

**GASTONIA CITY COUNCIL BUDGET OUTLOOK WORK SESSION**  
**March 27, 2018 – 5:30 P.M.**  
**COUNCIL CONFERENCE ROOM – CITY HALL – GASTONIA, NC**

Mayor Reid called the work session to order at 5:30 p.m. on Tuesday, March 27, 2018, in the Council Conference Room at City Hall. Councilman David Humphries opened the meeting with prayer. Ms. Sherry H. Dunaway, City Clerk, recorded the minutes.

PRESENT: Mayor Walker E. Reid, III  
 Mayor Pro Tem David R. Kirlin  
 Council Members: Robert J. Kellogg  
 James Gallagher  
 Todd Pierceall  
 Jennifer M. Stepp  
 David Humphries

City Manager Michael C. Peoples  
 City Attorney L. Ashley Smith

ABSENT: None

Also in attendance were: Mr. Todd Carpenter, Deputy City Manager; Mr. J. Philip Bombardier, Assistant City Manager; Ms. Melody Braddy, Assistant City Manager; Ms. Crystal Certain, Director of Financial Services; Ms. Rachel Bagley, Director of Marketing and Communications; Ms. Beverly Bieker, Chief Information Officer; Mr. Rob Helton, Police Chief; Mr. Phil Welch, Fire Chief; Mr. Rusty Bost, Director of Development Services; Mr. Vincent Wong, Director of Community Development and Innovation; Ms. Kristy Crisp, Economic Development Director; Ms. Judy Smith, Assistant Director of Human Resources; Mr. Chuck Dellinger, Director of Parks and Cultural Services; Mr. Cam Carpenter, Assistant Director of Parks and Cultural Service; Ann Tippitt, President, Schiele Museum; DeeDee Gillis, Division Manager, Solid Waste; Lauren Hinely, Assistant Division Manager, Solid Waste; Crystal Falls, Budget Administrator; and Jessie Williams, Budget Analyst.

**FY2018-19 BUDGET OVERVIEW**

Mr. Peoples and City staff members reviewed the information contained in the work session notebook and addressed various questions and concerns of the Council. The information from the work session notebook as presented is included in the exhibits.

(Reference as contained in Exhibit Book 6 to Minute Book 107 at Page 29).

Mr. Peoples noted that this is a very positive budget stating there are no tax rate increases recommended in this budget. Mr. Peoples also noted there were no increases in electric rates for customers.

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Mr. Peoples noted this workshop gives further direction in preparing the budget and stated there will be a public hearing on the budget on April 24<sup>th</sup> noting May 17<sup>th</sup> and May 29<sup>th</sup> are set aside for budget work sessions if needed, and then the budget will be ready for adoption on June 5<sup>th</sup>.

Mr. Peoples recognized Mr. Carpenter to discuss the HR component of the budget and take-aways from the January meeting dealing with employee compensation.

Mr. Carpenter stated these are the compensation recommendations discussed at the Saturday workshop. Mr. Carpenter noted that this is exactly what we did last year with the exception of the move to minimum. Mr. Carpenter further noted the compensation increases average out to 3.32% increase across the board. Mr. Carpenter also noted their recommendation is a compensation increase to all city employees this coming year from 2.5% to 4% depending on years of service, which is the same as last year, effective the pay period beginning June 23, 2018.

Mr. Carpenter reviewed the Health Insurance recommendations as discussed in the workshop. Mr. Carpenter also explained the educational reimbursement and the proposal to increase the educational reimbursement from \$500 to \$1,000.

Mr. Carpenter also noted the proposed budget recommends to build into the budget monies to look at the market every other year to keep salaries in range and to adjust minimally as needed. He also discussed the plans for a professional development program and also the new internship program. Mr. Carpenter also discussed the Wellness program and the clinic expansion for retirees which will hopefully result in a long-term reduction in claims costs. Mr. Carpenter noted these are just a few of the initiatives that are being looked at in Human Resources.

Mayor Reid noted that he would like to see the education reimbursement increase put into the budget on-going and also the clinic expansion for retirees.

A budget overview was presented by Mr. Peoples and City Staff for each department as shown in the exhibits and they answered various questions from the Council.

Mayor Pro Tem Kirlin requested a place holder for Wayfinding signs in the budget.

Mr. Bombardier stated there is currently a place for that.

Mayor Reid requested that information about the cemeteries be sent to the funeral homes to market the cemeteries.

Mr. Bombardier stated that staff is recommending a 2.5% rate increase in Water and Sewer noting that we have not had an increase in four years and this is proposed to be effective July 1<sup>st</sup> noting this is an average increase of \$1.69 per month.

Mr. Bombardier discussed the proposed increases for water and sewer connection fees and the system development fees for the City and Southeast growth corridor.

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Mayor Pro Tem Kirlin stated he would like for Council to receive updates from Stormwater on the Duhart's creek issues and the staff's action plan.

Mayor Pro Tem Kirlin stated he would like to see at some point the Stormwater Detention policy for new developments reviewed.

Mr. Peoples presented the recommendation from staff to raise the solid waste residential cart collection fee from \$6.50 to \$8.50 noting this would accomplish a 50/50 split between fees and general fund appropriation and also the preparation for the future proposed operation increases in FY2020. Mr. Peoples noted the extra cart fee would increase from \$4.00 to \$8.50.

Councilman Humphries requested that this information be put out to the public and explained in detail to educate the citizens ahead of time. Mayor Pro Tem Kirlin suggested it also be posted on the website in a FAQ section.

Mr. Peoples discussed the LED conversion project downtown and the Citywide Urban Forestry & Vegetation Management Program as show in the exhibits.

Mayor Reid stated that MLK Way from the railroad ditch to Franklin Boulevard needs improvements on both sides noting that compared to South Street it is in need of work and he would like to see it look as good as South Street.

Further discussion ensued on the budget overview.

Mr. Peoples requested a date in April to further discuss the FUSE project as more information becomes available. After discussion, Mr. Peoples noted that April 23<sup>rd</sup> is the date for the FUSE meeting beginning at 5:30 p.m. in the Council Conference room.

**FEBRUARY 2018 MONTHLY FINANCIAL REPORT**

Mr. Peoples noted this report is included in the exhibits for Council review.

**QUESTIONS/DISCUSSION/DIRECTION**

Mr. Peoples stated the largest item discussed was Solid Waste and moving forward with the recommendations is what we will prepare to do.

Mayor Reid stated being in the office three or four days a week and observing how staff has worked on this budget, he commended staff on a job well done. Mayor Reid noted that everything in a budget will not please everyone but we have to do what is necessary for the betterment of the City. Mayor Reid commended everyone for the time that they have invested in the budget and he also thanked the Council for coming in with an open mind to listen and also to Mr. Peoples and the other Managers for all of their hard work both in the office and at home and for the team effort.

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**MEETING ADJOURNED**

Mayor Reid adjourned the meeting at 8:24 p.m.

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Mayor Walker E. Reid, III

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L. Ashley Smith, City Attorney

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Sherry H. Dunaway, City Clerk

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