

**HAMLET CITY COUNCIL REGULAR MEETING
COUNCIL CHAMBERS ROOM
201 MAIN STREET, HAMLET, NC 28345
TUESDAY, MAY 9, 2023
6:00 PM
MINUTES**

Governing Body Present:

Mayor	Bill Bayless
Mayor Pro Tem	Jesse McQueen
Council Member	Eddie Martin
Council Member	Abbie Covington
Council Member	Maurice McLaurin
Council Member	Oscar Sellers

Staff Present:

City Attorney	TC Morphis
City Manager	Matthew Christian
City Clerk	Gail Strickland
In-coming City Clerk	Cindy Terry
Finance Officer	Edna Miles
Fire Chief	Trey Goodwin

Others Present: Matt Lamb, Chris McDonald, Gail Wise, Susan Sellers, Allen Terry, Ken Bostick, Linda Terry, Marvin Taylor, Monea McLendon, Pat Coleman, Tara Crowley, Oliva Farrah, Samuel Muse, Mildred Dickson, Imogene Thomas, Elaine Thompson, Sylvia Morrison, Mary Baker, Gerard Morrison, Doris Cox, Carol Lawson, Vanessa Quick, Dianne Nicholson, Terry Mercer, Steve Mercer, Jo Williams, Michael Patrick, Don Norton, and Howard Wallace

1. Call to Order

Mayor Bayless called the meeting to order at 6:00 pm.

2. Invocation

Pastor Marvin Taylor of Outreach for Jesus Church offered the Invocation.

3. Adoption of Agenda

Mayor Bayless requested the addition of Item 10A, Proclamation for Dr. Fred McQueen. Council Member Covington motioned to adopt the Agenda with the Addition. The second was offered by Council Member Sellers. The vote was 5-0.

4. Adoption of Consent Agenda

Council Member Covington motioned to adopt the Consent Agenda. Council Member Sellers provided the second. The vote was 5-0.

5. Comments from Attendees

Susan Sellers addressed Council advocating for older adults regarding motorcoach trips. She provided a history of the Senior Center and her involvement as the first Director. Mrs. Sellers offered numerous reasons to allow for the trips and explained the responsibilities of the Director while on the trip. Her

opinion was that a complimentary seat on the tour bus was not a free gift but a stipend for the City. She suggested the City could have policies in place for the complimentary seat. Mrs. Sellers asked Council to reconsider their decision to send the overnight trips to another agency. Council Member Covington informed Mrs. Sellers the Hamlet Senior Center does not receive any funding from the County and asked for the number of participants that are from Hamlet. Mrs. Sellers did not have the information. The City Manager explained the issue is the acceptance of gifts and how they are administered. When discussed with the Senior Center Director, she presented him with the information that the Council on Aging was willing to accept the trips which he felt was the best option. Council discussed pay and comp time for the Director when accompanying the seniors on their trips. City Attorney Morphis agreed the City was right to be concerned with the gift policy. It was consensus of Council to have the Manager and Director prepare policies to regulate and govern the trips for Council to consider at the May 23, 2023 Work Session. The June 4th – 10th trip was discussed. Council stated the Senior Center should continue to do as they were doing with the trips that are scheduled.

Imogene Thomas spoke to Council regarding the trips. She explained she and others are qualified medical staff when they are on the buses and she volunteers as needed at the Center. Ms. Thomas contacted 56 Senior Centers and all indicated they have overnight trips. She asked Council to consider the benefits of the trips to the seniors.

Michael Patrick, a local Pastor and member of the Center, explained his purpose of speaking to the Board was to relay scripture on the aging. He reported he has spoken at the Center many times and feels it is a disgrace to outsource any event with the Center being a Center of Excellence.

Mildred Dickson also addressed Council. She advised she is a registered nurse with vast experience on mental health. Ms. Dickson asked Council to consider the benefits of Senior Center activities for senior adults that live alone or those taking care of grandchildren.

Gerard Morrison came to the podium to express his concerns that he was not permitted to be a member of the Comprehensive Plan Committee as he had requested. He stated he wants to see more diversity on the Committee and feels he has proven himself and does not need to be overlooked.

New Business

6. Appointment of City Clerk

Council Member Martin motioned, based on the recommendation of the City Manager and the City Charter, to appoint Cindy Terry as the City Clerk. The second was offered by Council Member Sellers. The vote was 5-0. Mayor Bayless offered the Oath to Mrs. Terry.

