

**CITY OF HAMLET
BUDGET WORK SESSION
HAMLET CITY HALL- COUNCIL CHAMBERS
201 MAIN STREET, HAMLET, NC 28345
DATE: May 26th, 2016, 5:30 PM**

MINUTES

Governing Body Present:

Bill Bayless	Mayor
Johnathan Buie	Mayor Pro Tem
Jesse McQueen	Council Member
Eddie Martin	Council Member
David Lindsey	Council Member
Wendy Massagee	Council Member

Staff Present:

Marcus Abernethy	City Manager
Jill Dickens	Finance Officer
Edna Miles	Human Resources Director
Billy Stubbs	Public Works Director
Gail Strickland	Zoning Officer – taking minutes in the absence of City Clerk Tammy Kirkley away on vacation
Doc Sylvain	Building Maintenance Supervisor
EG Dunn	WWTP Operator
Jennifer Turner	Tax Collector

Others Present:None

Call to Order

Mayor Bayless called the meeting to order at 5:33 pm.

Invocation

Mayor Bayless offered the Invocation.

Approval of Agenda

The agenda was amended by the request of Councilman Lindsey to add Item 10A Hamlet Business Development Association money; Item 10B Ethics Training regarding the City's Accountant; Item 10C Baseball Tournament and Item 10D Policy for Rental of the Tornado Building Restrooms for events. Council Members Buie and McQueen voted to approve the amended agenda. The vote passed 5-0.

Street Closure Ordinance 2016-5

City Manager Marcus Abernethy advised Council an Ordinance needs to be adopted to close Main St. for the HBDA Yard Sale on June 4th. Staff recently learned that in addition to notifying NCDOT when we plan to close a State maintained street, the General Statutes require the City to pass an Ordinance approving the road closure. The proposed Ordinance and parade guidelines were reviewed. Councilman Buie suggested that all business owners be contacted for any future closings. Council discussed potential changes if the HBDA hosts another yard sale. Suggestions were offered of limiting the yard sales to 2

annually, the same as for residences, using barricades to block the street and possibly moving the yard sales to the parking lot areas. The City Manager was asked to provide a list of upcoming events for Council to address with 1 all-inclusive Ordinance. Council Members Lindsey and McQueen motioned to adopt the Ordinance and the motion was approved unanimously.

Review of Council Raises

The City Manager explained it was requested that increases for Council members compensation be discussed at the May work session when all the Council members were present. Mr. Abernethy provided Council with Article II, Division 1 of the City's Ordinance on the Compensation of the Governing Body and Article 4, Sec. 4.10 from the City of Hamlet Charter which states that any raises to elected official pay not go into effect until the following term of each Council Member. Also provided was a Comparison of Council Member pay for neighboring Governing Bodies. After discussing the City's Ordinance and Charter, the City's Attorney TC Morphis was contacted via phone. He advised the City only needs to fill in the blanks for the money amounts and adopt the change in the Ordinance effective July 1, 2016. The City Manager asked for confirmation that the adoption of the Ordinance was the only step necessary to adjust the Governing Body's compensation and the Charter would not have to be amended. Mr. Morphis confirmed. Council Member Massagee stated the salaries for elected officials have been the same since 1996. She calculated that \$2400.00 in 1996 was \$3698.00 today. Councilman Buie motioned to increase Council Members' salaries to \$4,000.00 annually and the Mayor's salary to \$6,000.00 annually. Councilman Lindsey offered the second. The vote was 4-1 with Councilman McQueen voting against. He stated that he sees the point of the increase but suggested a change in times for the special meetings and does not want to see candidates running for office for the money.

Review of ABC Board Raise Requests.

Mr. Abernethy advised the compensation for ABC Board members was tabled from a previous meeting. He provided the section of our Code of Ordinances that establishes the ABC Board, but noted he is adding a section for compensation to be established by Council. Also reviewed was the ABC Board Members pay across the state from a study performed in 2015. Chairman Jerry Thomas requested an increase for Board Members to \$75.00 each month and the Chair an increase to \$150.00 monthly. Council Member Massagee stated the City only has to offer approval for amounts over \$150.00. She inquired if the Council Member's position on the ABC Board was 1 of the 5 members or a 6th member that does not vote. After discussion, it was determined to table the issue and let the ABC Board know the Council representative is to be compensated as 1 of the 5 official members. It was also consensus to let the ABC Board determine their pay rates.

