

The City Council of the City of Charlotte, North Carolina convened for a Budget Retreat to receive Straw Votes on Wednesday, May 26, 2010 at 12:16 p.m. in Room 267 of the Charlotte Mecklenburg Government Center with Mayor Anthony Foxx presiding. Council members present were Michael Barnes, Susan Burgess, Patrick Cannon, Nancy Carter, Warren Cooksey, Andy Dulin, David Howard, Patsy Kinsey, James Mitchell, and Edwin Peacock.

ABSENT UNTIL NOTED: Council member Warren Turner

Mayor Anthony Foxx called the meeting to order at 12:16 p.m. and said we have a number of adjustments that were discussed the last time we got together and we will have votes on those adjustments today. There is a lot of activity in terms of trying to figure out way through this budget process. I want to say again that what often doesn't get recognized in the process, particularly this year, is the extent to which both the City and the County are dealing with similar shortfalls. We are looking at a \$1.6 billion budget and last year's budget was \$1.8 billion. The work that has gone into managing us through that crisis and the decreased revenues has been going on all year long and that is a testament to our staff and to our Council and previous Councils for the work of giving us policies, procedures and frameworks that have allowed us to suffer a \$10 million shortfall this year as opposed to one that was much more significant. I'm not going to do a lot of preamble on the ideas that have been talked about already. You also know that there has been some conversation about the County Agencies and over the last couple of business meetings ago I raised the question to Council about giving me some feedback on some of the County Agencies that are approaching all of us for help. We talked about it a little bit at the last meeting for adjustments and today there have been some letters and e-mails that have come to us directly from the Chair of the County Commission and several others on the County Commission requesting that we consider additional assistance to the libraries. My intention is to work through the ideas that we've already put on the table and then take that issue up in due course at the end of the meeting and have some discussion on that.

Lastly, I have this intending sense that after today there still may be some need to have conversation as a body about the budget before we go to a final vote. I would ask our staff, just as a provisional matter, to work through helping us to find a meeting time between now and the June 7th final adoption to have available for a meeting time in case we need it. I'm feeling that we may need that and I would at least be able to know that we have if we need it. Better to have it and not need it than need it and not have it. Mr. Manager, you have the ideas that were conveyed at the Budget Adjustment so you want to just start working through those? In this session we had five votes to get an idea up on the wall last time and now we are going through the process of making a decision about whether we want to direct the Manager to incorporate the ideas that were expressed into the budget. For any idea to carry its way into the budget we will need a vote of 6 to do so. It took five to get on the board, but it will take 6 to get into the budget.

Council member Barnes said just to streamline things a little bit, I got what I needed regarding the CBI and I would like to withdraw that item.

Mayor Foxx said is there any objection to withdrawing that? Are you seeking to remove both of those?

Mr. Barnes said I seeking to remove the first one and in effect it would remove the first line of my second one as well.

Council member Dulin said can you tell us, when you say I got what I needed, what does that mean?

Mr. Barnes said it means that I received information from CBI and from folks affiliated with them that I think addressed some of the concerns I had about the value of their work in the community and the community awareness of their work. That is what is so important to me, that the people know about what they are doing. I think there are other opportunities to enhance the way they get that message out, but I'm comfortable withdrawing the item at this point.

Mr. Dulin said I was with him and I didn't know that he had new information. This new information in his response to me is helping me with my decision on how I'm going to vote on \$50,000 for the budget so I would like to continue if I could.

Mayor Foxx said very well.

Mr. Dulin said are you comfortable with where Community Building Initiative is? You must be comfortable because you put it back into the budget.

Mr. Barnes said yes.

Mr. Dulin said okay I'm going to trust you on that one.

Mayor Foxx said there was no objection to the removal so that will not be voted on. We are now down to Council member Carter's adjustment.

RESTORE FUNDING FOR IMAGINON (CHILDREN'S THEATRE) FY11 WITH ONE YEAR NOTICE BY DECREASING COUNCIL DISCRETIONARY AND ELIMINATING COUNCIL'S PAY ADJUSTMENT.

Council member Carter said it is a partial amendment because of the discretionary funds. What I would propose the difference that needs to be made up there would be from future discretionary funds for Council.

Council member Cannon said would that be like FY10 and FY11?

Ms. Carter said yes, that would be \$50,000 approximately.

Council member Burgess said would you say that again? This year it would be restored, but in the future it would decline by \$30,000.

Ms. Carter said exactly, that they would be on notice.

RESTORE FUNDING FOR IMAGINON (CHILDREN'S THEATRE) FOR FY11 AND LAKEWOOD COMMUNITY DEVELOPMENT CORPORATION FROM CRIMINAL JUSTICE TECHNOLOGY RESERVE; AND RESTORE CITY SUPPORT FOR SCHOOL RESOURCE OFFICERS AND SCHOOL CROSSING GUARDS FOR FY12.

Ms. Burgess said my motion was a little different. Mine was just to restore it and not give them one year notice of reduction. You really have two choices there to vote on and I don't want this to get lost before Ms. Carter's proposal passes that we give them on year notice and mine is just let's fund it.

The Mayor said so you are against this motion?

Ms. Burgess said I would be against it but only because I favor my proposal which was to restore their funding.

Council member Kinsey said there is something further down. I think Mr. Cannon suggested the restoration of the Theatre funding with one year notice which I support, but also taking money from this year's discretionary fund and next year's and that is what I can support. I'm not sure that is what Ms. Carter was saying. I can't support it as it is up there right now.

Council member Howard said I don't understand.

The Mayor said you have multiple adjustments that involves the same funding issues. What Ms. Burgess was saying was that in order to look at this fully you need to know what all of these would do. In some cases you would fund for a year from one source and you might fund it from a different source under a different adjustment so you really need to know where you stand on all of them before you vote on one of them.

Mr. Howard said the difference between Ms. Carter's and Mr. Cannon's, they essentially just because the same one.

Ms. Carter said no, as a pay increase for the Council.

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Ruffin Hall, Budget Director, said perhaps I can help a little bit. If you look in your Packet on 6 and 7 when staff reviewed this particular amendment, because the proposal didn't balance exactly because we didn't know the amount of Council's pay increase, if you look at the bottom of Page 6 and beginning of Page 7, we suggested that if you are going to take a step in this direction that the \$60,136 would come from FY11 Council Discretionary Fund as an amount necessary to balance. I think that is what Ms. Carter's was saying in her introductory comments. It certainly up to the Mayor and Council but I'm just suggesting to you that we did look at that and if you want to view that amendment in that regard, if that is what Ms. Carter intended it does balance.

Ms. Kinsey said I need to know where you are getting this.

Mr. Hall said it is your Straw Votes packet for May 26th. We have some extra copies if you need them.

The vote was taken on Ms. Carter's proposal and was recorded as follows: Barnes and Carter.

RESTORE FUNDING FOR IMAGINON (CHILDREN'S THEATRE) FOR FY11 WITH ONE YEAR NOTICE BY ELIMINATING COMMUNITY BUILDING INITIATIVE AND REDUCING COUNCIL DISCRETIONARY.

Mr. Barnes said my intent was to restore the funding for one year, giving them notice that it won't be continued thereafter and take those funds from the current fiscal year discretionary and Council's discretionary and the 2011 discretionary.

Ms. Burgess said the difference in that motion and my suggestion was that it would be delayed a year whether or not we would reduce it by a third for the next three years. In other words, we don't put them on notice and the Council next year would make that same decision. It still could happen, but rather than make the decision now that it would be reduced, we would make that next year.

Mr. Cannon said does notice mean that they are on notice not to receive future funding or does notice mean to just kind of be on standby for a potential change in funding to occur?

Ms. Burgess said you will have to ask one of the makers of that motion.

Mr. Cannon said I did so because we were having a conversation with Ms. Carter at the time.

Ms. Burgess said the difference in yours and mine is that we not make the decision not to fund them until next year. That way things may turn around, their situation may change. We are in such unknown territory right now and I think we should wait until next year to make the decision whether or not we can afford to fund them. It looks like there is support for funding, it is just whether or not we don't make any statement about the future or we make a statement and put them on notice.

Council member Cooksey said I'm inclined to go ahead with the Manager's recommendation and start the phasing out now, given the ultimate policy goal that Council is not to be doing operating funds, even for buildings we own. Doing operating for building we don't own is even less sensible, but if there is to be restored funding in the FY11 budget I would suggest that the decision to give the notice be done now because an argument with the Children's Theatre, which I am sympathetic to is that they have gone through their budget process, not necessarily knowing that this is what Council would do. If we just restore funding and leave it to next year to make the decision this Council will be up to this same argument that, Oh, we didn't know as we were doing the Children's Theater budgeting, please don't cut it. If there is enough votes to fund it this year, but an interest in maintaining this idea that we are not going to keep doing operating, let's send a clear message this year so that the Children's Theatre and ImaginOn can be prepared with the do their budget cycle next year to know there will be \$94,000 less.

Mr. Howard said part of what Ms. Burgess asked for was for the Manager to meet with the School System about figuring out other ways in the next several months and not waiting until next year on that. Would that not be the same situation with this one, as opposed to waiting until

next year, have some conversation about a position one way or the other on phase out or not phase out, or another way to do it prior to next year, or prior to them doing their budget next year.

Ms. Burgess said right, I think it follows the same logic that we don't make any decision right now about the future, that we give them this year for dialogue and see what the possible alternative would be.

Mr. Howard said does that make sense Curt? Do you see it that maybe there could be some conversations with them about phase out and how it is done and timing between now so it is not a surprise to their budget process?

City Manager, Curt Walton, said ultimately I think we will be in the same place next year at this time. We will say no, they will say yes, so we'll negotiate, but I don't know unless we go from phasing out over three years to phasing out over four years or two years, I don't know that it will be different. They want to continue the funding so I would suggest you go ahead and make the policy decision now, but that is entire your call.

Mr. Barnes said it occurs to me as I look at my item that as a result of the withdrawal with respect to CBI that my proposal is the same as Mr. Cannon's except that he is taking more of the funding from FY11 so I agree with his proposal which is in effect what I'm trying to adopt.

Mayor Foxx said are you going to vote against your proposal?

Mr. Barnes said only because there is a deficit. There is only \$45,000 in it if we do it they way I've currently got it structured. His addresses it in total.

Mr. Dulin said I agree with Mr. Cannon and those of you at the dais that think we need go to ahead and put on notice the Children's Theatre. This is a building that we do not own that we are paying literally the custodial expenses for. Literally, it is like paying for the cleaning services of your neighbor's home and it is not our responsibility. We are a little big quick on our yanking of the cash. I am now in support of funding them for this year, and instead of being a three-year downsize, it is going to be a four-year downsize for us, but letting them know. We've got to let them know now that next year they truly are going to be \$90,000 short. That gives their board, a very well run board, but it gives them a year to go ahead and know, and this community and that group can make that up. They have to. The City of Charlotte does not own that and we are paying every night for a cleaning crew to go in there and change the toilet paper and mop the floors and it is not our responsibility. When we get down to it I'm going to support it and I'd rather pay for it out of the technology budget that we have sitting over at the Court House than pay for it out of our discretionary fund, which is in my opinion over used. When I get the opportunity to vote to restore the funding out of the technology budget I will vote yea for that.

The vote was taken on Mr. Barnes' second adjustment recommendation and was recorded as follows: Yeas: none

The Mayor said alright let's go down to Mr. Burgess' recommendation.

Ms. Burgess said I don't want to be in the position of voting against the Children's Theatre whether it is with one year notice or with no notice. I've never done this before but if it is going to pass with a year's notice I just want to be on record of supporting Children's Theatre.

Council member Peacock said do you want it to come from a different source?

Ms. Burgess said I want to see where the votes are first.

Mr. Howard said my question was whether or not she was now agreeing that are motion is in the spirit of a one-year notice and she said no.

Ms. Burgess said I'm not hearing any support for my motion of delaying the decision until next year.

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Mr. Howard said this is the only other one that uses the technology to balance it out, and that is why I wanted to hear Ms. Burgess' clarity on whether or not it was talk or just do a one-year notice.

Ms. Burgess said since we are voting on this first I will see where the votes are and when the other motion comes up and I can be on record of supporting the Children's Theatre.

Ms. Kinsey said embedded in Ms. Burgess's suggestion is the Lakewood and I have made a suggestion as well, but money coming from somewhere else. I just want to make sure that before the vote is taken that you now that I did check with the Manager and he suggested that the \$60,000 come from PAGO rather than another pot. Is that correct, Mr. Manager?

Mr. Walton said that is where it is currently funded, in PAGO.

Ms. Kinsey said I just wanted to make that clear before we started voting.

Mr. Dulin said can we put Lakewood on a one-year notice as well?