7. Manager's Presentation of the FY2023-24 Budget Message

City Manager Matthew Christian presented Staff's Recommended FY2023-24 Budget (Attachment A). The Public Hearing for the Budget will be at the June 13, 2023 Council Meeting. Council Member McQueen stated many concessions are due to the funds not received from the County and future services may need to be cut. Council Member Stuart felt the budget was lean but good and agreed employees and citizens are important. Council Member Sellers thanked the Manager and Staff for their preparation of the budget. Council Member Covington added the employees are the primary concern and Staff has managed money so the City can continue to invest in them. The Manager acknowledged Edna Miles, Finance Officer, for her assistance in the budget.

8. Consideration of Automatic Aid Agreement for Fire Protection

Fire Chief Trey Goodwin presented to Council to discuss an Automatic Aid Agreement with Hoffman and East Rockingham Fire Departments. The Agreement will assist with the ISO Fire Score, allow more manpower for structure fires and additional water. Both Departments will assist Hamlet, but Hoffman does not require any assistance. Mayor Bayless commented that the State has stringent regulations for Fire Departments. The 3 Departments have been assisting one another, the Agreement makes it official. Council Member McQueen stated the Agreement would benefit the City, Fire Department, and citizens. He motioned to approve the Agreement. The second was offered by Council Member Sellers. The vote was 5-0.

9. Consideration of Yard Debris Policy

City Manager Matthew Christian reminded Council of the previous discussion to have a policy for picking up yard debris. The policy presented captures what we are already doing with some adjustments. One notable change is moving away from the practice of using weight to determine the debris that can be picked up by the City and going to size standards. He also noted citizens have the option of a trailer for large amounts of yard debris. The City also has a separate policy for household debris and construction debris. Council discussed several past issues with violations. The policy sets the parameters that everyone can understand and follow. Council Member Covington motioned to approve the Policy. Council Member Sellers gave the second. The vote was 5-0.

10. Proclamation for Older Americans Month

Mayor Bayless read the Proclamation.

10A. Proclamation – Dr. Fred McQueen

Mayor Bayless gave remarks regarding Dr. McQueen and his recent passing. He read the Proclamation honoring Dr. McQueen for his many years of service to Richmond County.

Other Business

11. City Manager's Report

City Manager Matthew Christian announced the Hamlet Depot activities and City offices will be closing May 29th for Memorial Day. He informed the Public that the fireworks will be July 1st due to a change in vendors. The City will host activities for the children prior to the fireworks.

12. Comments of Council

Council Member Martin announced the first game for the American Legion Baseball game will be June 5th with several dignitaries present and activities planned. He invited the public to attend and provided information that the veterans and students will be admitted free. He encouraged everyone to attend.

Council Member Sellers thanked all the attendees that came to the meeting to support the Senior Center. He asked everyone to support the American Legion and welcomed the new City Clerk.

Council Member Stuart welcomed Cindy Terry as Clerk and thanked the attendees that stayed for the meeting. He announced the ABC Board has made improvements to the facility and will have a tasting in June. Mr. Stuart thanked the Mayor for the Proclamations for Senior Americans Month and Dr. Fred McQueen. The Council Member gave personal comments about Dr. McQueen.

Council Member Covington stated the City will work to resolve the issues with the Senior Center trips. She stated she was pleased to have a budget with no increase in fees or services. Mrs. Covington said the City employees are the ones that give up the most, either in raises or equipment to work with. She

provided additional information on the American Legion's first baseball game and welcomed Cindy Terry.

Council Member McQueen provided his personal comments of Dr. McQueen. He discussed Council's decision months ago to support the Police Chief in a program to have cadets attend BLET. Four cadets have graduated from the program and will be a benefit to the City of Hamlet. He asked the Manager to investigate a complaint of auto sales at the corner of Rollins and Hwy 177. The Manager explained the City can issue a zoning letter and follow policy to address the concern. He stated across the street there is a residential property used for parking commercial vehicles and asked Council for direction on addressing it as well. Council felt the 2 uses were different and deferred the matter to the Attorney. Mr. Morphis will discuss the matter with the Manager. The Council Member discussed the improvements at the American Legion Park and encouraged everyone to support the season, especially the opening game. He acknowledged the tremendous amount of work Chief Martin has put into the Ball Program and welcomed Mrs. Terry as the new Clerk.

