

City of High Point

*Municipal Office Building
211 South Hamilton Street
High Point, NC 27261*



Minutes

Thursday, June 7, 2012

9:00:00 AM

Council Chambers, City Hall

City Council

*Rebecca R. Smothers, Mayor
M. Christopher Whitley, Mayor Pro Tem
Latimer B. Alexander, IV, James Corey,
Foster Douglas, A.B. Henley, III,
Britt W. Moore, Michael D. Pugh,
Bernita Sims*

ROLL CALL, PRAYER, AND PLEDGE OF ALLEGIANCE

Present 9 - Rebecca Smothers, Latimer Alexander, Britt Moore, Bernita Sims, Foster Douglas, Michael Pugh, A.B. Henley, Christopher Whitley, and James Corey

APPROVAL OF THE JOURNAL OF THE PREVIOUS MEETING

REGULAR MEETING ITEMS

PUBLIC HEARINGS

FINANCE COMMITTEE - Council Member Alexander, Chair

[120154](#)

Monday, June 4th 2012 at 5:30 p.m. and Thursday, June 7th at 9:00 a.m. are the dates and times established to receive public comments on the City of High Point proposed 2012-2013 Annual Budget.

Attachments: [outside agency funding history and requests 2012.pdf](#)
[Shakespeare Festival financials june 30 2011.pdf](#)
[Shakespeare Festival 2012-2013 Information Sheet.pdf](#)
[sign-in sheet public hearing on budget june 7 2012.pdf](#)
[cynthia davis comments budget june 4 2012](#)

Council Member Alexander opened the public hearing.

Council Member Alexander: This is the second public hearing on our budget for the upcoming year. I am going to open it up. If it's alright with everyone I am sure everyone will get to speak. The first, Martha Yarborough was first to sign up, so we will start with the first one.

Martha Yarborough: My name is Martha Yarborough, I live at 1717 West Lexington Avenue. I want to start this morning by just thanking all of you for what you do and the time you give to run our city. Thank you very, very much. I am here this morning to also thank you for the support that you have provided the North Carolina Shakespeare Festival over the past 30 years. I am also here this morning to ask that you sustain your in-kind theater rent support of the Shakespeare Festival and its unique support a service to the community. You have each received a packet of materials that includes our most recent audited statement. An overview of our plan, the programming for the coming fiscal year, and a number of letters from our community leaders and teachers who value the Shakespeare Festival's work. Over the past 1- months the Shakespeare Festival has experience unprecedented growth in its capacity to better serve the students and citizens of our community. This has allowed the festival to launch community based programs like Final Fridays and its upcoming Inaugural Community Day this Saturday afternoon. Additionally, added capacities to these will more than double our planned summer stage program of youth camps this month and in July. The Shakespeare Festival is definitely on the move and growing and diversifying its service to our community. This September the Festival will return to the main stage with an exciting production of Romeo and Juliet, and in December we will celebrate its 35th Annual Production of A Christmas Carole. Significantly these two productions

alone are expected to draw nearly 15,000 students and teachers and people to our High Point Theater. We expect that as many as \$3,000 of these students and teachers will hail from High Point's public and private schools. The arts will surely pay a significant role in our city's continued growth and success. A resource like the Shakespeare Festival will require many hands to sustain its unique service to our community. Please sustain your in-kind support of the Shakespeare Festival in our city's 2012-2013 budget. Thank you.

Council Member Alexander: Thank you very much.

Mayor Smothers: Is anyone else going to speak on the festival? I just want if I might ask one question Mr. Alexander, and it may be Martha that Pedro will need to answer this. The, are you all anticipating a shortfall in state funding?

Mayor Smothers: You're not. OK. Thank you. Because I just wondered what that would do to the program for students.

Council Member Alexander: Mr. Corey.

Council Member Corey: Mr. Alexander, the amount allocated for the Shakespeare Festival, does that reflect the in-kind rental or is that separate?

Strib Boynton: That is the in-kind rental.

Council Member Corey: That's the in-kind rental. Ok.

Martha Yarborough: Thank you.

Council Member Alexander: The next on our list is Julius Clark. Julius Welcome. We know you well, but please give us your name and address:

Julius Clark: Julius Clark, 1408 R.C. Baldwin Avenue. I want to also say thank you to each and every one of you for your service to the City of High Point. I stand before you once again, but I want to make sure that the City Manager understands that we have tried our very best to live up to the mandate that you set before us in the last award. The Rosetta C. Baldwin Foundation Museum believes that the key to preserving and promoting High Point and North Carolina's African American Heritage is to be responsible to the

community need and vision. One of the foundation's priority is increasing recognition of what the City of High Point and the State of North Carolina can and will contribute to the African American Heritage Tourism. According to the North Carolina Department of Commerce, in 2009 only 11% of overnight visitors to North Carolina classified as Black African Americans. An increase in these numbers has the potential to increase North Carolina's \$20.2 billion dollars industry that generates \$15.6 billion in tourism impact. At the root of the Rosetta C. Baldwin Foundation Museum are the rich stories of a rich heritage. With the work of the Foundation and the continued support of the City, what will emerge from this partnership are increased opportunities of a workforce development of history, heritage practitioners advocating and promoting African American Heritage resources, including those that increase tourism in our city and state. We agree that a change needs to be made. And a change means sacrifice. Our commitment should be to leave our environment in a better shape than when we found it. Our city's fiscal house in better order. Our public infrastructure in better repair, and our people better educated and healthier. To indulge in immediate gratification and exploitation is an insult to previous generations who sacrificed for us. And thievery from the next generation who depends on our virtue. My question to the council members is as each of you look to the future weeks to determine what is in the best interests of the City, I ask you to ask yourselves are we better off because of your service. Will you serve as you have in the past or will you change? Addressing the enforcement of and changes of policies and procedures and standing true to the integrity of the City's mission, I hope is your desire. I stand before you to say it may not be important to anyone else, but ladies and gentlemen, the Rosetta C. Baldwin has arrived. We have been listed in the official Museum Directory 2012. To me, I am very proud, because this is 12 years running and this is our first entry. To show that we are continued to try to do what we say we are going to do, this is proof in the pudding. And I both, and I tell everyone that we are the only institution that flies United States Flag from the Capital Washington DC. We also fly the flag from the North Carolina State Capital in Raleigh. Both of those flags were flown over each capital November 29th 2010 in honor of Rosetta Baldwin Day. So ladies and gentlemen I serve with a passion, I am just the steward and our future goal is to one day present this museum to the City of High Point. Thank you so much for your time.

Council Member Alexander: Thank you Julius. Thank you for all you do.

Patrick Harmon: Mr. Alexander, Patrick Harmon, I neglected to sign the sheet, representing Friends of John Coltrane.

Council Member Alexander: The next person on the list is Mr. Mark Brown with Theater Art Gallery.

Mark Brown: Good morning. As Mr. Alexander said, my name is Mark Brown and I am here on behalf of Theater Art Galleries. Theater Art Galleries is operated at the visual arts center in High Point for 36 years now and has been an independent non-profit for 19 of those years. The City of High Point has long supported TAG and did so with an allocation of \$31,000 in the Council Budget. TAG's purpose is to bring the visual arts to High Point through exhibitions and education. This month TAG mounted exhibitions for the High Point Fine Arts Guild, award winners from the High Point Silver Arts Program, and works from elementary school students from area schools. Each year we host exhibits to highlight the creative endeavors of well over 200 artists and children working in High Point and the surrounding communities. Speaking of community, TAG truly serves the High Point community as a whole. Our programs reach into every sector, whether it's through exhibiting artists' diversity, community outreach collaboration classes or events. Our expanded outreach planning for next year includes even more. We will continue and expand our programs for Spanish speaking children in the community. We will continue our foster and family series classes and workshops for foster children in the community. We continue to work with other local agencies on mutually beneficial programming that could not be possible were it not through collaboration. And this summer we will continue a program we launched last year of camps and workshops for special needs children in High Point. Last summer we had over 230 children and adults in our summer camp programs and free programs throughout the year. 58% of the children who participated in TAG programs last year did so at no charge. That's over half. In addition, another 37% of the remaining 42% participated at reduced costs through scholarship and/or award programs. The largest area of growth for TAG over the past four years has been in the area of free programming for underserved, low income and at risk children. At the same time we realized this growth. At the same time

program funding has dwindled. We funded the increase in these programs thus far through our earnings revenue, but those revenues have become stagnant as of late due to the economy, which I am sure you are all infinitely aware of as well. Consequently, we have asked the city this year for modest 3% or a \$1,000 increase to our allocation. We have not received an increase in the past four years. These increased monies would go directly into these free programs. In short, the city's funding enables us to offer these programs to be inclusive as possible for all the citizens of High Point. Of course, this year we come to you with the knowledge that economic times are still at best uncertain and as always, we are deeply grateful for your commitment. I would be happy to answer any questions.

Council Member Sims: Mr. Brown, I have one question for you. Can you speak to the diversity of your board.

Mark Brown: We are at, I believe, 12% right now. We did lose two members last year. We try to keep our board at somewhere in the neighborhood of 20-28%. It has been that over the past 40 years.

