

This City Council of the City of Charlotte, North Carolina convened for a Budget Meeting on Wednesday, May 25, 2016, at 12:21 p.m. in Room 267 of the Charlotte Mecklenburg Government Center with Mayor Jennifer Roberts presiding. Councilmembers present were John Autry, Ed Driggs, Julie Eiselt, Patsy Kinsey, Vi Lyles, LaWana Mayfield, James Mitchell, Greg Phipps, and Kenny Smith.

ABSENT UNTIL NOTICED: Councilmember Al Austin

ABSENT: Councilmember Claire Fallon

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ITEM NO. I: INTRODUCTION

Mayor Roberts said welcome everybody to the Straw Votes session, for our Budget Workshop for the City of Charlotte. We are going to start the meeting with a few words of introduction from our Manager.

City Manager Ron Carlee said staff has been working to do research on all of the items that the Council put on the board during your add and delete session. You got a comprehensive handout on that in the package previously. Today you have in front of you a spreadsheet* with green on it that is intended to get Charlotte in the green for both this year and hopefully for next year as well. The numbering that is here aligns with the numbering in the narrative that you have that went in into the distribution, so that you can connect the more abbreviated discussion of different items with the longer narratives that you have. The purpose of today's meeting is to set your budget. How you decide to vote on that certainly is your discretion. You may decide to vote on each item individually and I suspect, based on individual discussions, while there are majority for most of the items, the majority is different between one item or another. At the end of the day, what we are looking to get to is a vote on the overall budget. It is not the official adoption, but it basically locks down the budget and directs staff to go and prepare all of the legal documents, balance everything out, double check all of the math, so that the documents that will be before you at your June 13, 2016 meeting, when you adopt, are all accurate reflections of the decisions that the Council has made over the course of your budget deliberations.

Strategy and Budget Director Kim Eagle said the listing, as the Manager mentioned, at the top of the page, directly ties to your packet, which you have an extra copy of if you need it to share, with a yellow cover sheet with the number on the spreadsheet matching it to the narrative. At the bottom of the page, you have a pink section, which are some alternatives that have been discussed, so we thought a good plan, if it is your pleasure, would be to walk through this list from the adjustments discussion, go ahead and potentially have a vote on items one and two and then move into the discussion on the general fund and work through any of those scenarios that you would like and then determine the best way to approach the vote on that section. You have a couple of additional pieces of additional information at your seat as resource material. We did reprint for you the vote tally from your last meeting at the adds deletes discussion, in case you would like to reference that original conversation to develop the list, you can see the votes there. We have compiled some additional follow up information on the street sweeping and litter pickup crews which you have at your seat as well. With that being said, Mayor, does that sound like a good approach for traveling through the material?

Mayor Roberts said absolutely, I think that one and two we can vote on individually and then when we get down in general fund, there are some scenarios that folks have worked on that it is one of these things where they all work together. I would prefer to hear kind of scenarios that end up balancing each different scenario, and I think there are some folks ready to do that. I think there are some folks ready to do that, so that sounds great.

Before we start the vote on one and two, which again are pretty easy to vote on separately, I would like to let the head of our Budget Committee say a few words.

Councilmember Phipps said I would just like to not prolong this meeting just that we are here to take these straw votes, and I would think that we could get started.

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* The spreadsheet has been incorporated at the end of these meeting minutes.

ITEM NO. II: CONSIDERATION OF AMENDMENTS FROM THE MAY 11TH BUDGET AMENDMENTS MEETING

Amendment 1 – Postpone Charlotte Water No Rate Increase for One Fiscal Year

Councilmember Smith said I made the motion originally to get it on here, and part of it was not so much to stop the increase, it was to highlight the needs we have. We are rapidly growing with density, with aging infrastructure. We have been on an upward trajectory on the expense side and on raising rates. Sometimes our constituents don't quite know what they are getting in return, and I just thought this is a good venue to say, hey everybody, we have got some really critical projects, and we have some areas that we have to address. Without the rate increase it could end up being harmful for the community. So, I will withdraw my motion to have it included if that is the way to do it, or we can just vote it down, but I just wanted to highlight for the community where we are and sort of the critical needs that we have.

Councilmember Driggs said I just wanted to say I appreciate that comment. I think we should go ahead with the increase. I think we should appreciate the great water quality that we have and the service we have in the city. At the same time, there are some choices that are made concerning our future capital needs and so on that I do not know that the Council has gone into it in sufficient detail. I would like to see us look a little further into the future and identifying needs and know two, three, four, five years from now where we think we need to be. I am okay with this one for now.

Mayor Roberts said what would the increase be this year?

Strategy and Budget Director Kim Eagle said the increase of a typical user, which is just over 5,000 gallons a month, is \$2.54.

Mr. Smith said it is about 4.3%, correct, give or take?

Mayor Roberts said it is \$2.54 a month?

Ms. Eagle said correct.

Mayor Roberts said without that, we are delaying capital projects?

Ms. Eagle said correct and if I could respond to Mr. Driggs comment relative to looking forward into the capital program, that is something that we could build into the structure for your program review that you will start in the fall and do that earlier rather than later.

Mr. Smith said procedurally so, I will move that we remove it from discussion, and we can unanimously do that or do we need to just vote it down real quick?

City Manager Ron Carlee said I think without an objection it could be removed.

Mayor Robert said any other discussion about the water rates?

Councilmember Phipps said for the benefit of the public; would it be prudent for us to level set expectations with regard to water rates and such? It is almost a forgone conclusion that it looks as if this is going to be, we are looking for perpetual, annual increases. I mean, am I right or wrong on that? If we want to maintain, hit our growth targets and our equality of ongoing infrastructure being deteriorated, so is just an expectation on a go forward basis that there be some sort of increase in water rates for the foreseeable future?

Ms. Eagle said we can provide information on that, but Charlotte Water has a ten year financial model that lays that out, and adherence to the plan is very important, but the conversation in the fall could include review of that plan and whether or not Council would like to look to making any modifications to the ten year plan. The ten year plan currently does reflect increases in the out years.

Mr. Phipps said I think we already had discussions on if we even did a delay or a postponement of an annual increase, what it would mean if we actually did one? That is the real concern. I would just want to lay it to see if I am on the right track.

Mr. Driggs said the water plan is a zero sum game. It is driven by the projection of capital needs that we get from the staff and the projections also of operating and so on, which then drops down into the rate that covers the capital cost. There are assumptions in there about debt, about exactly what kind of capital spending is done and when. I think my only point is that we should be better aware of those choices and the policies underlying. At the end of the day, this is a zero sum game. We charge whatever it takes to provide the service that our staff recommends that we need.

Councilmember Mayfield said how much water is used by running it for 10 to 15 minutes?

Ms. Eagle said I do not know the answer to that.

