

The City Council of the City of Charlotte, North Carolina convened for a Strategy Session and Manager's Recommended Budget Presentation on Monday, May 7, 2018 at 5:02 p.m. in Room 267 of the Charlotte Mecklenburg Government Center with Mayor Vi Lyles presiding. Councilmembers present were Dimple Ajmera, Tariq Bokhari, Larken Egleston, Julie Eiselt, Justin Harlow, LaWana Mayfield, James Mitchell, Matt Newton, Greg Phipps, and Braxton Winston.

**ABSENT UNTIL NOTED:** Councilmember Driggs

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**Mayor Lyles** said one of the most important roles of this Council is to develop a Strategic Plan and resource that plan, and that is often called our Strategic Operating Plan, and the purpose of today's meeting is to have the City Manager present his recommendations for the FY-2019 Strategic Operating Plan, which also includes our capital plan for FY-2019 as well. I will turn it over to the Manager, and at the end I will talk about the next steps and what goes forward.

**Marcus Jones, City Manager** said as the Mayor said, it is the time of year for us to present the budget to you, but I would like to start off by saying a great Thank You to the team. A lot of hard work, but I think that after tonight people can go back home and actually kiss babies and be reacquainted with the families. It is really the team effort that we are able to pull a budget together and a lot of people in new places right now so I want to thank Phil Reiger for pulling together the budget and Sabrina Joy-Hogg the Deputy City Manager that has budget under her so a great team from Finance to Budget to everyone who was involved, I want to say a great Thank You.

We will go back to the Retreat, and the Retreat was a few days in January and February and what was amazing it really wasn't just a picture or a vision that the Council came together and painted for the City; it was really the words that went around that. If you start to think about that time together one of the things that came out was this Vision Statement. I will say it has been tested in the community, and you did a good job. The words really started to resonate as we tested this through the community. Charlotte is America's Queen City, opening her arms to diverse and inclusive community of residents, businesses, and visitors alike in a safe family oriented City where people work together and help everyone thrive. What was very interesting with the Retreat was we moved very quickly from just plans to action, and that is what we will have tonight for you.

From visioning the City, you want to invest in great neighborhoods to building great neighborhoods through housing to progressing as a Smart City. Those were the themes that were discussed during the Retreat, and what we are attempting to do tonight is give you action around those themes.

**Councilmember Driggs arrived at 5:06 p.m.**

Visioning the City that you want; we stated off talking about this concept of Traits of a Winning City and from a big tent to affordable spaces to millennial magnet and something that we worked on as a team throughout the year. I also want to talk, not just about the vision, but about the strategy. If start to think back to the 20 community members who came together for 18-months in 2015 and 2016 to talk about economic mobility, that really started the discussion and the Retreat became an opportunity for us to call to action from the Leading on Opportunity Council early care and education, college and career readiness and child and families stability.

So, what do we have for you tonight? We have a \$2.6 billion proposed budget, with \$1 billion of that that is related to what we call the General Fund and \$1.4 billion related to the Enterprise Funds. The budget is structurally balanced, which means that ongoing revenue needs ongoing expenditures, both at the big level and at the General Fund level, so a \$694 million budget. Let's talk a little bit about some of the services that we have from the Enterprise Funds that are regional in nature. From the Airport, so Brent thank you for maintaining the lowest cost structure among large hub airports. From CATS, with no fare

increase and from Water; with the typical user having a slight increase this year to the Storm Water Fund where all of these funds are related to not just Charlotte but they have a regional reach.