Mayor Smothers: This applies to a number of agencies here in the audience today, but I thought, and I guess this is a special tribute to the Arts Council in a way, the insert that was in the High Point Enterprise on arts for the summer was excellent, and I think the programming particularly that you provide was certainly well prepared and received, and the festival information as well. So, it was all good. But I just happened to remember how great yours was too. And there are a number of programs that you provide with children this summer. And again, thanks for all y'all do at the theater, because if y'all weren't over there, there wouldn't be anything going on except what's on the stage.

Council Member Alexander: Al. Welcome to City Hall again.

Mayor Smothers: Excuse me Mr. Alexander, I think...

Council Member Douglas: I have a question. In reference to the Baldwin Foundation, what other information do we need to increase the funding for the Baldwin Foundation?

Mayor Smothers: You mean what is the difference in what he

asked for versus....

Council Member Douglas: Yes. What other information do we need to increase that funding? I mean, do we have all the documentation that was asked for and so forth?

Strib Boynton: I think all we have is the request for, you have given them \$10,000. This year they asked for \$75,000 for next year. And I think you need to look at their proposal and decide. I, Mr. Douglas, left everything the way it is because this is the time of year where the city council gets involve and decides how much you want to earmark for this or that agency.

Mayor Smothers: I think Mr. Douglas' question related more to that did they justify the increase in their request.

Strib Boynton: I think it was largely, I didn't think so. But that may be something y'all want to look at. I don't have their proposal here right now.

Mayor Smothers: Excuse us Al while we get this done. Do go far. Julius, did you enumerate in your proposal how the extra money would be used?

Julius Clark: Yes, we even had the visitation from the Assistant City Manager, and we itemized and went through everything we requested.

Mayor Smothers: Well we will get that information then.
Thank you:

Al Campbell: Good morning. My name is Al Campbell. Madam Mayor, City Council, professional staff. I am here as a belated desire, or at least to let me show you something. I call this an "unavoidable declining revenue". Number 1, real property devaluation equals lower tax income. Number two, more tax exempt institutions equals those reduced real property types of income. And number three, increased property tax rates equals inflated property taxes. Voluntary contributions by considerate and understanding institutions are appreciated, but their actions fall short of a long lost income when real property is devalued or removed from the rolls. When the tax options provide legal exemptions individual property owners and realty, in reality there is a shortfall. That then for individual property owners becomes a form of taxation without representation. Is now the

time to re-evaluation past and present conditions to determine, acknowledge and enact different alternatives? Shall we continue providing free rides for some at the expense of others? Have we forgotten that all within the boundaries of our jurisdiction are entitled to law and order? Fire, safety, clean water, sewer treatment, garbage and trash disposal, etc., etc. Why should those services be freely available for some but costly for others? Is now the time to reconsider the future because of the past as well as the present through re-evaluation. Thank you.

Council Member Whitley: Al, you stated or you made the remark is it time to change the way we are going as far as giving a free ride to some and not the others. Do you have examples of who you felt?

Al Campbell: Well, first of all, institutions that are tax exempt might be reconsidered and maybe this council has not been bothered to do so. Also, I have a real problem with de-evaluation then an increase in the tax rates, because the property owners will still pay the same amount of dollars, but have less value for their dollars.

Mayor Smothers: So you are speaking of non-profits in general.

Al Campbell: Of course. Any non-profit that is tax exempt. And like I said, maybe this body is not the property body, but at least we could look at some of these things and begin at this point.

Mayor Smothers: I know everybody that is here to speak on a non-profit is tax exempt this morning.

Al Campbell: I don't know.

Mayor Smothers: Yeah, they are.

Council Member Sims: Are you speaking more to the taxation of real property not necessarily the entity itself.

Al Campbell: Exactly. For instance, and I hate to say this but I think I need to say it, when we look at Montlieu Avenue and High Point University, all of that property that was originally owned by individuals is now off of the tax records to some extent. And if we look at churches. Now I have nothing

against churches. But when we look at churches. As they increase their property by purchasing property most of that comes off of the tax record. And that means we have a shortfall that the City Manager has to deal with.

Mayor Smothers: I will share with you something that for years ago, it came from Doyle Early, he said non-profits have no business owning property.

Al Campbell: Oh, I like that!

Mayor Smothers: There is some merit to that.

Clayton Mays: I am Clayton Mayes. I live at 1001 West College Drive. A side on that is, the last weekend we were looking for directions on mapquest and they made us start at Panther Drive. So if you don't know already, perhaps there is something the University knows and mapquest knows that the rest of us don't. But they would not accept 1001 West College Drive. They changed it to Panther Drive and then you could check where you wanted to go. Anyway, I thought that was really interesting and a little bit startling.

Mayor Smothers: I do too, considering how long it usually takes mapquest to catch up with what's changed.

Clayton Mays: That's a good point. I hate using the thing, but sometimes that's all you can do. My comments will seem negative, so I am going to preface that to say that I do appreciate what the council does and I do know from years in High Point that it is not an easy job. Sometimes a very thankless job and folks like myself can always find something to criticize. But when I read the editorial in yesterday's paper, I thought well, that's really pitiful, it is pitiful that only two of us like minded to myself would come to the hearing. And I am just as guilty as anybody could possibly. All these years I have lived here, I don't know that I ever appeared here to talk in person about the budget. I rarely know much about it until it comes out in the paper. And I never know when is the proper time to get your input made to hopefully have some success in being more and more conservative and more and more streamlined. I always read with interest the comments from council members and city manager, mayor. And I hope you are accurately quoted, and I assume you are. But that's where I really get my feel for what you all about and what you think in

terms of conservative streamlined government and that sort of thing. I was particularly glad to read the article by Pat Kimbrough this morning about the refunding of the bonds. To me that's heartwarming and certainly indicates creative and streamlined thinking and being watchful of the taxpayer money as to how to get the most benefit from all we do contribute. The governments, as I have observed them from top to bottom, always seem to pretty much justified in just simply increasing property taxes, increasing revenues wherever they come from. Really and usually at the expense, pretty much, of property owners, except for in the cases of our utility costs here in High Point. Those things are all operate the same detriments that say when they are increased as far as a citizens are concerned and there is just simply, when you take our local property tax increases, than our local hikes of all kind, and then immediately look at what the county is going to do that as they add their layer. And all the other government units that up and down the line, add whatever they feel like the need or must have to meet the status quo. A good case and point I thought was the other day the reference to the county commissioners who when they learn there is going to be a huge savings in final jail costs, immediately started looking for where they could use that money. And somebody very appropriately said have they considered just returning that to the people. Just think of that. And so this, from my point of view, this is the way I think government should operate. It's obviously a very expensive proposition. We all want what we want. My own feeling is that if between the council the other governmental units, see that things are not going to be quite as good as usual, or they can't do some of the things we would all like to enjoy before, make a big issue of that. Let us know exactly what we are going to have to give up because that is really what we do in our families. I would assume that each and every one of you do that. When it comes down to it, we cannot balance our budgets at all by increasing what we charge for services and increasing whatever. We want to do, there are so many options - so few really, that's how you got to do it if you want to stay in business. I understand that government is not a business in a sense, but I think it could be run more as a business, and I know that must be the approach that you all take to try to make it profitable, or at least and have a balanced budget. So I guess in a way that I have, it's kind of a plea I guess of sorts to continue to streamline and look for savings and look for ways that citizens can do more as volunteers. I contributed a little over the years to volunteer groups, not that it made any money for the city by any means, but I think there are those of us with

some experience and life experience, and who are perfectly willing to try to do more in the way of volunteers and I like the comment the other day. I think Mayor, you said examples of things in High Point that should be done by the Visitors Convention Bureau, such as the Coltrane Festival, which we all are pretty much positive about, but may be that that is area where they should be more funded if they are going to look for funds from public offers. So anyway, when you add to the erosion of the dollar, your purchasing power, the recessionary evaporation of retirement assets and income, cost increases of all kinds of goods and services, those of us who are on a fixed income we like to talk about and describe, we are really just out on a limb and there is no way you can, know where really to turn other than looking for savings, and you can't do much at the grocery store and you can't do much with your maintenance and costs of maintaining a home and all of those other things. But for those of us who were looking forward to the golden years which we find them turning into maybe a little grass. So I just again wanted to say thank you for what you do and at the same time as you to maybe even try hard to do a little more and help us out. Thank you.

Council Member Pugh: Mr. Mays I would like to say thank you for coming and the turnout has been low. I gave that some thought the other day and it's very difficult for people, especially now, most people work, and it would be very difficult for them to come. And then in the evening for people, it's kind of difficult also. But they put their trust in us as elected officials to do with feeling and what we think is right for them, and every phone call that we get and every email, or conversation letting us know what their will is, is as though they were sitting out here to me. But I do like, I do appreciate you coming, because that's very important in knowing how you feel and thank you again.

Clayton Mays: I agree with all that, and I think I am even guiltier because I have followed these sorts of things of the government but do very little about it. I have written some emails and had a few conversations. But I think it is easy to become cynical that nobody is listening, that it's just blowing in the wind, and so therefore we pretend to rationalize that it is inconvenient to go the hearings, it is inconvenient to write emails and call and do all those things. But when there is a final analysis it seems to me that is that really the only way that council members are going to know. I guess we should be, and I am, I must be satisfied that once we contacted you then we

hope that you will take that into account and that we are not the only one. I always take the opinion that if one person says something, even they may not know, they are representing a lot of others who didn't bother to say. Thank you.

