

Dunn City Council
Special Meeting — Budget Planning Retreat
Friday, February 6 – Saturday, February 7, 2026
8:30 a.m., Lumina, Wrightsville Beach NC

MINUTES

PRESENT: Mayor William P. Elmore Jr., Mayor Pro Tem April Gauden, Council Members J. Wesley Sills, Raquel McNeil, Billy N. Tart, Alan Hargis, and Dr. David L. Bradham.

ALSO PRESENT: City Manager Justin Hembree, Assistant City Manager Billy Godwin, Finance Director Cary McNallan, Chief of Police Lynn Gay, Major Nick Simmons, Parks and Recreation Director Brian McNeill, Human Resources Director Connie Jernigan, Planner Stephanie Goodrich, Public Works Director Dwayne Williams, Building Inspector Slater Johnson, Collections & Distribution Manager, Billy Cottle, Water Treatment Plant Manager Ian Stroud, Administrative Support Specialist, Christy Sweeney, and City Clerk, Melissa Matti.

The Dunn City Council held a retreat with key staff to establish goals & priorities for fiscal year 2026-2027. Chad Sary with KCI Associates of North Carolina facilitated the retreat.

DAY ONE – FRIDAY, FEBRUARY 6, 2026:

Session 1 – Getting Started

The sessions of day one started with the call to order and opening remarks by Mayor – William Elmore, Jr., City Manager – Justin Hembree, and Facilitator - Chad Sary.

Session 1 - Pre-Retreat Questions

The first activity involved three (3) questions for all participants to answer. The questions are listed below, along with a summarization of the answers provided:

Question 1 - What is one thing you learned in 2025 as a City Official?

- Making complex decisions in the best interest of Dunn.
- Valuing high-quality staff and strong teamwork.
- Adapting effectively to change.
- Navigating complex laws and ordinances.
- Recognizing that the limits and pace of government can be frustrating.

Question 2 - What do you see as the most critical issue or trend (internal and external) facing the City of Dunn over the next year or two?

- Adequate and reliable infrastructure.
- Balanced, high-quality growth.
- Retaining and attracting talented city staff.
- Maintaining public trust.
- Securing funding for needed projects.
- Supporting social and community health.

Question 3 - What is the one thing you hope to take away from this retreat?

- Consensus on goals and projects.
- Clear direction and unity.
- Actionable goals
- Short- and long-term wins

Session 1 – Four Tendencies & Decision Making in Government

The Four Tendencies is a research-based framework developed by Gretchen Rubin that explains habits & how people are likely to follow through with commitments. According to Rubin's research, people fall into one of four types (Upholder, Questioner, Obliger, or Rebel) based on whether they are more likely to meet or resist these expectations. City Council members responded to a series of questions designed to identify the leadership or decision-making tendencies that most closely align with their perspectives.

FOUR TENDENCIES	
Upholders	Obligers
<ul style="list-style-type: none"> Embrace both internal and external expectations easily. Do not want to fail others, but they don't believe in failing themselves either = balance + boundaries Comforted by meeting expectations Watch for "tightening" — becoming overly rigid with routines and expectations. 	<ul style="list-style-type: none"> The "people pleaser" – easily meets outer expectations but struggles to meet inner expectations. Creating outer accountability is the key to success. Susceptible to overwork & burnout. Risk "obliger rebellion" when overwhelmed.
<p><i>City Council members who align with this tendency:</i></p> <ul style="list-style-type: none"> → William Elmore → Billy Tart 	<p><i>City Council members who align with this tendency:</i></p> <ul style="list-style-type: none"> → Wes Sills → Raquel McNeil
Questioners	Rebels
<ul style="list-style-type: none"> Do well in achieving their own expectations but often fail to live up to those of others. Understanding the "why" is key – need to meet an information threshold. Value effective and efficient systems. Can struggle with "analysis paralysis" when answers aren't complete. 	<ul style="list-style-type: none"> Independent thinkers Resist internal and external expectations. Motivated by freedom and authenticity. Can do anything they WANT to do. Struggle with routines and planning. Respond best to information + consequences + choice.
<p><i>City Council members who align with this tendency:</i></p> <ul style="list-style-type: none"> → Alan Hargis 	<p><i>City Council members who align with this tendency:</i></p> <ul style="list-style-type: none"> → April Gaulden → David Bradham

Session 1 - Decision Making in Government

This session, grounded in the work of public administration scholar John Nalbandian, explored the complex nature of decision-making in local government, not as a search for "right" answers, but as a process of balancing legitimate, often competing values. Participants examined four **core values** that shape public service:

