



City Council Minutes

Henderson City Council Budget Public Hearing

22 May 2017

PRESENT

Mayor Eddie Ellington, Presiding; and Council Members Marion B. Williams, Sara M. Coffey, Michael C. Inscoc, Melissa Elliott, Garry D. Daeke, Fearldine A. Simmons and George M. Daye.

ABSENT

Council Member D. Michael Rainey

STAFF PRESENT

City Manager Frank Frazier, City Clerk Esther J. McCrackin, Finance Director Joey Fuqua, Assistant to the City Manager Paylor Spruill, Police Chief Marcus Barrow, Fire Chief Steve Cordell, Assistant Fire Chief Curtis Tyndall, Recreation and Parks Director Kendrick Vann, Engineering Director Clark Thomas, Public Works Director Andy Perkinson, Assistant Public Works Director Lee Owen and Human Resources Director Cathy Brown

CALL TO ORDER

The 22 May 2017 Henderson City Council Budget Public Hearing was called to order by Mayor Eddie Ellington 6:04 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 Ellington a quorum was present.

OPENING REMARKS

Mayor Ellington thanked those present for coming to this meeting and then turned the meeting over to City Manager Frank Frazier.

Council Member Daeke said this year \$450,000 is being used from fund balance to balance the FY17-18 budget and with no growth and less taxes being collected, the fund balance will not be replenished. He said the City cannot continue to rely on using fund balance dollars but on the other side, he understands the need for increases. Council Member Inscoe said the Fund Balance is going the wrong direction and said the only way it will grow is with economic growth.

Council Member Coffey insisted the City is growing and referenced a new grocery store that is proposed to be built soon.

Manager Frazier said property evaluations have dropped and Mr. Daeke found that to be a disturbing trend.

Council Member Inscoe and others said the only way to increase the fund balance is to raise taxes and increase the tax base.

Mr. Frazier said he is comfortable using \$450,000, which leaves the Fund Balance well above the 30% goal of Council. However, he was not comfortable with using \$500,000 that he originally thought might have to be used to balance this proposed budget.

Administration – Public Works – Mr. Frazier said there are no capital funds requested and the budget consists of two personnel and operating costs.

Garage- The garage provides maintenance for the City's fleet of vehicles and consists of three individuals. There is a capital outlay of \$7,500 for a disc and brake drum turner along with a tracking system to track vehicle locations. Mr. Frazier said the fuel and maintenance work is charged back to the departments.

Council Member Daeke asked if Waste Industries still purchases gasoline from the City. Mr. Frazier said yes, that was part of the agreement to reduce the contractual costs. Council Member Inscoe asked where the City purchases its gasoline. Mr. Frazier said from Great Lake Petroleum and the expense has been below what was budgeted. *(Note: The City Manager misstated this. The City receives prices from several vendors, one of which is Great Lakes Petroleum; however, the fuel recently has been purchased from Burrows and Bowers, which has had the lowest price.)*

Council Member Coffey asked if the agreement with Waste Industries would be renegotiated when the time comes. Mr. Frazier said this is the 3rd year of the agreement and mentioned the sanitation budget has gone down due to the diligence of staff in reviewing the number of accounts charged to the City.

Council Member Williams asked for clarification regarding the number of positions in this department and Mr. Frazier said the department has one frozen auto mechanic position that has not been funded for several years.

Sanitation – Sanitation is contracted out to Waste Industries. Mr. Frazier said Council will need to consider the purchase of a new knuckleboom truck in the next few years as part of the hydraulic system had to be replaced this year.

Council Member Daeke asked if the limit for picking up large waste items such as furniture, large mattresses, etc. is still 200 pounds. Mr. Frazier said yes and there is a \$75 charge for pick-ups of this nature. Waste Industries will pick up smaller items at no charge. Council Member Inscoe asked if residents are billed separately for this service. He questioned whether the City would get better results in receiving payment for this service if this fee was included in the utility billing. Mr. Frazier said he would look into this with the City Attorney but from past discussions did not think this could be legally done.

Council Member Williams asked for verification that the cost of a knuckleboom truck is approximately \$145,000. Mr. Frazier said that is the estimated cost for one new truck.

Recreation- This is a city/county funded department. Capital Outlay of \$18,100 includes materials for a trophy case and covers for the ballfields. Mr. Frazier said there are two positions unfunded in this department.

(Clerk's Note: Council Member Inscoe left the meeting at 6:57 due to a prior commitment)

Recreation and Parks Director Kendrick Vann was asked to address Council regarding the two requested positions. Mr. Vann said one position would be specifically for maintenance at Fox Pond Park and the other would be a program supervisor to oversee a number of existing and new programs.

(Clerk's Note: Council Member Simmons arrived at 7:10 p.m.)

The discussion turned to the need to provide transportation for kids during the summer months and the existing policies and liability issues at the recreation center. Council Member Elliott felt an innovative strategy needs to be created for picking up kids as many cannot get to the recreation center due to lack of transportation and she felt that children should have access to the Center. Council Member Daeke asked if the round town shuttle could be utilized.

Several council members were unhappy with the existing policy of children under the age of 14 not being allowed to use the facility under certain guidelines. Mr. Vann said before instituting the policy the staff was being used as babysitters all day long, which prevented offering other services. Council Member Williams asked how the city can get children off the streets and felt some brainstorming should take place.

(Clerk's Note: Council Member Daeke left the meeting at 7:20 p.m.)

ADJOURNMENT

Council Member Coffey moved for adjournment. Motion seconded by Council Member Simmons and unanimously approved. The meeting adjourned at 7:40 p.m.

Eddie Ellington
Mayor

ATTEST:

Esther J. McCrackin
City Clerk