Ms. Kinsey said I would suggest that.

Mr. Dulin said we've got some tinkering around to do on some of these motions as we work through it.

Mr. Howard said we are hearing two different things on this same one and that is to restore the Children's Theatre and it sounds like Ms. Burgess was saying not put on notice. Separate that from Lakewood and still using technology as a way to fill the gap on Children. We don't have another motion that does that.

Ms. Burgess said I think we could divide the question whether or not you want, just on Children's Theatre, that is all we are talking about right now. Whether to fund them and delay the process of giving them notice or to fund them this year and put them on notice that cuts are coming. If we could vote on that part and then vote on the source of funding I think we would have a clear vote.

The vote was taken of Ms. Burgess' adjustment recommendation and was recorded as follows: Burgess, Howard and Mitchell.

RESTORE FUNDING FOR LAKEWOOD COMMUNITY DEVELOPMENT CORPORATION FROM PAY-AS-YOU GO FUND BALANCE WITH ONE YEAR NOTICE.

Ms. Kinsey said I would add putting them on notice.

Ms. Burgess said if we are still on mine, to which the Mayor said no, we've gone to Ms. Kinsey's.

Ms. Burgess said I have Lakewood on there too and that is to restore it.

The Mayor said I'm sorry I thought we were voting on the whole part of your motion.

Ms. Burgess said oh no, item by item. I would like to stay on Children's Theatre and make some decision on that regardless of who made it. The only motion with dividing the question is restore funding with a year notice and then the second part of that question was it would be how we fund it, whether it comes from discretionary or the Manager's recommendation of PAGO which is fine with me.

Mayor Foxx said if we vote on something it has got to be the amount we would add and the source attached to it. Are there any objections to Ms. Burgess' idea? Hearing none go ahead and lay out the first motion.

Ms. Burgess said the first motion would be the Cannon/Carter recommendation to restore Children's Theatre funding with one year notice. That is the first vote.

Mr. Dulin said the question is where does the funding come from.

Ms. Burgess said that is the second part. We are dividing the question.

Mr. Dulin said we are going to fund it first and then figure out where we've got the money.

Mr. Cannon said are we talking about the source being the Criminal Justice Technology reserve?

Ms. Burgess said no, we are talking about the source at all right now. Right now it is just funding them, with a one year notice.

Mr. Cannon said I just want to understand the science of why not go through what we have before us?

Ms. Burgess said we have an agenda item on Children's Theatre and in my opinion we should just finish that agenda item.

Mr. Cannon said that's fine, I'm okay with that.

RESTORE FUNDING FOR IMAGINON (CHILDREN'S THEATRE) FOR FY11 WITH ONE YEAR NOTICE.

Mayor Foxx said keeping Children's Theatre with one year notice is the concept. We're not drawing from funds at this point, it is a concept.

Ms. Carter said I thought there were three issues there, support the Theatre, not support the Theatre, or support the Theatre with one year notice.

The Mayor said those options I think will be discussed in turn, but the first one is support the Children's Theatre with one year notice.

Ms. Burgess said if you are opposed to the funding at all you would vote against the funding with one year notice.

The Mayor said Children's Theatre restored with one year notice – all in favor- Barnes, Burgess, Cannon, Carter, Dulin, Howard, Kinsey, Mitchell, Peacock and Turner. Council member Cooksey voted no.

Ms. Burgess said now the source, the Manager recommended PAGO, is that right?

Mr. Howard said no, that was for Lakewood.

Ms. Burgess said the source would be 2010 and 2011 discretionary or technology reserve. My preference is technology reserve just because I hate to dip into next year's discretionary because who knows what might come up next year that we would need it.

Mayor Foxx said Mr. Manager do you have a recommendation on source?

Mr. Walton said it depends on what else is coming. I really think it is a toss up. I guess at the magnitude of \$94,000 I would probably take it from Criminal Justice.

Mr. Cannon said I think we want to be a little bit cautious about that. I know that there is \$2.25 million out there and it is sitting pretty. It is hard to deny money that is just sitting out there saying take me, but at the same time I hope we would be a little bit understandable about where are trying to go with technology as it relates to the Criminal Justice System. All the things that are happening on the Federal level and how we've been engaged in that discussion, what is also happening right now on the state level with the Governor, I know will be involved in several related discussion as it relates to Criminal Justice technology, trying to help us here. Money goes really quick in the form of using technology. Council member Mitchell who has been in the business of IT knows that extremely well, and it can just get gone quickly. When I tell you we are going to need every cent of that money for this area, we will need it. The Manager just said,

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it depends on what comes and he is absolutely right. If we aren't looking at what the potential is in terms of what is to come, we could very well lose out on what we need in the way of technology. Am I right or wrong about that?

Mr. Walton said you are correct.

Mr. Cannon said if that is correct for the record according to the Manager, I would once again caution us from using that as a means of funding.

Mr. Barnes said I agree with Mr. Cannon and to put a finer point on it, one of the reasons that I thought using the discretionary fund would be an appropriate source is that we historically haven't exhausted that account anyway. Secondly, we shouldn't be traveling as much anyway.

Mr. Cooksey said that as we are identifying in our budget what our lines items are and we take a line item as we adopt our budget that is \$2.25 million for Criminal Justice Technology Reserve, reduce it by \$94,000 for Children's Theatre and then six months down the road have an opportunity for Criminal Justice Technology that requires \$2.25 million, we will take the \$94,000 out of our contingency fund and bulk it up and go with it. However, if we take the \$94,000 out of the contingency fund now, leave the Criminal Justice Technology Reserve at \$2.25 million and something comes up six months down the road, it is going to be awfully hard to pay for that out of an identified line item that has been adopted in a budget of Criminal Justice Technology Reserve. Again I'm not in favor of going forward with this at all. I like the Manager's recommendation, but it is going to do it, go ahead identify the technology reserve as \$94,000 less than that is in there now and you still got the money because you combine the contingency and the technology reserve of unspent or otherwise allocated money, it is the same amount of money.

Mr. Cannon said it is the same amount of money and you are still getting there regardless of what you do.

Mr. Cooksey said I appreciate it Mr. Cannon, but my point is I think it is easier to tinker with the amount in the Criminal Justice Technology Reserve when we are setting a budget for a fiscal year, leaving your contingency as the Manager recommended funding it rather than six months down the road having a non-technology funding item come up that this Council desires to pay for and not have any contingency money to do it because we spend it in the budgeting process. Whereas if a technology opportunity, where we've got a defined line item comes up in six months we can find contingency money to supplement it. That is my point. This is where we make things hard and fast, not six months from now.

Ms. Burgess said can I direct you to Page 11 in the material? Court technology is a state responsibility and they are not going to be ready in the next year to have anything that we help fund. What the Manager says is \$3 million now appears to be insignificant of that total costs and the City cannot afford holding funds indefinitely in reserve during this budget crisis. I think that is a very good source of funding for some of the immediate needs that we have right now because it is not going to be spent in the next year. I agree that we can't afford to hold money in reserve for something we don't even know if it is going to happen. I also heard that the state is going to increase significantly their support for this technology. It is hopefully they will be able to pay for it. It is their responsibility, not ours. We were just trying to help our Police Department get repeat offenders into court quicker and it looks like that has improved a lot as well under Chief Monroe's partnership. His second recommendation was to hold the \$2.25 million balance in reserve for potential budget issues next years, so he is recommending it be spend for City matters. Is that correct?

Mr. Walton said to be held, hopefully not to be spent but it is just another backstop.

Ms. Burgess said that is why I think that is a better source of funding than taking our discretion money from next year because we could have huge needs next year we haven't anticipated.

Mayor Foxx said we are voting on the source and it is going to be straight forward between discretionary and Criminal Justice.

Mr. Cannon said with the discretionary funds that do come about as all of us know, I think it is recommended for \$150,000 for this year. It has been as high as \$250,000 in the past and if those are dollars that are coming about potentially in the future, and even now if we so desire to have it to happen, what it means is that on that rainy day that you made reference to, you have something to go back toward rather than tinkering with what we are trying to do to help with Police services. What we have available for Police is going to be crucial for this community, and for us not to be about that program of insuring that we are about Police services, knowing that we need every nickel we can muster up, we need to be conscious about the source. I just put that out there to say it is not like we are drying up a fund and we are not going to be looking at the potential not to have a discretionary account again. We will, so I want to make sure that is understood. Either way I would love to be the Children's Theatre, it looks like they are good to go no matter how you cut this.

Ms. Carter said one-third of the budget is \$30,668 which remains in this year's discretionary fund which has not been tapped out. I would like to see that entered into this proposal, tap that out and then go to the Criminal Justice fund for the remainder.

Mr. Walton said just a suggestion for you to consider, with the exception of Lakewood which is in PAGO, everything else is pretty much general dollars and can come and go. One thing you might consider is go through what you want to increase and then look at it again relative to any decreases and look at the funding sources because they are all cash. They are all within your control so whether it is discretionary fund balance or the Criminal Justice, you can mix and match among those funds anyway you choose.

Mr. Dulin said I wish you had told us that 30 minutes ago.

Mayor Foxx said we may land there, but we went through the discipline of trying to figure out what to add and where to take it from so I would rather stick with these concepts. Right now you've got a decision to make about where to take money to support Children's Theatre. There have been really three ideas cast out, one is to take it from discretionary, one is to take it from the Criminal Justice Technology and the other one is to use the balance of our discretionary this year and the difference from Technology.

Mr. Howard said I just want to clarify it, the discretionary for this year, if something came up between now and the end of June.

Mr. Walton said yes, the end of June.

RESTORE FUNDING FOR IMAGINON (CHILDREN'S THEATRE) FOR FY11 WITH ONE YEAR NOTICE FROM COUNCIL DISCRETIONARY.

Mayor Foxx said all in favor of drawing it from the discretionary account raise your hand - Barnes, Cannon and Mitchell.

RESTORE FUNDING FOR IMAGINON (CHILDREN'S THEATRE) FOR FY11 WITH ONE YEAR NOTICE FROM CRIMINAL JUSTICE TECHNOLOGY FUND.

All in favor of drawing it fully from the Criminal Justice Technology raise your hand - Burgess, Cannon, Carter, Dulin, Kinsey, Peacock and Turner.

RESTORE FUNDING FOR LAKEWOOD COMMUNITY DEVELOPMENT CORPORATION FROM PAY-AS-YOU-GO FUND BALANCE WITH ONE YEAR NOTICE.

Mayor Foxx said Lakewood CDC, I'm going to try to shorten this up. There are two proposals to refund it. One would take it from technology, the other would take it from PAGO. All in favor of taking it from PAGO raise your hand - Burgess, Cannon, Carter, Dulin, Howard, Kinsey, Peacock and Turner.

Mr. Walton said that is with the notice?

Ms. Kinsey said with notice.

Mayor Foxx said Ms. Burgess, your points on restoring.

RESTORE FY12 SUPPORT FOR SCHOOL RESOURCE OFFICERS AND SCHOOL CROSSING GUARDS.

Ms. Burgess said that is just for dialogue with the Superintendent. We don't need to vote on it.

The Mayor said I want that. I think that is a good idea and I think it makes sense. If there are any objections express them now.

Mr. Cooksey said it has been a while since that was last repeated what was that proposal?

Ms. Burgess said that this year there was no money deleted in the Manager's budget for school resource officers and crossing guards, but to be them on notice that that would happen in the future. What I would rather do is use this year to talk about it and then have a recommendation next year. I haven't heard a peep from anybody in the school system about this and I don't think they know it. Maybe the Manager or Mayor has, but the way I see school resource officers is the Police protect all of our citizens and we happen to have 140,000 them in school for 7 hours a day. It is pretty efficient use of police time to have them there in the school house where they can react to potential harm or danger. School Crossing Guards is not that much money and I just think it is harsh not to protect the little children. These are elementary school children from accidents and we know they happen. It is a pain in the neck to administer because there are a lot of people who work very low wages who work a split shift and I'm sure it is a headache for the Police Department, but I think it is important that we protect our elementary kids. Having a year to talk to the Superintendent and the schools are in such dire need right now it is just a hard time for me to whack them again.

Mayor Foxx said I think the thought behind this is that if the Manager recommendation goes without some statement like this from us then the funding will automatically be pulled out during the next budget cycle with no further discussion. The Manager is basically asking us for direction to do that in the next budget cycle. With this change it does not automatically occur and there is an opportunity for us to have some more dialogue about it.

Mr. Cooksey said I'm not clear what we are trying to get out of the dialogue because as far as I can tell, the choice is we keep doing it because they won't or we stop doing it and make them take care of the children that are under their care. What is the conversation, what are the discussion points on this? Mr. Manager, how would you interpret the direction of the motion?