Ms. Mayfield said the reason I ask that question, which we all know within the last few years that we are in the process of trying to upgrade our pipes. Part of that challenge is that we did receive a letter from the state, which is basically the equivalent of your first write up, a warning with a job, regarding water quality. Thankfully, we are not dealing with lead issues like in some other parts of the nation we are looking at iron, but even at that, when we are telling constituents okay if you see red water you need to run your water for 10 to 15 minutes for it to clear out, then we also need to be able to tell them, you are paying for this water that you are running, because it is running through your meter and what, if anything, is this going to do, since our motto is to increase the cost on the tax payers every year to fund our water system. Even though it is great that we receive a lot of awards and accolades, the reality is on the ground that we need to be able to explain to the community what exactly is this impact to you. Every time that they are driving down the street, or any of us are driving down the street and we are seeing water that is just running, because we are going a water project and we are trying to clean the water out, they also need to have a clear understanding of that water is being monitored through this system, you should not be impacted through your neighborhood piping as far as this water that is running. We are running the water because we need to clear it out, but if you are just driving down the street and you are seeing water running all over the place, I do not think that we are doing a good enough job of getting out into the community to have the conversations to explain the differences between the two and that this running 10 to 15 minutes either is or is not having a great impact on your water bill. So, when you see it, because a lot of people correlate it to, well if this water has been running for the last three or four days, am I paying for that? I think it would be helpful as we get out and try to explain better to the community what exactly our water department is in charge of, what exactly we do, what exactly are your fees paying for as far as water quality and accessibility?

Ms. Eagle said yes ma'am, we can provide some additional follow-up to that, because Charlotte Water is more formalizing their flushing program, which is a piece of what you are describing and relative to getting that word out into the community, we can get some follow up information together.

Mr. Carlee said and in fact, Charlotte Water tried a new public engagement education activity last night at Wesley heights. I think they are keenly aware of the need to communicate more directly with the public in answering those questions that you are identifying.

Mayor Roberts said I think in terms of water, more communication is always good.

Mr. Phipps said when you have special water situations like we have when we can identify certain neighborhoods or certain residential areas, aren't their provisions already made if they have to flush their water systems? Don't we include that in terms of giving them a break on pricing of water so they would not have to pay for that kind of...

Ms. Eagle said that is an individual analysis based on a particular project you might be describing, and I know that Charlotte Water goes out door to door when we have those events, but relative to a rebate on the bill if you will, I will have to look into that further to see when that might be applicable and when not.

Ms. Mayfield said basically that burden falls on the citizen to call to say hey, I have seen a major increase. It is not like we are proactive on the front end to say we know we are working in this area. There may be a change, we are then going to contact you citizen to say that we are doing this and there is going to be a credit, whatever that credit maybe. That is not how that works.

Mr. Driggs said I would think that that would be a good idea from a customer service stand point to implement some sort of proactive, when you do that just automatically as a part of your public service to do that on their own.

Councilmember Autry said can I identify flushing my water line every time I flush my truck?

Ms. Eagle said for context, it is two gallons per minute when you run the faucet.

Mr. Carlee said if there are other questions, feed them into staff, we will pull those together both in the immediate term for information, with help from the community, as well as teeing up the broader discussion that Kim talked about.

The vote was taken on the proposal for no rate increase to Charlotte Water for one year and recorded as follows:

No votes were cast in favor of this budget adjustment.

This proposal will not be added to the FY2017 Budget.

Amendment 2 – Add \$40,000 to fund travel expenses for the National League of Cities Youth Council

Mayor Roberts said this is a onetime expense; is this for the 2017 Youth Council?

Councilmember Mitchell said it is 2016 and I appreciate those in my absence for supporting this to this point. This is a great collaboration opportunity for us because \$7,500 has been asked of the board of education as well as the county because we have a Charlotte-Mecklenburg Youth Council, so I think this is a great opportunity for us to work together for our youth. This one time would include travel because the conference will be in Charlotte in 2017. This is an opportunity for the youth to engage, to understand how to host, to get staff to be there as well. I hope I will have your all support. I will have to thank Ann Wall and Tom Warshauer for working with me on this request.

Mayor Robert said these youth will be around for 2017 as well?

Mr. Mitchell said yes.

Ms. Eagle said there is the option to use savings from the current year to fund this request so that you do not have to make a change or find funds in your FY17 budget, so that is an option for Council that is very do-able.

Mr. Carlee said that is our recommendation in this item.

The vote was taken on the proposal to add \$40,000 to the Youth Council to provide additional funding for trips and recorded as follows:

YEAS: Councilmembers Autry, Driggs, Eiselt, Lyles, Mayfield, Mitchell, Phipps, and Smith

NAYS: Councilmember Kinsey

This budget adjustment was adopted and will be incorporated into the FY2017 budget ordinance.

Amendments 3 through 9 - General Fund FY2017

Mayor Roberts said next we are going to move into the general fund items. Since those are interconnected and may require difference scenarios, I thought instead of going down one item at a time, we do not know how that impacts the final amount; that we could talk about scenarios. I understand there are some Councilmembers that have ideas for scenarios that do balance out, and I thought I would ask Councilmember Phipps to give us some suggestions.

Mr. Phipps said as far as that May 11, 2016 meeting I had proposed under 8A that we, in addition to the five votes, we have one additional vote for that. We have six votes to phase in the direct cost of recovery for Solid Waste and Multifamily Collection for apartments, and I think

that the initial work up that we have around that is that it would take \$56 dollars to do that, and we would phase that in over several budget cycles or years or whatever. In talking and reviewing and listening to various people, I think even though we still have a process that we are going to be undertaking to look at Solid Waste Services and the ordinances that are over summer and fall, that it hasn't been taken completely off of the table yet, but we do have under the bottom of the page, some scenarios where we would begin to more or less charge additional fee increases to both multifamily and residential, and it seems to me in a way that we are still incrementally phasing in a certain cost, but it is not as complete as it should be until such time that we undertake this exercise of review as part our general fund, line by line, as well as our ordinance review that is supposed to be a process that we go through in conjunction with the Environmental Committee. Those things taken together still give us an opportunity at the end of the day, and of course we have the contract that is coming up for expiration at the end of this year, so we still I think, have the flexibility based on all those other variables to go back to this in a way that phases it in. This way, with these recommendations or changes at the bottom, we think that it was a consensus of a lot of people that we could look at the impact on residential and multifamily to get to where we want to go at the end of the day.

Councilmember Austin arrived at 12:44 p.m.

Mayor Roberts said if we can go through the impact on 2017 and 2018 for the \$8 and the \$9.

