

**DURHAM CITY COUNCIL SPECIAL MEETING/BUDGET RETREAT
DURHAM, NORTH CAROLINA
THURSDAY, MARCH 3, 2023
9:00 A.M.**

The Durham City Council conducted a Special Meeting for the purpose of conducting an in-person and virtual City Council Budget Retreat with the following members present: Mayor Elaine O'Neal, Mayor Pro Tempore Mark-Anthony Middleton and Council Members Javiera Caballero, DeDreana Freeman, Jillian Johnson, Charlie Reece and Leonardo Williams. Absent: None.

Also Present: City Manager Wanda Page, Budget and Management Services Director John Allore, and City Clerk Diana Schreiber.

Budget and Management Director John Allore provided introductory remarks, outlined the flow of the meeting, and introduced the budget staff.

Mayor Elaine O'Neal called the meeting to order and welcomed everyone in attendance.

[OPENING REMARKS]

City Manager Page offered opening remarks and welcomed Mayor O'Neal, Council Members and attendees to the meeting.

SUBJECT: RESIDENT SURVEY

Jason Morado, representing ETC Institute, provided a presentation to Council and highlighted the many aspects of the survey as follows:

Over 80% of Residents feel Durham is an excellent place to live. 76% are satisfied with the overall quality of life in their neighborhood. Overall, the survey had similar output as last year's survey but saw different numbers from specific areas. Durham Rates are 9% above the National Average in the Overall Quality of City Services. Durham Rates are 22% above the National Average in Customer Service Provided by City Employees.

The top priorities based on the survey data received should be police protection, public schools, maintenance of city streets, and affordable housing.

Council Member Johnson asked could a comparison of this year and years past be created to show trend lines.

Mr. Morado responded affirmatively; and stated that data can be compiled to show the trend lines from year to year.

Council Member Hosley-Hyman asked was the presentation printed in both English and Spanish.

Mr. Morado stated it was printed in English and provided directions for the Spanish speaking residents to read the information in Spanish.

Council Member Hosley-Hyman inquired on how the survey was given to the residents.

Mr. Morado stated that they administered the survey in different formats to reach a variety of residents. There were printed surveys and online surveys, and prompts on Facebook. He stated that there were also phone call surveys that residents could utilize to complete.

Council Member Hosley-Hyman asked to clarify on the question of experience/engagement with city government and asked was there a series of additional questions in that section.

Mr. Morado stated that the supplement questions had a group of several questions with about nine different options where residents were asked about different aspects of communication.

Mayor Pro Tempore Middleton asked were residents number of years of residency a question asked on the survey.

Mr. Morado stated that the number of years of the residents were captured.

Mayor Pro Tempore Middleton asked were the survey takers repeat takers or was the survey given to a random population.

Mr. Morado stated that typically some, but most were random samples from year to year; and explained that households were randomly selected to complete the survey.

Mayor Pro Tempore Middleton asked about the number of resident surveys based on years lived in the city.

Mr. Morado stated that there was a mix of those who were newer residents, five years or less, and those who lived in the city for more than 30 years.

Mayor Pro Tempore Middleton asked how the perception of living in the city was analyzed.

Mayor Pro Tempore Middleton asked how the question of perception of the city was asked on the survey.

Mr. Morado stated that the overall perceptions as a place to live from the residents' point of view.

Mayor Pro Tempore Middleton asked was perception captured through media.

Mr. Morado responded that data was collected from residents' overall perceptions of Durham as a place to live, work, and play.

Mayor Pro Tempore Middleton thanked Mr. Morado and congratulated the city staff for being perceived as high ranking by residents' perception.

Council Member Williams asked if better communication with the public would help impact the concerns that have arisen through the survey. He also asked would the presentation be given to the County, as well.

Mr. Morado stated that the presentation would be given to County Commissioners on the following Monday.

Council Member Williams stated that better communication would help the organization understand the needs of the community. He believed that better communication to the community would contribute to educating the public with questions they may have.

Mr. Morado agreed and stated that the communication with the communities were not bad across the board. He stated his company evaluated trends over time.

Council Member Freeman asked for clarity on Youth Programming and Sidewalk Construction.

Mr. Morado clarified that the topics did not come into the top five out of eleven categories; and spoke to the top five categories.

Council Member Freeman asked if in the future more trend lines could be created to show the impact on more categories.

Council Member Caballero thanked the staff for their presentation and asked for clarification in the subject matter of 'effective communication' with the public.

Mr. Morado stated that it was a general question asked with broad answers.

Mayor O'Neal and Council thanked Mr. Morado for the presentation

SUBJECT: STRATEGIC PLAN UPDATE

Sherry Metcalf and Cecily Hamilton, staff from the Office of Performance and Innovation/ Budget & Management Services Department, provided a presentation to Council and highlighted the following:

Reevaluate current strategic goals, objectives, employee engagement, community survey collection, objective engagement example, FY24—26 Strategic Plan Framework, with associated five goals; and spoke to engagement with City Officials, employees, and Residents to determine when the City should focus resources.