Mr. Walton said I think it is sort of like the earlier conversation. We will say we are not going to do it and they will say they are not going to do it either. I expect it to be right back here. It is an important function, I think the question is who pays. This was again to shift us toward that unfunded \$5.5 million that we have coming on line in 2014 for the stimulus officers that we added. It is not shifting it out of public safety, it is moving it towards more officers on the street. Officers in the schools are very important and hopefully there is a way to do that. CMS does have some degree of a police force now that they didn't use to have. It is not a very large force, but it could be something that sits there.

Mr. Barnes said I think the Manager just responded in part to the issue I was going to ask about and that is whether Chief Monroe had expressed some desire to redeploy these assets to the streets to patrolling. We made a commitment with respect to those 125 officers and we should be prepared to pick up that tap in three years as you indicated. I'd like to understand the rationale behind the recommendation. I read what was in the book, what you just said helped to amplify the point. I am comfortable having a conversation, but it is worth no more than that to me because we've got a responsibility to the people of this city that we made when we decided to hire those 125 officers. If taking that step helps us to fund those positions we need to do it that way.

Mr. Dulin said I concur Mr. Barnes. One of the reason why this board, this Council and this city side of the local government here is not in such dire straights is that we have operated for
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ourselves, with Manager Walton, Manager Syfert, and Manager White before in a relatively conservative manner. Some might argue that one way or the other, but we are pretty good about watching our money. I can say this and my words right no on this subject are personnel because I am a consumer of not only school crossing guards, but of school resource officers with children in the public schools and I have children that walk to school every day, including today and there is a school crossing guard there at a dangerous intersection of Barclay Downs and Runnymede. They are counter levered, one is higher, one is lower, traffic is fast. That said, school crossing guards and school resource officers are not the responsibility of this board. Officer Leak at A.G. Middle School, I'm proud to report was the CMPD award winning officer for school resource officers this year. I came to the presentation and watched him get his plaque. Officer Leak is a great fellow and he does a good job at A.G. Officer Leak's responsibilities and his talents and skills can be used other places in my opinion to help our community as well. I'm in favor of the Manager's recommendation to phase these folks out. We are not losing 49 resource officers and they are not losing their job. Officer Leak has a patrol car parked at A. G. Middle School from 7:00 in the morning until 4:00 in the afternoon. That patrol car is going to be in somebody's neighborhood now patrolling a neighborhood instead of parked at A. G. Middle School. I'm in favor of getting those 49 officers into the neighborhoods and it is correct that the Charlotte Mecklenburg School System does now have sworn officers. This is a high level of sworn officers. They are certified by the state and they don't have as many as they need, but that will grow as well. This is a good budget season for us and this Council does a good job. We are dialing in what we are supposed to be taking care and what we are not supposed to be taking care of and we are not going cold turkey at the Children's Theatre and we are not going to cold turkey at Lakewood and we are not going cold turkey for school resource and crossing guards, we are giving folks in this community the opportunity to see that this Board is getting back to what we are supposed to be doing. Getting these officers on the street will help us do that. I'm going to support the Manager's recommendation.

Council member Turner said this one has been a tough one for me and I think over the last two or three years I've had my opinion about it. I have pushed in the past to have these monies taken from these sources and I think we should be out of that business. Every area may be different but I can only tell you from some of the areas that I have observed, and I give you Nations Ford Road School area, there is an officer there but the officer is not controlling the traffic. There is a citizen and I don't know if it is a teacher or a parent, with a vest on standing in that street every day. The officer is standing on the side. I don't know if he is there in case somebody does run through and they can do something at that point, but it is a source that I have always targeted and thought that we should get out of the business and put that responsibility back on the school system. We haven't always been in that business if you look at the history some years ago it was left up to teachers and parents to do that so I think now that we have lights and proper cross walk areas that help these young people get across the street with an adult assistant works very well. I support the Manager's recommendation that we remove this money.

Mr. Howard said on the resource officers, you are not talking about taking them out of the schools, you are talking about changing the formula that our part of what we pay for those officers.

Mr. Walton said for next school year beginning in August, no change. For the school year that begins in August 2011 it could take CMPD out if they choose not to contract with us to do that. We have a contract now that they pay a certain portion. They could choose to contract with us or they could choose to do it themselves through their own or they could contract with some private security force. It is really their option.

Mayor Foxx said I think the difference between what the Manager is recommending and what Ms. Burgess is suggesting is relatively small. The big thing is if you support the Manager's recommendation you are making a decision to implement that transition today. If you support Ms. Burgess' recommendation you are giving yourselves and the economy a year to give us a little more time to see how things materialize and to have a discussion between now and then. We are on notice but this is something that our public safety officers and our City Manager believes is expendable. That message has gotten loud and clear to us. My concern about this really has to do with adding costs to schools that have very little ability to absorb that and everything I've read suggest that next year is going to be a worse year for the school system than this year is because the recovery act money is going to go away.

Mr. Cooksey said the issue of timing on this I think is more repeating and being clear about, if we don't give the Manager this direction, in my opinion, if we don't give the clear direction about where we want to negotiate the FY12 contract today then we lose the opportunity to implement any kind of change with the school system until FY13.

The Mayor said I don't think Ms. Burgess' recommendation was not to enter into negotiations with the school system. I think her recommendation was to enter into negotiations with the school system without presupposing that we would cut them in a year.

Mr. Cooksey said given the very, very slight difference with that Mayor, I'm going to stick with the Manager's recommendation.

The Mayor said all in favor of Ms. Burgess' recommendation raise your hand. Mitchell, Burgess and Howard.

Mr. Dulin said does the end result of that mean that we are going to let the school system know that after 2011? I want everybody to know that next year I will continue to be a consumer of school crossing guards and school resource officers with kids in public schools. It is a difficult thing for me to do, but it is the right call.

ADD ONE-TIME FUNDING CONTRIBUTION TO COMMUNITY CATALYST FROM CRIMINAL JUSTICE TECHNOLOGY RESERVE.

Mayor Foxx said we are down to the Community Catalyst Fund recommendation to take \$250,000 implement that to the Catalyst Fund and take it from Criminal Justice Technology Reserve which Mr. Howard made the recommendation.

Mr. Howard said this is an obvious public/private effort and I'm involved in the foundation, but it also includes the Levine's who have challenged the Foundation to do some pretty incredible things in my estimation with our human services community, trying to find ways to get them to merge, to talk and to cooperate. Just from the standpoint of it being public/private and participating in such efforts as where I would start, to pull down a little bit more, Monday night we had a fairly lengthy conversation about the Mayor's Summer Youth Employment Program and we had a chart showing all the different things the City is involved with when it comes to reaching out to youth and I think it was crime prevention, enrichment and I forget the other areas, but these categories of programs that we have to reach out to the youth. This is another one of those opportunities by the corporate community to get involved with us trying to find ways to consolidate, find better models and a better delivery system. A lot of what came from this committee a couple days ago about concerns about that, to me it sounds like a great opportunity to work with the corporate community to figure out how we deliver at least after school and maybe we expand it and look at the youth average programs we have for this community as a whole. I heard from this body that it didn't seem to be focused or organized around anyone particular thing. We know the Chief is going in a certain direction. It seems to be a great opportunity to join hands with the corporate community and the Foundation to figure out a better delivery system for what we do with youth.

Mr. Peacock said I'm going to echo the sentiments of Mr. Howard and support this notion. I wanted to read to the Council on Page 13 a paragraph that staff had put in here. "The Foundation revised the proposal to support comprehensive analysis of after school and summer youth programs. The analysis would explore, innovate, collaborate, and find more efficient strategies for the delivery of after school services with an eye toward the restructured system. This one-time city contribution would then be used toward the match of \$1 million grant offered by Leon Levine." Two things jump out at me at this Council, number one, I believe we've all expressed our sentiments about after school programs and having a hard time as a public body here to be able to figure out how best to help them be more efficient and I simply don't think we are capable of doing it. I think the Foundation has put together a sincere effort here and when you the Levine's willing to put that much money up in order to back them and their effort, I think we need to support an organization that is willing to roll up their sleeves and solve problems that we just simply have not had the time to do. The other thing that impressed me is when Michael came and talked to us and Michael can you remind me again what your nickname is.

Michael said Merger Mania Mike.

Mr. Peacock said I like that. I think this is something that we don't have the band with to handle and I think that all would argue that this after school program is extremely important to continuity in this community and we need to think about this. The final thing I will point out just as a message back to the Foundation, this is a one-time contribution and I do like that aspect of it probably the most. With a one-time contribution that might suggest that this Council or future Councils might not hear from you again. I don't think that is going to be the case. I think that you should be reporting back to us on a regular basis and should be sharing the successes and the failures and where you need help from this body in order to put pressure towards those people in the not for profit community that maybe aren't cooperating as much as you would like because what I like about this is speaks to public and private. We simply can only do so much, but when you have people with the size of contributions and philanthropic pockets of the Levine's I think it speaks to what you are trying to accomplish. I'll support this motion from Mr. Howard.

Mr. Howard said I would also like to see if there is a possibility to grow the scope of what they are talking to maybe include some of youth conversation we had the other day. What I'm trying to say is that we support their request with the framework of talking about youth that could include after school as well.

Ms. Kinsey said actually I think the catalyst fund is a very, very good idea but it is coming at a very bad time for us. I can't support spending \$250,000 in this manner this year and I know you can say this is the year we need it, but I still think while it is a very good idea, I don't see that the City would get a good return on its investment right now, so I would not support it.

Mr. Cooksey said and I won't be either because I have yet really to be persuaded, although I've gone along with it from time to time, that being in the after school program business is a City core function anyway. We kind of shoehorned it in under public safety but when I hear after school, who is accountable for after school issues I think it would be the school system and yes I know they have their issues as well. One of the constant refrains we've all been making in the community about how we are addressing our budget issues is core functions. That is what we talked about at the retreat and that is what we said we wanted to focus on. After school programs, to me, are not, even trying to shoehorn them in under public safety, are not a core function. Frankly, I'm going to put the burden on the guy who gets paid for. The one thing that would give me a little more time to pause and consider the contribution would be if our Manager who is serving with this effort had made that recommendation because he is in the trenches there. He is at the meetings daily and he did not. Mr. Manager, have your changed that opinion?

Mr. Walton said no. If I could elaborate, I think there are two ways to look at this and I chose the second, and I do agree that the work is going to be very valuable, so I'm not questioning that. The first is that the outcome will be significantly valuable enough to the community as a whole that we invest a quarter million dollars in it. The second, and the reason I didn't recommend it to you was that we are trying to reposition our budget going forward and moving toward particularly when the stimulus officers come on to our payroll in 2013 and 2014. I felt like there needed to be a direct return on the investment so if we put in a quarter million now that we should be able to reduce our budget a quarter million going forward. I can understand the difficulty with the messaging of that and so we never reached a way to do that. It was the return on investment. It is a tight budget so I didn't feel comfortable with option one just general value to the community. If we can make some reduction, even if it is not \$250,000 going forward then I think there is a return on investment but I haven't see that yet.

Ms. Burgess said I've changed my mind on this one. The irony of funding a city-wide study of after school programs while we are closing our one direct service to children just doesn't make sense to me. I so admire the Foundation of the Carolinas and their work. I so admire the Levine Family for their generosity at this financial time in Charlotte, but if we are going to spend money on after school I would like it go to children, not to study, like Ella Scarborough used to say, a study of a study of a study. Mr. Peacock the reason we haven't done this prior is that it is not our responsibility to evaluate after school programs city-wide. We have our own and we do of course fund after school and those are very carefully analyzed every year. We get a report so we are taking care of our investment in after school. To open this up city-wide, something that we don't have responsibility for and I agree with Ms. Kinsey, if this were three years ago it would be

so easy, but while we are cutting back on basic city services it is just hard to justify spending \$250,000 because I like Michael Marsicano so much and I think the Foundation is doing a great job in making our community more efficient, but this is just the wrong time for the City to spend a quarter million dollars and I support the Manager's recommendation now.

Mr. Peacock said I just want to speak to Mr. Howard's motion and where the source is from. We've already talked extensively about Criminal Justice Technology Reserve Fund. It will come when I get a chance to talk about my motion here, but this body has acted outside of its domain already. In the Spring of 2008, this Council responded to a crime waiver. We had angry mothers marching on City Council, angry about crime and Manager Walton apply responded with money to go towards the ankle bracelets and we obviously parked aside this money that has been sitting there since 2008 for the District Attorney's office to use and to upgrade their system from Windows 94 to somewhere into this decade, but they still haven't touched it. Our source that we are using this from to invest in what is an outside organization that is looking to spend this money, I think the Manager just mentioned it, if our argument is this is just not the right time to do it, what I would say is that this is money that is coming from one of our core services. This is not coming from one of our core service, this is coming from something that we've already earmarked that we don't do, which is fund the technology upgrades of the District Attorney's Office which is clearly a state function. Mr. Howard's source is coming from a pile of money that they clearly haven't asked and maybe just don't need, and you mentioned earlier that the state is looking to really beef up and step up so I don't feel as guilty about pulling away \$250,000 to really try get an investment back from Foundation of the Carolina. My challenge to them is that I want to see some results, I want to see Merger Mania Mike in action. That is where I think we are going to get something back from it. I don't think Mr. Walton's Board service is over so I think he would let us know if things were going astray.