Mayor Smothers: Since a number of you were in Raleigh yesterday at Town Hall Day, I don't know if you will find any solace in this, but you know we walk the same path as many of you walking out there. Yesterday in Raleigh Mr. Whitley and Mr. Alexander and Ms. Sims were there along with staff, and found out that we may lose up to, what for High Point would be about \$1 million in local revenue because it seems the general assembly is going to take what has been an allocation from municipalities the hold harmless funds. That's a lot of money, and we won't know until they do it.

Clayton Mays: I think that's another thing that could be pointed out that we have all become so codependent on what the federal level will hand out to the state, and the states hand out to the counties, and the counties then to the cities. And so it really, we are all at the mercy because we are accustomed to that. We don't like to give up any of it, and in your case you must have revenues to obviously run the city. And so, as I see it, we have got the basic things of health concerns, safety concerns, fire protection, police protection, all those things and they must be met, and those departments cannot find anywhere to save anything. Maybe they just have a mandate that they must save a certain percentage. One commission I was on a years ago, we had a very tiny budget and I remember being struck that the executive director commented we need to spend this money that's left in our budget because they won't give us this much next year if we don't spend it. I think well that's backwards. That doesn't sound right.

Mayor Smothers: Well believe me, we got some staff here that makes sure that anything that is unspent is not spent right at the end.

Clayton Mays: I would certainly hope so. Really the incentive to save, therefore is a raise if all of us held that attitude and that mindset. Thank you again, I really appreciate your attention.

Council Member Alexander: Thank you Mr. Mays. The next person is Mr. David Wilson.

David Wilson: Good morning Mayor, Council. My name is David Wilson, I live at 3408 Central Avenue in High Point. And I think if we are going to give any raises, I think you ought to give it to the Council. Because I don't see how you do what you do. Be it private business or private work, and have been to a few council meetings and liked to have been to many more, but you really do a hard job. Especially in trying to do the things that need to be done. I appreciate that and respect that. Don't always agree with it, but I certainly respect your hard work. What was the previous speaker's name? Clayton, you will like this. Ditto to what he said. And I, it would be hard to say a whole lot more than that, because that was such a fine presentations and I appreciate that so much. It falls down the line of a converter's view of the budget that I feel like. Part of this is a question. Is there a current citizens review board for the budget?

No.

David Wilson: I would like to appoint Clayton to that. I think it is very important in especially issues like this. And there is a lot of reasons folks don't come. Mike mentioned those. People do care in the City of High Point. They got a lot of reasons they don't come. That could be addressed at another time. That has been a concern of mine is having meetings that nobody comes, then we have another meeting when the room is full. And that can be a problem also. But I think we need a citizens review board that can have a little different perspective. When you work for the government you have a government view. You have an excellent city manager. I don't think you would find a better city manager, that's why he is still here, that's why he is still serving. I respect him and appreciate him. But he has a government view, and that's his job is to look after the people that work under him. And that's part of the reason I imagine for the recommended raises, because these folks have been working and haven't had a raise in years. They more than likely deserve it. But on the other hand the folks that are out here that are in business for themselves, they deserve a raise also. But they are not going to get it. You can't give it to yourself. So that is something to certainly be considered. If you are in business like I am and the real estate business has been devastated for four years. As hard as I work, I can't give myself a raise. If you are in business and you are trying to do business on North Main Street in High Point, if you don't have the business you can't give yourself a raise, if you do you won't stay in business long. So I recommend you

have a citizen review board that has enough information that you can have a point of view from the citizen point of view than from a government point of view, and those could be put together and presented. So I certainly hope the council will consider that.

(continued)

Mayor Smothers: I will say this Mr. Wilson, the city does sponsor what they call High Point 101, which is an overview of city services and we have had I don't know how many people who have gone through that program. Alice Moore has put it together, annually. And that is really a good place for any citizen group to start. So it's a good idea maybe we could have a group, the group that went through it could come back and have an overview of the budget. Because what they study are services. And that's really what we need to hear from the community about is the level of services that you want. And then it is up to us to find the money to fund that level, an improvement level of course.

Council Member Whitley: I was going to say, we also had the group from Community Development that Jim Gromit was in and they did the same thing going through a lot the city services.

Mayor Smothers: We did to a citizen survey that was just completed this spring that did ask folks to evaluate the city services. So we recognize that's a better guide of public input than just what a line item in a budget is.

Council Member Pugh: David, I would like to state that I am a proponent of a citizens review board for various reasons. A lot of municipalities have that. I think that they are productive. It would give us some input from the public and it would be another place the public could go and take their grievances to, it would be a healthy thing.

Mayor Smothers: The ultimate review happens every two years. And this is one of them.

Council Member Douglas: I guess what Mr. Wilson is saying is we need them in between the two years too.

Mayor Smothers: Well, paying attention in between the two years makes a difference too.

David Wilson: You know from your point of view and from my point of view out here, sometimes we feel like, does the council really respect my opinion and what I am doing. Because just like Clayton here, he was saying what a lot of

people think that are not here today, you represent what a lot of people think. But there can be a feeling of does my voice count, and Clayton kind of touched on that. They can be from your side too. Do the citizens really hear what I think. I have been elected and so I am going to make my decision. That's why I think, and it always concerned me that we don't have as much involvement with city council meetings and other things, and I think that should be a separate issue not to get too far into that yet. But we should always respect each other's opinion. We don't have to agree with them, but we should respect them. I wanted to ask a question about the raises. Was it 2.3?

2%. Okay the 2.3 was the raise in the tax rate...

Strib Boynton: It was on the tax rate. A revenue neutral rate.

David Wilson: Is that 2%, is that across the board?

Mayor Smothers: The proposal by the manager.

Strib Boynton: Pretty much so across the board. Obviously the council who would look at my performance separately from all of that. But that is for our employees. They have gone three years without one. I am talking about the water sewer workers, the line workers, policemen, firemen. All the folks out there that do the work day in and day out.

David Wilson: And I respect that. I mean, they just came out and cleaned by ditch, and I appreciate that it sure needed it. And it looks good. They did a good job. And did it in a timely way. However, there are folks out there that cannot get a raise for whatever reason. And I don't think it's the time with the economy and the situation. I think, not to put words into your mouth, but it, you are saying, I want to get the best out of these employees, they deserve a raise, which they probably do, so there is two questions in that. One is why an across the board raise when in business most of the time, it's a merit raise on the value of their work. And so an across the board raises kind of concern me. Because that is putting more towards government outweighs than what everyday citizens would do with their businesses.

Mayor Smothers: Actually, that has not been the norm for High Point, we had pay for performance.

Strib Boynton: We had a pay for performance system, but it has been so long it is kind of out of balance. That's what we are trying to do. My recommendation was in the budget we get some balance back in it now, but then we will switch sometime mid-year or next year if the money is available, to the pay for performance system, and we are in the process now of valuating what salaries should be to be competitive. Going through that whole valuation process. But we have got things pretty well out of balance the last three years. So we are trying to get some balance and then go back to pay for performance, because that is basically how we do it.

David Wilson: That all makes sense. But it still doesn't make sense that the private sector is not able to give raises and the government can. It just makes a bad situation. If you got a job, you want to keep it. If you don't have a job you are looking for or either you are in school trying to improve yourself so you can get a job. And I respect you wanting to give a raise, I just don't, I would delay that, I just don't think this is the right time to do that. A lot of people cannot pay their current tax bill. And we know that. I recommend and I suggest, my view is to hold taxes to the level we had last year or lower and send a message to the citizens of High Point that they are working for all the citizens of High Point, the whole budget be conservative and go back through the budget line item by line item, and either hold the budget where it is or reduce it until the economy comes back when we can afford to do it.

Council Member Alexander: Thank you Mr. Wilson. The next person is Ms. Peggy Alexander. I spoke to Ms. Alexander earlier this week. Thank you for coming out.

Peggy Alexander: This is a new experience for me.

Council Member Alexander: Well we are glad to have you.

Peggy Alexander: I talked to Latimer this week.

Council Member Alexander: If you would give the clerk your name and address.

Peggy Alexander: Peggy Alexander. I live at 1606 Laurel Lane. And I wanted to say in the beginning that I am a retired person on a fixed income. And expenses are the important thing to

me. I am a widow, all the expenses is up to me to pay for a home. And frankly I was shocked when there were only two people that had come down here to speak to you folks. And everything is going up in our community in our city. My evaluation, I can only talk to you on what is happened to me. My evaluation on my property went from \$123,000 to \$125,000. And I have an extra lot beside of my house that was evaluated last time at \$13,000 and it's now \$16,300. It doesn't even have a road front to it. The light bill is going up. And I appreciate everything that everybody does, the City Council, the Mayor, the Manager, everyone. But is there no way to negotiate how we buy our...I don't know that much about electricity and how you get it, but is there no negotiation on that?

Council Member Alexander: No, we own ...

