

DRAFT

FAYETTEVILLE CITY COUNCIL
SPECIAL MEETING MINUTES
LAFAYETTE CONFERENCE ROOM, CITY HALL
JUNE 7, 2023
12 NOON

Present: Council Members Katherine K. Jensen (District 1) (departed at 1:29 p.m.); Shakeyla Ingram (District 2) (via zoom); Mario Benavente (District 3); D. J. Haire (District 4); Johnny Dawkins (District 5); Derrick Thompson (District 6); Brenda McNair (District 7); Deno Hondros (District 9)

Absent: Mayor Mitch Colvin and Council Member Courtney Banks-McLaughlin (District 8)

Others Present: Douglas Hewett, City Manager
Adam Lindsay, Assistant City Manager
Jeffrey Yates, Assistant City Manager
Jodi Phelps, Chief of Staff
Kemberle Braden, Police Chief
Mike Hill, Fire Chief
Kimberly Leonard, Budget and Evaluation Director
Loren Bymer, Marketing & Communications Director
Lachelle Pulliam, Assistant City Attorney
Paul Allen, Assistant City Attorney
Lisa Harper, Senior Assistant City Attorney
Michael Gibson, Parks, Recreation, and Maintenance Director
Tyffany Neal, Transit Director
Pamela Megill, City Clerk
Members of the Press

1.0 CALL TO ORDER

Mayor Pro Tem Dawkins called the meeting to order.

2.0 INVOCATION

The invocation was offered by Council Member Haire.

3.0 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the American Flag was led by Mayor and City Council.

4.0 APPROVAL OF AGENDA

MOTION: Council Member Benavente moved to approve the agenda.

SECOND: Council Member Haire

VOTE: UNANIMOUS (8-0)

5.0 ITEMS OF BUSINESS

5.1 City Manager's Recommended Fiscal Year 2023-2024 Annual Operating and Capital Budget

Mr. Jeffrey Yates, Assistant City Manager, reviewed the budget questions submitted by the Mayor and Council members and provided the responses from staff.

Mr. then presented items from the City Manager's recommended FY 2023-2024 annual operating and capital budget. He provided a review of the Sales Tax Assumptions and the Sales Tax Allocation Change. He also provided a Sales Tax Offset Analysis and stated but for the change in the sales tax allocation methodology, there would be no recommended operating tax rate increase. The City has historically used the growth in sales tax revenue to offset inflation. The City's lost revenue is additional revenue to the County; the County-wide

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sales tax does not change, only the distribution. He provided a net sales tax analysis and an Ad Valorem Tax Analysis.

Mr. Yates stated efficiency Assumption is only applied to the General Fund; enterprise funds will use savings to offset compensation increases. Historically, the City assumes a vacancy rate of 4.5 to 10 percent per department, based on estimated vacancies. Efficiency assumption is benchmarked to 15 percent of total personnel costs.

Mr. Yates provided an overview of the Capital Funding Plan.

Discussion ensued.

Mr. Douglas Hewett, City Manager, stated the next budget meetings are scheduled for June 14 and 21, at 12 noon.

6.0 ADJOURNMENT

There being no further business, the meeting adjourned at 1:53 p.m.

Respectfully submitted,

PAMELA J. MEGILL
City Clerk
060723

MITCH COLVIN
Mayor