Mr. Howard said I was going to leave it at what I said earlier, but counter to the comments from Mr. Cooksey, don't call it after school, call it afternoon. What we are talking about is that once they leave school we do have some responsibility about what is happening on the streets and either we are going to deal with programs in the afternoon, week-ends or otherwise or we are going to deal with them in the Criminal Justice System, so that can go one way or the other. I just wanted to make sure that after school is after their care. I do see it as an enrichment and as an opportunity to deal with public safety. So often we hear that the corporate community is not responsive to social issues, and here they are being willing to get involved. That is kind of a staple of this community and I hate to end on a hokey note, but public/private is an important function in this community. It always has been and always will be. When you have the Levine's step up and you have other corporations step up and they are asking for our assistance in a public/private situation I would like to make sure that we are clear about the fact that has been the way that we solved problems in this community.

Mayor Foxx said all in favor of Mr. Howard's recommendation please raise your hand – Dulin, Howard and Peacock.

INCREASE FUNDING FOR NOVEMBER 2010 BOND REFERENDUM FROM \$10 MILLION TO \$15 MILLION FROM UNALLOCATED GENERAL DEBT CAPACITY (AFFORDABLE HOUSING BONDS).

Ms. Burgess said originally I planned to increase the Housing Trust Fund Bonds from \$10 million to \$30 million, but I didn't feel any love around that one. The Manager explained to us if we did \$5 million that would be a significant increase. Now we have a lot of people in this community who want us to do \$30 million. I said \$15 million and I don't know if anybody wants to increase that, but I think \$15 million would be the minimum which would be only adding \$5 million that would come from unallocated debt service.

Mr. Peacock said I would like to get some comments from the Manager and Mr. Hall on this. I didn't read my item on this, but Monday night there were clearly a lot of speakers on this subject and it felt like déjà vu because we've been hearing that \$30 million number since 2007. Remind me where we are in the context of the bond component.

Mr. Walton said specifically for housing?

Mr. Peacock said yes, specifically for housing and why you stayed at \$10 million again.

Mr. Walton said in last year's budget you approved by resolution the referendum for November and two of the three components, housing and neighborhood improvements remain the same. The new allocation did go to transportation primarily to the Northeast Corridor. It is just a matter of deciding which of your policies to apply new capacity to and as I looked at it, it was primarily the SKIP related expenses for the Northeast Corridor that we were lacking in order to continue moving forward. That is where the majority of the new money went. I think we've been at \$10 million for housing every other year since 2003.

Mr. Peacock said was any part of your thought process on this number or did any of the elements of how we are reorganizing neighborhoods and business services and the more comprehensive approach that Mr. Mumford was taking have a factor on this at all?

Mr. Walton said yes, at least to some degree and also the economy. We have allocations within past bonds that we've done that are kind of earmarks or reservations for projects that aren't moving forward right now such as Brooklyn Village and redevelopment of Marshall Park. There are some of those developments that at some point I think after we hear which tax credits get approved in August, we may want to look at the list that has been earmarked anyway because some of those projects may just not move for some time to come. We can decide whether to go ahead and reuse the money for something else or whether to continue the reservation. Mr. Mumford's office has done a good job of looking holistically at the program and I think there is additional capacity within the bonds already authorized to use them quicker.

Mr. Peacock said you've answered my question and I guess what I'm hearing you say if correct is that neither Mr. Mumford's office or the Housing Trust Fund is going to be severely damaged in anyway to operate in a successful and effective manner at \$10 million as far as you are concerned at this point.

Mr. Walton said the \$10 million would keep us moving at the same pace that we've been moving. I think when the \$15 million came up, I'm not sure of the timing of that last letter, but we through of the \$10 million, \$7.5 million was earmarked for other things. I think Double Oaks was \$2.5 million and Boulevard Homes was \$5 million. Boulevard Homes is still on the table and Double Oaks was taken off as it wasn't needed now. That was one reason I think it moved from \$10 million to \$15 million because there was only \$2.5 million unallocated money. Now I think there is either \$2.5 million or \$7.5 million depending on whether you go for \$10 million or \$15 million.

Mr. Peacock said the majority of the people in the room that were speaking for \$30 million, I felt like we were coming from a majority standpoint from people who are really, really concerned about homelessness and about the number of people and the number of children and we heard so much from that, what is your opinion on that. We are talking about building large projects and redeveloping areas which have been concentrated poverty like Boulevard Homes which we are trying to redevelop into a much smarter approach to this. Do you feel we are leaving someone out in this discussion by putting it at \$10 million because what I have not heard, either from the Manager or from my colleagues, or even from that community, how are we doing less for people in the homeless community by keeping it at \$10 million?

Mr. Walton said I don't know that \$30 million is the right number but I certainly agree we could do more, whether it is for homelessness or not. Generally we have focused less on homelessness and people at higher levels and even within that higher level I think there is more that we could do. The \$10 million every two years has served us pretty well. It is just a question of whether you want to move faster and do more because the Boulevard Homes type projects are very important and we continue to help underwrite those when HOPE VI opportunities come and I don't know if HOPE VI is going to continue or not. I think we've been in a good position. We are in a solid position, but we could certainly do more from a production standpoint if Council wants to do that.

Mr. Peacock said one final question to the maker of the motion, did you have something in mind on \$15 million? Did you have some numbers that maybe we didn't have?

Ms. Burgess said no, except that I know that with the ten-year plan we are committing ourselves to much more capital and a good source of that is the Housing Trust Fund. Right now we have \$10 million of the balance committed to what is now Boulevard Homes and Double Oaks so we don't have that much to work with right now. There are some funded projects that have stalled because of the economy, but there are also some tax cuts available that may make more opportunities arise. When I got a call that the group was going to ask for \$30 million, I would go to \$30,000, but since I've already done basically \$15 million, if somebody else wants to go to \$30 million, I would support it.

Ms. Kinsey said as I recall at our last meeting we talked about this and I just want to make sure I understand. Of the current bond money, we will have \$5 million left over.

Mr. Walton said we have \$50 million in new capacity, correct, and we allocated \$45 million.

Ms. Kinsey said of the last \$10 million we passed two years ago, we have \$5 million left?

Mr. Walton said there is probably more than that. Those are the stalled projects. I think maybe the \$5 million you are talking about, there is \$5 million reserved out of the November 2010 bonds for Boulevard Homes issue. I think I'm not answering your question.

Ms. Kinsey said no you're not. We got a letter from Pat who turned some money back in which means we have \$5 million left.

Mr. Walton said yes, to allocated.

Ms. Kinsey said yes, to allocated. We have \$10 million on the ballot, but we have \$5 million in debt capacity so that is what we were going to add to the \$10 million which would give us a total of \$20 million going forward.

Mr. Walton said \$15 on the ballot.

Ms. Kinsey said and \$5 million left over so at least that gets us closer.

Mr. Mitchell said one thing I want to remind Council, if you think about our bond capacity, this money has to stretch for four years and I just want us to be very sensitive to that. You made a bold statement or you sent a message to the community that we are going to help with the ten-year homeless plan so the question before us is do we think \$20 million plus helping to end the homeless can stretch over four years. Greg Gaskins sent me a memo saying that in 2012 we would not have capacity to have a bond.

Mr. Walton said 2010 is the last bond referendum we have capacity for, for any purpose. It is not a four-year wait until we infuse new revenues of in perpetuity wait until the economy really springs back.

Mr. Mitchell said the question do we know \$30 million is the number and I agree. I don't know if it is the number, but I did a private tour last night and I encourage each one of us to go see the homeless in our City of Charlotte. Don't take the camera, I want you to see if for real how they are living and what condition they are in. I do think we really need to send a strong message that we are going to have some new homeless initiatives for this community this year. I just don't know if \$20 million is sufficient if we are serious about ending homelessness.

Ms. Carter said as we focus on homelessness, and I agree and I know the need, I've been there. I'm concerned about the surrounding neighborhoods that we might be neglecting as well. We are looking at housing sections where 80% foreclosure exists. We are looking at improving the center of the city and where the people who have challenged situation moving. They are moving to the suburbs where help is not allocated. The support services are not in those areas so we are looking at potential invasion in your area Mr. Dulin, potential problems there that we are not addressing when we talk about homelessness and concentrating our complete focus there. I do want to caution Council to make sure that we use our money most effectively, most wisely, to keep the entire city whole, responsive to the needs of the citizens but focusing on the needs of all of our citizens.

Mr. Barnes said I wanted to get a better understanding regarding the unallocated debt capacity. You indicated that we've got \$5 million of unallocated additional debt capacity. If we were to use that for this purpose what would be our debt capacity?

Mr. Walton said our additional debt capacity would be zero until revenues come back, particularly sales taxes strongly or until new revenues are infused into the debt fund.

Mr. Barnes said so until we can raise taxes or have an increase in sales tax, there will be no bond on the 2012 ballot. The only debt capacity we have is that \$5 million? What sort of things can we use that capacity to finance?

Mr. Walton said it is general so road, police stations, fire stations, housing, neighborhood improvements, it's full gamete.

Mr. Barnes said we know that CMPD and Chief Monroe have been working on assessing the needs for police stations throughout the community and I believe there are two in this budget. There will probably be a need for up fitting of fire stations or maybe a new fire station. I know that won't cover a lot but there are other needs that we have and what you just told me is that we have no way to finance them and that concerns me. If we were to make the aggressive move that some folks have advocated, what would we lose? It is clear the road bond would go down, or the neighborhood improvement bond would go down, which would create a problem I think, the problem that Ms. Carter alluded to. If we start to make those kinds of adjustments, so it would be important for me to know what would have to be cut if we try to make that, in other words, if we added \$5 million to it or added another \$20 million to it or \$15 million, what would we lose? I know you probably can't tell me that because you would have to analyze it because there were a list of projects under both transportation and NIT. Who in here is willing to give up something valuable to their constituents in order to make this sort of last minute change? I'm concerned about the shift and I'm not comfortable with it.

Mr. Dulin said Mr. Barnes made some good points and one of the things we've talked about in previous years is that we could go \$100 million at this issue and we don't have the capacity to spend it. We've got \$5 million left in capacity because we haven't spent it. It is spendable debt and we are not able to spend it. We could grow \$20 million to \$30 million and we don't have the capacity to go spend that. Again, I think the Manager made a nice recommendation. He made a conservative recommendation to us knowing what he knows about this year's budget and what he considers to be needed for next year and the following year and to what we can physically do. Homelessness isn't going to go away in ten years. We are three years into our ten-year program and we've got 7 years to wipe out homelessness in Charlotte. There is still going to be homeless people in 7 years. We can do what we need to do to help with that program and I will support helping with the homeless, but we will not end homelessness in the next 7 years in Charlotte. I will support helping along those lines tonight and further, but we are not going to wipe it out. Throwing more money at it, money that we don't have the capacity to use isn't going to wipe it out. I think the Manager made a good conservative recommendation to us for \$5 million. Anything over \$15 million takes money away from other things that we need to do. Rea Road is not in my District. It is in District 7, but in 2005 at the end of our budget cycle, the majority of folks voted to can the Rea Road Widening Project. We've barely gotten that back in now and there are thousands of citizens that drive on Rea Road everyday that are in a one-mile back-up of traffic. If we go over \$15 million Rea Road gets shelved again.

Mr. Cooksey said metaphorically speaking.

Mr. Dulin said metaphorically speaking, somebody else's Rea Road will get shelved. Road projects suffer if you go over \$15 million.