Our proposed budget is a \$693 million budget for the General Fund. Let's talk a little bit about the commitment to financial discipline. If you go back to the current budget 2018, we talked about how we would evaluate programs and services, and I'm very pleased to tell you that the team was able to go into the budget and find almost \$14 million of savings, so from Willie and Victoria and Chief Putney, who pulled people in rooms and twisted arms and said how can we find a way to make sure that what we are doing is providing the best services we can but also reflecting on how we provide those services. So, reevaluating some of our contractual agreements, we were able to save about \$4 million. We identified savings from all General Fund departments, so what we did was literally go in and say, are there some ways that we can provide the same level of service, or enhance services, but by looking at how we produce those services? We had almost \$9 million of savings, and again that was taking all of the departments and having reductions for their entire budget, not just discretionary, but all the funds being able to have reductions between 1.2% and almost 2%. Then we were able to consolidate some of our internal services. In the 2018 budget, we talked about Finance, and we talked about Human Resources, and we talked about communications, and is here a way to deliver services in a more centralized fashion. I'm very proud of the team to come back, and it is very tough sometimes to give up ownership or give up authority or trust that somebody else can carry your message for your department better than you can, but we were able to achieve \$1.4 million of savings there.

Let's talk a little bit about the 2019 budget. We started off at \$668 million budget in the current year. It grew over 2017 by about 5.3%. Through these savings, we were able to provide a level of service in this proposed budget, and I would say it is baseline, plus enhanced with about 2.6% growth. What became the challenge is that when we start to think about what we would like to do with public safety, we needed to have additional resources to make that work, so with that said additional 1% growth this total budget has increased by 3.7%, but I don't want anybody to lose sight of the hard work that was taken into account to get to the point of the \$686.5 million total budget.

Let's talk a little bit about turning strategy into action. Throughout the room tonight you see concepts building communities together and as we start to think about the 250th anniversary of the City of Charlotte what made us who we are today or how we got here was really through community building. We were talking about Vision Zero earlier and that was to have no traffic fatalities or serious injuries, but what about if we had Vision Zero that was more than traffic? What if we had zero placeless neighborhoods or zero disengaged residents or zero children without access to opportunity. We have taken that concept very seriously, and we've taken Vision Zero and we've taken where we are with the 250th anniversary of the City as well as this concept of place making, and how can we create spaces throughout the City that are incredible for all of our residents? So Team Charlotte makes this job easy; we have a number of exceptional employees who are efficient and effective; they are customer focused but they are also value.

So, how do we reward the workplace? What we are doing is we are having a 3% merit increase for all our salaried employees as well as a 3% combined merit and market increase for our hourly employees; so that is 3% whether you are a salaried employee or an hourly employees. We start to think about dollars that you are able to utilize. So, many times we talk about salary increase and then we come back with a healthcare increase, and that healthcare increase eats into the disposable income related to the salary increase; thank you Sheila, great job. Because of the due diligence of not just the HR Department, but our employees in terms of preventative care, we are able to have zero increase in healthcare for 2019. That is something that the employees will be able to benefit from and the most expensive plan that we had in terms of premiums, Plan E, we are actually going to have a 10% reduction in that plan for 2019. I would also add to that we would like to do things for our employees this current year, so we could just wait until the fall and have open enrollment and go with the normal process, but because the team has worked so well together to try to make sure that we are providing services that are

valued, we are able to take a premium holiday. What that means is that during the month of August, which actually has five weeks, no employee will pay a healthcare premium, so that means dollars remaining in our employee's pockets. When you start to think about that, the maximum savings for that August premium holiday is \$1,200 and our retired employees also benefit from this so the average savings for our retired employees is a little bit over \$400. One of the things that we also talked about as a team is, if we are talking about connectivity and mobility and the use of transit, what can we do to be a leader in the City as a municipal government? We found out that there are about 30 of our employees that have an all access pass as deals with buses and rail, and that all access pass cost a little north of \$1,400 per year. In this budget, we are making this all access pass available for all employees for \$33, not \$33 per month but \$33 per year. For those 30 employees, that is a savings of over \$1,400, but for all of our employees there is an opportunity for us to engage in public transit, and I think it sends a message, not only to our employees, but to other companies across the City of how we value those. Again, it is positively impacting our employees this year that will go into effect in September.