Strib Boynton: We own a good part of the nuclear plant. So it is really our own. But we scrutinize the numbers for Duke Energy and what it costs to operate the plant. And to maintain it with their operating costs. Their capital part of the budget as well and what it takes to operate the Catawba Plant. And we try to get it down just as far as we possibly can. I think we have gotten it there. Our increase that they have asked for us is 5%, and I recommended 4.9%. But understand, Duke customers with similar power from the same place is 7.2%. So I think we are squeezing it down as the way we can responsibly do it but still keep the lights on. And I wish it was less, but I am not sure how to do that because we have already squeezed it down to less than what Duke has increased its own customers.

Peggy Alexander: Then we have the Piedmont Gas, they are going up. And so when you add all of these things together, it's a big expense of a lot of things that is going up. Then we get to that wage increase. I know nobody likes to hear that, but I feel as the other two guys have spoken, that has really said it all. But in talking to Latimer, he had researched a few people who told me to see if they have gotten wage increases in their company. And some of them said yes. But those individual companies had not given a wage increase, first of all they didn't make a profit in their business, and secondly if the money is not there, and High Point doesn't have the money. We are talking about not having money. Where are we going to find money to do all these things. And it comes back to us as citizens. And so I really feel like that the biggest thing, I know

the employees really deserve an increase, and I really appreciate everything that the city employees do for us. I love living in High Point. I love High Point. It's my city. And we don't want to have expenses so high that we can't live in the city. And the employees of the city are really blessed to have a job. There are so many people out here that do not have a job. The economy is so bad and I think High Point has too many that's unemployed. And my suggestion to the City Council, is don't raise employee's wages because not that they don't deserve it, but we can't afford it. The money is not there. Like an individual company. If they don't have the money they can't get a wage increase. And I appreciate your listening to me. Thank you.

Council Member Pugh: Ms. Alexander, I am very appreciative to what you are saying and I know that there are thousands, tens of thousands of people, senior especially, in High Point who have a fixed income and everything with the increase takes out of that fixed income and places a greater burden on you. I appreciate your situation.

Council Member Alexander: Gart Evans please.

Gart Evans: Good morning. My name is Gart Evans. I live at 3634 Malibu Drive here in High Point. And I am representing this morning request from Piedmont Triad Ambulance Rescue, and serve as the chair to their Board of Directors. This past week many of us had the opportunity to see on the news and in the media a celebration that was happening in Great Britain. One of the things came to our attention certainly the amount of the celebration and jubilee there, but the recognition of the individual that they were honoring. And I saw where they gave three cheers on a number of occasions. And I come this morning first with three thank yous. These have already been presented, but I don't think it can be presented too much. One to thank the City Council for your service and not only for your service and unselfish giving to the citizens, but for the civility in which you serve, because not all boards serve with that same civility. So we thank you for that. Second, we thank you for the resolution which this group passed and presented to the Guilford County Board of Commissioners on behalf of PTAR within the last ten days. And third, I thank you for your continuing support in sustaining grant to PTAR. As I have mentioned, I serve as the Chair of their Board of Directors. We are a non-profit ambulance service that responds to non-emergency, convalescent and emergency calls serving the

citizens of High Point and the Piedmont Triad. We provide many services to the community. Several without charge. And this is where your support is vital to us. In the community here we support our city fire department, city police department with their training. Exercises for house burns with tactical turnouts that they expect they have. We assist the police department with DWI check points through our equipment and services. And we provide a lot of services to our non-profits, as we will this Saturday to the Shakespeare Festival by providing one of our units and personnel at no cost to those non-profits. We appreciate again your support and the funds that you provide for us, because they in fact go to these particular services. We respond to many scenes where we assist citizens that not only live here, but can travel and work here in our community. Last year we responded to approximately 10,000 calls within High Point. We again remind you that we are the non-emergency responder, working in assistance and in tandem with Guilford County EMS, who is publicly supported institution. I simply again thank you for your continued support. Paula Lineberry, Chief of our services, is here with me this morning and we hope that you will find cause to continue the support of our service and likewise the citizens of our community. I remind you that our mission goes hand in hand with those certainly that have been established here in the city. And that is that we can provide the best possible care for our patients by providing the best possible equipment and the best possible training for our personnel. Thank you.

Mayor Smothers: Gart, I did receive a response from Chairman Alston yesterday, and it was basically in defense of the policy that they have enacted that is going to dramatically impact PTAR. I don't know what's going to happen to you all. I hope after the budgets are adopted that perhaps you can come at some point and let us know, because the citizens of this community need to understand what is going to happen to this service.

Gart Evans: Madam Mayor, thank you.

Mayor Smothers: And you all will get, I just got the letter yesterday, and did it come here? OK you have it.

Gart Evans: We had a board meeting last night Madam Mayor, Members of Council, we will be at the Guilford County

Commissioners meeting this evening as they go through their discussion.

Mayor Smothers: And perhaps you can just convey our continuing concern, though we appreciate their response, it doesn't solve the problem.

Gart Evans: Thank you.

Council Member Alexander: Cynthia Davis please.

Cynthia Davis: Cynthia Davis. 413 Evergreen Avenue, High Point.

Mayor Smothers: Now Cynthia, this is going to be all new, not what you previously have given us.

Cynthia Davis: Not what I spoke on the last time. I am going to read some from the letter that I provided so it will be in the minutes, and it's at least a portion of that. But I do have other information if you would rather me skip to that. I think some of those figures is very important.

Mayor Smothers: And I am not disputing that, you have given us comments over the budget review and there are a number of people here, and we have already lost some folks who also wanted to speak. Are you going to stay the rest of the morning?

Cynthia Davis: I am. Well then I will jump in and hit some things that I haven't said out loud.

Mayor Smothers: And you can give the comments that were written, which we already have, to the clerk for inclusion in the minutes.

Cynthia Davis: Well, I do want to hit one of those, and it is the fact that you have 57% of your employers are citizens that cannot afford proper housing because they don't make \$39,900 a year. The budget itself costs most families, a family of four, \$17,385.00. I am going to touch on the fact that the miscellaneous charges for the Market Authority went up \$60,000. The electric services went up from 30,000 to 38,000, an increase of 116. Street lightings went up to \$105,000. That's going up. I am not a big advocate for non-profits. I

appreciate what they do. And I think that when you have a special interest such as whether it be the arts or John Coltrane, or whatever it may be, that others of like mind should contribute to those things. There are funds available through CVB for the John Coltrane that is \$32,000 that we could allocate out for services such as the ambulance services, services to the National Guard, services that provide for the entirety of our city, not just a select group or special interest group that have like-minded people that can help them achieve their goals. I don't think coming to the city and asking us citizens to give out grant money, I could start a non-profit and say I want to have a street party on everybody's block that would be my goal. I want to start a non-profit barbecue and I am going to block off the street, give me in kind services for the police department, anything else I might need, I will buy hotdogs that I want \$100,000 from you. So that I can pay everybody that staffed it. I don't that is fair, I think it is wrong to use our money in such a way. I think that if we are going to allocate monies out it should benefit the whole body of the citizens within your borders. Now, with that being said, I am going to go over to my book, it is really marked up. And I am going to make some suggestions in cost cuts. The budget includes \$3,000,280 for increase of wholesale power. \$2,331,000 is needed for an electric system improvements, including \$1,331,000 is needed for a new Jackson Lake Transformer. There is \$1.3 that we can save if that transformer is of absolute necessary. We also have another million to convert a sub-station if it's not absolutely necessary there is another million. I just saved you \$2.3 million. The budget includes an initial, and I want to say that word again, initial, anticipated funding for automated and upgraded recycling sorting system. Good grief. Do we have to have it now. Sometime, yeah, sure, why not? I just saved you another \$1.5 million. If you don't have to have it, don't do it. I will jump off that. Because, you know, Mayor I will respect your request, although it is a public thing, and yes I have spoken, but I think that some of my neighbors who can't get here because they do work the hour of 9:00 a.m. is not convenient for them. They have come to my door and reiterated the things that you have seen. I don't know if any of you have taken the time to read the information I provided you or not. That's the whole point of saying it out loud, to make sure if you didn't. I am doing my homework. I am not as dumb as some of you think, in telling me to get a life, get a job. I am a full time volunteer and I volunteer my time because God allows me to. We do with less. We are walking around hitting things in the

dark by night light. But I am doing what I feel God has called me to do. And I don't think someone telling me that I should get a job to make things easier on my household is fair. It's not right, and nobody has the right to tell me how to live my life. Now, with that being said, coming to employees. I want to hit that, because I got those figures. And to be honest with you, I was really sort of disappointed of the fact that we have employees that have been with the City for 47 years that don't even make \$50,000. 47 years? And some of them were at \$43,000, and you want a pay increase? Upper management take a pay cut. Bring some of these people up. I mean you have a custodian that has been with you for years, over 25, he only makes \$22,000. My God. To me that's greed. When you have got people on your payroll that aren't even able to afford a home, we, I mean, it's in your budget. 57% of residents can't even afford a home, and you've got custodians that have been with you 25 years, and they are only making \$22,000. I say, upper management take a pay cut, 10%, 15%, whatever you think is reasonable to help your fellow man and bring them up so they can live some. I have a huge problem, a huge problem. We have an economic development employees here in this building, but we are paying the director of Core City Development \$99,000 a year. I am sorry, most of the people that sit on that board are volunteers. Does one individual deserve \$99,000 when we have an economic development corporation in this building that does what this individual is paid to do. Dorothy Darr, the southwest renewal thing that she is working on, are we going to hire Ms. Darr who is very active in advocating for the improvements of that portion of town. Should we hire her on and pay her \$99,000 because she has a wonderful idea, because she has the real estate knowledge, she has the contacts. We can't hire everybody when we have the resources in this building, that's what we pay staff for. There is another \$100,000 you could put back into your budget. Or if you have to keep her, at least bring her down to a reasonable amount of money. In my mind give her \$50,000. Most of those people volunteer like I do. They are pulled from the business community. And they certainly don't provide public with information. Because I attend those meetings. And like it or not people, I am an employer to you. You work for me. You work for us. And when we attend a meeting we should be provided the same information as anybody else. Those of you that own a business, Mr. Henley, those of you that own a business are you going to let your employees tell you when you can go on vacation, how much you can put in your 401k, how much they want from you in their paycheck? I think that's