Review of Planning Board Raises

The City Manager also explained the compensation for Planning Board members was tabled to this meeting. Enclosure 4 of the City's Ordinance was reviewed noting the addition of language outlining current pay. Also reviewed was the pay for Planning Board Members of other local governments. Mr. Abernethy also noted any increase can be amended in the meeting but noted the Planning Board has not requested an increase. Council and Staff discussed the amount of time required to prepare for a meeting and the need to often visit a location prior to a meeting. Council Members Massagee and Buie offered the motion and second to increase the Planning Board pay to \$50.00 per meeting. The vote passed 5-0.

Review of Recommended Employee Raises/Benefits

Mr. Abernethy presented an outline of the costs for employee raises discussed earlier in the budget process. Councilman Buie asked if Council could go into Closed Session to discuss the matter on an individual basis. Councilman McQueen advised they could not since the Agenda was adopted without a Closed Session addition. Council discussed the Options presented by the City Manager at the March Work Session. At that time Council was in agreement of Option 2A for longevity pay which compensates employees annually using the formula of 10-15 years receiving a 1.5% longevity bonus, 15-20 years a 2% longevity bonus and over 20 years a 2.5% longevity bonus based on salary. Prior longevity was paid on a 3 year rotating basis. Council Member Massagee pointed out the number of years are over lapping and Human Resource Director Edna Miles stated the years have been aligned correctly to 10-14 years, 15- 19 years and over 20 years. Council stated they want the longevity pay given in December. Councilman Lindsey motioned to add an annual longevity bonus of 1% for 5-9 year employees. Councilman Buie gave the second and the motion was approved unanimously.

Councilman Lindsey inquired if the Manager's salary proposal included both a Cost of Living Adjustment and merit raises. The City Manager confirmed it did. Councilman Lindsey stated he was against a COLA this year when Social Security did not give an increase. He was in favor of the merit. The Mayor stated that some will receive increases from merit raises. Mr. Abernethy pointed out his reason for suggesting the 1.5% COLA was to keep the City competitive with other local municipalities. Councilman Buie commented the City continues to pay 100% of each employees' health insurance. Councilman McQueen advised each governmental employee in Richmond County has their insurance paid and he was in favor of the increase across the board to give each position and employee a raise. Councilman Martin stated he did not see what Social Security would have to do with the City's pay increase. The Mayor suggested if the City has the money they should do both the 1.5% COLA and 2.5% merit raises. Merit raises will not be given to everyone at the same time and are based on supervisors' recommendations. Councilman Martin made a motion to accept the City Manager's recommendation of a 1.5% COLA and 2.5% merit raise. Councilman McQueen provided the second. When Mayor Bayless called for the vote, Councilman Buie did not vote and was advised if he did not vote, his vote would be in favor of the motion. Council further discussed last year's raise increase and the Manager explained in 2015 all employees received an increase except probationary employees who received it at the end of their probation. Council Member Massagee stated all employees received the raise but not at the same time and she felt Hamlet was comparable to other towns except for police officers. The Mayor again asked for a show of hands in favor of the motion. Councilmen Martin and McQueen were in favor and Council Members Massagee and Lindsey were opposed. The Mayor stated Councilman Buie's failure to vote was in favor. Councilman Buie stated all of his questions were not answered. The Mayor stated the vote was closed and the motion passed 3-2.

Review of Salary Schedule 16-17

Council reviewed a Salary Schedule with employee pay grades and positions that the City Manager maintains and Council approves. The schedule ties each position to a specific pay grade in the system. It was last updated and approved in 1994. Mr. Abernethy informed Council the amounts will be updated when the budget is passed and when Council votes on an adjustment. WWTP Operator EG Dunn asked if he could address Council. He had concerns regarding the positions listed for the employees in his department and stated the pay grade does not address the back-up position at the WWTP. Council suggested Mr. Dunn and Mr. Abernethy have a meeting to discuss the issue.