Mayor Foxx said there has been a lot of discussion on this item and I have resisted the urge to jump in before now, but I'm going jump in and add my thoughts to it. We are making some pretty radical changes to the way that we are setting up our housing policy. Through your work as a Council you have just made an enormous leap forward in my opinion with the creation of essentially a Housing Trust Fund Board that unlike our previous version that focused on roof tops. This version is going to be able to focus on roof tops and support of services in involving all parts of our community and trying to address housing, homelessness on a continual. That is a
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great move. At the same time we are looking at locational policy and we've got a process to go do that that will conclude hopefully by the end of the summer. Yet, the thousands of people who are dealing with congestion issues, and surely there are many of them. I remember back in 2006 when we approved the budget and I remember who voted for putting close to \$500 million into Transportation so that we could have better roads, better streets and better sidewalks and better modes of transportation. I also remember who didn't. I don't yield to anyone the view that this Council hasn't taken some very aggressive steps, including the largest transportation bond in the history of our city in 2008, and probably one that comes just as close this year, if the Manager's recommendation on Transportation stays in place, which in the order of things is a rather painless move. I would like to see more frankly, but I understand the other considerations that we are dealing with, but I really believe that \$5 million has got to be moved over to housing.

Mr. Mitchell said as District Reps we do have tough choices to make. I just want to remind everybody that on Page 163, the CIP, and Mayor to your point, I would like to add an additional \$5 million for the housing bond and take that out of sidewalk construction program.

The Mayor said are you talking about on top of the \$5 million we said earlier?

Mr. Mitchell said yes.

The Mayor said why don't we have a straight up and down on Ms. Burgess' recommendation and then if you want to recommend that later we can take that up.

We are voting on increasing the House Trust Fund Bond from \$10 million to \$15 million, all in favor please raise your hand - Burgess, Cannon, Carter, Howard, Kinsey, Mitchell and Peacock.

The Mayor said we are asking the staff to include that in the budget.

INCREASES FUNDING FOR AFFORDABLE HOUSING BONDS BY \$5 MILLION FROM THE SIDEWALK CIP FUND.

Mr. Mitchell said if you will look on Page 163, right now in the CIP sidewalk construction program was earmarked for \$15 million. I would like to make a recommendation that we take \$5 million out of that and allocate it to the Housing Bond to reduce that to \$10 million for sidewalk construction program.

Mr. Barnes said that concerns me once again because as a part of the Transportation Action Plan and our focus area plan regarding transportation we made a concerted effort to address all modes of transportation, vehicle transportation, pedestrian facilities as well as bicycle facilities and we also committed to try to build ten miles of sidewalks per year through the sidewalk program. It concerns me that we are beginning to literally destroy certain parts of our efforts in order to try to improve in other areas. I'm not going to support that because it has perhaps unintended consequences in other areas of our work, but it certainly has consequences and I'm not comfortable with those consequents.

Mr. Dulin said again Mr. Barnes I'm with you on that. We've worked very hard to work on the sidewalk, pedestrian friendly portions of our community and I've got blood, sweat and tears as do most of the Council members on sidewalk projects in my district and in other districts that I've worked very hard on and then on the ground walking and talking to people. For that kind of money swap, it is not worth it to me because the sidewalk program is worth it to me and I don't want to take money away from that.

Mr. Turner said due to the fact that I need to leave, I want to make two points. I agree with that and I will tell you one of the reasons why. For some time now the citizens on a portion of Arrowood Road have had to walk in ditches and dodge cars in and out of the traffic because we don't have proper sidewalks. Just the other night we were able to move forward that project to extend the sidewalks up to our light rail system where we are also putting affordable housing. I can't support that and I respect my colleague for his recommendation, but it is one of those things that I understand are very important and very viable to the citizens but sidewalks also increase the quality of life in our community and I think it would be going in the opposite

direction. I also want to ask this body, can I go ahead and tell you where I plan to vote on two issues because I need to leave.

Mayor Foxx said I don't have a problem with it but is there a procedure for that?

City Attorney, Mac McCarley, said there is not but because the purpose of this meeting is basically to give the Manager instruction for the preparation of your final budget which is to be voted on on June 7th, what makes the most sense is for you all as a body to know where you have six or more votes. I would encourage informality in favor of knowing where you are headed.

Mr. Turner said I would not be supporting the pay adjustment and the reason being, I just think at this time there is a lot of unknown territory that we will be facing and I do believe it is important that we be able to stay competitive from a market standpoint and I think it is important that we pay our employees that do the work they do for the citizens of Charlotte. I think at this time when we are in the process of trying to do so many other projects and help so many other folks and getting a phone call just last night from the County and they are lobbying to consider assisting the public libraries which we all find to be very important. I'm going to vote no on that and of course I will be open for any continued dialogue with my colleagues as well as the City Manager in the future, but I wanted you to know today I'm not there yet. I'm willing to continue the dialogue about the public libraries and support some further dialogue because there are a lot of questions that I have for the County that I think need to be answered from that body that have not come before us rather than just getting a phone call at the last minute.

Mr. Mitchell said the Disparity Study?

Mr. Turner said I'm sorry Mr. Mitchell, I passed right by that. We don't have a cost to that. Has there been a cost put to that?

Mr. Cannon said it is on the table.

Mr. Walton said it is about \$300,000.

Mr. Turner said I would be open for more dialogue in regards that also.

Mayor Foxx said we have Mr. Mitchell's request to add an additional \$5 million to the Housing Trust Fund, taking it from the sidewalk program in the capital budget. We've had some discussion about that and I think there is readiness to vote, so all in favor please raise your hand - Cannon, Howard and Mitchell.

ADD DISPARITY STUDY

Mr. Mitchell said let me thank Pat Mumford and his staff for doing an excellent job. Before you at your desk you will see Phase I and Phase II of the Disparity Study. In 2002 when some of my colleagues were not here, when the City, County and CMS collectively did a Disparity Study of about a million dollars. Our share was roughly about \$338,000 so you can see I don't want the \$310,000 to intimidate anyone, it is less than we spent in 2002. If you look at the write-up it does say the Mayor's Small Business Task Force might be coming back. I think, if nothing else we at least have the cost we could use as a place holder and then as the report comes back, if it requires a Disparity Study, at least we know how much it cost. I would like for this Council to move forward on the Disparity Study and then we can get confirmation once the Mayor's Small Business Task Force comes back to us.

Mayor Foxx said are you suggesting that we identify the funds and then it be placed in contingency subject to the Task Force coming back or are you saying go ahead with the study now?

Mr. Mitchell said wait until the Task Force comes back, but use the \$310,000, and Mr. Manager the source is the fund balance reserve?

Mr. Walton said it would have to be the fund balance or the Criminal Justice Technology.

Mr. Cannon said that is fine with me because it seems to me that we have a slush fund. I don't think there is any real want for the dollars, listening to the dialogue from Mr. Peacock and several others around the table. I just want to be up front and honest about it. If we know there is really no need for the dollars and cents on the technology side let's just go ahead and apply it toward the study and move forward in that direction. I'm okay with that.

Mayor Foxx said the suggestion is \$310,000 to be earmarked out of the Technology Fund for a Disparity Study.

Mr. Cooksey said I voted to move this forward to today to think about it and contemplate it. I'd rather wait until the Task Force report so I will hold off on a decision about that until I hear from the Task Force.

Mr. Barnes said I want to clarify a question regarding the funding. Were there any other funding sources available? Did I miss something?

Mr. Mitchell said no, you didn't. I said the fund balance reserve and someone else brought up the ...

Mr. Barnes interrupted to ask, where there any private sources?

Mr. Mitchell said there has been some discussion that some private funds could come to the table and provide some assistance for the Disparity Study. I think they were looking for the action we were going to take on the City Council about the Disparity Study.

Mr. Barnes said do you have any idea what the percentage commitment would be?

Mr. Mitchell said no, I do not. The initial take, it was received very well for some of our large corporations to be interested, but I couldn't tell you if it would be 10% or 20%, but there is a strong sentiment that they could support financing the Disparity Study.

Mr. Cannon said the leverage could we weighed pretty heavily there we think. We think that \$310,000 number was just arbitrarily thrown out there. Well, I won't say arbitrarily because obviously there is some rime to me because Mr. Mumford has presented something to us today. The City's portion of that could be maybe a couple hundred thousand and maybe less. It depends on the level of participation that the private sector is interested in being a part of the opportunity.

Ms. Carter said as much as I am supportive of an advance in our small business portion of the City's business as I am of this, I have a problem with another study. We've just discussed the study proposed for the evaluation of the after school program and we defeated that as a study, consequently, I have to set these in parallel situations and I am concerned about expending money when it is not for direct services. Looking at the effort that the Economic Development Committee has already pushed forward promoting what the City does to publicize and inform our citizens about what we are doing about small business including our small business opportunity program, I think we need some time to see if that is working, to see if it is beneficial and to see if we are having a good response.

Mr. Dulin said I'm a no to the increased spending. I'm willing to see what comes back to us. The technology fund is a pot of money that has been unused, but it is still not our cash. It is the citizen's cash so I'm a no to the \$310,000 and I just wanted to let you now, respectfully.

Mr. Mitchell said when we terminated the MWBE Program I thought it was something legal that we had to do or it was recommended that after five years of putting the SBEO Program in place that we conduct a Disparity Study. Can you address that and make sure that I understand correctly?

Mr. McCarley said there is no requirement to do a study, but if you want to consider a race or gender advantage program, like an MWBE Program, you have to have a current study to support it. Without the new study you can only have a race and gender neutral programs that you've got today.

Taking over for the Mayor who had left the room, Mr. Cannon said all those in favor of moving this forward as an add let it be known by raising your hand - Barnes, Burgess, Cannon, Howard, Mitchell and Turner.

ELIMINATE EMPLOYEE PAY ADJUSTMENT AND PLACE IN THE BUDGET CONTINGENCY.

Mr. Cannon said Mr. Peacock this is your item if you care to speak to it. The \$6.1 million not to move forward with a pay increase.

Mr. Peacock said this is the third time I've addressed Council in this medium and being a member of the Budget Committee I've followed this issue closely as it arose and as the items are presented to us from staff I'm pleased that we are here to at least discuss not giving ourselves a pay increase at this point. I want to articulate a little bit about why I think it is really important that this Council proceed cautiously at this time as we speak right now. I've used the analogy and I'll use it again that our county and our schools are two large Titanic ships that are going down. We are in very good shape. We are in our life raft right now and it is a question of whether we are going to throw out a life preserver to people that are really struggling. The magnitude of which they are struggling, I don't think we fully know at this point and I think there are a lot of unknowns. What we do know is that we have 12% unemployment. We do know that approximately 1,000 teachers will lose their job. We do know that the county and the state are in trouble. We don't know to what degree the state will act as far as taking revenues from us, if any. We know that there are enormous international concerns right now about what is happening in Greece and Italy and Portugal and how that could affect US markets. It certainly gives signals at least on the stock market end that we are not out of this by any means at all and it could get worse. We are increasing bus fares and as Mr. Cooksey pointed out at the last meeting, we are going to increase the cost of government on people through storm water and utilities. The average Mecklenburg County and City of Charlotte resident is going to feel this in one way or the other. Manager Walton has done a good job in this tough situation and we haven't had to lay anybody off. I believe we've laid off just four people and in this budget you are going to lay off just five. We stopped spending when others were continuing to spend so we should certainly reward ourselves from that standpoint, but I think it really behooves us to kind of keep our powder dry here. I do want to make one comment about what I'm speaking to far as not a pay increase. I don't fault staff here at all. This is very consistent with what Mr. Mayes has found in our pay philosophy and what we are doing. Our Manager is acting upon a recommendation that is very consistent with our pay philosophy and that is to remain in the middle and remain competitive. I don't fault him for bringing this to us, I just don't believe it is the right time. The first option we have to with the \$6.1 million, I would say is to return the money in the form of a dividend to the shareholders. That dividend is obviously this extra money, back to the shareholders of the City of Charlotte citizens. That was referred to last time as a property tax decrease, but I believe that is still on the table and I would obviously welcome us to think about that in our considerations. The second option is what I've pointed out which is to put this into a contingency fund, to essentially hold it off to the side. I think as I mentioned earlier, we don't really know the full magnitude of what the county and the school, and particularly the libraries may need in this time of uncertainty. I think more importantly it just gives the Council flexibility. We have choices and options as to what we want to do with that. The first part that I would recommend to Council and it really recommends a referral back to Mr. Barnes' committee, because we have seen a letter from Chairman Roberts and several of us have had discussions with several County Commissioners about the libraries, I would recommend that we consider taking \$1 million of that \$6.1 million and earmark that as a potential source to be used particularly for the libraries. Yesterday I had a chance to meet with Ms. Branstrom from the Library to discuss where their current situation is. Essentially all we have 8 regional libraries that are going to stay open and we are going to have 20 branches that are likely....

Mr. Cannon interrupted to say my company is in a contractual obligation with the library so if we are going to continue to go down this track of talking about the library I need to be recused. If we are going to stay on the item about pay adjustments.