wrong. I think that's bad business. I think if we are over budget then they should go back, cut departments 5%. Cut the pay. Do something. But it shouldn't be on our backs anymore. I shouldn't have to go around hitting my toe because I can't see in my home trying to conserve the money that we have, and my aunt is disabled. She receives one check a month for \$700. By the time she pays her rent, her electric bill, her gas bill, and the other things that she has she barely has enough to get her medication. Because even with medicaid and medicare she doesn't have enough. So we are asking people, alright let's reach into your pocket, let's pay the non-profit. Let's give us increases. Let's get these miscellaneous things that we need to fix right now today that some of these things could wait. We certainly don't need to be giving out \$32,000 grants, \$50,000 grants to events that like-minded people can get together and come up with money. Do a rotation. Do something. But we shouldn't have to carry it on us any longer. I asked for the numbers for High Point University and Furniture Market on this sheet that Strib provided us. And I don't think that we should be giving the Furniture Market, my opinion, \$1 million every year. Whether it be in kind, monetary, or whatever. Okay, with that being said, it was said to me that most of that was not in kind services. Well, it is my understanding that we write them a check for \$1 million, if I am wrong I am wrong. But the additional incomes services, I am sure they exceed or come pretty close. We need to start cutting some fat, and everybody knows High Point is the place to be. When they design furniture, they know High Point is where I am going to show my stuff. We are the host city, yes, but when we are making an \$8.2 billion dollars within the region, they know where to come. I am not going to stand here much longer. Because I know some of you just really don't like to hear me anyway. But I am going to tell you that online if any of you bother to go there, under our view, have your say at the budget hearing, tax payer 1's comment says, "the solution should be simple, if the city has a shortfall of 5% or whatever just cut every item and department in the budget by that same percent." Cut your fat. The miscellaneous expenses to me, I mean I don't do governmental accounting, I can do the other pretty well, okay. Most of us add, subtract, but if you don't have your debits and credits when you are looking at the budget, how do you know if it's balanced. You are taking the word of somebody else. But anyway. Cut the departments spending the 5%. None of us has the option to spend more than we take in, nor to simply take in more. There is no blood in the turnip for us. Where governments are concerned, they spend without

regard to how much money they have. Just going back and raising taxes to cover any amount they want. Last time I talked about the 2/3 bonds that you don't need our approval to decide on to do these projects, but yet we have to pay for it. \$5 million dollars is a lot of money to me when I have to bump around in the night. My refrigerator is not always full, and I am sure there is a lot of people here that feel the same way. But we never go without and God is good. But the fact of the matter is your employers shouldn't do without, you should cut the fat. High Point spends millions on uptown studies and evaluations, sprucing up various portions of the city, funding profitable not for profit, etc., and in the process creates a city that is very cost prohibitive in which to do business by virtue of having such high property taxes and utility rates which they continually raise in order to fund programs they think are going to attract businesses here. The whole thought process going on at city hall is insane. Another person on down through here said that they elected you, each one of you to represent them in their ward to be their voice, and they don't feel they should have to be here. If you got out in your wards, went around to the poor parts of town, not just the ones that are nice to go into their homes, but the raggedy looking houses that look like they are about to fall through, a lot of you have poverty stricken people in your wards. If you would get out and go see those people you would know what you are doing to us in this budget is wrong. You are stealing. In essence you are stealing from the mouths of the people that live in your cities, and it's wrong. You can do with less, we are. Cut your pay. Thank you.

Council Member Alexander: The next person who will speak is Debbie Lumpkins.

Debbie Lumpkins: I promise to keep this under three minutes. I want to thank you for your time. I am Debbie Lumpkins, Executive Director of the High Point Area Arts Council at P.O. Box 5526, High Point, 27262. I know that you are already aware of this, but I just want to remind you that we are celebrating our 50th anniversary this year. We kicked it off on February the 2nd, and we are celebrating all year long. You might not know though that the arts councils in High Point, Greensboro, and Winston Salem are actually older than the North Carolina Arts Council. That has created us one reason why the Triad is a creative cluster in the state. That's one reason why we are able to attract, one of the reasons, why we attract businesses and visitors and residents that chose this area to live in. Since 1962 the Arts Council has been serving the

arts needs of the city and its residents. In essence we are your arts department. We assure that the arts are accessible to everyone in our community. Without governmental funding, arts events and arts programs would be more costly and only those individuals that could afford to do so would be able to participate in the arts. Again, I reiterate that we offer many free arts programs or low cost programs in High Point. If we didn't offer them in High Point, folks would drive to Winston and Greensboro, folks that could afford to. And it's just not the tuition that they are paying, it's all the economic impact for them being in those cities. People, families going out to dinner, you know, different things that are surrounding the arts. So I thank you for that. I thank you for keeping that in High Point. Keeping those revenues in High Point. It's not all about cutting these expenses, it's about increasing revenue. In addition to providing leisure activities and entertainment, the arts have a greater impact in High Point. The arts build communities by bring together all people of all ages and all abilities. The arts create jobs on and off the stage, including jobs at restaurants, parking garages, and other businesses. The arts generate revenues through occupancy, properties, sales and income taxes. The arts educate students and prepare them for a global economy. The arts change lives by teaching important life skills. As a united arts council that provides basic operating support for six arts organizations in High Point, the High Point Area Arts Council wants to thank you for investing in the arts. Since the 1970s in creating a city where people want to live and work, the arts are essential to the economic wellbeing of High Point and the more we invest the more benefits we reap. This past year several arts organizations in High Point participated in the Arts and Economic Prosperity Study conducted by Americas for the Arts. Over 180 organizations across the nation participated in this. Guilford County being one as a whole. Many cities and counties participated throughout the state and across the nation. Results of the study will be released tomorrow at 1:00 p.m. to the media. Although I can't share the specifics with you at this time, and oh I wish I could, I would love to give you all this data right this minute, but that information has been embargoed until 1:00 o'clock tomorrow. So you will be getting your copy soon. I can tell you that it is all good news, this data is all good news and arts continue to be a good investment for local governments. Please join us next week at our annual meeting featuring Mayor Becky Smothers. Wednesday, June 15th. In addition to recognizing corporate individual and teacher support of the arts, we will be sharing the results of that

Arts and Economic Prosperity Study. Also, I want to make sure you have on your calendars, I know you all have the mailer from us, but June 17th is the beginning of our Arts Splash Concert Series. It is a free series that is splashed all over High Point. We have introduced many residents and visitors to areas of High Point that they might not have visited otherwise, and this is the 10th year of the Arts Splash Concerts Series. It has been a catalyst for others now. We have more outdoor concerts that are happening in High Point, and that's one of the things that the High Point Arts Council does. I just want to thank you from the Arts Council and all of our affiliates and want to tell you that you were chosen to do the jobs that you are doing, and the expertise to do it, and we appreciate all that you do in serving the area. Thank you.

Council Member Sims: Debbie, one question before you go. Can you speak to me, to us, about the diversity of your board.

Debbie Lumpkins: I can we have seven new board members coming on, so I don't know if the percentage is right this moment, but it is between 20 to 25% on our board. Our staff is 50% diversified. I think sometimes people don't realize that. I wish Bernita that I could share with you diversity of committees. Our committees are chaired by board members, but we have folks throughout the community that serve on those committees and I do not know that.

Council Member Sims: Thank you.

Council Member Moore: Debbie, if I can make a comment. Thank you first of all, and just interject here. It's not really a question as it is a piggy back and try to

(continued)

sum up a little bit to this point. There has obviously been a lot of passion in what everybody has said. There's a lot of thickness in the air at this time. But you said something to the effect of it's not always about cutting it's about increasing revenues. And I think that is something that we on the revenue side have done extremely poorly for the last ten years, fifteen years as citizens of understanding our role in that. And it does leave us as a governmental body, on this level and every other level, you hear it everywhere. There's cuts here, there's cuts to the educational institutions, there's cuts to non-profits, and all that's because we aren't focusing what it is and means to grow the economy on any level, in my opinion. So, while all of you here that are asking for the monies add a tremendous amount to the quality of life in our city, and much of which I enjoy, I hope that we will try to focus on that revenue side, not only as a body but as individuals in what we do in our daily decisions. So, just a comment as a follow up on your comment. I agree with you in that assessment.

Council Member Alexander: Mr. Patrick Harmon.