Mr. Driggs said I want to step back and explain that amendments 3 through 9, including either 8A or 8B, collectively represent a no tax increase balanced budget. This is one scenario, a combination of all of these items in 3 through 9, except 8, where the two possibilities we are considering for 8, which relate to the trash fee, are one as Councilmember Phipps just talked about, starting a phased in increase fees for multi-family, and the other which frankly is my preference, is that we go across the board on the trash fee, increase that by \$8 per annum this year for multi-family and single family, that gets us to the point, along with the other items in three through nine where we are basically in balance. We have funded the 13 additional public safety officers, aside from the 50 that we originally talked about. We have capitalized the expense for capital equipment for public safety. We have added the street cleaning crews for a total of a total of \$484,000. We have taken out the two-tenths of a cent transfer from capital to operating. Councilmember Lyles felt strongly about this, and I agree with her that we do not want to be nibbling away at our future capital funding capability. So, we can achieve that outcome by going to \$8 across the board on the fixed fee and then taking up the subject of how we do the multi-family or all of our policies related to Solid Waste in a conversation that we are planning to have anyway. So, I am suggesting that this is a scenario, and if you do not like pieces of the scenario, just understand that you will have to change other things to get back to balance because the way that this is presented, including 8b, represents ground zero. We would need to do an add /delete to get back to balance if we change any of those components.

Mr. Smith said for clarification, we will need to pull seven out though, right? Seven is what we were looking to avoid.

Mr. Driggs said 7 comes out; that is what I said. That is what appears at the bottom of the sheet that you got today represents the situation that we were at after the add/deletes and reflects the subsequent ones, taking out the property tax change and increasing to \$8 in 2017 and then we have the contingency of increasing the Solid Waste Fee by a further \$9 in 2018 to achieve balance that year, but that would be subject to the outcome of a more extensive conversation about our policies on Solid Waste, which we are planning to have anyway.

Mayor Roberts said what would be helpful is to know is the 2017 and 2018 differences between \$8 and \$9, is that on here somewhere?

Mr. Carlee said the package that is in front of you for 2017, without any of the amendments below, as Councilmember Driggs said, is balanced. If you do the amendments below, you are still balanced, but instead of transferring money from capital to general fund, you are increasing the solid waste rate to make up that difference. That is the only change that actually occurs in FY2017. On either of those scenarios in FY2017, your 2018 gap to fund the things that you are adding this year is approximately \$2.8 million. As Councilmember Driggs described it as the contingency, the additional \$9 increase in the trash fee in FY2018 is a way that you could then balance 2018. You may find other ways that you want to balance it between now and 2018, but

the idea here is to approve a budget in FY2017 where you know the consequences in 2018 and you at least have one plan by which you can have a balance budget in 2018.

Mayor Robert said the \$8 and the \$9 are not for 2017.

Mr. Carlee said the \$8 is for 2017 and the \$9 is an additional \$9 in 2018.

Mayor Roberts said was there a scenario for \$9 instead of \$8 in 2017, or we did not?

Mr. Driggs said the \$8 was the result of looking at how much we needed in order to take that transfer of capital to operating off. We had talked about 3 originally, and we determined that if we did take that transfer from capital to operating off, again Councilmember Lyles and I agreed and felt that was really not a place we wanted to go. The \$8 is a result of what does it take to get back into balance if you remove that item.

Ms. Mayfield said as we are having this conversation, what I am trying to understand is we are trying to come up with a flat rate that everyone pays, but that is not necessarily equitable for the simple fact that if I have a home that I only have one trash bin and one recycling bin at it and on our current schedule it doesn't get picked up every time because I am not necessarily filling it, but you have another home that has – we have a number of larger homes that have two recycling bins or two garbage bins as well as a recycling bin, the amount of garbage and waste that they are contributing to the landfill versus someone who is not contributing as much to the landfill, that is not necessarily an equitable amount, to say that I am going to pay the same about that you are paying. I know John this makes you happy because it is your pay as you throw system, but as we continue to have this conversation, we need to look at that impact. I am not saying that I am going to make any suggestion today; we have a balanced budget. Personally, I am not a fan of moving things off for future Council to deal with it. I think whoever is present needs to figure it out, but this is the figuring out that we have come to, but I do want us to look at, staff to look at, how do we make sure that you are paying for the services that you are receiving, because not everyone is doing that currently, and if you have two bins and I have one but I am really only utilizing this service once every other pickup as appose to every pickup, there is a challenge. Then as far as the multifamily piece, you have some places where they don't pick up on a regular basis, so you see trash overflowing, but you have others where they are not distributing as much. What does that look like? I do not know. That is a much bigger conversation, but I would like for us to start having that conversation and really think about how efficient are we being with tax dollars and with fees so that we do not continue to nickel and dime residents, but also recognize as citizens, we need to pay for the services that we need and want access to. How do we do that in as equitable as a way as possible is a different conversation.

Councilmember Kinsey said I am not going to support this. I just saw it, but it is very interesting to me that we have been talking about not wanting to balance the budget on the backs of Solid Waste customers, and here we are trying to do it.

Councilmember Eiselt said I really struggle with that characterization. We try to balance our budget, but I do not think the public understands how much we subsidize services, and as the city keeps growing and we add more customers to those services and the cost of those services increases, we cannot keep continuing to subsidize those services at the same rate. I would rather the public understand that we are not always going to continue to subsidize services that everybody receives. When it comes to trash, I am absolutely in favor of you and you being charges the the same amount to collect trash, whether you rent or own. That should not matter to the budget. To me, that is a separate discussion than balancing the budget. The fact is, we cannot balance the budget if we always subsidize services for people. When your cable company increases their fees, they increase their fees. If some apartment complexes do not want to have the service from the city, that is a different conversation. If we are going to provide the service, that has to be covered. We cannot continue to subsidize it. I do not think that we can get into the weeds of saying, well four people live in that house and one person lives in that house. That is getting a little bit bureaucratic I think.

Councilmember Lyles said I think that what I am hearing from everyone is that we do not know quite what we are charging a fee for verses what we are trying to include in our property tax. Let's just say that we segregate all services of the city and we decide to charge a fee for everyone, which is probably possible now, because we have the ability to do that kind of cost allocation. We might be forced into that someday if the General Assembly continues to erode at

our revenues, that we are actually doing something like that. You could probably have a fee for every service; the question is, for me, where do you have some public good around some of the services, that no matter what the cost is, there is an amount that is generally served and by tax paying and a property tax. What I think is hard for me and the reason why I am willing to support this is because, generally, I would have liked to have seen the apartment collection be done in a way that recovers out cost of it. I think that the reason why I am not doing that is that we do not quite have a rational yet, and this is something that I have evolved to, as we have talked about this, but to me the budget review of Solid Waste, I am not so sure that a fee based Solid Waste System really serves the pupil good as well as a subsidized system with property taxes and fees, but I do not know the combination that it needs to be. What we have talked about and I think in the supporting the recommendation is that we go in and not just review the ordinance for the ordinance of who gets service and how it is enforced and all of that, but to actually determine what best serves the community. I will give you an example. Let's just say that we go to a fee based service that is pay as you throw. Well, my income is limited this month. I have had an issue, so I decide I am not going to throw it in the trash can; I am going to throw it in the creek in the back yard. Is that serving the public good? Is that getting it where we want to be on a fee based system? If everyone is paying or subsidizing it through the property tax, is that fair to people that really are contributing maybe the medium amount or average amount, as appose to those doing little or more, so we need to have a conversation around it, and I think that is what I look forward to this summer, that we actually look at Solid Waste Services and decide, what is our position and do it in a long haul way. I will support the item on the table, but I make no decisions, as suggested by Mr. Phipps and Mr. Driggs, in no way does that commit me to an outcome of a discussion and a deliberation. I see it as a range. Is it a public good, which we all pay through the property tax and all benefit from? Is it fee that we are willing to charge every individual for what they do and how they do it? There is some merit to that debate.