Mr. Peacock said thank you for that clarification and I think that should be recognized. Again if the Council votes in favor of us not doing a pay adjustment, leaving the \$6.1 million in our hands to decide on how we want to deal with it, and again this is not part of what we are voting on right

now, I'm simply making a recommendation for the Council's consideration that the Council consider \$1 million to be considered to be utilized towards helping to keep some of the service for the library open. I had a chance to read their report and I believe this report was sent to all of you. This is my first time in reading a county type report on anything like this. It certainly reads a lot different than what we are reading right now in our own budget. It is very desperate and they've got a lot of things that they've got to address. That is why I think a referral to the Budget Committee, if we elect here in this vote, to not give ourselves a pay increase. I think Mr. Barnes' committee should look at this as a consideration and take thorough consideration of whether if we wanted to use \$1 million that we take a real fine tooth comb to this library budget, sustainability plan and overview. The other people that are considered to participate in this are our other towns around the region and also contingent upon the county giving a pretty sizeable amount into it as well. I would continue to advocate for no pay adjustment for us right now right now. It is simply not the right time and for the Council to be able to use that in the future. I know this is about whether we want to reward our people who have done a good job, which is largely Police and Fire, we are giving them a 2% pay increase in this current recommended Manager's budget. If we hold \$5.1 million out in exactly 12 months we can decide that we want to give them a pay increase of not 2% but we could use that \$5.1 million and decide to pay more, but it gives us a lot of time here to evaluate what happens and we could use the money anyway that we want, like the Technology Fund that we have right now that is parked off to the side. This gives the Council a lot of flexibility on how we want to choose to spend it. That could give us the ability to possibly give a larger pay increase in the future. I just think it is not the right time to spend this money and I hope the Council will agree with that.

Ms. Burgess said we got many e-mails linking support for the county and the library with our employee raise. I am in favor of giving our employees a 2% raise which is really a wash. They don't take home any more money, it just sort of balances the increases they are paying in health care and retirement. Not giving them a raise last year, to add another year to that I think would be very difficult. I asked Mr. Mayes to give me some information on the county because this just stuck in my mind. Could I ask him to share with the Council the information I got?

Mayor Foxx said let me make sure if we are talking about the item here on the pay adjustment.

Ms. Burgess said yes.

The Mayor said okay if it is about that but if it is about the libraries I would like to hold that to the end.

Mr. Mayes said Ms. Burgess asked me to take a look at what the county had done in recent years relative to pay adjustment. My staff checked with the County Human Resources Office and determined that for the current fiscal year a little over 1,000 county employees were receiving pay increases that were in the form of market adjustments. Apparently in terms of the way their plan works there were 1,000 or so employees who they determined to be under market so they provided adjustments that totaled about \$1 million in the current fiscal year. Two to three years ago the county did a comprehensive pay study for all their positions and in addition to about a \$2 million allocation for their merit budget, they increased their base about \$5 million, based on the outcome of that comprehensive pay study. I think they paid an outside consultant \$400,000 to \$450,000 to do that study and it resulted in an additional base increase beyond just the merit increase they had budgeted of about \$5 million.

Ms. Burgess said my point is, and I'm not criticizing the county for doing a market adjustment study or making the adjustment at all, but they have spent about \$6.5 million on raises for the their employees. Of course they are not recommending one this year. Actually it is not raises, in addition to the raise they got a market rate adjustment so the county employees probably make a lot more than city employees right now, but I didn't check that. The suggestion that we not give our employees 2% to balance what they have to pay additional in their own benefits, and give the county money when they've already done \$6.5 million over and above their merit increases just doesn't seem fair to me. I don't think the community understands that and I definitely think our employees deserve it. We've had frozen positions so all of them are working harder and not to recognize that for a second year with a very modest increase I think is a mistake.

Mr. Howard said we've heard quite a few times in this conversation that the Manager has been right a lot of times on why he suggested something one way or the other. I'm sure you did this when you presented the budget, but I want it again for the Council and for the public, for you to share why at this time you think this is what we should be doing. I want to remind Council also that at the retreat we talked a lot about customer service and worried about it falling off. We talked about a lot of issues but a lot of it surrounded around customer service. I don't know if that played into it or not, but I wanted to give you an opportunity to talk to this issue one last time before we went forward one way or the other.

Mr. Walton said there are a number of reasons. I think starting with public safety, the public safety pay plan and the step plan basically is structure to start off officers and firefighters at relatively low levels and then move them through the steps. Not doing step adjustments for two years would have meant, as well as I remember, about 270 officers and fire fighters wouldn't have an adjustment. I think that is inappropriate. We need to address public safety better than that. We are an excellent police department and we are fertile ground for the FBI, the SBI, people that do come in and take our officers because we've trained them well, so there is a cost, particularly in police and fire for not retaining who we have. Generally, we talked about two Titanics earlier. There is not a third Titanic because of the work that the employees in this organization have done, and that includes customer service and government workload across the board goes up in bad economy. We have seen less head count while increasing number of customers and I believe we have managed that very well, but financially from when we saw all of this was starting in August and September of 2008, the departments have really worked diligently to put us in a position so that we are not a Titanic and there is not an iceberg in our line of sight. I think it is the fair thing to do. I understand the economic conditions but I think it is also sometimes forgotten that our employees are part of this community too. As a number of units that we cover in health insurance is 15,000 to 16,000 people that are part of this community. It is not something that is the employees versus the community, the employees are the community and the employees are out in the community probably more so than any other organization that I can think of on a regular day to day basis.

Mr. Howard said there is also in the write-up that we got from Mr. Hall about this actual proposal that you shared that if for some reason this was to go through there were some things that you would like for us to take into consideration to maybe add back to. If you could just summarize that real quick.

Mr. Dulin said what page are you on Mr. Howard?

Mr. Howard said Page 16 in explanation.

Mr. Hall said what you have on Page 16 of the packet is from the general fund perspective. It is true for all funds but the numbers we are working with are general fund, is the proposed pay adjustment of \$6.1 million for the general fund employees, if the Council were to chose to not support or not approve the pay increase, we would suggest that you consider putting three program changes back because those particular adjustments were done in the context of contributing money that we would have put toward those employees into the pay adjustment. Those three things, the first is the Manager's recommended budget includes a reduction from 3% down to 2% for the 401K contribution for all non-sworn law enforcement positions. The second is to restore the 14-day pay cycle for CMPD. That really speaks to their overtime budget and that was something, as our discussion with CMPD, was a contribution towards the pay increase by changing the pay cycle. The third was restoring court time pay back to 3-hour minimum instead of the recommended 2-hour minimum in the Manager's recommended budget. Restoring the 1% 401K is about \$1.8 million, the 14-day pay cycle is about \$1 million in police and the court time is about \$181,000. If you add those three things together it is almost \$3 million. If the Council were to choose to not do the pay increase in order to put us back in the same position that we were in the 2010 budget, you would need to put those programs back in order to at least to keep the programs harmless from where we started from. It is just for your consideration.

Ms. Kinsey said I just want to add my word of support to Ms. Burgess. I believe we should go forward with this very modest pay increase this year for our employees. I had all sorts of things I was going to say until the Manager started talking and that is where I've been from the very beginning. I do support that and I don't think we should take away from our staff to help our
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sister county. I think the Manager has done a great job of managing and I don't think that our staff should be punished because we've done a good job. I very much support the pay increase.

Mr. Cooksey said I intended to vote in favor of the no pay adjustment. In general I think that in a community with double digit unemployment where the reports we were given shows 79% of companies aren't hiring and with the other issues already mentioned, it is just not the right thing to do for us as representatives of the citizens. We work for all of the people of Charlotte and many of the city staff members are the people of Charlotte as well, but we work for all 700,000 and our job is to do what is right for the 700,000 people of Charlotte. My second pillar, beyond the philosophical concern about that obligation is how the \$6.1 was discovered. I am all in favor or returning the \$1.8 million on the 401K because part of this was eating the future to pay the present and seldom is that a good idea. If the no pay adjustment provision passes, if there are 6 votes supporting that, then you take \$1.8 million and put it back in the 401K, make everyone whole there. I still dislike the \$1.1 million shift from PAGO to operating. That is a capital to operating shift that is one of those signs of a problem when you use a capital allocation to fund your operating. This would be a permanent shift unless we shifted it back because it is a reallocation of .15 cent on the property tax rate from our PAGO fund to operating. We are shifting capital to operating in order to get the \$6.1 million. Don't forget also the half million dollars that made up that money is paying less to storm water for the city's impervious surface in a budget where we are asking our citizens to pay more. I acknowledge that all the money comes from the same source, it is all from the citizens, but to say that city government will pay less to mitigate storm water, but we expect all citizens to pay more I think adds a layer of the message about why we are using that money that doesn't play well. Remember another \$900,000 was in tree trimming and removal. That is something we do constantly. In my opinion, that is an operating activity of city government, but in order to get to the \$6.1 million, it was shifted from operating to PAGO as a capital, displacing \$900,000 worth of a one time expense that we had, waiting on the list for how ever long. If you take the \$6.1 million and subtract each of those items I've mentioned that were shifted to get there you have \$1.6 million remaining. There are a couple ways to approach that. You could throw that into an operating contingency with the other million referenced and keep that as a fund in case other bad things happen. One thing we haven't mentioned much today is, as much as we hope the general fund doesn't tinker around with local government revenues, you never know until they adopt their budget what they are going to do. Last year we set money aside for that and we didn't have to use it. It might be wiser to do a little more of that with that \$1.6 million. Another option would be, you take \$1 million for the 14-day pay cycle, \$181,000 for the court time, that is almost \$1.2 million so that would leave you \$400,000 as an operating contingency. There are other ways to spend the \$6.1 million or more precisely there are ways the \$6.1 million was arrived at that I think are questionable in and of themselves that would add to the overall message and could cause us some problems. I encourage support of the no pay adjustment and then let's delve into how we put back the \$6.1 million where it came from for the betterment of the people of Charlotte.

Ms. Carter said I have a question for Mr. Hall and then a comment to what has been said. Mr. Hall, could you tell us the amount of increase in the cost of health insurance to our employees, the aggregate number?

Mr. Hall said for our active employees it is about \$2.3 million going into 2011 and that is in the form of group health insurance premium increases.

Ms. Carter said if we look at what in essence what our employees have contributed to their own pay increase and that is the decrease in the 401K, the police over time in our court system and the cycle adjustment, all of that totals up to \$5,348,000 out of the \$6.1 million and we have not discussed the increased cost for each premium visit, the premium you pay for a visit that they will be paying that has increased. Nor have we talked about the aggregate of this because there is a whole flux in there, but the bottom line is \$748,000 that it would cost us to give employees an increase. Subsidiary to this, my concern is with middle management. People who are educated to the task are valuable, people who have experience are incredibly valuable. There is a bubble that we are coming up on, the baby boomer bubble, people will be retiring from government, consequently middle management people will be recruited and our issue is whether we will be able to retain our educated, tremendously efficient and truly valued middle management work force. I want to send a message to our employees that they are extraordinarily

important to us. We value their service, we value who they are and what they do for our city, we value the fact that they have stepped up during a crisis. I am truly supportive of this increase.

Mr. Cannon said a lot of what was said came from Ms. Carter. I really have some questions about the healthcare side of it all, but I will submit that in business whether it is public or private, obviously where you don't have any resources to extend salary increases you simply just don't do it. Of course where you do have the capacity then certainly you do in order to try to help put clothes on someone's back, keep a roof over their head or what have you, even food on their table. One of the things that stuck me when Mr. Walton was talking about our public safety workers, some of the things that we don't know is that these folks are struggling. They are really struggling. On the police side they come in probably the starting salary in the low \$30's many of them. Beyond that they have to go out and get secondary employment and just for information total hours worked just in the first quarter of this year, on secondary employment over 100,000 hours, 100,396.56 hours to be exact. Total number hours worked for secondary employment by our police officers. The vast majority of the firefighters are having to do something else different. The best resource for that would be our Chief of the Fire Department. Inasmuch as we can have something within us to try to help in the way of providing a salary increase, mind you that is not the norm of what one typically gets, but is much less than that, we ought to see if we can find that room. It is very important. These folks like us, many of them have families and they are trying to survive in these tough economic times. I think Ms. Burgess had a lot to say and I concur with that and I hope we will move forward doing what is right, and I understand in very tough times.

Mr. Howard said those 700,000 people depend on us to run the city and to do that we have 6,800 people that actually work for us to help do that so as an employer we should be thinking about this as well. We hired a Manager to help us do that and what the Manager has told us is that in order to continue to provide the services to those 700,000 people he is asking for us at the very least to keep employees whole. I won't go into what Ms. Carter talked about but I she ended up with \$700,000 being left, divide that by 6,800 people and we are talking about \$103 a year, or \$8 per month. All we are trying to do is help you stay where you are and I really wanted to frame that more for the public than anybody to say what we are trying to do is keep employees whole, as employer get a delivery of services to 700,000 citizens. The people who hired us are trusting us to do a good job and the Manager said when it comes to public service and other things it is dropping off and we need to show them at the very least we want to keep you whole. At \$8 per month, it shouldn't even be called a raise. I just want to make sure that we think about this from the elected official standpoint as well as the employer's standpoint because that is what we are talking about when we talk the 6,800 people who work for the city.