Patrick Harmon: I am Patrick Harmon. I actually live in Greensboro. I am still trying to move to High Point, house is still for sale. Not the best time to be selling a house. But I am Executive Director of the Hayden Harmon Foundation as most of you know, and our big project is working in Washington Street, that's a multi-year endeavor we've been working on the last couple of years and we are more than half a million dollars invested already. Our work in Washington Street is why I am involved with the Friends of John Coltrane, because he grew up in the neighborhood on Underhill Street. And so we want to make sure that his legacy is preserved for High Point, and that is why I got on the board of Friends of John Coltrane. I am the treasurer and am the festival chair this year. Those are my roles. Foundation people get stuck as treasurers a lot I found in my life. I do appreciate the city's help the past couple of years with the festival. It has been a critical part of the success of the festival and I hope you guys will continue to support what we are doing. I appreciate the difficulty of making these decisions. As a funder we see "no" a lot. I told Ms. Yarborough this morning as a matter of fact, on something she was asking for. It seems we say no more often than we say yes to things. So it is a difficult thing to do because there is

only so much money to go around. So I appreciate the difficulty of your task in putting together a budget like this. So for the Friends of John Coltrane, just to give you a bit of background, we are still really a new organization. We were incorporated in 2009, we got our charitable status in August 2010. And so 2012, so we are really just a young organization and we are still all volunteer at this point. Nobody gets paid for the work they do. We have six board members at the moment. Four African Americans and two Caucasians. We have got board members here, and of course Ms. Sims is also on the board as well. Our main purpose for the Friends of John Coltrane is to nurture his legacy in High Point and preserve his fame with regard to jazz. In my mind he is one of the most significant to ever come out of High Point. He may not have done a lot for the city itself, but as far as the international acclaim it is something that the citizens of High Point can be proud that he learned to play here, he got an education here. We need to inform people. There is a lot of folks that don't really know that he actually grew up in High Point and learned to play here. People think he is from Philadelphia. So that's part of our mission. And of course, a big part of that is the festival we will talk about in a minute. But also, we do a pretty good job of partnering with other like-minded agencies in High Point. We partner with the High Point Arts Council. We supported the John Coltrane Jazz Workshop last summer. Debbie got Reggie Workman to come to master classes, and then she is on our festival committee helping with the instrumental competition. We were a partner with the Art Splash last year, and so we have been part of things of the Arts Council. The High Point Theater, we sponsored, we were one of the sponsors for the jazz series the previous year, and they have been our ticketing on the day of and also as an on-site location for the festival. We have been a part of Party on the Plank all three years supporting what Elijah's going to do. We also supported -NIA Community Action last year because they helped us out with the festival, so I think we do a pretty good job of partnering with other like-minded agencies. Last year's festival was the first one. I think we have been talking about a Coltrane Festival since 1967 perhaps. We were able to pull that off last year. We had about 2,100 people attend. Most of those folks were in state, 1800 were in state, 600 were from Guilford County, with a little over 200 from High Point. We had folks from 12 different states and had a couple of international folks as well. So we had a really good attendance I thought the first go around. Thankfully no rain. That was quite good. I am working on that this year, I will talk to God

about that.

Mayor Smothers: See if you can lower the temperature.

Patrick Harmon: I know, I am working on it. He got confused last year. We do have insurance to cover that, I think cancellation insurance. And we will have that again this year. We gave away four instruments to high school students. We are doing six this year. So that's kind of one of the things we are trying to do, to nurture interest in jazz to support local students, that's why we supported the John Coltrane Jazz Workshop as well. And so we spent a lot of money for the artists, and then media, we had TV. and radio, and newspapers, and the billboards you may have seen on the interstate. And so, we had a pretty good festival, as you guys know. We had a small net proceeds and some that are rolling over into this year's festival. Eventually we are going to use part of the proceeds. The festival is a fund raiser. It's just a really big fund raiser. And the idea is to start, well we have done it a little bit with supporting the Arts Council, but the support related to Coltrane, like the house on Underhill. Maybe to help rehabilitation of that. Scholarships and that sort of stuff. Part of the proceeds of the festival will be going towards those things. One of the things we are doing this year to kind of, I guess, raise our profile a little bit beyond High Point, is we are doing a music series on jazz and blues music series. We have three concerts. We had one last month, we have another one this month and then another one in July. That more to try and get word around the state about what we are doing. It is a fundraiser, but the intent is really marketing and getting our name out there to the state. So this year, we have a festival committee that runs the festival. This year's festival is going to be September 1st. Labor Day weekend. The intent is that in the future to grow into a multi-day event. I think hopefully next year we will be able to do that. We are trying to get 3500 people to the festival this year, that's our target. Again, we are giving away six instruments to high school students. And Debbie has been, like I say, helping out with that. So our headliners are George Duke and Stanley Clark. These guys have been really well known jazz players. They toured together a few times over the years and they had a few albums, and hits and all that sort of stuff. So they really two big acts that we are really excited to have come here. We have Poncho Sanchez, he is a Latin Jazz percussionist. Leo Tizer is playing with Karen Briggs, he is a jazz keyboardist. If anybody is a Zani fan, Karen Briggs was the Lady in Red violinist. She has

played with a lot of folks. She is touring with him. We have a blues artist. So those are our major acts. And tickets just went on sale June 1st. So Joe Williams is sort of in charge of all the production, we are just getting ready to roll of the media part. Advertising for the festival. We are hoping the city will continue its support.

Council Member Alexander: Patrick, I heard you say you had six board members. They were all volunteer. Do you have any paid staff or does everyone work on a purely volunteer basis.

Patrick Harmon: It's purely volunteer. We don't have any staff. Hopefully this year, I mean, we really do need to hire a part time to do the day to day stuff, which is a bit overwhelming. It is our goal to help hire somebody. For right now we are all volunteer.

Mayor Smothers: Well, obviously your expertise is very important to the festival, but Joe brings another whole element of professional expertise that you would really have to pay big time for.

Patrick Harmon: Yeah, Joe is a pure genius. One thing I didn't mention about the music, it's really built on relationships and Joe has been in the business for 20 years and knows a lot of people and a lot of different things. He is a fundamental critical component.

Mayor Smothers: Well I just wanted to particularly salute him because it's great if he has given of his professional time.

Council Member Henley: Pat, the festival is Labor Day weekend again, is that right?

Patrick Harmon: Correct.

Council Member Henley: And then last year maybe at this time the council was asked to commit itself to \$32,000 for the benefit of the festival, and we were given some information that gave us some good feeling about the amount of money that comes from various entities, a good chunk of which is from the Hayden Harmon Foundation. As I interpret that information it was accumulated over a two or three year period granting cycle from the way y'all handle your grants, and then other amounts from different faces that I haven't memorized. It, my

recollection was that was maybe a total of \$120,000 to \$180,000 roughly. Correct me if I am wrong. Where do you stand since we are kind of in that general time slot right now? Where are you in terms of running start for being at or exceeding that number.

Patrick Harmon: We are definitely ahead of the game compared to last year. We still have - we are in the process of about three decent sized sponsors that are coming on board. Haven't got the money yet. The we have gotten a few from foundation grants supporting us. It is in the process. The other thing, we got this music series and that is going to raise a bit of money, and then the other thing that's related to my work on Washington Street is there is a house on Hobson Street we are getting ready to raffle off and proceeds are going to benefit the Friends of John Coltrane. So that's next Friday. Hopefully a decent sized fundraiser.

Council Member Henley: So a couple hundred grand you have already got in the bank?

Patrick Harmon: Counting the deposits we had to pay for the artists, we are about, I guess we are over, I mean cash in hand and what we have spent for the artists we are over 60%.

Council Member Henley: Of what?

Patrick Harmon: Of getting the money required for, and that's not counting the city money or anything like that. Our budget this year is looking

Council Member Henley: Give me a number.

Patrick Harmon: For the festival it's probably going to be \$230 - \$240,000, and so we are over, maybe over \$115,000 or something like that. I mean we have spent quite a bit already for the artists.

Council Member Henley: Just kind of what's been out there prepaid stuff, and in the bank.

Patrick Harmon: Right. \$115,000 or so.

Council Member Alexander: Thank you very much.

Patrick Harmon: I appreciate it.

Council Member Alexander: Mr. Richard Pinker.

Richard Pinker: My name is Richard Pinker. I live in Imperial Drive here in High Point. Thank you council members and mayor for allowing me this opportunity to give my input on the present proposal to council for this coming year.

Mayor Smothers: Thank you for waiting.

Richard Pinker: I am not coming to ask for money, but is you have a little extra you can send it my way. First of all I think the hour in which we met this morning and the other evening at 5:30 does not give a true picture of the workforce here in town that would probably have liked to have been at the meeting but can't be because of the work hours. At 5:30 in the evening a lot of people are just getting home. 9:00 o'clock in the morning the workforce is on their way to work or already there. So I think there is a little bit of bad timing on that end of the scale.

Mayor Smothers: Mr. Pinker, could I defend that just a little bit? Part of our interest is to try to do a late afternoon session and a morning to try to conform to people's schedules that are hard to meet those different times. The second thing is we do feel an obligation to have a session during which public transit runs, and so people who need transportation to get here can and get back home, because it also cuts off at a certain time. So that's one of the reasons we do have it at 5:30.