We also want to invest in great neighborhoods, so investing in great neighborhoods is a combination of building connected communities, building safe communities, building affordable communities and building great places. If you go back to the Retreat, these are some of the concepts that we talked, so in the 2018 bond, what we have is a proposal for \$223 million in total that is related to streets, neighborhoods and housing, and we also have a proposal moving into the 2020 bond of \$172 million that includes streets, neighborhoods and housing. Let's talk a little bit of how we got here. Much like the operating budget, we took a look at the capital budget. You may remember we had a long discussion about what would happen in 2022. If you look at this chart, in 2020 the bond was about \$90 million, so this chart speaks volumes, but after tonight I would like to move into a new chart. If you start to think about the last two bond cycles that the City had; if you go back to 2006, there was a 2.67 cent property tax increase for three bond cycles and then if you move to 2014 there was a 3.17 cent increase for four bond cycles, and as we were talking about what happens after 2020 there really wasn't a plan per se. It was well okay after the 2020 bond, we will start all over again. We think there is a much better way of planning for our future and making sure that it is stable. So, having said that, what we did is we had a discussion both with Finance and Budget and Mike Davis and Liz are going to be my best friends for the next year or so, and we all talked about how can we make sure that we have timed and scoped the projects in a way that it is consistent with where we need to expend the funds? As I mentioned earlier, we have in the 2018 bond and the 2020 bond we have established what would be let's say the capacity. Moving forward making sure that we emphasize action, we coordinate funding and project schedules, we revise planned projects based on cost estimates and feasibility of the project and accounting for future impact of service current actions, there is capacity moving forward of \$165 million starting in the 2022 bond cycle and beyond. So, we took the last eight bond cycles and looked at the average; the average was about \$163 million, so that was our starting point. We said how can we plan for the future; what is our capacity going forward if we had to use \$163 million as the litmus test? We are extremely comfortable that whatever you decide as a body, whether 20% of this is related to housing or 50% of it in the future, that is the capacity going forward, and we don't have to worry about three bond cycles and a tax increase or four bond cycles and a tax increase. This is an affordability model for us.

So, what do we propose knowing what the capacity is both in this bond cycle and the next bond cycle in the future? One of the things that we considered that is extremely important is this concept of Vision Zero. We talked a bit about it when we had the red light camera discussion, but what we are trying to do is make sure that as we have streets and sidewalks and pedestrian crossings that there is the opportunity for us to insure the safety of our residents. What that said in the 2018 bond there was nothing planned for Vision Zero; we are planning \$2 million but I will tell you we heard you loud and clearly in January and February we are not going to set on this \$2 million for two years and develop a plan. There are enough best practices across the nation that we are into implementation now. This is a framework.



Sidewalks, we have \$15 million planned in the 2018 bond for sidewalks, we doubled it. We said this is time for action; we can do this, and we don't want to be in a situation that we can't get a sidewalk in a district or in a neighborhood because we don't have the capacity. We do have the capacity to double it.

The Bike Plan, we have a bike plan with a request for \$4 million. It would have been easy to say that bikes are a part of a Vision Zero or sidewalk or other projects but let's just face it head on. This budget has the entire \$4 million for the bike plan because these are all working together under the Vision Zero umbrella. Lastly, we have Bryant Farms Road extension project; so, it is a \$20 million project but in order to be consistent with having the money or the appropriation as the dollars are needed, it takes some time to design it, so we have \$2 million in the 2018 bond for the planning of Bryant Farms Road extension, and \$18 million planned for the 2020 bond. When you put this altogether, we have basically almost doubled what we had for streets and sidewalks and traffic crossings from \$25 million to \$48 million. It would have been nice to get \$2 million more out of it to get to \$50 million, but we will round up, okay. With that said, we feel very confident that we are going to be in neighborhoods across the City immediately. We also want to continue to be safe and connected within our communities. One of the things we learned with the previous bond cycles is that we had six police precincts that were suggested. The problem is that overtime the costs of those police stations have risen, and the last station is planned for the 2020 bond. So, what we did is say let's accelerate all of that into the 2018 bond; it is something that is important to this community, and these stations are more than just stations; they are opportunities for community engagement, and they are opportunities to have community rooms in them. We already have Code Enforcement offices that are co-located there so there is this opportunity within our City. So, while the six police stations were planned to be \$61 million over that four bond cycle costs have escalated, and I don't want to be in a situation two years from now telling you that it is even going to cost more. We are going to pull them all in and right now for \$81.5 million there will be enough funding to construct all of the stations. So, that is a big move in terms of building safe and connected communities. Also as we build safe and connected communities, it is important that we are investing; police are a community investment. This budget has \$10.4 million for operating support for police. That includes what would be a normal salary adjustment as well as an enhanced salary adjustment. There is something that we have in for retirement, equipment, and community policing, so let me walk through that.