Mr. Cooksey said a couple other things that have come to mind, with regard to our very, very valuable public safety employees I am also reminded that historically and even up unto the latest classes, we have more applications than we can take in. There are more people who want to be Charlotte Firefighters than we can hire as Charlotte Firefighters. There are more people who want to be Charlotte Police Officers than we can hire to be Charlotte Police Officers. My trigger level of concern is do we stop having people wanting to do those jobs and the metric I've got back is no, there are plenty of people, more so than we can hire, more so than we have space for who want to be Police Officers and who want to be Firefighters. I don't know the Police Officers stats but the Firefighters stat was 2,000 applications for roughly 60 positions in three recruit classes. I think we do a very good job of providing jobs in the public safety field that people want to have. With regard to the provision about keeping people whole, let's be clear about that. Is this Council proposing actually to change the Manager's recommendation for Broadbanding employees from a 2% merit pool to a 2% across the board. Only a 2% across the board guarantees that every work is in some way shape or form kept whole with a 2% pay increase. The Manager's recommendation is merit based which means some will and some will not and workers will get different levels of pay increase out of that 2% pool. That is another reason why I don't view this as purely an effort to keep our employees whole, I view this as a decision about what is best for all of our citizens and what is the best governance decision. Again I continue to oppose the pay increase.

Mr. Cannon said did someone put out there at all anything relative to Mayor and Council not receiving this increase? If not I would like to exclude the Mayor and Council from receiving any kind of pay increase.

Ms. Kinsey said do you realize how much that is?

Mr. Cannon said it is about \$3,000 which shows how much we get paid for the long hours we work, but I think we've said it before that every nickel counts and if that is true, we ought to be mindful of that.

Mayor Foxx said what we have in front of us means no pay adjustment means no pay adjustment for everybody.

Mr. Cannon said Mayor when could I bring that piece up?

The Mayor said we could do it after this item, but there is a pay adjustment embedded in this. It is a little bit of a misnomer the way it is put because taking 3% from the 401K program to 2% is effectively a pay adjustment. In addition to that the healthcare premiums that will be paid consistent with our management philosophy will increase cost to employees. It is tough question because if we were just in isolation, the City of Charlotte, and we didn't have all of the other collateral damage around us it would be a very different conversation, but I think the points have been raised and there are good points on both sides. I really feel that way, but at this point it is your decision to make. I don't think the Mayor and Council should get increases. I did do some research on what it would mean to delineate between those who make more than \$100,000 versus those who make less than that. Ruffin, can you give those numbers?

Mr. Hall said for the general fund it was just a little bit over \$171,000 of savings off of the \$6.1 if you didn't give a raise to those who make \$100,000 or more to the general fund. It is about \$216,000 all funds.

Mayor Foxx said it is a multiple of the City Council's combined salaries, but it is not a pay dirt solution. Why don't we go ahead and get a sense of where people are on this proposal?

Ms. Carter said in order to respect Mr. Turner's indication of how he would like to vote, I would propose that we change this issue to supporting the increased pay for our personnel.

Mayor Foxx said a vote to do this is a vote to support it so we will have to see if we have six hands go up to say that they support this recommendation.

Ms. Carter said since Mr. Turner is not here his vote would be yes.

The Mayor said yes, because we are operating on an informal environment and we have an indication of what he would do, so that will count on our informal rules today.

Mr. Dulin said nobody sees the hard work and effort out of the employees of our city like we do. We get a live and in person window view, front row, three or four days a week and of all the ones I know of, we have some really fine employees that work here and most of them are customer service number one. It hurts me not to be able to support a pay increase for them this year. That said I am adamantly opposed to spending part of this money that the Manager has put aside for those pay raises for institutions outside of our control. Any dollar that we give to outside agencies or governmental bodies for other things would be on the back of our employees and I'm very opposed to that. I'm going to support this motion and then I will continue to vote against spending that money as we move forward. It pains me not to be able to support this year and I badly would like to support it next year, but this year I'm not able to support it and if I could go from cubical around this city I would go to see everyone of our employees and tell them I'm sorry in person.

Mayor Foxx said we will have a vote on this item and then we can have a discussion on other things after this item. All in favor of the motion to take the \$6.1 employee pay adjustment and put it into contingency rather than pay out as salary increase please raise your hand - Cooksey, Peacock and Turner.

Mr. Barnes said are we about to talk about the County's request now?

Mayor Foxx said I would like to.

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Mr. Barnes said I need to leave, but I wanted to take the same privilege that my colleague Mr. Turner took and indicate. With all due respect to Commissioners Murray, Cogdell and Roberts, I'm not comfortable meeting this request. We really do not know what our budget picture will look like next year and we've already eliminated all debt capacity we have until we decide to raise taxes or experience an increase in sales tax revenues in the coming years. I'm not comfortable, I understand the ask and I appreciate it but at this point I'm not comfortable with it.

Mayor Foxx said so you would be a no vote.

Mr. Barnes said yes sir.

COUNCIL MEMBER CANNON RECUSED FROM PARTICIPATING IN NEXT ITEM.

[Motion was made by Council member Howard, seconded by Council member Mitchell, and]
[carried unanimously, to recuse Council member Cannon from the discussion regarding the]
[request from the County for assistance for the Library.]

Mayor Foxx said let me back up for a minute on the library/county issues and kind of give you some background and then we talk about it. About three weeks ago I received a call from Bob Sink and other members of the Library Board asking me to attend a meeting about this and the Library Board rolled out what they were calling a sustainability plan. A sustainability plan ultimately indicated that there would be a certain level of reduction in the library system that would be so calamitous that it would prevent the library system from fully recovering at some point in the future because of closures and staff reductions, etc. Since that time several of the Town Managers have met with the Library and there has been discussion and I think some of you have received calls from the County Commission members. I have certainly received a number of calls. Jennifer Roberts, Harry Jones, Harold Cogdell and I have been in some regular communication about it. I have not rolled out the sustainability plan to the Council because frankly I felt like it was something that the County needed to, formally or informally to give us some indication of their support, because otherwise we would be dealing with a whole lot of other things because of the situation on the county side. In the last 24 hours I have received e-mails, which I think you all have also from the Chair of the County Commission, desiring any help we would be willing to provide to the County to support libraries and schools. We have a letter on our desk that was left with us today from three of the County Commissioners and here is basically what the sustainability plan consist of. What the Library is asking for is for the County to find \$5 million over and above what has been recommended by the County Manager. This was before the County Manager's recommendation came through so some of this may have changed. For the City and the Towns to collaborate to support an additional \$3 million between them. I was very candid with the folks I met with. I said speaking for myself I was very open to trying to find a way to help, but I did not commit this body or this board to any funding support and in fact indicated that I thought we would have a lot of conversation about it. It is increasingly clear, given the shortfall facing the Library system that the outcome that they suggested could come to pass if there isn't some effort to try to close the gap. At the same time we have the same philosophical challenge here that we have when we talk about anything involving another government agency, which is do we stay in our lane or do we do something else. Here is what I suggest that we do. I agree that we shouldn't support on the backs of our employees and so that I am very clear, there is a portion of the pay increase that is actually drawn down from the employee 401K program. If we did nothing with salary increases that money would otherwise be a 3% match as opposed to a 2% match. I don't think we should do that to employees. If we make a policy decision that 2% is better than 3% that should be made in isolation, not to cover a shortfall some place else. However, I do think we should look at one time sourcing and I think we should support it frankly with one time funds from a PAGO source. If the County does in fact increase its allocation over and above what the County Manager has suggested, consistent with the sustainability plan, and if we can generate support from the surrounding towns to help close that gap as well. There is some conversation, and I'm going to see the Mayors in a little bit at the MTC meeting so I will get a more update on this, but the last time I talked with members of the Library Board there was a sense that the towns were close to putting a million dollars of help together for the Library system. If matched with \$2 million of help from the City, which if matched with the remaining portion of that gap from the County, would close the gap for a year. The other stipulation that I would have is that we do the best job we could to make sure that this truly was a bridge emergency support allocation, in other words,

that next year the County would have some plan to stabilize the situation with the Library and I do have some indication from the County that they have some thoughts about how to do that. At any rate I have been asking you for the last couple of weeks to consider your position on whether we support County agencies and some of you have shared your feedback and I think Ms. Burgess has some very strong feelings about it and I understand. Now is the time for us to talk about it and if we can reach some closure on that discussion today that would be great, if not I would suggest that we hold the meeting open and that we agree to get back together on June 7th, the day we are supposed to make our final budget vote and maybe have some conversation in advance of our budget discussion. In reality we really don't have to approve it in this budget if it is PAGO money we could really do it anytime if we decided to. I think given the vote on the last item I think we should make a decision and send an unambiguous signal to the community about where we stand on it.

Ms. Burgess said I'm opposed to this, not that I'm not a charitable person. I'm being challenged right now in my heart but the County's problems are not going to go away in a year. We are already cutting basic services. We don't know what the General Assembly is going to do to our budget. We did not put aside our economic deterioration line item, or at least not at \$10 million like we did before. We have no cushion. I love the libraries, I use them and I used them particularly with my children. I hate to see them cut back, but the Manager recommended I think a 45% decrease. He could have recommended a decrease any place in the budget but you've seen this budget and he really is recommending a devastating cut the libraries. They have tough choices and we have tough choices and I think we ought to stay in our lane on this one because I think it is a slippery slope that will be endless because they will always have problems like we do. I actually need to leave, but I want to be recorded if we have a vote as a no. Also if there is another alternative, I would consider a loan if you can have intergovernmental loans. I know we are working right now on the Central Yard down by the Music Factory that the County owns. We are working on Medic that will probably involve some exchange, but other than that, with full sympathy of the challenges of the County Commission, I don't think we can justify spending money that we've taxed the people of Charlotte on a county responsibility.

Mr. Howard said the Mayor also proposed that maybe we come back together. If we don't, say conclusively today one way or the other, would you be open to more discussion going on and then us talking about it again at a special meeting?

Ms. Burgess said absolutely, but to get a letter on the day of our vote and I've probably had a message, but I haven't heard from anybody else.

Mr. Howard said that is why I'm asking. The Mayor talked to other Mayors today and if something works out would you be a yes on an additional meeting?

Ms. Burgess said I wouldn't say I would be a yes. Today I would be a no. If we continue dialogue and there is something brought up, if we can make it a loan, if we can exchange assets I would consider it, but just a flat out give the County money when we have terrible challenges of our own I think this is the wrong time to do it. I was thinking, would we ever go to the County and ask them for money, I just can see the role reversal. We've had great management and we've been able with the City Manager and his fine staff to navigate through these problems and not be in a devastating position. Of course they have different challenges than we do. I know they've had cuts from the state and the federal government, but we are at risk for a whopper of a cut from the state and we don't know what it is going to be. For the time being I don't think we have a couple million dollars to give away.

Ms. Kinsey said for 8 years I served on the Library Board of Trustees and for two years I carried it. Even with that experience I love the Library, I grew up with it and I love it, but I cannot in good conscious send city money over to rescue the Library. I would like to, but I can't support that right now. There are other agencies within the County that I'm very close to, Park and Rec. I serve on Little Sugar Creek Greenway Action Committee and I'm very involved with the greenway projects. They have done a good job and they've been cut, but they've done a decent job of managing their cut, but how could I justify voting for the Library and not Park and Rec. I'm very active with Central Piedmont Community College and they are suffering. Of course I have a grandson in the school system. As much as I love the Library, always have, always will, I can't in good conscious vote yes on sending money over.

Mr. Peacock said the first question is back to your comment. You were referencing the 401K, were you saying to fund this by decreasing our contribution from 2% back to 1%?

Mayor Foxx said no, no, I was saying that there were some portions of the pay increase that were effectively being taken from one employee benefit area and plugged into a pay increase and that for those categories of fund I didn't think it would be appropriate to take that money and move it to another agency. I do think that is clearly taking the money and using it off of our employee's back. That was my only point of reference.

Mr. Peacock said to speak to my second comment about the Libraries, you are simply saying that you are in favor of us possibly using the 401K source as a way, depending on what the Libraries needs may be, if any?

