.

MOTION: Council Member Hondros moved to excuse Mayor Colvin
SECOND: Council Member Thompson
VOTE: UNANIMOUS (9-0)

Mr. Yates stated the recommended tax rate is .4495 with an estimated revenue of \$186.6 million at revenue neutral, however, to maintain the same level of service as FY2025 it would cost \$224.7 million. The staff recommend service demand cost of \$214.2 million, and the recommended budget is between the current services and the requested new initiatives for a total of \$205.6 million.

Discussion ensued.

Mr. Yates stated the recommended tax rate for the Parks & Recreation GO Bond is .83 cents which is down from 1.42 cents. Discussion ensued regarding the tax rate and borrowing capacity. Mr. Yates stated the Local Government Commission (LGC) limits borrowing capacity by a percent of the total ad valorem.

The Public Safety and Housing GO bond projects are all in various states of design. The new tax rate for the GO Bond is 1.6 cents down from 2.5 cents. The housing Bond Program is set as a placeholder currently, but has not been spent down. When the debt is issued, staff recommends it be issued taxable, which will create a premium and the restrictions for only public use will be removed. Discussion ensued.

Mr. Yates stated the recommended revenue generates about \$200 million and general operations is expected to be 205 million with 5 million from Fund Balance to finish the ERP project, election bill, and the Civil War & Reconstruction History Center. Discussion ensued.

Mr. Yates stated there are no recommend fee increases for Stormwater Utility or Solid Waste.

5.2 Parking Lot

The following items are currently in the parking lot: Parking study for \$150,000.00, additional public safety cameras, BriefCAM AI software, Festival Park security upgrades, and right-of-way maintenance temp staffing.

Council Member Davis requested the addition of an additional Community Engagement Manager.

Mayor Colvin requested a proposed expedited Development Services Review Process and separate the accelerated Public Services projects between the GO Bond and American Rescue Plan (ARPA) Funds.

Council Member D.J. Haire requested a list of the stormwater projects.

Council Member Mario Benavente requested the addition of how tax distribution could be done throughout the City.

Council requested the following items be added to the parking lot: Fayetteville Police Department supervisor compression, Unified Development Ordinance Development Consultant.

6.0 ADJOURNMENT

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There being no further business, the meeting adjourned at 12:11 p.m.

Respectfully submitted,

JENNIFER L. AYRE
City Clerk
051525

MITCH COLVIN
Mayor

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