We started this discussion maybe last August in terms of public safety and specifically police. Last year, the Council approved the first phase of Fire pay plan adjustment and in this budget we are recommending that we move forward with the second phase of that. Let's talk a little bit about police and the vacancy rate. As you start to look at the vacancy rate for Police versus Fire, the vacancy rate for Fire is a little bit less than 2%, but for Police the vacancy rate is 9.4%. We do have an issue. We have an issue in terms of retention; we have an issue in terms of recruitment, so how do we approach that? As I mentioned earlier, for Fire we are going forward with the second year of the two-year plan for Fire, and that is something that was worked out with staff last year, so we are very pleased to say we will move forward with the second year of that plan. With the Police we look at this as having five components, one attracting top talent; two provide incentives in our pay structure increasing visibility of our Police, equipping officers with tools to succeed and helping officers in retirement.

Attracting the top talent for Charlotte; first of all I comment Chief Putney for what he is already doing in terms of recruitment. He is recruiting nationally for top officers, as well as he is doing some innovative things where Officers may not have been willing to do a lateral they are willing, because with Chief Putney's new plan they don't lose time and time is very important to Police Officers. In terms of attracting top talent, we are going to improve on the starting salary of our recruits, so as starting salary of the recruits today is \$43,492; under the new plan the starting salary will be north of \$46,000. I will tell you that is the top recruit salary for large cities in North Carolina, but we are not going to stop there. What we are also doing is in the past you would have to go through your training, become a Police Officer and then shortly thereafter there was this opportunity to get credit for a college degree. We changing this, so day one when you leave the family and come to be one our Police Officers, in terms of training, we are going to reward education up front. With that

say a recruit with a four-year degree can start off day one, even in the Academy, at \$51,000. We think that is a huge recruitment tool, and again it only distance us further from other large cities in North Carolina. We are also responding to recruitment challenges as mentioned before; we have a targeted recruitment campaign. We are at military bases; we are in community events. We are at historically black colleges and universities; we are everywhere. We talked a little bit about the entry lateral program, but we have a residency incentive for lateral, so if you move into the City of Charlotte over two-year period that is a \$2,500 that you can get in terms of this recruitment tool. You say well what about the guys that are already with us; they get it too. If you are a Police Officer in the City of Charlotte and you live in the City of Charlotte this \$2,500 incentive is also available to you. We also understand how important it is to have our Police Officers live in our communities, so it is one thing to work during the day, but it is something else to be in our houses of worship, to coach Little League and even to have that Police vehicle in the front yard. This plan also includes the beginning to have our Police Officers who live in the City have take home vehicles. While that is an incentive, it also helps us in terms of fleet and management and you may say well, why don't you do it all now? Well, you never want to be in a situation where you have a massive purchase of vehicles, because seven years later you have a massive purchase of vehicles. So, we are trying to make sure that we do that in such a way that is good for the Police but also good from a stewardship process.