The Mayor said no, I'm sorry, let me clear it up. What I'm saying is that we have pockets of PAGO money today that is money that we use for one time allocations anyway. Rather than take it from an operating part of our budget I would suggest taking it from a PAGO source so that it is clearly one time. One of the risks to Ms. Kinsey's point of using an operating source, it is harder to make the argument in year two to stop what you did in year one, when our intention is a one time. The indication I have from the Commissioners that I have spoken with is that they feel very strongly that a one time support would be useful because there is a reasonable prospect that they would be able to pick up some of the services in the second year. I hope that answers your question.

Mr. Peacock said it does and I've read the County's Library budget sustainability plan and overview and I have a lot of questions and I have a lot of suggestions I think that as our Council members read it, you would be asking a lot of the same questions. I think when it talks about sustainability I would pretty much shorten it to this to the Council, how do we keep the Libraries open. That is what we are talking about. We are talking about closing 20 branches and we all heard very loudly when we decided to close those branches. I know we didn't decide to close them, but we heard and people thought that we were responsible for it. I had phone calls at home, I had messages in my children's book bag. This is serious when you close people's libraries or you mess with their pets, we hear from people. To Ms. Kinsey's point I don't think we are necessarily supporting the libraries we are just trying to keep them open. I think their plan, as I look at it, needs a lot of work and needs some very serious and robust volunteer program. We have a lot of people who love the libraries and want to help them, but their plan is really lacking in my opinion and needs a lot of work. Mr. Mayor, I guess where you are going is that you want to now know would this Council want to proceed with even opening this dialogue, number one, and then number two, I guess from the previous vote we know that the source is not going to come from the money that we were going to use for a pay adjustment, which I'm still opposed to, but what is done is done at this point.

Mr. Howard said the first part of my comments would be just repeating what Ms. Kinsey said and I wouldn't even know where to start. I'm a big support of Park and Rec as well. I think the County even goes more to the point of what the City does, keeping kids, giving kids something to do in the afternoons so they are not a law enforcement issues. I've heard from the Council on Aging, I've heard from the schools, I've heard it from the work release program, and from CPCC and out of that, considering none of that went through the Manager's vetting process, I wouldn't even know where to begin. The hole is so big that anything we would throw at it would be pennies. I think what Mr. Peacock was talking about was the vetting process and the fact that we don't have a lot. I would like to support the Mayor's idea of coming back to this at a meeting prior to adoption of the budget because there are some unknowns that I don't have that I would hate to rush to make a decision today and not have it. Is there any support for having another meeting? I will tell you what I would like to know if and when we have that meeting. One of the things that being a life long Charlottean, I did not know the history of the Library and I've done some reading on that since then and for some reason, I don't know why I thought it was like Park and Rec and the Police, it was a consolidated effort at some past point in history, but that is not the case. I would love to understand how it came to be and how the funding source was established that the County would do it and why did the City and the Towns not get involved in it. I'm sure there is some reason why and I would love to know what that is. I would also like to have some idea, if for some reason there was money, my proposal would be that we give it to

the County and tell the County to decide where it goes as opposed to trying to figure out where it would go.

Mayor Foxx said that is a suggestion I made.

Mr. Howard said we would know from the Manager what he would do with the money. I would be uncomfortable directing it one way or the other. I would love to know whether or not there is a deal to be made with the other towns so we are not just hanging out there by ourselves. I would love to know from the Manager and from Mr. Hall, their opinion on source whether it be a loan, and I know about the slush fund, but I want to hear them say that. Ms. Burgess threw out the idea of a loan, exchanging assets, the whole thing because the County is definitely has more land assets than we have. If we are going to have that meeting, those are the things that I would like to know more about.

Mr. Walton said they already owe us on the land ledger \$1.5 million so if we were looking at assets it would just put us further in the hole. I don't know that I'm comfortable being in a position to answer the operational questions, for the Library or the Parks or anybody else.

Mr. Howard said I wanted the County Manager to do that, not you.

Mr. Walton said I think that is going to be really hard to do in less than a week and a half. My personal plea would be to separate the budget from this other request because I think this other request is going to take a fair amount of time.

Mr. Howard said fair enough. That means we have between now and the end of the month to put it on a future agenda.

Mayor Foxx said that respecting the plea of the Manager that we separate the questions, and they really could be separated, I would want us to have made the decision on at least putting this money in a contingency even if we don't allocate it to anybody until we get more information on it. I need that to feel comfortable voting on the budget, or to put it a little differently, not voting on the budget. I think to raise employee pay is one thing, but to raise employee pay and not find a way to help in this environment is something I'm not personally comfortable with. Even if it is a decision to put the funds in a contingency at least taking that step would be helpful to me.

Mr. Walton said again there are two sources and they are both technically in contingency. Neither is appropriated. It is the balance of the Technology Funds for the Criminal Justice System which is probably about \$1.8 million and then the \$83 million general fund balance, neither one of which are spendable until Council raises its hand to appropriate it.

Mayor Foxx said we could do it anytime, but I think by putting it in a contingency fund for this purpose gives me some assurance of the willingness of this body to actually do it.

Mr. Howard said I think saying we are willing to put it on a future agenda says the same thing doesn't it.

The Mayor said this Council hasn't said that and as far as I know having that contingency put there is the only way to do it. What I would suggest to you is that we hold this meeting open and we come back on June 7th in the afternoon, maybe at 1:30.

Mr. Dulin said I don't know why we don't make a decision.

Ms. Kinsey said we better check and see if we have any committee meetings.

The Mayor said I think there is a Government Affairs meeting at 3:30, but I don't think there is another meeting.

Mr. Hall said Government Affairs is at 4:00.

Ms. Carter said the Environment Committee is at 11:00.

Ms. Kinsey said I would not support that. I'm ready to get it over with it but I don't count the votes so I don't know. I think that is pushing it very, very late. It is right before we are supposed to vote on the budget and I think that pushes it late and it might cause some problems for some votes. That is just where I am right now.

Mr. Howard said all I'm asking is for us to get more information and talk about it. I don't think I've ever pleaded with my colleagues, but I'm doing it this time so we can keep the conversation going. At some point if we want to come back and it still doesn't work that is fine, but we are making a decisions without some information. I would just employ us to give it a little time.

Mayor Foxx said between now and the end of the week, I know people may be traveling next week, but between now and the end of the week if there is information that is material to you, just like Mr. Howard laid out some things he would like to know, if there is information material to you let me know and I will try to get that information back out to you between now and June 7th, even if it is in writing. I know there will be people reaching out to you all in between now and then.

Mr. Cooksey said I'm opposed to transferring any city funds to the county for any purpose at anytime anywhere, except perhaps if the conversation does continue and we start trying to dig into ways, I do recall that we do have \$12 million set aside for matching for the streetcar that perhaps could be used for the Library if you want to get into what our comparable priorities are. Personally again I'm not interested, but if we are going to explore options we are going to wind up exploring every possible option we've got.

Mr. Dulin said it turns out one time cash is really what they're doing and we've said for the last couple weeks, why would we support giving the County money, when we haven't had a formal request from them. So sure enough today, we get this letter, formal request. I don't think it changes their spending habits. The County is asking us to give the Library system money so they can fire up all the closed Libraries, which goes back and rehires the employees which starts the employment clock, which starts the electricity clock, which starts everything that goes on and I don't think that changes their spending habits as to what got them there in the first place. I'm not comfortable voting and I would have the same trouble at home. Unless we change our spending habits at the Dulin Household you never save any money. I'm not comfortable on the backs of the citizens of Charlotte that give us their tax dollars. We tax them and they give it to us whether they want to or not. I'm not comfortable giving that money out to something that is not our responsibility, with all due respect to all the lobbying. We are a consumer of your product at our home, but we need to watch the City's dollars which is what has been our charge as City elected. If you all want to go run the County, run for County Commission, but I'm a no vote, a sad no vote on spending and Mr. Howard, there has been plenty of time for you to learn about the libraries. We've got the information we need. Do you want to spend City dollars on County functions or not. It is an up or down.

Mayor Foxx said I'll say it again. We can build roads, we can hire police and in fact you are probably going to need more police. A community is built on more than just ... and I don't think this sustainability plan is going to prevent layoffs at the Libraries. It is not going to prevent reduced hours either. This is not in my view something that puts them whole and lets them feast for another year. This is literally trying to keep them open, and frankly, as I said at the outset I'm not coming to you with this just because the Library Board came to me and ask me. I think the difference between today and last week is that you have members of the County Commission who look at all of the agencies that they support and they are saying City Council, Towns, Huntersville, Cornelius, Davidson, Mint Hill, Pineville help. I think it is something that we've got to look at.

Mr. Peacock said I referenced it earlier because if we were supportive of not giving ourselves the pay adjustment, which my motion has not been successful, in that motion I was referencing that I think we should have earmarked some money for this very purpose and that we should refer to the Budget Committee to look at it thoroughly. That was really the intent there, not to just give sort of a one time blind toss. We gave a one time blind toss through the Manager's recommendation to the District Attorney Office, \$2.24 million and they didn't even take it. Now we have people literally saying hey, we need your help. This is not a joke. We've got it right here in the report, it says to achieve a deficit neutral break position the Library will have to

reduce staffing by levels of approximately 200 employees in addition to 120 reductions already taken in FY10. Council, what are we doing here? Let's look at this from a very common sense standpoint and do what is right here. What is right is to help out people in need. The Libraries are a critical service and this body has the financial strength to do it. I'm not at all advocating for us to start supporting the County and have some type of County/City merger, I'm just for doing the right thing and the right thing right now is to help out people in need and if it is the Library that needs help, we need to talk about it. We need to have an open dialogue. Commissioners Murray, Cogdell and Roberts didn't call me just to talk, they called me to alert me to this. I alerted them to the fact that we were giving ourselves a pay increase, all three of them didn't know it.

Ms. Kinsey said they knew it, Dan and I have talked about that.

Mr. Peacock said they may have, but I will tell you, they are really surprised at what we are doing. The School Board is surprised at what we are doing. We are giving ourselves a pay increase when other people are suffering. My motion is to recommend that we move it to the Budget Committee.

Mr. Howard said I have a motion on the floor so it would be a substitute.

The Mayor said what is your motion Mr. Howard?

Mr. Howard said to have a future meeting, what you recommended.

Mayor Foxx said is there a second on your motion?

Ms. Carter said I'll second it.

The Mayor said there is a second on that motion so Mr. Peacock you offer a different idea so is there a second to Mr. Peacock's motion?

Ms. Kinsey said I didn't hear it.

Mr. Peacock said the motion was to refer the subject of helping out the Library and other necessary functions to the region to the Budget Committee and if we want to specifically start with the Library I'm open to that.

The Mayor said is there a second? Hearing none we are back to Mr. Howard's motion.

Mr. Howard there was some thought as to why I asked for the item that I did. This is to respond to my colleague, Mr. Dulin. I'm not sure we do know the history of the Library. The Library is an independent organization. We received that information but I don't know why it was decided it was a County function to begin with. It is not a department of the County.

Ms. Kinsey said the County funded it originally, Carnegie money. We can get that history very easily.

Mr. Howard said why did their model sustain for how many years, lots and lots of year. Why was that put in place and why did the towns and the City never get involved?

Ms. Kinsey said the City did, \$2,500. That was the original agreement when the Carnegie's funded it.

The Mayor said and we still pay it.

Mr. Howard said and the reason why that never grew.

Mayor Foxx said we are involved with the Library.

Mr. Dulin said I'm comfortable at that level Mr. Mayor.

May 26, 2010
Budget Retreat-Straw Votes
Minute Book 130, Page 32

The Mayor said there is a motion on the table to leave the meeting open, but just to reconvene on June 7th. Is that correct?

Mr. Howard said sure.

Mr. McCarley said for the purpose of the minutes, the motion will be to recess this meeting to reconvene at 1:30 p.m. in this room on June 7th.

The vote was taken and recorded as follows:

YEAS: Council members Burgess, Cannon, Carter, Howard, Mitchell and Turner
NAYS: Cooksey, Dulin, Kinsey and Peacock.

The Mayor said we have four nays.

Ms. Carter said we've got some people absent.

The Mayor said Ms. Burgess is a yes.

Ms. Kinsey said Ms. Burgess was a no for funding the Library.

Mr. Cooksey said she said she would vote yes for talking about it.

The Mayor said we got 5 to 4. Mr. Cannon is recused.

Mr. McCarley said he would not be recused on a procedural motion of whether to recess this meeting.

Mayor Foxx asked which way he wanted to go.

Mr. Cannon said what are my options again? Move this forward for discussion? That is fine.

The Mayor said we will come back on June 7th at 1:30 and if you will get me your questions I'll try to get the answers.

The meeting was recessed at 3:21 p.m.

Stephanie C. Kelly, CMC, City Clerk

Length of Meeting: 3 Hours, 5 Minutes
Minutes Completed: June 5, 2010