- Accountability and Representation
- Efficiency and Professionalism
- Social Equity and Diversity
- Justice and Individual Rights

These values frequently exist in tension, requiring elected officials to navigate trade-offs rather than seek perfect solutions. Dr. Nalbandian expanded on this framework in partnership with Julia Novak, and introduced **six (6) governance "hats"** that elected officials wear:

- *Big Picture Thinker* – strategic thinking long-term and big-picture about the community's future.
- *Trustee/Steward* – making decisions that serve the whole community (or future community), even when they're unpopular.
- *Customer Service* – responding to individual concerns and being a voice for residents.
- *Community Builder* – fostering relationships and bringing people together across differences.
- *Decision-Maker* – weighing evidence and casting votes.
- *Oversight* – ensuring accountability and transparency in government operations.

Each member of the Council was asked to consider which value and hat feels most dominant to them. In other words, how do they most often come to the table to do the business of city government? Council members reflected on their dominant values and roles, identifying how these influence their approach to governance and teamwork.

Understanding values can give the governing body a common language to use for healthy debate of conflicting perspectives instead of allowing conflict to get personal.

	Core Value	Governance Hat
<i>William Elmore</i>	Efficiency & Professionalism	Big Picture Thinker
<i>Billy Tart</i>	Efficiency & Professionalism	Big Picture Thinker

<i>Wes Sills</i>	Accountability & Representation	Customer Service
<i>Raquel McNeil</i>	Accountability & Representation	Community Builder
<i>Alan Hargis</i>	Accountability & Representation	Community Builder
<i>April Gaulden</i>	Accountability & Representation	Customer Service
<i>David Bradham</i>	Efficiency & Professionalism	Big Picture Thinker

Session 2 – Reflecting

Finance Director, Cary McNallan, provided a presentation of the mid-year and overall financial outlook of the City. The City Manager and Assistant City Manager provided updates on major capital projects, spending priorities, and the revenue policy. In addition, Dr. AR El-Khattabi from the UNC School of Government provided a presentation on utility rates. The following projects were discussed:

Major Capital Projects:

- Water Treatment Plant
- Wastewater Treatment Plant
- New Public Services Building
- Cotton Gin Property
- Stewart Theater
- Paving Project – Phase II

Spending Priorities

- Personnel Priorities
- General Utility & Stormwater Projects
- Neighborhood Improvements
- Codrington Park Enhancements
- General Equipment Maintenance, Repairs, Additions & Upgrades
- Marketing & Public Outreach
- Beautification
- Railroad Building
- Wayfinding Project Phase II
- Park to Park Trail Project Phase II

Revenue Policy

- Enterprise Fund
- General Fund
- Vehicle & Equipment

Session 3 – Specific Projects Prioritization Exercise

For the purposes of the budget retreat, it was agreed upon that discussions would be consistent with the City’s vision statement (Core Value) & strategic themes (Focus Areas) from the City’s Strategic Plan [Imagine Dunn], illustrated below. The specific projects discussed in Session 2 were categorized into these themes.

VISION

“Dunn is a dynamic, engaged community where a diversity of people want to live, visit, play and do business. We embrace growth, opportunity and progress while preserving the hometown character that makes our community proud.”

- 1 QUALITY OF LIFE**
GOAL: Dunn will create a quality of life for all of its residents that is second to none, identified by exceptional public safety, variety of housing choices, robust recreation network, highly rated healthcare and an improved school system.
- 2 PLANNING FOR GROWTH**
GOAL: Dunn will accommodate and support the needs of a diverse and growing population, welcoming growth that increases its overall tax base while contributing to the city's unique character. It will employ public policies and strategic investment including modernized infrastructure, regulations that encourage development and redevelopment, and will create a vibrant and sustainable environment for growth.
- 3 BUSINESS DEVELOPMENT**
GOAL: The City will foster a proactive environment that is conducive to investment, supportive of local businesses, and a sustainable and diversified economy. It will build an entrepreneurial ecosystem that creates prosperity and opportunities for all to succeed regardless of background.
- 4 COMMUNITY CHARACTER**
GOAL: Dunn will be a community of character defined by its small-town charm and its vibrant and active downtown. It will become a Cultural and Entertainment hub serving the tri-county area, while continuing to be a visitor destination for those who love history, or simply need a break. Dunn will have pleasing architecture, attractive corridors and inviting centers of commerce.
- 5 MARKET POSITIONING**
GOAL: Dunn will craft its own unique story cultivating an intense pride of place for its residents, while promoting the community as a place to visit, invest, or live. Dunn's story will be founded on its family-friendly environment, emphasizing community, faith and tradition.
- 6 PARTNERSHIPS**
GOAL: The City, Dunn Area Chamber of Commerce, Dunn Area Tourism Authority and their partners will work together for the good of all Dunn's residents, building an inclusive, progressive and engaged community.

