



AGENDA

Henderson City Council Regular Meeting

Monday, 18 May 2015, 6:00 p.m.

R. G. (Chick) Young, Jr. Council Chambers, Municipal Building

134 Rose Avenue

Henderson, North Carolina

Mayor and City Council Members

Mayor James D. O'Geary, Presiding

Councilmember James C. Kearney, Sr.
Councilmember Sara M. Coffey
Councilmember Michael C. Inscoe
Councilmember D. Michael Rainey

Councilmember Brenda Peace-Jenkins
Councilmember Garry D. Daeke
Councilmember Fearldine A. Simmons
Councilmember George M. Daye

City Officials

Edward A. Wyatt, Interim City Manager
D. Rix Edwards, City Attorney
Esther J. McCrackin, City Clerk

I. CALL TO ORDER

II. ROLL CALL

III. NEW BUSINESS

- a) Presentation of Proposed FY 2015-2016 Budget (Materials to be distributed during meeting)*

IV. ADJOURNMENT



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PRESENT

Mayor James D. O'Geary, Presiding; and Council Members James C. Kearney, Sr., Sara M. Coffey, Michael C. Inscoc, D. Michael Rainey, Brenda Peace-Jenkins, Garry D. Daeke, Fearldine A. Simmons and George M. Daye.

ABSENT

None

STAFF PRESENT

Interim City Manager Edward A. Wyatt, City Clerk Esther J. McCrackin, Assistant City Manager Frank Frazier, Finance Director Katherine C. Brafford, Assistant Finance Director Michelle Daniels, Recreation & Parks Director Kendrick Vann, Youth Services Director Donna Stearns, Development Services Director Corey Williams, Fire Chief Danny Wilkerson, Assistant Fire Chief Steve Cordell, Police Chief Marcus Barrow, Engineering Director Clark Thomas, Public Services Director Mike Ross, and Kerr Lake Regional Water Director Christy Lipscomb.

CALL TO ORDER

The 18 May 2015 Special Called Meeting of the Henderson City Council was called to order by Mayor James D. O'Geary at 6:00 p.m. in the R. G. "Chick" Young, Jr. Council Chambers, Municipal Building, 134 Rose Avenue, Henderson, NC.

ROLL CALL

The City Clerk called the roll and advised Mayor O'Geary a quorum was present.

NEW BUSINESS

Presentation of Proposed FY 2013-2014 Budget

Mayor O'Geary asked Interim City Manager Wyatt to begin the presentation.

Mr. Wyatt thanked Council for the opportunity to present the proposed FY15-16 budget and said he would like to present an overview of the budget via a PowerPoint presentation. He thanked Assistant Finance Director Michelle Daniels for putting the presentation together and at this time he also recognized the entire budget team which consisted of Finance Director Kathy Brafford, Assistant City Manager Frank Frazier, Human Resources Director Cathy Brown and Executive Assistant Patricia Pearson. The PowerPoint presentation is incorporated by reference and hereby made part of these minutes.

Mr. Wyatt highlighted areas beginning with saying this proposed budget does not include any property tax or sanitation fee increase. It does recommend a 5% increase for Regional Water, 4% increase in the Water Fund and a 9% increase in the Sewer Fund. He said the total budget for FY15-16 is \$37,942,000. Mr. Wyatt said these increases would necessitate fee increases in the Fee Schedule. He also pointed out this budget includes employee salary increases and the County's increases in the City's portion of E-911 and the Board of Elections. Specifically, he mentioned the current cost associated with the Workers' Compensation deductible. He touched on things like existing Debt Service and the need to use \$325,000 of Fund Balance to balance the FY15-16 budget. Mr. Wyatt recommended \$10,000 for the Downtown Development Commission felt it would appropriate for Council to request certain actions by the Commission if the recommendation is approved.

Mr. Wyatt purposefully drew Council's attention to the General Fund which has a recommended budget of \$15,397,900 which is less than FY14-15 current budget by .05%. Overall, the property tax rate remains at \$.62 and the sales tax continues to remain flat. Mr. Wyatt pointed out the City's largest revenue sources do not cover the costs associated with the largest service areas: Public Safety, and Cultural and Public Services.

Mr. Wyatt went on to say employees are being asked to continually do more with less and it will be no different in the coming year. Chemical costs, gasoline expense and other routine costs to keep the City running are all anticipated to increase in the coming year.

The loss of privilege license fees significantly reduced revenue although the General Assembly is looking at options to allow municipalities a method to re-coup at least some of these lost dollars. Mr. Wyatt also referenced annexation saying there are many areas currently outside the city that would benefit from being annexed into the City.

Another area of concern mentioned is that only \$20,000 has been budgeted for the dilapidated and deteriorated housing stock.

SUMMARY

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A summary of the 4 major funds is as follows:

General Fund - \$15,397,900 with no recommended property tax or sanitation fee increase
Regional Water Fund - \$4,499,500 with a recommended 5% rate increase
Water Fund - \$6,851,700 with a recommended 4% rate increase
Sewer Fund - \$5,032,300 with a recommended 9% rate increase.

The Kerr Lake Regional Water Advisory Board has approved the 5% increase.

FUTURE

On the brighter side, Mr. Wyatt found the Capital Improvements Plan (CIP) a step in the right direction as it will encourage growth; the City's involvement with the Economic Development Commission and pending legislation regarding E-911 double taxation and sales tax laws may generate significant revenue if the General Assembly approves these measures.

In conclusion, Mr. Wyatt thanked Council for their attentiveness during his presentation. He again thanked the Budget Team and asked the City Clerk to distribute the Budget Workbooks, along with a tri-fold summary of the budget.

Council Member Kearney asked for a copy of the PowerPoint presentation. It was suggested the City Clerk place both the presentation and the tri-fold summary on the City's web page.

Mayor O'Geary asked if Council had any questions. There was no further discussion so Mayor O'Geary asked if Council was prepared to adjourn.

ADJOURNMENT

Council Member Inscoe moved for adjournment. Motion seconded by Council Member Rainey and unanimously approved. The meeting adjourned at 7:08 p.m.

James D. O'Geary
Mayor

ATTEST:

Esther J. McCrackin
City Clerk