Councilmember Austin said I do apologize for being late so let me back up; I do support, just for the record, the Youth Council in the \$40,000. I need to go ahead and have that on the record. I guess I am confused. Just help me a little bit. This is one scenario that we are looking at? This is the only one, or are there other scenarios? Help me here.

Mayor Robert said what we have on the paper, the green part is balanced. There are a number of Councilmembers who wanted to take No. 7 out, and so if you look down below in the pink area, the No. 7 jeopardizes future growth because it takes away capital, debt spending, and the ability to have \$20 million in capital projects. So, a number of Councilmembers wanted to put that back in to support capital growth and to do that, we are trying to figure out a way to balance and to pay for it. The option that is also in the pink and is not the only option, but it is the one that is presented in the scenario is that we increase Solid Waste fee for both single family and multifamily for every single resident.

Mr. Austin said so the conversation around item 8A, when we were talking about cost recovery for Solid Waste and phasing that in, is that off the table for members of Council?

Mayor Roberts said my understanding, and those folks that weigh in, correct me is that there are some who think that this increase shows we are going to phase in more for multifamily. There are other who do not want that to be a policy yet, who recognize that we need to increase, to balance it, who recognize that there might be a need to increase Solid Waste fees, but not necessarily tying that to a police change for multifamily. That, from what I understand, will be covered in the Environment Committee with a full discussion of Solid Waste and the debate about whether you are incenting people to throw things in the creek or whether you are incenting people to do the right thing and how you do that in the best and most effective way for Solid Waste collection. That is the conversation that is still going to be had. We have not finished that conversation.

Mr. Austin said it just still seems like we are kicking the can down the road, yet again, in order to do this and we are not just going to go ahead and pull the trigger. At some point, we just need to go ahead and make the decision to do this, and I thought there were other members of Council that were supportive of that, and I know I am supportive of doing something. We have a lot of apartments that are being built downtown, and it is getting ridiculous. They are talking about building another 10,000 or so. Every year that we delay, we are going to be in a really bad situation if we do not start phasing in something, we are never going to be able to balance the budget.

Mayor Roberts said I do not know if we want to have that policy decision today or just a budget decision, because there is still an option in discussion for next year, because Councilmember Autry has a committee agenda.

Mr. Phipps said I do not think we are kicking it down the road to another Council. I would think that the trigger date would have to be next budget cycle, within this current Council.

Mr. Driggs said before the next budget cycle.

Mr. Phipps said maybe even before.

Mr. Autry said I think what we are here today to talk about is a budget decision as Councilmember Driggs has so many times reiterated, that's the time to take up the issue about the policy decision about Solid Waste Services, what Solid Waste Services are provided, how they are paid for, and who pays for them, is part of the policy discussion that we are going to have in the Environment Committee and have that resolution in six months. The term of when, how much and what, today is about what we see in front of us based on the current policy, and our ordinance today, written over 20 years ago, was to accommodate the service that we were providing, not thinking forward and not with modernization in mind. In fact, our recycling program is not mandated. It is purely a voluntary system, so let's just calm down, and we have got some serious questions and issues to be taken and considered up in the next six months.

Mr. Austin said realistically, my colleagues, next year is an election year. Do you really think that we are going to do that? I doubt that. You all need to own up to that. We wouldn't do that in an election year.

Mr. Smith my understanding from our last meeting is we will have a policy recommendation by the end of this year, and the policy recommendation may impact a future budget, but we will be voting on a Solid Waste service policy in what, September, November? So, from where I set, we will have the policy frame work in place by the time the next budget cycle comes along. The whole point for some of us on this was just to separate the two. We may very well reach unanimous agreement on where you are headed to during the policy discussion, but we are not going to hit a unanimous agreement on that during the budget discussion.

Mr. Driggs said Councilmember Austin, I just want to clarify too; the document that we are looking at today is the result of our last meeting. These are the items that we brought forward from last time. If you look, it does include both possible solutions for trash. Nothing is dropped or left out. It is in here for conversation today. I just think some of us, myself included, thought that since we have questions about pay as you throw, and the equitable allocation of cost to residences. There are a lot of things that we need to consider, and we should deal with all of those. If we have the meetings that we are talking about having to discuss Solid Waste Service delivery, we will have a decision in time for next year's budget. We weren't contemplating doing anything in the Manager's budget this year anyway. So, we are not missing out on an opportunity.

Mr. Austin said that was just a recommendation.

Mr. Driggs said it is not like we are taking something out of the Manager's recommendation that was going to happen this year. There are a lot of people who feel strongly one way and another, about the Solid Waste issue, and it seems like something that deserves a policy conversation and my personal preference, for example, is that we have that conversation away from the budget so that certain parties do not think that we were just trying to find some money to close a gap, that we made a deliberate decision based on principals about how we allocate the cost of trash.

Mr. Austin said Mr. Ed, thank you for your comments. I want to make sure that your prevailing opinion is not the opinion of everybody on this Council, so as you made the statement about where are we going to be with trash, I do not think that is everybody around this table. I want to make sure that you are not thinking that you are speaking on behalf of everyone.

Mr. Driggs said no, as I say, both items are there, and we are here right now to talk about them.

Mayor Roberts said what I want to make clear is that we are voting on budget impact today, and that does not necessarily preclude a policy change or not a policy change. That discussion will continue, but if we do vote for an increase, both for single family and apartments, than that could

be the first step in a policy change. One does not preclude the other, but we are looking forward to that broader discussion around that policy, to conclude upon this fall.

Mr. Austin said we have had a lot of discussion over many years and many years prior to me getting here, so again, it seems like we are kicking the can down the road, and knowing that we are going to be kicking the can down the road into an election year, we will be kicking the can down the road again.

Mayor Roberts said we do have three new people on the Council this year versus last year. We also have the option in the coming year to increase that fee again, and that could be part of that policy as well.

Mr. Austin said I just want to put the conversation out there, because I do believe that there are other people around this dais who want to make a decision.

Mayor Roberts said absolutely, there are a lot of folks in support of both sides.