Council thanked staff for their presentation.

Council Member Freeman asked to clarify who was surveyed to gain the output.

Ms. Hamilton stated they tracked demographical information based on the areas where resident lived; stated staff focused their engagement to certain areas and that there were no random collections.

Mayor Pro Tempore Middleton asked if there was a scoring mechanism that coordinated with the Strategic Plan.

Mr. Allore stated that the combination of the data collected in the survey was implemented to devise a roadmap determining what was needed by residents.

Council Member Holsey-Hyman asked was there an evaluation piece in the Strategic Plan.

Ms. Hamilton responded that there was an annual report compiled at the end of the Strategic Plan on the Resident Dashboard.

Council Member Johnson shared that the Strategic Plan was truly helpful.

Council Member Caballero shared how she loved the Dashboard for residents in that the dashboard brought residents' voices together in order to define their perception of Durham.

Council Member Williams asked an engagement question and how were their surveys distributed.

Ms. Hamilton stated that the paper surveys were sent out, asked residents to keep it simple and pick their top three categories of interest.

City Manager Page explained how the survey was distributed; spoke on the different types of surveys based on area demographics; and summarized the data collected by stating it was possible to project responses from certain areas.

Council Member Williams thanked the City Manager for the clarification, he also stated that within the Strategic Plan he wanted to see more responses from stakeholders within the community.

Council Member Freeman thanked staff for the clarity of the Strategic Plan's involvement of stakeholder responses and how they were incorporated into the survey.

Mayor O'Neal appreciated the work of the Innovation Team and stated she had no additional questions.

SUBJECT: ECONOMIC UPDATE

Dr. Michael Walden, Professor of Economics at NC State University, provided an extensive presentation on the economic outlook and update; and spoke to the following:

The nations recovery from COVID-19, addressed inflation, labor shortages, recession and a return to normal. Quest for a soft-landing, recession without job losses, and re-launching in the post-pandemic economy.

Council expressed their appreciation for Dr. Walden's presentation and asked the following questions:

Mayor Pro Tempore Middleton asked how the City's GDP variables were gathered.

Dr. Walden stated that the GDP statistics reflected essentially everything produced, such as products and services including the private and public sectors; and explained that inflation was adjusted from year to year with the GDP variables reflecting this.

Council Member Williams asked how were working conditions translated at the level of the everyday worker.

Dr. Walden stated that during COVID-19 the biggest sector that had the most impact was of the lower wage earners and this was restaurants and hospitality industries taking a hit from COVID restrictions; and spoke to a recovery in this sector.

Dr. Walden thanked the Mayor and City Council for their service in the City of Durham.

Council Member Freeman departed the meeting at 11:30 am.

Council Member Johnson departed the meeting at 11:46 am.

Council Member Williams departed the meeting at 12:15 pm.

Lunch break was conducted from 12:07 to 12:50 pm.

Council Member Johnson returned at 12:35 pm.

Council Member Freeman returned at 1:08 pm.

Council Member Williams returned at 1:15 pm.

SUBJECT: BUDGET GUIDELINES

John Allore, Director of Budget and Management Services, provided an extensive presentation consisting of the Budget Guidelines by highlighting the following:

2023-2024 Budget Development Guidelines including revenues/expenditures reflective of the strategic plan goal of innovative and high performance organization. One of the objectives of the goal was to promote organizational, strategic, service, and personnel sustainability.

It was requested, that under the revenue category, in the second paragraph, for staff to update the word 'must' to 'should'.

Mayor Pro Tempore Middleton asked if the language focused on potential downsizing had been discussed before.

Mr. Allore stated similar language was put into the preamble, year to year.

City Manager Page elaborated that new requests have been considered but it is such a large Quantity, all of which were to be reviewed by staff and Council. The new requests were prioritized, if the numbers were so large, where the base could not be maintained, leadership would have to consider reductions.

Council inquired about the loss of transit COVID operating grants.

City Manager Page responded that multi-year projections were underway and that staff did not see using additional property taxes for transit.

Council Member Caballero inquired if the budget allowed the maintenance of fare-free ridership after June 2023.

Director Allore responded that staff had proposed continuing fare free travel into the next cycle.

Council Member Johnson asked was there a reference to all the Budget requests that came from staff.

Mr. Allore stated that there is no reference to staff budget requests.

It was the consensus of Council to add same language to debt service line about there may be a tax increase.

Council Member Johnson asked if the tax increase could be considered to be included in the Guidelines.

City Manager Page stated that it was agreed previously to add the Tax Increase due to market adjustments due to specific areas. There would be additional discussion at the March 23, 2023 Work Session.

[CLOSING REMARKS]

City Manager Page thanked staff for their work and provided an overview as to what was to come at the future budget retreats.

Mayor O'Neal and Council thanked their colleagues and Budget staff for their hard work and dedication to the annual budget process. She also mentioned that Durham was a well-run organization and it ranked 22% above other peer cities in customer service.

[ADJOURNMENT- 1:08 PM]

Ashlee Adams
Assistant Clerk

Diana Schreiber
City Clerk