When we start to put all these together, while the program wasn't designed to do this, every Police Officer will get a 6.5% salary increase in this budget. There are multiple moves to get there; one is having the recruit having our bottom step loped off which raises the salary for recruits, but there is a ripple effect all the way up so the 13th step now becomes the 12th so you top out at 12. We were losing Police Officers in that mid-range, so we doubled that step also; that would be a 5% increase. The net effect of that is each Police Officer will get a 6.5% increase this year. Now, what we also did is we took a look at that top step. About 40% of our Police Officers have topped out; in other words they have reached that top step, and with that it is typically a 1.5% salary increase, so if you start to think about a 1.5% salary increase, healthcare costs are going up. You've been with the City for 13, 14, 15-years that could be somewhat of a disincentive, so we are also instituting a Senior Police Officer Program. Once you top out, there is an opportunity for you to get another 5% as a Senior Police Officer I. After that, there is an opportunity for you to get another 5% as a Senior Police Officer II. As you start to think about we generally adjust steps by 1.5% each year, you can start to do the math where that could be the potential for a 6.5% salary increase in FY-19 a 6.5% salary increase in 2020 and a 6.5% salary increase in 2021. We've always looked at this as a multi-year approach, but we feel comfortable that we've touched some serious points of concern with recruits, those who have topped out and those who are in the middle steps.

We also want to help our Public Safety Officers with retirement. We've talked a great deal about OPEB liabilities and the cost of defined benefit programs and just businesses and organizations moving away from those because of the costliness of them, so the decision was made in 2009, and we are having a defined contribution program for our Police Officers which basically means that the City would provide the equivalent of \$1,040 per year to help address healthcare costs after they retire. That money would be available for them upon requirement; it does not impact our OPEB liability, and it is something that helps us over the long-run, but it does recognize that not having that opportunity for our sworn after retirement does create a problem, so that is an opportunity there. One of the things I would like to add is what we are also doing is establishing a Community Policing Crisis Response Team. A lot of what I've talked about for the last few minutes has been about salaries, but also we have to remember that from the day that I got here, we've been talking about Community Policing and how do we engage in the community. What we've seen across the country is this cross section where law enforcement meets mental health, and we believe that this is a great investment to invest a little bit north of \$800,000 to have six clinicians that are working with CMPD. They will help with assigning cases for proactive follow up; they will provide referral educational and support services information, but more importantly they will respond collaboratively to calls for service concerning community members experiencing behavior health crisis. I comment Chief Putney for asking for something like this and being a champion behind it. I think it is something that

cities across the country, some have tried, but I think it is something that we all should invest in.

Building Great Neighborhoods through Housing, we are building affordable communities and in this budget we talked a bit about that capacity; we talked about what we are going to have in the bond in terms of 2018 and also in 2020. So, what I'm suggesting to you tonight, knowing what our capacity is in the out years beyond 2020, I feel extremely comfortable with tripling the affordable housing bond from \$15 million to \$50 million in the 2018 bond. It would be the largest affordable housing allocation in Charlotte's history, and I start off by showing you how we can afford it, and I feel very comfortable where we are. I don't want us to end with just the \$50 million bond, because the City has major investments in affordable communities, and when we start to wrap it all up it is really closer to \$73 million that we have, so if you start off with the bond that is \$50 million, but we also have a housing and community building program income in a program I will talk about a little bit later, aging in place, and that gets you to \$52.5 million. The Housing Grant Program, of that \$13.2 million, more than \$11 million is federal funds, which is available to help us with housing. Innovative housing is \$7.6 million, and the biggest piece of that, and I'm proud to present to you tonight is that \$2.7 million of that allows us to finalize our commitment with the Away Home Endowment. The budget had planned only \$700,000 and really didn't have any plan for the final \$2 million, so we are accelerating the \$2.7 million and that will be the City's contribution for the match for the other \$10 million. So, there is a lot I would like to talk with the Mayor and Council about during the work sessions that there is much more available in terms of affordable housing than just the bond.