13. Mayor's Comments

Mayor Bayless thanked Council for their support on the issues and thanked Edna Miles for her work on the budget. He commended the Senior Center Director that the Center continues to be a Center of Excellence. The Mayor announced the Hamlet Lions Club will have a carnival at the Fairground May 18th – 21st. He thanked City employees for all they do and wished all a great Memorial Day. In closing, Mr. Bayless welcomed Cindy Terry to her position.

14. Motion to go into Closed Session per NC General Statute §143-318-11(a) (3)(6) Personnel and Attorney Client Privilege

At 7:43 pm, Mayor Bayless asked for a motion to go into Closed Session and read the Statutes. Council Member McQueen made the motion. The second was offered by Council Member Sellers. The vote was 5-0.

Return to Open Session

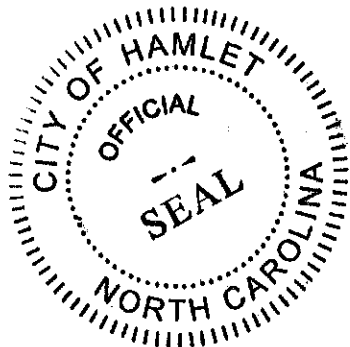
At 8:20 pm, Council Member McQueen made the motion to return to Open Session. The second was given by Council Member Stuart. The vote was 5-0.

15. Adjourn

At 8:21 pm, Council Members McQueen and Sellers provided the motion and second to adjourn the meeting. The vote was 5-0.

Respectfully submitted,


Gail M. Strickland, City Clerk



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OFFICE OF THE CITY MANAGER
 May 9, 2023

**Budget Message
 2023-24
 (Attachment A)**

The Honorable William 'Bill' Bayless, Mayor of Hamlet, North Carolina
 Hamlet Mayor Pro-Tem Jesse McQueen
 Hamlet City Council Members Abbie Covington, Eddie Martin, Oscar Sellers, Maurice L. Stuart, II

Dear Mayor Bayless and Hamlet City Council:

As the City of Hamlet's Budget Officer and City Manager, I am pleased to present for your consideration the Manager and Staff's Recommended Budget for the 2023-2024 Fiscal Year. ("Recommended Budget").

The Recommended Budget is balanced at \$10,784,320. The Recommended Budget consists of a General Fund Budget of \$7,362,820; a Powell Bill Budget of \$217,000; and an Enterprise Fund Budget of \$3,488,200. The Recommended Budget levies a property tax rate of \$ 0.76 per \$100 dollars of value. The Recommended budget appropriates \$1,525,042 of fund balance in the General Fund to cover cost of capital assets and balance the budget.

Chart A: Overview of the Recommended 2023-2024 Budget

General Fund Budget		Powell Bill Budget		Enterprise Fund Budget	
GOVERNING BODY	\$47,400	Total:	\$217,000	NON-DEPART. / CAP. RESV.	\$561,800
ADMINISTRATION	\$447,700			ADMIN. AND ENG.	\$568,300
DEPOT/MUSEUM COMPLEX	\$251,000	Major Powell Bill Expenditures:		WATER PLANT	\$668,600
FINANCE	\$163,500	Personnel	\$147,000	TRANS. & DISTRIBUTION	\$471,400
PUBLIC BLDG.	\$175,100	Street Resurfacing & Patching	\$11,000	WASTE TREATMENT	\$754,700
POLICE	\$2,248,390	Contracted Services	\$28,500	WASTE COLLECTIONS	\$463,400
FIRE	\$1,284,500	Curb, Gutter, & Sidewalks	\$21,400	TOTAL	\$3,488,200
STREETS AND HIGHWAYS	\$771,600	Other	\$9,100	Enterprise Funding is the account for water and sewer system funding	
SANITATION	\$656,400	Powell Bill funding is allocated to participating communities through funds collected from motor vehicle fuel taxes and taxes on vehicles purchased and titled in North Carolina			
SENIOR CENTER	\$149,500				
RECREATION / LAKE PROJ.	\$419,330				
HORTICULTURE	\$208,900				
NON-DEPART. / CAP. RESV.	\$539,500				
TOTAL	\$7,362,820				

In a collaborative effort, the Recommended Budget was prepared amongst City staff coupled with direction and governing input from the Hamlet City Council ("Council"). The Recommended Budget was completed in consultation with the City Manager, Department Heads, and other City Staff. After individual line items were finalized, capital requests and organizational goals were discussed by the Hamlet City Council at special meetings in 2023 held on January 24, February 14, March 28, and April 25. There are additional work sessions scheduled for May 23 and June 27 if needed.

