

**HAMLET CITY COUNCIL MEETING
COUNCIL CHAMBERS ROOM
201 MAIN STREET, HAMLET, NC 28345
TUESDAY, APRIL 26, 2022
4:00 PM
MINUTES**

Governing Body Present:

Mayor	Bill Bayless
Mayor Pro Tem	Jesse McQueen
Council Member	Eddie Martin
Council Member	Maurice Stuart arrived at 4:32 pm
Council Member	Abbie Covington left at 5:25 pm
Council Member	Oscar Sellers left at 6:10 pm

Staff Present:

City Manager	Matthew Christian
City Clerk	Gail Strickland

Others Present:

1. Call to Order

Mayor Bayless called the meeting to order at 4:07 pm.

2. Adoption of Agenda

Council Member Covington motioned to adopt the Agenda. Council Member Sellers provided the second. The vote was 4-0.

3. Approval of Minutes for April 12, 2022 Regular and Closed Session Meetings.

Council Member Covington motioned to adopt the Minutes. Council Member Sellers provided the second. The vote was 4-0.

4. Budget Work Session

City Manager Matt Christian listed the goals and priorities Council set at the last meeting as: people, equipment and infrastructure.

Personnel

The Manager presented Council with a revised Organizational Chart that will best facilitate the team. He stated he plans to build out a compensation plan based on the duties of the employees. The Chart is a step in the right direction to make improvements in the employee pay. Mayor Bayless inquired if there were any additional employees. Mr. Christian advised there were not; the chart has 84 full time employees and a few part-time. He also advised, when asked by Council Member Sellers, there are no loss of jobs. The Organizational Chart will change some job descriptions and compensation will be based on duties. Council Member Martin expressed concern of the placement of the City Clerk on the Chart, stating Council appoints the City Clerk. After discussion by the Board, the Clerk was placed on the plane with the City Attorney and Manager, under Council. The Manager advised he will put together comparable salaries; once finalized, he will send them to the Council Members. Council gave consensus of the Organization Chart with the change in the placement of the City Clerk. Mr. Christian confirmed with Council they were

okay with the addition of the Public Utilities position. Council Member McQueen inquired where the Manager would get the comparison of salaries. Mr. Christian answered the NCLM has one with population bands. He will have to look at job classifications to make sure they are looking at the same duties. He has asked Rockingham to submit theirs and he will work with Department Heads to obtain the information. Several employee positions were discussed.

Equipment

The City Manager and Council reviewed the Menu of Capital Requests determined by the Department Heads' requests. The Mayor asked if the items were included in the Budget Overview. Mr. Christian replied the present budget is only operational. He suggested the best way to proceed was for Council to determine parameters they felt comfortable staying within to make capital purchases. The list has his recommendations indicated. His recommended capital purchases for the General Fund total \$403,000.00 and for the Enterprise Fund total \$336,000.00. The General Fund Balance as of June 30, 2021 was \$3,521,135.00 and Enterprise Fund Balance was \$1,533,798.00. These are unrestricted dollars, cash on hand. Council Member Covington asked if the ARP Funds were included. The Manager stated they were not. Council discussed the cost of the \$30,000.00 sign for the Senior Center, the purchase of a new mower, and the need for adequate security at the Depot Complex. Mr. Christian reported Mechelle Preslar has requested a part-time employee. Council gave consensus of the part-time employee and suggested the position may need to become full-time with all the on-going activities at the Depot. Council suggested the cell phone software used by the Police Department to gain access into phones could possibly be shared between the Sheriff's Department and the City of Rockingham. A new evidence room and body armor for the Police Department were discussed. The Manager will ask the Chief for the minimum amount of body armor needed and the use.

Council Member McQueen asked for the Fund Balance Percentage. The City Manager, after reviewing the Financial Statement, reported the current Fund Balance is 73% of the Budget, the City has \$3.5 million in the bank in the General Fund. Council Member McQueen suggested making the Capital Request purchases now. Mr. Christian advised there could be a problem with getting the orders in before June 30th. After discussion by the Board, the Manager advised he will see what he can put together and bring Budget Amendments to Council. The Manager inquired if there were things on the list not marked that should be. Council Member Covington suggested repairs to the tennis courts and adequate body armor for the Police Department. Council Member McQueen stated they do not need 23 tactical vests.