Mr. Driggs said I would just like to distance myself personally from the suggestion that election year politics would have that big of an impact on our decision of what the right policy is.

Mr. Phipps said even if we did 8A, I think it was in our scenarios that phase in for 8A for multifamily would equate to about \$56. The \$17 that we are adding now gets it to \$42, so we are, in my thinking, incrementally getting to full cost recovery at some point, even with these additions.

Mayor Robert said it could be both/and.

Mr. Driggs said I just wanted to say, that action by us today would be prejudicial to the conversation that we are going to have. The one that we are proposing is not. The one that we are proposing leaves wide open how are we going to deal with these issues when you say that we start down the road full cost recovery, you are already anticipating the outcome of a conversation that we have not had yet.

Mr. Phipps said I'm just throwing it out there and people can take it for what it is worth.

Mayor Roberts said it can be viewed either way, but it does not preclude or dictate what the policy decision will be in four or five months. I think that we should go line item by line item, because the first three I think will have an impact on the Solid Waste discussion and vote. Let's go ahead and do 9A, 9B, and 7, because there may be some people who want to leave seven in in which case the whole Solid Waste issue is going to be different. The first item, 9A, is there a consensus that we do not want to have a tax rate increase?

Mr. Driggs said are we doing them one at a time?

Mayor Roberts said I think that there are certain ones that we can do one at a time. I think once we do 7, we will know whether or not we need to discuss 8B.

Mr. Driggs said I wonder if we can do 7 and 8 together, because those are related, and we can do the other ones as a package because basically what we are talking about is that 7 and 8 offset, right?

Mayor Roberts said what would be great would be to have a motion for Amendments 3, 4, 5, 6 and 9; that is a package.

Motion was made by Councilmember Mitchell and seconded by Councilmember Autry to approve the following items as a package: Amendment 3: Accelerate the phased approach to adding public safety resources by funding an additional 13 Police Officers in FY2017 (in addition to the 50 included in the City Manager's recommended budget) \$1,137,050; Amendment 4A: Add one street cleaning crew (one litter control crew, total of two positions) to Solid Waste Services for \$164,000; Amendment 4B: Add one street Sweeping Crew to Solid Waste Services for \$320,000; Amendment 5: Remove capital equipment for Ladder 28 from General Fund Operating Budget and finance it with short-term debt over a specified time period (\$899,782); Amendment 6: Remove capital equipment for the additional Police Officers from the General Fund Operating Budget and finance it with short-term debt over a specified time period (\$795,709); Amendment 9A: Eliminate or modify the \$0.43 property tax rate increase (\$3,958,005); and, 9B: Eliminate one-time contingency from tax increase

Mayor Roberts said we will vote on those items and then we will have a final discussion on capital versus Solid Waste. Again, if you see anything in that package that you do not agree with, you can vote no. So, the package may not go through. This is in case there is a consensus that we can move along.

Ms. Mayfield said we received the motion and a second on moving forward, for the record, which I have already said, I am just reiterating it. For 9A, eliminating a tax increase, I do not agree with it. The fact that us having less than a half cent tax increase now, again, pushing it down the road where it is going to be a greater increase. We just got through having a conversation talking about the fact that we have limited ways to provide the services that we need. One of the major ways that we provide our services is through property tax. To have this fear around having a conversation when we are growing 44 plus people a day in this city, when we are getting apartments thrown up in a high volume way, when new housing is being developed and new projects, but we say that we are afraid to ask the community to contribute to the services that are needed, I have a concern with that may potentially do to our budget moving forward, but at the end of the day, it takes seven votes to move anything forward. We say six but really it is seven; that way it is veto proof.

I am going to support the proposal that is before us right now, not with a whole lot of joy, because I think we are doing a disservice, not only to our constituencies, but we are doing a disservice to this elected body by not getting out in front and explaining, okay because I have asked the question to my constituents on multiple occasions and multiple neighborhood meetings, would you pay a tax increase? We just had a budget discussion two weeks, two Sundays ago where we specifically asked the citizens, would you pay this amount now in a tax increase, and this is the services you are going to be provided, or would you rather not pay and risk the chance later in paying a much higher increase but also the potential of possibly having a budget short fall, because we don't know what the reevaluations of 2018 are going to be because we already know that they have already botched the last one, and we are still paying, refunding property taxes from the last one, so we do not know what tomorrow is going to hold, What we do have an opportunity to have a conversation on is what we are doing today. When we ask the constituents, seniors, a number of them were in the lower income community as well as some that are in the higher income communities. When we ask them how do you feel about this? They were like, it makes perfect sense to me; we need to pay for the services that we need. When we then turn around and say, well we don't really want to do a tax increase, I am concerned about the future and what that is going to potentially do to our budget. I am a fan of us doing a half cent property tax increase. I am just going to throw that out there in the middle of the floor and leave it. When we go to the vote, I am going to support the budget that has been presented. We don't really have to have a whole lot of dialogue back and forth. I am not going to fight the budget. I just want to let you know when it comes to a property tax increase, I think we have a lot more people out there that are willing to pay for the services that we need then what we think.

Ms. Lyles said I am not going to support the motion because I believe that this is something that we all have to come together and be about it. It is not pitting our capital investment against the increase in Solid Waste fee, and we ought to be able to come to some agreement over all of how we are doing this. This is not balancing Solid Waste against the capital transfer. It is balancing every item here, and I will not be able to support that motion.

Mayor Roberts said just be clear, your preference is to go line by line?

Ms. Lyles said no, my preference is to have a package that we support, all of us to vote on at one time.

Ms. Mayfield said are you going to make an amended motion, or are you just saying that you are not going to support this motion?

Mayor Roberts said are you going to offer a package?

Ms. Mayfield said what is the amended motion?

Ms. Lyles said I do not have an amended motion. I am just going to say that I think that we have talked about this a long time, and if the real question is how much is the Solid Waste fee, is it going to be a recovery? Is it going to be different than what we do? Let's go ahead and hammer it out so we have a motion that we can do. I do not know. There are two things that I have heard talked about. Do we do a Solid Waste Fee differentiated for apartments versus homes? I do not know the answer to that, but I am sure by this motion. The second thing is what should that fee be if it differentiates, and that is the other part of it. I see this as a package because I do not think it is just whether or not we keep our debt financial policy together against Solid Waste fees. I just do not see that.

Ms. Mayfield said so we are not making an amended motion?

Mr. Mitchell said I am okay as the maker of the motion to remove it if we think that it will help discussion and dialogue. I thought there was some consensus, but I know Councilmember Driggs, Ms. Lyles, and Chairman Phipps have worked extremely hard on the budget. If it is worth having a dialogue, I could remove my motion from the floor.

The motion was withdrawn.