Council also discussed the need to place Billy Stubbs as the Utilities Director, having one person over all of the Public Works Departments. Mayor Bayless also commented the City needs a supervisor in the garage. Council Member Massagee suggested the City Manager work on a proposal and bring it back to Council.

Council Member Eddie Martin made the motion to approve the Salary Schedule and Councilman Buie provided the second. All approved.

List of Approved Agencies for Assistance FY 16-17.

Consideration of Women's Club Grant: \$250

The City Manager provided a list of approved agencies that receive contributions from the City. Councilman Martin requested the City add the Women's Club of Hamlet to the list and provide them with a donation of \$600.00. The Club had requested a discount on their water bill. The City cannot legally discount the sale of water. The letter of request from the Women's Club was provided. Council Member Massagee suggested the City rent the Women's Club building for the next Planning Session to provide additional income to the organization or buy the triangle property owned by the Women's Club that the City maintains. The donation amount was discussed by all. Councilman Martin amended his motion and recommended a \$500.00 donation be given to the Women's Club and Councilman McQueen offered the second. The vote was 4-1 with Councilman Lindsey voting against.

HBDA Money.

Councilman Martin reported he attended a meeting of the HBDA as a citizen, not as a Councilman. At the meeting, the committee members were discussing purchasing patriotic decorations to use at the July 4th festivities. They planned to order from Oriental Trading. Councilman Lindsey suggested the City reduce the funds donated to HBDA by \$500.00 and use that money to purchase better quality decorations to be used for other occasions. Mr. Abernethy stated the HBDA coordinates the events for July 4th and the City reimburses them up to \$2500.00 once invoices are presented. He also reported Richmond County Tourism has agreed to pay up to \$2500.00 for marketing expenses. Councilman Martin said this was an expense the City has not incurred before but enough funding was needed to decorate all around the Depot. Councilman Lindsey will check on prices. It was the consensus of Council to purchase flags, bunting and decorations. Councilman Martin stated he would let HBDA know they should not make the purchase. He also said he did not want Councilman Lindsey limited to \$500.00 if more was needed.

Communication System

Mayor Bayless inquired on the new communications system for the Council Chambers. The City Manager responded that once the budget is adopted, Staff will move forward with the \$60,000.00 allocated.

Ethics Training Regarding Accountant.

Councilman Lindsey provided information obtained at the Ethics Training he attended. It is recommended that local governments rotate their accountant every 5 years. Billy Stubbs advised he has a good working relationship with our present auditor, Ken Anderson, and would hate to see it changed. The Board discussed the issue and inquired if the same accounting firm could be utilized if different auditors examined the records or if the suggestion was to hire a different firm entirely. The City

Manager reported he would contact the School of Government for clarification. Finance Officer Jill Dickens also stated that Mr. Anderson answers phone calls and emails at no extra charge.

Baseball Tournament.

Councilman Lindsey reported the City will host an 8 year old All-star Tournament June 15th with team entry fees of \$250.00. After discussion, it was determined the City Manager would check with other local municipalities for their gate fee prices. Councilman Buie advised the fields needed to be in top shape. Councilman McQueen stated there needs to be an accountability of funds and suggested tickets stubs be given when paid. It was the consensus of Council that the City Manager determine the admission prices based on the information he obtains from other towns.

Policy for Rental of Tornado Building Restrooms.

Councilman Lindsey reported the HBDA has a concern of restrooms for their Yard Sale. He advised Parade Funds were used to purchase a gate that could be used at the Tornado building to keep people from the displays but allow usage of the restrooms. He suggested the City develop a policy for rental of the restrooms at events. Doc Sylvain reported the alarm would need to be de-activated and Mayor Bayless stated the restrooms would need to be monitored. Councilman McQueen recommended Council let the Yard Sale be the test case for use of the restrooms to measure any problems.

Additional Direction to Staff

Councilman McQueen reported he would not be in attendance at the June 14th Council meeting but thanked all for their hard work in preparing the budget.

Councilman Lindsey suggested future Work Session begin at 4pm.

Adjournment of Meeting

At 7:50 pm Council Members McQueen and Buie motioned to adjourn the meeting. The motion on the floor passed 5-0.

Respectfully submitted,



Gail M. Strickland