While **ALL** these projects are important, the council members had the opportunity to vote on which projects were considered priorities for FY 26-27. The voting occurred through the “dot democracy” method, with each

member getting a total of 7 dots. The chart below illustrates these priorities and their connection to implementing Imagine Dunn's goals.

Priority Votes	Goal	Imagine Dunn Theme
8	Water Treatment Plant Upgrades	Quality of Life
6	Stormwater Projects	Quality of Life
6	Marketing & Public Outreach Efforts	Marketing Positioning
4	Personnel Priorities	Planning for Growth
4	Codrington Park Enhancements	Community Character
3	City Hall Improvements	Planning for Growth
3	Stewart Theater Renovations	Community Character
2	Utility System Replacement Projects	Quality of Life
2	General Equipment Maintenance & Repairs	Planning for Growth
2	Police Tech Upgrades	Planning for Growth
2	Vehicle Equipment Updates	Planning for Growth
2	Neighborhood Improvements	Community Character
2	Wayfinding Project – Phase 2	Marketing Positioning
1	Permitting Software Improvements	Business Development
1	Wastewater Treatment Plant Upgrades	Quality of Life
1	Railroad Building Improvements	Community Character
0	Cotton Gin Improvements	Community Character
0	Beautification Projects	Community Character
0	Park to Park Trail Project Phase 2	Community Character
0	New Public Services Facility	Planning for Growth

Session 4 – Keep, Toss, Complete Exercise

Facilitator Sary reviewed the goals and priorities from the previous year’s retreat, and a category of “Keep, Toss or Complete” was agreed upon by the City Council. A consensus was formed to delete the goals that were complete or no longer a priority and to keep the ones that remain as relevant goals. The following illustrates the outcome of this exercise:

FY 25-26 Goal	Status
Water, Sewer, WWTP <ul style="list-style-type: none"> • <i>Flocculator replacement</i> • <i>Building updates</i> • <i>Digester Building</i> • <i>Asphalt milling</i> 	Keep/progress made Keep/progress made Keep/progress made Complete
Community Center Bathrooms Update	Keep/progress made
Police Department <ul style="list-style-type: none"> • <i>Retention Plan</i> • <i>Special Response Team</i> • <i>Research Drone Use</i> • <i>Vehicle Replacement Schedule</i> 	Complete Toss Keep Keep
Strategy for 107 S. Railroad Street Building Improvements	Keep
Public Works Grapple Truck Replacement	Complete
Planning & Inspections Building Rehab	Keep

Parks & Recreation <ul style="list-style-type: none"> • FTE as program coordinator • Cemetery lighting process • Plan for pickleball courts • Greenwood Cemetery beautification 	Keep Keep Complete Keep
Sidewalk Repairs	Keep/progress made
Historic Preservation District/Ordinance	Keep
Economic Development Zones	Keep
Increased focus on code enforcement	Keep/progress made
Boarded Window Ordinance	Keep
Research Juneteenth Holiday Costs	Complete

Session 4 – Goal Setting & Prioritization

Facilitator Sary compiled all priorities discussed in previous sessions, aligned them with the six (6) focus areas identified in *Imagine Dunn*, and organized them into primary and secondary goal categories.

While all the identified projects are important, Council members were asked to prioritize those they believe should receive the greatest focus in FY 2026–2027.

To do this, members participated in a structured voting exercise using a dot allocation system tied to monetary values. Each Council member received a total of \$0.82 to allocate across the goals (two pennies, two nickels, two dimes, and two quarters).

- **Quarters (\$0.25) represented top priorities.**
- **Dimes (\$0.10) represented very important initiatives.**
- **Nickels (\$0.05) represented helpful but secondary efforts.**
- **Pennies (\$0.01) represented “nice to have” items.**

All coins were required to be used, and members could allocate multiple coins to a single goal if they felt it warranted stronger emphasis. The intent of the exercise was to simulate real-world funding decisions and encourage thoughtful prioritization of where the city should concentrate resources in the upcoming fiscal year. The chart below illustrates the results of the Council’s voting priorities.