We also need to capitalize on our investment there; we are not alone with this. There is a tremendous momentum in the community to capitalize on this effort. I know that all of you received an invitation from Hugh McColl, Andrea Smith, James Ford, Kendall Alley, and Todd Mansfield to be a part of the Thursday, May 24, 2018 kick off, where the philanthropic community and the business community is basically saying to the Council and to the Mayor that we are not in this alone, so a part of this meeting will be, what are some other opportunities that are out there in terms of affordable housing? I also will announce tonight that the Foundation for the Carolinas, Wells Fargo, and Bank of America have all contributed \$100,000 a year, so \$300,000 for three years, to have LISC come in to help coordinate the activities. The activities aren't just limited to housing; they are many community engagements and community building initiatives that LISC will help us with including workforce development. The City's contribution to that would be \$200,000 per year over that same three-year period. There is I believe one more entity that is out there that would also like to participate, but I don't have that for you tonight, so ultimately I believe we are going to have \$400,000 to match the City's \$200,000. So, we are creating great spaces.

We talk about the great ideas or the big ideas in the four bond cycles. What is interesting that what we've been able to do is set aside a good deal of money for areas in the City, a little bit different from the Vision Zero concept where we are talking about the entire City, but up to this point we have set aside \$60 million in five CNIP programs. We will continue in the 2018 bond to have \$30 million for those five CNIP programs and in the 2020 bond the last \$30 million would be there. Also, we want to expand into new neighborhoods, so in the 2018 bond, there was planned to have \$5 million for the SouthPark CNIP. We are doubling that to \$10 million, and that is added to the \$5 million that was in the 2016 bond. We are also establishing a Southside Neighborhood Reinvestment Program of \$5 million. We'd like to have concepts to deal with pedestrian safety that deals with connectivity that is also shared in South Charlotte, so that would be a new initiative.

We believe we are taking Charlotte to the next level and with everything that I have presented tonight, while we attempted to do all of this within our existing resources; we fell a bit short, and it wasn't because of the effort. If you go back, we have almost \$14 million of savings, reorganizations, redesign in this budget before we proposed the slight adjustment on the revenue side, which is a one cent tax increase. The one cent tax increase is about \$9.8 million. If you start to think about the enhanced Police program, that is a little north of \$7 million, \$7.3 million so about three-quarters of the tax increase will fund that. The last quarter or the last 25% of the one penny tax increase we are moving



over to capital to help smooth out as we said what we would like to do with investments in our neighborhoods as well as what we are doing in affordable housing. So, the estimated impact to homeowners, one cent on the property tax increase is \$10 per year on a \$100,000 home. That is \$ .83 per month, so we are not going to do the median or the mean or the mode; this is math, so from point on whether it is a \$200,000 home, it is \$20, but for this \$100,000 home it is a \$10 annual increase or \$ .83 per month, and it is our hope that we can present to you that it is worth it for what we have in this program.

Progressing as a Smart City, this will be the last part that I have tonight. There are a lot of things we are doing as we talked about around the room with Community Building. We want to make sure that we stay connected to our residents and that our residents are connected to the resources. We want to make sure that we continue to give tools to our residents, so Pam, thank you for the Neighborhood Matching Grant Program; we will continue to have \$400,000 there for the Matching Grant Program. There is additional \$50,000 for the Micro Grant. I know it is new, but I will tell you that the positive feedback that we've gotten from the Micro Grant I feel very confident that doubling it to \$100,000 and calling on some of our friends from the private sector or the philanthropic sector to come join us in making sure that we are giving those individuals who believe in the City an opportunity to participate in the City. We are beginning an aging in place pilot, so we've set aside a half million dollars, because we know the reval is coming next year, but we want to get out in front of that. There are so many programs and services that we have in this City, but we just don't get it out to our residents. We are in a partnership with New York, and I think I can it, I think the press release goes out tomorrow, to have two communities really jump into community engagement and how we learn from each other, so Sarah Hazel is doing an extra ordinary job with that connectivity. What we are attempting to do and we are going to partner a bit with the West End Initiative to have a pilot program there where we are taking people in the community to be ambassadors that literally go from door to door and make sure that our seniors have a better understanding of the programs that are available to them. We believe that this is going to be a model that other cities across the country jump on. We are very high end connecting with our residents.