Council Member Pugh: But if you go to work at 9:00, if you have to be at work at 9:00 and you don't get off until 5:00, then you fall out of both of those categories.

Council Member Alexander: Let's let Mr. Pinker finish his comments.

Richard Pinker: I agree with some of the input that has been put on just what I have heard here this morning on the budget. Personally I feel that this too has been bad timing on the economy of the country, not only the country but the economy here locally. 2% doesn't sound like much and when you say I am going to get 2% and then you say well we can't give it to you, it causes a lot of hard feelings. But I just run past some

figures this morning. And I was appalled, I was actually appalled when I looked at the paper on Sunday I believe it was and it had the listings of people and the amount of wages they earned during a year. I never in my life had made more than \$45,000 in one year's time. When the economy went sour I lost a lot of money in investments. I don't know if the wages that were listed include their benefits, you can answer me that. I am not sure. Does that include your benefits?

Council Member Alexander: It was just salaries.

Richard Pinker: Does their salary include their benefits?

Strib Boynton: No.

Richard Pinker: When the economy went bad, the company I used to work for had to renegotiate their contract. And I lost some of my benefits. I lost my leave, I lost my dental care. My copay had to go up. My deductible went up. And here I am spinning wheels in a hole, can't make it out. And then, like I said, when I looked at these wages and there was hundreds of them, I went through like a 40 and 50 hour work week. And I don't know what your people put in. I don't know none of your backgrounds. I took a \$150,000 income per year on a 40 hour work week, that translates to \$375 an hour. At a 50 hour work week, that translates to \$300 an hour. At \$120,000 40 hour work week, it is \$300 an hour.

Council Member Henley: I don't want to. I am not arguing with you, but I don't think your math is - there is about 2000 working hours.

Strib Boynton: 2,080 hours

Council Member Henley: So \$120,000 salary person would be about \$60 an hour. And I am not defending that, I just want to make sure for purposes that calculations are accurate.

Richard Pinker: I don't understand what you are saying.

Council Member Henley: Well, just using your example of the 120,000 salary person, if there are 2000 hours in a year, that would equate - effect an hour rate of \$60 an hour.

Richard Pinker: Right, this was a 40 hour week at - a 40 hour

week at 52 weeks in a year. That doesn't include your vacation time and all that.

Council Member Whitley: That is 2080 hours.

Council Member Henley: So if you just, since I don't have my calculator handy, I am just rounding that to 2000 hours, and just taking your salary number and dividing it out. As opposed to being \$300 an hour, you know New York lawyer kind of rate, I just want to put that in perspective to more like, you know since it has been said.

Richard Pinker: And here was the thing I was comparing it to. You think the educators here in the City of High Point and compare their wages to what a lot of the people here that work in the City are making, these people have a job on their hands. This is our future. And their wages is much, much lower. They start out at \$27,000 a year for a new teacher in school. That doesn't calculate right. And I think, and myself, in this poor economy to try and get a raise when you don't have the money there to begin with. And tax rates. My property tax rate, my property valuation went down, but my taxes keep going up and up. And that is creating a gap. If my property taxes go up and my assessment goes down, it doesn't make sense. And when there is talk about the electric, the light bill. I am amazed in the winter hours usually, when I go down past here to where the sports fields are, all those banks of lights that are on you might find four to six people up there. Who is paying for that light bill? That's a lot of money for all those lights up there. They are not being used. This is something I was concerned about as a citizen here in the city, and I realize that you have a difficult job on your hands trying to do the best you can. There are some things I think you should tighten the belt. And you say we have tightened the belt. I realize that, I know you have. But you know what, you watch the national news, the governor of Wisconsin, he tightened his and the people didn't like it. The employees didn't like it. The unions didn't like it. If you tighten a little bit more until it hurt. I think that's where we are at here now. We tighten our belt, let's start tightening a little bit until it hurts. Thank you for your time.

Council Member Alexander: Thank you very much. That was the last individual who had signed up. Is there anyone else who would like to speak. If you would come forward and give

us your name and address:

Jim Brodner: My name is Jim Brodner. I live at 808 Lakecrest Avenue. I am President of the Oakview Citizens Council, it's a neighborhood association that represents about 2000 residents. I have lived all over the world, exotic places, and I will have to say this is probably one of the better places I have lived. I have lived in Australia, Hawaii, all over. That's why I got involved in what I am doing with this neighborhood group. We have an awful lot of seniors in our neighborhood and they can't afford these increases. I mean people are struggling as it is. I looked online at some of this budget, and I had some communication with Britt. Just one of the things I saw that just shocked me to death was this increase in cellular service, or whatever it is, from \$16,000 to \$90,000. At one time cell phones were a luxury. They were not a necessity. A lot of us older people we grew up without cell phones, we grew up without radios. We basically had smoke signals. I am in the custom car business. I am self-employed. I have seen my prices and my materials go up at least double. And my reputation is based on the quality of what I do. And I have had, I can't pass that on to my customers. I will tell you that I have been in this business for forty years. So what I have had to do is find other ways to streamline what I am doing to maintain my customers and keep them happy and satisfied with what I am doing. And I think that is what you guys are going to have to find a way to do. You are going to have to find a way, for one thing, I mean, you could turn the thermostat up in this room, I'm about to freeze to death. But, I think you guys can still provide a quality service just like I have to do. For instance I have had to find a cheaper sand paper, I am not cutting the quality of the end result. But I have got to find a way to streamline what I am doing. But, that's pretty much all I had to say. And I know there has to be some increases from time to time. I haven't got a salary increase, I haven't even taken a vacation in two years. But I am not in the poor house either. But, I think somehow, and it starts with the federal government on down to the local, you got to find a way to streamline. People can't keep absorbing these costs. It's just, it's too much. I mean we are seeing food costs rise. Gas prices. I mean everything. It is just everything is getting out of control. I don't want to sound like a smart-aleck, I mean instead of having one guy digging a ditch and four guys standing around, make it three guys standing around. You know, that's the old everybody makes fun of city employees for standing around doing nothing. I had asked, and Mr. Whitley and Mr. Moore both know, for the last year and a

half I have been asking for simple dog park. High Point does not have a dog park. Everybody else has one. It is something that the citizens would enjoy. And there is a big, big outcry and demand for one. But, I keep hearing we don't have the money. So I mean, that a dog park is not a necessity, but it would be something that would be nice for people to enjoy and see some end result of some of their tax money. That's pretty much all I have to say.

Council Member Alexander: Thank you very much. Anyone else, would you like to speak? If not, I will close the public hearing on the budget.

Council Member Pugh: Mr. Alexander, there is a gentleman in the back who wanted to speak. Okay.

Council Member Whitley: Can I give one clarification? This is in regards to Cynthia's remarks. I seem to recall that when City Project or previously called Core City hired the director, they were using the funds the city had provided them at that time, and that organization hired the individual. And I think we had a couple council members that were liaisons on the board one or the other.

Strib Boynton: The director has always been a city employee. Is that your question?

Council Member Whitley: Well we brought her in as a city employee, but they are the ones that hired her.

Council Member Sims: No.

Council Member Whitley: Were we involved in hiring her.

Strib Boynton: We hired her and she is assigned to work with them.

Council Member Whitley: Okay.

Mayor Smothers: I think it is appropriate to thank everybody for coming. We do appreciate the input that you have provided. And obviously there is still more discussion that we will have. Here again, it is a balancing act. I think it is notable that none of us seem to be able to identify those services that we can all do without. We can individually, but as a city you know, what

will we do without, where the money is spent. So that is going to be a tough one for us. Because, you know, I like Mr. Brodner. You know, I have been asking for a dog park too forever. At the same time, I don't play golf. Does that mean we don't need two golf courses. So, it's which one of the oxes you want to plow with.

David Wilson: I would be interested to know each Council Members position.

Mayor Smothers: I don't think probably they are ready to tell you that yet. And I am not trying to speak for them, but there is a lot of issues that we have brought up and discussed during budget sessions that have to go back and be discussed again. I know I have thrown out a couple of issues about where I am to the council members. I had even shared that with the general public, but they were only related to two items, and that was the salary issue and the electric rate. So, I think it is important also for you all to understand that in terms of the salary issue, all of that does not impact your property taxes. It is spread across different account codes, whether it be electric, which is an independently run account, or water and sewer. There is only a certain amount that affects the general fund, which is the property tax issue. Those of you who would like, I think you might find it interesting to let the staff calculate what the impact of your current valuation will be. If you would like for them to do that, if have got a piece of paper somewhere, you can sign up on it. We can also tell you based on your average water and sewer and your electric what that cost would be in the next year with what the manager has recommended. Beyond that it is a matter of starting to

Strib Boynton: There is only the electric rate and the tax thing. There is nothing on water and sewer, there is no water and sewer rate increase this year.

Council Member Pugh: David, you asked a question, I don't mind answering.

David Wilson: (inaudible- was in the audience and not speaking into the mic)

Council Member Pugh: You asked a question. I think we have a lot of work to do on this budget. We don't need to put any more on the public than they already have. I don't know what

the answer is. We are going to have to cut. I don't have the answer but I am trying to find it. And I do not go along with this budget. You asked and I told you.

Mayor Smothers: We could show you what the impact on our individual properties are.