Manager and Staff's Recommended Budget for the 2023-2024 Fiscal Year

The proposed budget closely resembles the budget from the 2022-2023 fiscal year. We have done our best to budget revenues conservatively and anticipate cost increases in various sectors. The single largest source of General Fund revenues are property taxes, which have remained relatively flat in recent years. The Recommended Budget projects \$1,900,000 be received in ad valorem property taxes in the upcoming fiscal year and \$322,000 in vehicle taxes. Staff and City Council have

worked collaboratively to invest in our most critical needs while being responsible stewards of taxpayer dollars.

The second largest source of General Fund revenues is sales taxes. The Recommended Budget projects \$1,410,000 in the various sales taxes, which is a modest increase from the current budget. Our organization is still recovering from the financial loss caused by Richmond County changing the sales tax distribution method. This change was the single largest loss of revenue in recent memory. Natural economic growth has helped make up for some of the initial loss immediately following the change, but high inflation and increased costs of goods and services limit these gains. The main three categories of sales tax revenue collected in FY 2021-22 totaled approximately the same as collections in FY 2015-16. According to the U.S. Bureau of Labor Statistics, cumulative inflation during this same time is 24.16%. Deep budget cuts, limited capital investment, and decreased buying power have caused many problems which are extremely difficult to manage and will take years to recover from.

The most critical asset in our organization is our people. Our employees are at the center of all the services we provide to our citizens. Following multiple years of wage stagnation, in July 2022 we implemented a market-based compensation plan. This market-based approach is a strategic shift from the traditional grade and step plan used for many years. Using salary survey information from the North Carolina League of Municipalities, we totally overhauled our pay plan. This new plan allows us to develop measurable goals, track performance, and adapt to changing market forces in the future. The proposed budget includes a 4% cost-of-living increase to help this plan keep up with rising wages in a competitive labor market.

The 2023-2024 proposed budget includes critical investments in our employees and our services. In addition to the 4% cost-of-living increase for City employees, we are also adding a full-time City Planner and converting an existing part-time administrative position to full-time position. We are also purchasing several new vehicles in multiple departments and new equipment to allow our personnel to better serve and protect our citizens. The two largest purchases proposed in the budget are a garbage truck (\$180,000) and a new 5,000 square-foot Public Works building (\$273,000). Another key focus in the proposed budget is investing in our existing facilities. Projects like replacing roofs, remodeling bathrooms, and installing new safety equipment are not as exciting or noticeable in some cases. Many of these purchases have been deferred in prior years, and even though they may not make headlines, these are necessary investments to maintain our existing facilities.

Lastly, the Recommended Budget does not provide for any utility or service rate increases. Rate increases were reviewed with City Council during budget work sessions, but ultimately Council decided that our citizens and customers should not incur an increase from the City of Hamlet when there are so many other economic uncertainties. The fiscal sustainability of our services will be dependent on revisiting this conversation on an annual basis. Currently both fund balances for the General Fund and Enterprise Funds are strong and we project that the Recommended Budget will support and maintain economic stability for the City residents, customers, and clients.

CONCLUSION

In conclusion, the Recommended Budget is balanced and prepared in accordance with North Carolina General Statute §159-11. Furthermore, the Recommended Budget serves to further the commitments of restoring, renovating, and repairing much needed repairs across the City.

The public hearing on this budget is scheduled to held during the June 13, 2023, at the scheduled Regular Monthly Hamlet City Council Meeting at 6:00 pm. Any person wishing to make comments, or ask questions, may do so at the public hearing prior to the adoption of the Budget Ordinance.

The Recommended Budget is available for public review at Hamlet City Hall during normal business hours. Notice of availability of the document and the scheduled public hearing will be published in the Richmond County Daily Journal.

I would like to personally thank Council for their input in the budget drafting process, the extraordinary staff here at the City, who have worked tirelessly to prepare and assist in the Recommended Budget for Council's consideration. This collaboration is the foundation of our success in the upcoming year.

It is with the sincerest gratitude and appreciation that I, as Budget Officer and City Manager, respectfully submit and recommend this proposed budget to the Hamlet City Council today, May 9, 2023

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Matt Christian", written in a cursive style.

Matthew W. Christian
City Manager

Attachments:
Draft Budget Ordinance
Manager and Staff's Recommended Budget for the 2023-2024 Fiscal Year