We want to continue our successful partnerships. Last year, the Council spent a good deal of time talking about \$50,000 for the Y. I can tell you they turned that \$50,000 to \$750,000 and going from a thousand young people, I believe their goal is to have 1,500, and I comment CMPD for continuing to be a part of their partnership. Movement Day happened earlier this year, and I will tell you that the faith based community is working hard to find solutions to help with the City in terms of participating in our affordable housing discussions. At your Retreat, there was a conversation about workforce development and CMS, Goodwill, and Central Piedmont Community College. This budget has \$100,000 to participate in that program which will have advanced skills, certification in the construction industry. We are working with the Library System and Welcome Charlotte as well as Federico Rios, who is our new International Relations Coordinator, to make sure that we have an opportunity to reach all of our new Charlotteans. That was a part of the reason that we established Federico's position and he is doing a great job. The Knight Foundation and Center City Partners have been working with the West End, and now it is our opportunity to step in to that space as a municipality, so there is \$125,000 set aside to match funds from the Knight Foundation so that we can continue to do great things in the West End Initiative.

We want to continue to support Small Business Growth, and that is establishing a Business Concierge as well as having monthly business cafes beginning in September. In other words, we want to make sure that we are connecting small businesses to the City resources as well as providing additional information to small businesses from financial management to marketing to technical assistance from new and existing businesses. We believe that the Business Cafes is going to provide networking opportunities to strengthen our small business environment. We also want to make it easier to do business in the City of Charlotte. Jason Kay has been one of the hardest working guys over the last months. He took on a new assignment and really rolled up his sleeves, and we learned a lot about how the business community felt about how it was to conduct business with the City. Sometimes it is tough to hear where you don't have your A game, but we believe this is

going to help us with our A game, one stop shop. So, in the lobby of City Hall, you are not going to have to get in an elevator; we are going to have 80 individuals from across multiple departments in one space with the sole purpose of making sure that when people do business with Charlotte, they would say I don't want to do business with anybody else because of the attention to detail and how they get things done. We are super excited about the one stop shop.

Then lastly as we build this community together, we want to make sure that we are reaching out to our residents from the Civic Leadership Academy to neighborhood board retreats that Meet and Eats. We want to make sure that our residents understand how the City operates and how we can learn from them and they can learn from us. We are implementing Gov. University, which will be the one stop shop to educate our residents about the workings of government, and we sure hope it does not come across as sausage making, but it comes across as individuals working hard every day for the betterment of citizens.

The work that you did in the January/February timeframe at your Retreat was actually heard across the country in terms of the circular economy. The Ellen MacArthur Foundation reached out to Charlotte and said we understand what you are trying to do, and we would like for you to join the CE 100. We would only be the second City in the United States to join the CE 100; Phoenix is the first City. Watch out Phoenix. We are ready. There are a lot of enthusiastic people around reuse, but it is not just about reuse; we are going to create jobs in the barn, and we are going to hatch businesses. Everybody is rolling up their sleeves to do that; it is a collaborative effort, and Envision Charlotte is doing an amazing job with the barn and the \$2 million associated with it. It is our building, so what we are doing is we are making infrastructure improvements to a building that we own, so we are very excited about that and next summer we will have International Circular Economy Conference here in Charlotte.