The Manager discussed renovations to the front of the Administration offices to provide additional workspace. Council Member McQueen suggested moving the Council seats in the Chambers forward and creating a meeting room for the Board behind their seats.

Mr. Christian discussed the need for help with planning, a consultant to market the community and plan for the future. He will update the list and see what can be accomplished this year.

Garbage Rates

The Manager discussed the current fees for garbage collection. He reported the total annual Budget for the Sanitation Department, after changes in the Structure Chart, is \$436,000 and the annual revenue is \$335,000; the rates are not covering the costs. He provided information on the City of Rockingham's fee schedule. Mr. Christian recommended an increase in the base rate for garbage increase from \$10.00 to \$15.00 monthly and an increase from \$3 to \$5 for each additional can. Council Members McQueen and Sellers expressed concern of those on fixed incomes. It was confirmed Sanitation is in the General Fund. The Manager gave a 10-year projection with a 2% annual increase of costs and the purchase of a garbage

truck every 2 years. The projection showed, if revenues remain flat, the expenditures will exceed the revenues by \$2,431,573.00. Mr. McQueen asked how the expenses were determined. Mr. Christian advised the expenses are the entire Sanitation Department. Council McQueen questioned the expenditures, stating the City does not purchase garbage trucks every 2 years. He added the employees that collect garbage also do other work in the City. The Manager replied you have to budget for the positions and the Public Works Director has indicated it takes 6 employees for the garbage routes. Mr. McQueen asked for the amount of revenue lost last year. Mr. Christian replied the past few years have not been budgeted properly, the numbers would not be valid. Council Member McQueen said he will not vote on the increase when the City has a 70% Fund Balance, and the citizens had a significant increase in water and sewer a few years back. Council Member Sellers stated the City has to look ahead. Council Member Martin said the Manager is on the right track; the City needs to cover expenses. Council Member Stuart was in agreement. He realized people will complain, but they will have to explain the situation. The Manager advised it is his responsibility to review and make recommendations. If the revenues are not covering costs, he has to provide a recommendation. Mr. McQueen advised he wanted to wait and see what the projection would be after a year with the new employee structure in place. He also said the structure shifting would increase somewhere else; if going in the red in the Enterprise Fund, the changes would cause the General Fund to be in the black. Council Member McQueen stated the placement of employees into the different funds is a judgement call by the Manager and may change from one Manager to the next. Mr. Christian asked, if the City is going to be in a position where the revenues do not meet the expenditures, why would we not prepare? Mr. McQueen asked if it was the Manager's recommendation to increase the garbage rates before seeing a year of data from changes in the structure. Mr. Christian confirmed, and stated Rockingham has increased their garbage fees twice.

Medical Insurance Coverage

Council Member McQueen discussed the changes in the City's Health Insurance Plan last year had a significant impact on 10 employees. He felt Council was not made aware of the impact the changes would have. The Manager explained there was a list of the medicines that would increase; the costs increased because the City changed plans.

Other Items

Mayor Bayless advised Council received a letter of appreciation from Crime Stoppers for the donation the City provided. He also asked Council to pay the \$250.00 annual fee to join the High-Speed Rail Alliance. Council gave consensus.

Council Member Stuart inquired on the next steps in the Budget Process. The Manager stated he will finalize the market-based salary plan based on structure and see what the City can buy in the current year and what can be included in the next year's budget for Council to consider. The Mayor stated adjustments need to be made to the Fire Department salaries. Mr. Christian advised they have made some equity adjustments in the bottom half and there will be changes in the structure.

Council Member Martin stated time is running out at the ballpark and asked if they could authorize Chip Gordon to have someone repair the lights. The Manager said he has already given authorization. Council Member McQueen discussed the appearance at Memorial Park. He said he has previously reported the overgrowth and pallets, but the conditions have not changed. Mr. Christian reported he will address the issue with employees tomorrow.

5. Motion to Adjourn

At 6:16 pm, Council Members McQueen and Stuart provided the motion and second to adjourn the meeting. The vote was 3-0.

Respectfully submitted,
Gail M. Strickland
Gail M. Strickland, City Clerk