Mayor Roberts said the concern is that we want to go ahead and have the discussion now about Solid Waste, and that is fine, because when we reconcile the discussion about do we charge both homes and apartments more, what is the amount, and do we still want to take off the property tax transfer from capital to the general fund? Those are connected because the only reason that we are looking at Solid Waste increase is because, well many things together, but that is the main reason, because it was on the original discussion at the straw vote and now it has come back off. That is what leads to the amounts. The critical discussion really is whether we are okay with increasing Solid Waste fees, if we are, what way to do we do that and how much? With that, once we decide that we can put the package together. Am I reading that correctly?

Ms. Lyles said yes.

Mayor Roberts said I want to remind everybody that \$6.41 of the increase to Solid Waste is actually a pass through fee because the county is charging us more so \$6.41 is merely passing through an increased tipping fee that the county is charging us for Solid Waste, and that is almost the whole \$8.00. That puts it in a light in terms of explaining to our homeowners and our apartment owners that that is an increased cost to us from a county increase that we are facing from the coming fiscal year.

Ms. Lyles said it is \$3.00 increase. The other has already been included in our budgets before.

Mayor Roberts said but it is the actual pass through cost.

Ms. Lyles said it is the pass through, but what I am saying is it is not an increase of \$6.00; it is an increase \$3.00.

Mayor Roberts said an increase of \$3.00, but a pass through of \$6.41.

Mr. Carlee said I am trying to follow the progress here. It has gotten a little bit confusing. Is the question on the table really whether or not someone wants to make a motion to substitute the items in the pink, the 7 and 8B there, for the 7 and 8B in the green as an initial step towards voting for the full package; is that where Council is trying to get to?

Ms. Lyles said that is really the question, yes.

Mr. Phipps said I think that is pretty much it, yes.

Mr. Carlee said a way to do that could be for someone to make a motion to substitute the 7 and 8B in the pink for the 7 and 8B in the green, then you could vote on the whole package or if Council wanted to split the question on any of the above you could as well.

Mayor Roberts said that is fine; that is sort of what we were doing, yes that's what we want, that's perfect.

Ms. Mayfield said would you repeat that again?

Mr. Carlee said for someone to move that items 7 and 8B in the pink area below be substituted for items 7 and 8B in the green area above to then complete the package.

Mayor Roberts said and then vote on the entire package.

Mr. Carlee said and then vote on the entire package.

Ms. Eiselt said we would be substituting 8B fiscal year 2017 only.

Mr. Carlee said that is right. You would vote on fiscal 2018 as part of your 2018 consideration.

Mayor Roberts said that's just for information. We are making it all one instead of making it two separate motions; that is fine.

Motion was made by Councilmember Eiselt and seconded by Councilmember Smith to approve the following items as a package: Amendment 3: Accelerate the phased approach to adding public safety resources by funding an additional 13 Police Officers in FY2017 (in addition to the 50 included in the City Manager's recommended budget) \$1,137,050; Amendment 4A: Add one street cleaning crew (one litter control crew, total of two positions) to Solid Waste Services for \$164,000; Amendment 4B: Add one street Sweeping Crew to Solid Waste Services for \$320,000; Amendment 5: Remove capital equipment for Ladder 28 from General Fund Operating Budget and finance it with short-term debt over a specified time period (\$899,782); Amendment 6: Remove capital equipment for the additional Police Officers from the General Fund Operating Budget and finance it with short-term debt over a specified time period (\$795,709); Amendment 8A: Phased in direct or full cost recovery for Solid Waste Service multi-family collection for apartments (maybe spring); Amendment 9A: Eliminate or modify the \$0.43 property tax rate increased (\$3,958,005); 9B: Eliminate one-time contingency from tax increase (\$1,212,766); and, add Amendments 7 and 8B in the pink area as a substitute to the amendments in the green area: Amendment 7: Do not transfer \$0.20 property tax from Capital to General Fund (\$20 million debt) - (\$1,840,000); and Amendment 8B: Increase Solid Waste fee for Single Family and Multi-Family by \$8 (From \$25 to \$33 in FY2017), \$2,602,664.

Mr. Phipps said so 8A then is still a discussion that would be included as part of the discussion that we have as part of the overall ordinance and whatever?

Mr. Driggs said we are trying to answer that question. This is the proposed answer to that question.

Mayor Roberts said that is a good point. If we vote on all of the green, presumably a phased in cost recovery, 8A would have to come out.

Ms. Eiselt said let me just clarify that though, it says phased in direct or full cost recovery. I do not see that that is tying us into anything.

Mr. Carlee said it is a policy issue. There is no dollar implication of it. It would not be incorporated into the budget documents, and if the Council would like to provide policy guidance when you adopt the budget, then we could draft language in that regard if you could let us know what that would be.

Mr. Smith said I withdraw my second; I didn't hear you correctly. I don't want to give guidance I want to wait until we have John's Committee meeting and my preference is 8A is removed.

Mayor Roberts said can we ask for a friendly amendment; is that okay Julie?

Ms. Eiselt said yes. I will amend my request to include Items 7 and 8B in the pink to substitute Items 7 and 8B and the green and then would take out Item 8A.

Mr. Smith said I will second that.

Amended motion was made by Councilmember Eiselt and seconded by Councilmember Smith to approve the following items as a package: Amendment 3: Accelerate the phased approach to adding public safety resources by funding an additional 13 Police Officers in FY2017 (in addition to the 50 included in the City Manager's recommended budget) \$1,137,050; Amendment 4A: Add one street cleaning crew (one litter control crew, total of two positions) to Solid Waste Services for \$164,000; Amendment 4B: Add one street Sweeping Crew to Solid Waste Services for \$320,000; Amendment 5: Remove capital equipment for Ladder 28 from General Fund Operating Budget and finance it with short-term debt over a specified time period (\$899,782); Amendment 6: Remove capital equipment for the additional Police Officers from the General Fund Operating Budget and finance it with short-term debt over a specified time period (\$795,709); Amendment 9A: Eliminate or modify the \$0.43 property tax rate increased (\$3,958,005); 9B: Eliminate one-time contingency from tax increase (\$1,212,766); and, add Amendments 7 and 8B in the pink area as a substitute to the amendments in the green area: Amendment 7: Do not transfer \$0.20 property tax from Capital to General Fund (\$20 million debt) - (\$1,840,000); and Amendment 8B: Increase Solid Waste fee for Single Family and Multi-Family by \$8 (From \$25 to \$33 in FY2017), \$2,602,664.