With that said and in recognition of Charlotte's 250th anniversary we are challenging ourselves to do more. So, we are going to do 250 projects in the City over the next year, so we are also challenging some of our partners to engage in this community building. What is it that you can do over the course of the next year in terms of community engagement? We have a group here, and I won't ask them to stand; they are the plumbers, and it is not because they work on toilets; they are some of our most innovative staff members who say that what they try to do is flush things through a system; make things happen. We have given them \$300,000, and we said let's make some things happen throughout our entire community. Part of that will be part the celebration of 250 years, and we use as our example, Tree Charlotte. For \$100,000 they are going to plant 2,500 trees, but it is not planting 2,500 trees; it is the ten sessions that bring people together, and we learn more about each other and why our city is the great city that it is. As it was presented in the flyer that I showed you a few slides back where Mr. McCall, Ms. Smith, Mr. Ford, Mr. Alley, and Mr. Mansfield said the time is now, we say the same thing. There is this great opportunity for us, and as I say every year we are 8,000 employees that love this City; they love working for you; we will run through walls for you, and we love that you are an action oriented Council and we are ready to do a lot of great things. If there is nothing else, I appreciate your time, and I hand over the budget to you; it is your budget. The shelf life of the Manager's budget has ended, and we look forward to answering all of your questions and we look forward to giving you a produce that you can vote proudly on.

Mayor Lyles said I want to commend the Manager and his team of 8,000 people to give us a document that we had presented today that connects every discussion I think that they have heard from the Retreat, to our Council meetings, to our Committee work, to the Budget Workshops that we held before today, and I want to say thank you for the work, the attention to the detail that you have presented today and just comment each of us. We are all proud of the City that we live in, and it is even better when we hear the people that create the possibilities of work to be as proud and connected as possible to what our goals are, so thank you very much.

Now comes our term at bat I guess is one way of putting it. We now have the Manager's budget based on what he heard, and it is our time to begin to analyze it but we do a couple



of things in advance before we start. First, we will have a Budget Public Hearing on Monday, so you have a few days to digest this work and then we will also have this on the website, opportunities for people to get I think the deck as well as the budget on the website, and I'm sure there are going to be other ways. This meeting is both televised and livestreamed; and I know that the budget staff is available to help people even just walking into the building if they have questions about the budget. Calls can be made and all of that. I would encourage Councilmembers to ask citizens in the community that really see a difference or something that they want to have occur to come to the Budget Public Hearing. It is a separate public hearing than our public hearing that we hold for the 10 speakers that address us generally. We will have that Public Hearing. If people signed up to speak they will have three minutes, and we will go from there for Monday, May 14, 2018 at 5:30 p.m. for the Budget Public Hearing.

After hearing both from our Manager and our community, we begin our discussions on May 16, 2018 at 1:00 p.m., here in this room, and you bring in the ideas of things that you want to see done differently, the same, better, or whatever. We call it adjustments, but any recommended ideas that you have that would be different from the Manager's recommended budget, we will have that as a list. Our custom has been if you have an idea we ask five people to support it, and if five Councilmembers support it, the staff then comes back with it flushed out with what the impact is going to be, how they would do, and then we will have those items come back to us as we continue our discussion. Staff does a great job; this book will be full by the time we are done.

We continue our budget discussions and any adjustments on May 30, 2018, and we will have preliminary votes. At that time, we say if we are going to make a change to our budget we would ask six Councilmembers to support it. You say why six? Well, that is a majority because to actually put together the appropriate legal documents to pass the budget and have the contracts drafted for all of those that are included in this budget, for it to be ready for adoption in June, that is why we ask people to really commit to where they see they see things going. That doesn't mean that you are committed and iron clad; if you want to change your mind, of course, but we need enough for the staff to do the work so that we have our documents together to load to the system to start our new fiscal year.

I want to thank, in addition to the Manager and the team, the Budget Committee; Mr. Phipps and Mr. Driggs as Chair and Co-Chair members of the Committee, thank you for the work you've done. I think the process has clearly has worked, so we are at this point today and want to say thank you for that.

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#### ADJOURNMENT

Motion was made by Councilmember Eiselt, seconded by Councilmember Newton, and carried unanimously to adjourn the meeting.
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The meeting was adjourned at 5:55 p.m.



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Emily A. Kunze, Deputy City Clerk, NCCMC

Length of Meeting: 53 Minutes  
Minutes Completed: May 22, 2018