



TOWN OF CHAPEL HILL

Town Hall
405 Martin Luther King Jr.
Boulevard
Chapel Hill, NC 27514

Town Council

Meeting Minutes - Draft

Mayor Pam Hemminger
Mayor pro tem Jessica Anderson
Council Member Donna Bell
Council Member Allen Buansi
Council Member Hongbin Gu

Council Member Nancy Oates
Council Member Michael Parker
Council Member Karen Stegman
Council Member Rachel Schaevitz

Friday, January 25, 2019

4:00 PM

306 West Franklin St. Ste F

Council Retreat

Roll Call

Present: 9 - Mayor Pam Hemminger, Mayor pro tem Jessica Anderson, Council Member Donna Bell, Council Member Allen Buansi, Council Member Hongbin Gu, Council Member Nancy Oates, Council Member Michael Parker, Council Member Rachel Schaevitz, and Council Member Karen Stegman

Other Attendees

Town Manager Maurice Jones, Deputy Town Manager Florentine Miller, Assistant Town Manager Mary Jane Nirdlinger, Town Attorney Ralph Karpinos, Assistant to the Town Manager Ross Tompkins, Interim Business Management Director Amy Oland, Budget Manager Matt Brinkley, Strategic Plan Project Manager David Finley, Director of Organizational and Strategic Initiatives Rae Buckley, Communications Manager Catherine Lazorko, Mayor's Aide Jeanne Brown, Officer Rick Fahrer, Davenport & Company LLC Presenter Ted Cole, and Facilitator Anne Davidson.

1. Open Remarks and Introductions

Mayor Hemminger called the retreat to order at 4:05 p.m. at Launch Chapel Hill, 306 West Franklin Street. The meeting participants made introductions, and Ms. Davidson described the facilitator's role. She said the purpose of the retreat was to gain a broad overview of the current budget and budget planning process, clarify key interests for the 2019 budget planning process, and affirm current goals/work plan priorities.

2. Debt, Capital and Financial Policy Overview.

Davenport & Company LLC Presenter Ted Cole provided an overview of Davenport's history as a financial advisor for the Town, the Town's current credit ratings and peer ratings, General Fund operations and fund balance, the Town's existing tax-supported debt and financial profile, and the Town's capital planning. He highlighted the quantitative and qualitative factors that influence the Town's credit rating. He also compared the Town's General Fund Balance to

that of its Aaa-rated peers in North Carolina.

Mr. Cole provided an overview of the timeline needed for the Town to repay its current tax-supported debt (tax-supported debt does not include debt associated with the Town's transit and stormwater operations). This also included a discussion of some of the key debt ratios used as measures by outside agencies to evaluate the Town's decisions related to debt. He also shared a breakdown of the Town's debt commitments and the revenue sources that have been identified to repay them. He concluded by reviewing some of the capital projects the Town is considering funding in the near future, including what the borrowing and repayment might look like for each of those projects and how they would fit into the Town's debt obligations.

3. Dinner and Celebration of 2018 Accomplishments

The Council watched a video highlighting the Town's accomplishments in 2018 and attendees had dinner.

4. Adjournment

The meeting was recessed at 6:50 p.m. to 8:30 a.m. on Saturday, January 26, 2019 at the Center for School Leadership Development, on the Friday Center campus.