Ms. Lyles said I think that we have done a lot of work this year, and I know that we have had a lot of discussion, and I would have to say that in the last several weeks, where I have been thinking about what we have had since May 11th has been developing for me. I am going to support that motion because I think it accomplishes two things that are really important. One, it keeps our capital program under our current debt policies sustainable for the long term. I think that all of us at the Retreat said infrastructure was our number one priority and the infrastructure financing has stood solid for us and we ought to continue to do it. The second reason that I am going to support it is that I think that the Solid Waste fee has just become like the Pillsbury Dough Boy, you punch it one place and it pops up another. It hasn't had an ability to stand on its own. Most of us, I would say to you, the fee was just there, and I think that there is a general consensus; the fee was created to avoid a tax increase. Several years ago, has absolutely no relationship to anything that is fee based as we would define it for any other fee that we charge in the city. To call it a fee is kind of difficult because it does not meet the standards that we set for our permitting fees, for our planning fees, for a number of other fees that we have. I think this gets us on the way because it does tie the county tipping fee to a direct effort by everyone inside of the city limits. That \$6.45 actually correlates directly to a housing unit, whether it is an apartment or a single family. I think that moves us along the way. That leaves a little bit of a discussion around what do we do in terms of Solid Waste fees over all. I went back and looked at five years of history on the Solid Waste fees. They have changed consistently or have been differentiated consistently between single family and apartments.

The second thought that I think that I would say about this fee is that we have the ability to work on what that contract will be until December, and we have talked about this. My preference, and it is not going to be an agreed upon preference, but I would say to the apartment community, you have to look at this in terms of a business and how you are being subsidized and what it means for a home owner, what does it mean for an apartment owner. I don't have the sense that everybody should pay the same thing all of the time. I think what I am looking for in the next several months, in terms of the Environmental Committee, is to actually talk about what we should be accomplishing in Solid Waste. I think the Budget Committee ought to be looking at how to we finance our government. I am going to support the motion. I do not think that it sends a signal one way or the other about the apartment and single family garbage collection. What it

sends for me is the message that we maintain our capital program that we are going to do a budget review and give some logical sequencing to what we are doing for Solid Waste. With that, I am going to support the motion made by Julie and Kenny.

Mr. Driggs said I just wanted to also step back and say, this is a good budget. We are fully funding the increase in pay for city employees, which is a plus. We are funding 63 additional police officers up from the minimum level that the Chief said he could work with. I think that is a benefit. We are not raising taxes, and we are simply on the subject of Solid Waste, agreeing that those issues will be addressed in time and appropriately in a separate conversation. I am going to support this.

Mr. Smith said I supported this. I do support it. I seconded it just so we could vote and go on to the next item. The Budget Committee is the one who did all of the heavy lifting. I was quick to second, but I think the Budget Committee does deserve a round of applause for all of the work they did. I think this will be, if it goes according to plan, we have a possibility of the first unanimous budget since I have been on Council, tip of the cap.

Ms. Kinsey said I am not voting for it. Credit doesn't necessarily go to the entire Budget Committee because I am on the Budget Committee, and I had nothing to do with this.

Mr. Phipps said it looks like we were heading to something that was unprecedented in my association with the Council, as much as we might be in a situation where we would have some unanimity on the budget process, but this is a substantial majority.

Mr. Driggs said bipartisan.

Mayor Roberts said I appreciate all of the comments. We will have a time in open session, and in front of the cameras to say those things again about what this represents for our values and what it represents for our collaboration. I would say two things, and that is folks who feel very strongly about Solid Waste should attend the Environment Committee and be part of the conversation as we look at policy and make sure that discussion concludes before the end of the year, and get the real information. I think that working with the community to about how we recycle can incent good behavior to help reduce cost for everyone.

The second thing that I would say is that the folks who feel like they were left out of this discussion, that concerns me; Councilmember Kinsey or anyone else who feels like they were not included, we are going to work hard to make sure that all voices are included as we deliberate on these issues. If I can be better at communicating, let me know and let anyone else on our committee know as well. I am sorry Councilmember Kinsey that you feel like you were.

Ms. Kinsey said no, that is perfectly okay.

Mayor Robert said there are a lot of things to consider during a tough season in our year. We appreciate everybody's input.

Mr. Phipps said I know we have been getting lots of email and phones calls from constituents about, what I think are exorbitant claims of potential rent increases as a result of making an adjustment to the Solid Waste Services collection fees for apartments. I would hope that during this whole time that we discuss this that we could be able to show and document that even the rate increases that we are proposing is nowhere near the kind of rate increases that we have been ascribed to being able to cause people an increase in their rent. I think it is kind of disheartening to see the disingenuousness that is being attributed to us in making some of these decisions. I would hope that we could get to the bottom of that and dispel a lot of those kinds of rumors.

Ms. Eiselt said I think that it is worth mentioning what we are talking about on a monthly basis, because we have gotten emails from people whose landlords have told them that they are talking

about a \$20 increase a month, and if that is what they are being told, then someone is not telling them the truth. We are talking about less than a dollar a month.

Mr. Carlee said I want to say this very clearly with the media in the room. If your landlord says they are raising your rent because the city changed the Solid Waste fee went up and they raised your rent more than \$0.67 a month, it is not because of the Solid Waste fee.

Mayor Roberts said that is a very important figure to get out because we have all seen those \$10, \$20 a month numbers.

Mr. Driggs said I think I would just mention about that during the conversation on these issues. One of the possibilities was that the city just drops the service and lets people go elsewhere privately to procure those services. I think the basis for some of the alarmist comments had to do with the idea that the city would not be involved at all in Solid Waste collection. I am not defending that, I am just telling you that we did look at a whole bunch of possible scenarios, and one of them was that we just cut them loose and say make your own arraignments. I think we have better solutions than that, even if we go in the route of full cost recovery. You are right, that is not what people should assume, but I think that is where it came from.

Mr. Carlee said if you are apartment, single family, condo, townhouse, you get Solid Waste service from the city, your rate is going up \$0.67 a month.

Ms. Mayfield said I kind of feel like I dropped the ball because I should have been recording the City Manager on my phone to make sure that that full information got out there, because we are hearing a lot of miss information in the community as far as what the costs are and that the reality is less than \$1.00, but the market does what the market does. I think, from what I heard, we are ready to move forward and vote on the budget proposal and those rules are going to fall wherever they may.

A vote was taken on the motion and recorded as follows:

YEAS: Councilmembers Austin, Autry, Driggs, Eiselt, Lyles, Mayfield, Phipps, and Smith

NAYS: Councilmember Kinsey

Mayor Roberts said Councilmember Fallon is not here, but she will get to vote in June. We will vote on it in open session.

Ms. Lyles said I would like to actually make sure that we have a few things in addition to this budget. We have made a commitment to look at our overall financing revenue and expense structure, and I would like to include on the adoption of the budget, the charge to the Budget Committee for the budget review which would include the expense and revenue budget, in addition to that, I would like to ask Council's consideration and thought around this, is it in addition to having the Council do that review that we actually appoint an advisory group that would be made up of people that understand governmental finance, understand the economics of what we are doing here in our community, along with community folks to say that these are the kinds of services that are important and here is how we want to finance it. I would like to ask that that be included in our consideration because, I think it is important that we understand the budget in detail, but I also think that it is important that we have some expertise around governmental finance, long term projections for how our city is going to grow, as well as a community focus to say what are the services that are very important. I would ask that that be included in our deliberation, unless there are some objections.