David Wilson: That was not my question. That was not what I was asking.

Mayor Smothers: Well no. But it...right.

Strib Boynton: We haven't gotten to that point yet.

Mayor Smothers: We were scheduled to have a budget session this morning. I don't know if we will do that or not because it depends on council's availability at this time. I know Mr. Alexander was supposed to be somewhere at 10:30. But we will have a budget session next week, and it will be advertised as a public meeting. You are welcome to come. Ms. Davis has been coming to them.

Cynthia Davis: I wasn't aware of the one today.

Strib Boynton: We have got Market Authority and CVB here today anticipating that we are going to go over theirs this morning.

Mayor Smothers: Well this is a regular meeting day, so it didn't really have to be advertised, it's just a continuation.

Cynthia Davis: (inaudible- was in the audience and not speaking into the mic)

Mayor Smothers: Well you know now, okay. And I don't know that we are going to have it. So that's the last...

Cynthia Davis: (inaudible- was in the audience and not speaking into the mic)

Council Member Douglas: Mr. Wilson, there is quite a few of you that come in here and spoke today about the hardship that the utility rates and so forth is bringing upon you in your different communities. And I think it is incumbent of us as city officials, as city leaders, to do something about that. You have a current hardship, I don't think we should make it any harder. I

think there is other ways to find a solution to make it, you know, equitable for the citizens throughout the city. You shouldn't have to choose between medicine and paying your light bills, and other things that you need throughout your home. I listened to Ms. Alexander, who said she was on a fixed income. And I am pretty sure that is a struggle when it comes to trying to pay your light bill and the different things that you need throughout your home. And I think us as city officials and city leaders should look at that real closely. I myself, I don't agree with a 2% increase in pay, because I think that has to come from somebody. And who is that somebody? I think as you, as the public, I think that our city workers, right now I think they are getting paid pretty good. They have benefits and so forth. I mean. There has to be a cutoff point at some weight. And I think it is incumbent of us to find that cutoff point, and not continue to make it harder and harder on our citizens. I don't feel like that is a thing for us. I know what my community is like. I know what makes up my community. I know what their social economic status is in my community, and I don't need them to call me and tell me that they are struggling. I know that already. I was elected on because I knew that. So, I think that there are other ways that we can raise revenue or find other ways to cut, because I haven't seen anything about anything being cut yet. All I have seen was increases, increases, increases. So where do we, at what point do we start cutting. I haven't seen that yet, and I think we need to find it. Because right now I don't see it. And a few of you have come in here, I am sure you have been keeping up with current events, and you haven't seen it either. So at some point we need to slow this horse down

(continued)

and let somebody jump on the wagon, because right now it is out running everybody. Most of the people in the communities is being over ran by it. So I think us as a council, we need to slow this, because a lot of people are out there hurting. A lot of people.

Mayor Smothers: I think the process generally has been that we do try to have the public hearings first. We have some budget review sessions with staff, because remember, this has been the manager's budget. He has given it to us. What we adopt will be our budget for you. And I completely sympathize with many people that have spoken, but I think one of the most poignant things that was stated was Ms. Davis' comment of the \$20,000 a year job in city hall of someone who has worked here 27 years. Well, he's been on a fixed income for three years. He has also lost benefits because of transfer of responsibility for co-pay and health insurance. So I ask you all to think about that too, and all the costs that are associated with materials and supplies. That hits the city, too. I mean, and I don't think you want us, it's bad enough sometime when we do low bid to meet specifications, but I don't think you want a low bid on certain quality items, whether it be in treating your water, in treating the sewage that's discharged, I don't think you want just the cheapest we can find in the way of a police officer. And you want your firefighter's trained. So, it ain't easy folks.

Council Member Corey: Madam Mayor, if I could say something. The City has made a tremendous effort to identify costs, especially in the area of personnel. We have 100 less employees today than we had a couple years ago. We have 50 positions that haven't been filled. We have had a population increase in our city in the 1990s of 43% and yet we have had a 6% increase in the workforce. So we have not even kept up with the increase in population. And basically we are providing the same service with greater number of people with the same amount of employees. So, we have made herculean efforts to try to maintain a high level of service in High Point, recognizing that we have fewer and fewer workers that provide this service. There comes a time when basically something has to give. You can't keep providing a high level of service and keep essentially reducing your workforce because of the increase in customers. We've maintained that fine dividing

line. And so, basically we don't have much choice in the electric rates because these are wholesale rates that are passed to us as customer from this cooperative and we have to pay these wholesale increases. We don't have any choice. Now we could try to use funds from somewhere else, but basically we try to maintain electric costs within the electric fund and then the other costs within the general budget. So, again these wholesale electric rates have got to be passed on to our electric customers in one form or another. In terms of the property tax, there is many different ways to raise revenue. We could jack up all kinds of fees. We could put in a new garbage fee that you have to pay. You could jack up fees and services, but there is one thing, if you itemize your taxes any increase in property tax is deductible as an expense. A fee that you pay, you know how much you get to deduct for that from your income tax? Nothing. Zero. So although none of us like to pay increased taxes, we have to recognize that probably a property tax increase is probably better from a financial standpoint than raising fees for all sorts of different services.

Council Member Henley: Dr. Corey, I appreciate your remarks.

I just wanted to, I think David and others will relate just some information that I was poking around with and got last night. The... I agree with most everything you said Dr. Corey. What I like to do though, is say we got to provide these services at a high level. Well, every other city in North Carolina has to do that as well, and if they don't then it's incumbent upon council to get rid of the people that are paid to deliver those services and find quality people that can. So a high level of service, that's a given. That's not a cherry on top. That's just part of the banana split. So high level of services is understood. My concern is, what are we paying relative to other cities for those high level of services. And, I don't even remember the website, the North Carolina Secretary of State, there is a 40 page report that you can print out and it gives you every county and every city and what the property tax rates are. And in 11 and 12, High Point, the City of High Point, at .662 has the highest rate of any city in North Carolina with at least 15,000 citizens, and I don't think that that is a good statistic for us to hang our hat on. Now, it's always easy to say, but we deliver these exceptional services. I agree. But at what price. And that's the concern that I have. Now, that's a stat you will take with you. The city manager also gives us a monthly solid waste fee stat. And in the peer group cities I like to compare ourselves to, are people like Greenville and Wilmington and Cary and Hickory, Gastonia, Asheville, and Jacksonville. Very

similar in size. Different demographic, of course. Their monthly solid waste fee is \$8.65 on average. Greenville, North Carolina is \$25.60. High Point's is \$1. So what is incumbent upon this council is a balance. If we say we are going to pass a \$7 monthly solid waste fee, and the Enterprise write council raises solid waste fees about 600%. You know, that's a big percentage. Okay, so what we have got to do is, in my mind, deliver that high level of service at the greatest value. And that's where the, as Council Member Alexander likes to say, that's where the sausage making occurs. But I am not pleased with walking around the State of North Carolina and saying that we have one of the highest rates of any other city our size, and that is something I am going to try to have input over.

Mayor Smothers: Well the John Lock Foundation yesterday released something that we aren't. I mean Cary, Mooresville, Huntersville, I can't remember, Chapel Hill, all of those have higher tax rates than High Point.

Council Member Whitley: They also mentioned the fact that the report came out that there is also a non-comparison between apples and oranges of what the city can provide across the state when they did the analysis. So they did admit that although our rate may be a little higher than say the City of Greensboro, it's not the same comparison.

Mayor Smothers: I think the one thing that has been absent from all of this is we keep talking about we got to do a high level of service. I think if we are going to tighten the belt, we need to say we need less to eat. We are going to need less service.

Cynthia Davis: (inaudible- was in the audience and not speaking into the mic)

Mayor Smothers: Service. I am not going to argue with you about it. You have had your chance and you will have your chance again, I am just saying a different level of service. And that is services that are provided to all of you. We tried that last year by reducing the hours at the library, reducing some hours at rec centers. And nobody is aware of the amount of money that this city has lost, that has been a revenue stream for years dependably from the state and the county. You know, the library losing money this year from Guilford County. Do y'all want the library to stay open? Of course you do. Isn't that considered to be essential? May not be a soul in this room that

uses that library, but don't you think that's part of quality of life for a community of 170,000 should have? It's tough. You know the electric rate issue. There is \$100,000 in the budget to help those people who may need assistance with their electric rate. Do y'all want us to take that out? We can. That's fine.

Cynthia Davis: (inaudible- was in the audience and not speaking into the mic)

Mayor Smothers: It's year around. It is \$100,000. We could take that out. It's not going to make a lot of difference. The electric thing is still going to cost the same amount. We appreciate it, everybody coming, and Mr. Mabe and Mr. Connolly are here. We are going to review their budgets that council has to approve. We are going to take a 5-minute break. Are we going to assemble back in here or what?

Strib Boynton: We've got the conference room in there or the fish bowl. I suggest the fish bowl.

Mayor Smothers: That way there's room if anybody else wants to stay. Meeting is adjourned.

ADJOURNMENT

There being no further business to come before Council, the meeting adjourned at 11:30 a.m. upon motion duly made and seconded.

Respectfully Submitted,

Rebecca R. Smothers, Mayor

Attest:

Dawn J. Sparks, CMC
Deputy City Clerk