Mayor Roberts said for Budget Committee?

Ms. Lyles said I would like to see that as when we come back with our budget ordinance and we do all of our contracts, I would like that have the charge to the budget committee ready for the

review, and outline of the time frame. I also think we are going to have a little bit of how we do this between Environmental on service delivery versus rate structure, so I think we need to figure that out as well, but I would like to have that process stated clearly and approved by the Council at the time of budget adoption.

Mayor Roberts said that means that you would like to have an item on our agenda, separate from the budget on June 13, 2016, that clearly states that the charge to the Budget and Environment Committee is to - are you talking about Solid Waste?

Ms. Lyles said no, I am talking about the Budget Committee for the budget review.

Mayor Roberts said what is that item going to look like?

Ms. Lyles said we would actually have a process by which we would review the long term financing of governmental services and decisions around governmental services, including having an advisory committee to help us walk through that process. I am just saying as a note, I think we need to probably look at how Environmental and Solid Waste, so it wasn't really pertinent to the motion and doesn't have to be a part of it now.

Mayor Robert said so you are including all government?

Ms. Lyles said yes, all government services. We need to have it ironed down so that we know what expectations are. That is all I am saying.

Mayor Roberts said I have one other thing too in our budget vote on June 13, 2016. I would like to have a separate item that talks about the fact that we are moving toward a minimum \$15 an hour wage for our lowest paid workers. I do not know if it is 2019 that we are going to get there based on-

Ms. Eagle said that is the current projection.

Mayor Roberts said I would like to have a policy statement in connection with the budget that says that is our goal, so that the folks again who are trying to be leaders in the community, knowing that we can only impact our own worker's salaries to show that is our goal and that is a value that we have, just a separate statement when we pass our budget.

Ms. Lyles said would that separate statement be a part of the adoption of our pay plan and the question that I have is when we do a pay plan we adopt it under certain policies and it always outlines it and says step one, for example, under that pay plan that we have adopted, it would say that. I just want to make sure that it is the way that it has been conformed and configured that it is an actual separate step in our budget process in that adoption.

Mayor Roberts said I would like to make it a separate vote and statement at our budget meeting.

Ms. Lyles said you can pull that out of the budget meeting and say any item a, b, c, or d, you can pull out and do separately if you choose to.

Mr. Driggs said does that mean that we are going to get a draft of that and that Council will vote on it to adopt? I am just wondering procedurally how that works.

Mayor Roberts said which piece?

Mr. Driggs said Councilmember Lyles, how do we formally act on that?

Ms. Lyle said in the budget adoption, you adopt the operating budget. You adopt the pay plan and then under the pay plan it includes the steps that we are taking to amend the pay plan, and that is one that we have already included, so it would be we are adopting the pay plan. It includes a, b, c, and d. I think they Mayor is saying pull out whatever it is and do it separately.

Ms. Eagle said it sounds like what you might be describing could be a little broader that the services review that we talked about, which we have already drafted a charge for based on the recent vote in discussions, so we will take that, make some revisions based on your comments today, and get that in front of you all and put that in the budget as well. The addition is the advisory committee as well, if I heard that correct.

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ITEM NO. III: CONSIDERATION OF MOTION DIRECTING THE CITY MANAGER TO PREPARE THE NECESSARY DOCUMENTS AND RESOLUTIONS FOR THE JUNE 13TH BUDGET ORDINANCE

Motion was made by Councilmember Phipps, seconded by Councilmember Driggs, and carried unanimously to direct the City Manager to prepare the necessary budget documents, resolutions, and ordinances based on the City Mangers Recommended Budget and all Council approved Straw Votes.

Mayor Roberts said the City Manager and staff will use our votes today to prepare the actual budget ordinance. We will vote on that June 13, 2016 in open session, and everyone can make their comments about why they are supporting or not supporting and how it reflects their values and what is in the budget that is good. We will have a couple other items on the agenda that same night.

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ITEM NO. IV: CLOSED SESSION

Motion was made by Councilmember Driggs, seconded by Councilmember Mitchell, and carried unanimously to go into closed session pursuant to GS 143-318.11(a)(6) to consider the competence, performance, character, fitness, compensation, and other conditions of employment of individual public officials or employees.

The meeting recessed at 1:44 p.m. to move to Room 278 for a closed session.



Emily A. Kunze, Deputy City Clerk

Length of Meeting: 1 Hour and 15 minutes
Minutes Completed: June 14, 2016

Proposed Budget Adjustments from May 11, 2016					
Description	Amount	FY2017		Balance	Tally
		\$ - Change Expenditures	\$ - Change Revenues		
Budget Adjustments					
1. Postpone Charlotte Water rate increase for one fiscal year					\$ -
2. Add \$40,000 to fund travel expenses for the National League of Cities Youth Council (One time expense can be paid with FY2016 savings)	\$ 40,000	\$ 40,000	\$ 40,000	\$ -	9
General Fund FY2017 Total		\$ (1,287,207)	\$ (1,287,207)	\$ -	
9A. Eliminate Tax Rate Increase	\$ (3,958,005)		\$ (3,958,005)		9
9B. Eliminate one-time contingency from tax increase	\$ (1,212,766)	\$ (1,212,766)			9
7. Transfer 0.20¢ property tax from Capital to GF (\$20m debt)	\$ 1,840,000				9
8B. Pass through increase in County SW tipping fee to all \$8.00	\$ 2,602,664		\$ 2,602,664		9
8A. Phased in direct or full cost recovery for Solid Waste Service multi-family collection for apartments (maybe spring)					9
5. Finance Fire Capital Equipment	\$ (899,782)	\$ (899,782)			9
6. Finance Police Capital Equipment	\$ (795,709)	\$ (795,709)			9
3. Add 13 Police Officers	\$ 1,137,050	\$ 1,137,050			9
4A. Add Street cleaning - (1 Litter Control Crew, total of 2 Positions)	\$ 164,000	\$ 164,000			9
4B. Add street Sweeping Crew	\$ 320,000	\$ 320,000			9

Potential Balancing Scenario Adjustments		
7. Transfer 0.20¢ property tax from Capital to GF (\$20m debt)	Do not transfer 0.20¢ property tax from Capital to GF (\$20m debt)	\$ (1,840,000)
8B. FY2017 - Increase Solid Waste fee to all \$8.00	Increase Solid Waste for for Single Family and Multi-Family by \$8 (From \$25 to \$33 in FY2017)	\$ 2,602,664
8B. FY2018 - Increase Solid Waste fee to all \$9.00	Increase Solid Waste for for Single Family and Multi-Family by \$9 (From \$33 to \$42 in FY2018)	\$ 2,986,560