PRIORITIZED GOALS:	
Rank & Voting	Goal & Action Steps
#1 (\$1.50)	Water Treatment Plant Upgrades <ul style="list-style-type: none"> ➤ Identify funding opportunities. ➤ Develop a phased engineering & financial report. ➤ Develop agreements with partners to purchase water. ➤ Create a plan for short-term actions.
<i>Responsible Party: Public Utilities</i>	
#2 (\$0.90)	Stormwater Projects <ul style="list-style-type: none"> ➤ Continue to look for grant funding. ➤ Complete projects along Merry Street & Friendly Road.
<i>Responsible Party: Administration</i>	
#3 (\$0.75)	Personnel Priorities <ul style="list-style-type: none"> ➤ Review workforce pay & structure to assure competitiveness. ➤ Include policy for COLA & merit increases. ➤ Look at targeted market adjustments for specific positions.
	<input checked="" type="checkbox"/> Review and make budget recommendations.
<i>Responsible Party: Administration & Human Resources</i>	

<p>#4 (\$0.71)</p>	<p>Codrington Park Enhancements ☑ Pursue PARTF grant. ➤ Complete concept plan ➤ Move or sell the house on the property. ➤ Look at selling the Magnolia Street property for redevelopment.</p>
<p><i>Responsible Party: Administration & Parks/Recreation</i></p>	
<p>#5 (\$0.57)</p>	<p>General Marketing & Public Outreach ➤ Merge marketing & communications responsibilities with Downtown Dunn and other administrative duties. ➤ Proactive outreach on special events regulations & policies. ➤ Proactive outreach on leaf collection. ➤ Look for opportunities for city employees to help with brand awareness through clothing & accessories. ➤ Hire for position (budgeted in FY 25-26).</p>
<p><i>Responsible Party: Administration</i></p>	
<p>#6 (\$0.35)</p>	<p>Police Tech Upgrades ➤ Purchase drone and cameras. ➤ Replace side-by-side. ➤ Pursue grants for purchases.</p>
<p><i>Responsible Party: Police</i></p>	
<p>#7 (\$0.25)</p>	<p>Stewart Theater Renovations ☑ Contribute \$50K annually</p>
<p><i>Responsible Party: Administration & Finance</i></p>	
<p>#8 (\$0.13)</p>	<p>City Hall Improvements ➤ Create an overall improvement plan to address appearance & privacy. ➤ Repair roof & replace HVAC. ➤ Install new/additional landscaping and exterior improvements.</p>
<p><i>Responsible Party: Administration</i></p>	
<p>#9 (\$0.10)</p>	<p>General Equipment Maintenance/Repairs ➤ Identify needs & develop a maintenance schedule for equipment. ➤ Should be managed by each department.</p>
	<p>☑ Look at the replacement of older vehicles to address continual maintenance = ROI of buying new vs. repair costs.</p>
<p><i>Responsible Party: All Departments</i></p>	
<p>#9 (\$0.10)</p>	<p>Railroad Building Upgrades ➤ Develop a concept plan for best use. ➤ Look for funding opportunities and partnerships. ➤ Paint exterior</p>
<p><i>Responsible Party: Administration</i></p>	
<p>#10 (\$0.06)</p>	<p>Vehicle & Equipment Replacement ➤ Develop Replacement Schedule ➤ Implement VERF ➤ Look at the pricing of the new leaf truck. ➤ Look for other alternatives to help with citizen concerns</p>
<p><i>Responsible Party: Administration & Finance</i></p>	

<p>#11 (\$0.04)</p>	<p>Neighborhood Improvements</p> <ul style="list-style-type: none"> ➤ Create a comprehensive list of actions and provide them with them to the city council. ➤ Should include general maintenance, tree removal/replacement, trash cans, planters, etc. ➤ Continue to focus on code enforcement. ➤ Focus on pavement markings and sidewalk improvements.
<p><i>Responsible Party: Public Works</i></p>	
<p>#12 (\$0.02)</p>	<p>Beautification Projects</p> <ul style="list-style-type: none"> ➤ Implement adopt-a-street program. ➤ Develop a city-wide cleanup day
<p><i>Responsible Party: Planning & Inspections</i></p>	
<p>#13 (0.01)</p>	<p>Permitting Software Improvements</p> <ul style="list-style-type: none"> ➤ Create opportunities to educate & train external users. ➤ Look for ways to refine software for ease. ➤ Focus on customer service
<p><i>Responsible Party: Planning & Inspections</i></p>	

CONCLUSION

The Dunn City Council Budget Retreat, held on February 6-7, 2026, focused on strengthening team dynamics and identifying the City’s top strategic priorities for the upcoming fiscal year and beyond. Through guided discussions, Council members explored personal tendencies and governance styles, fostering a better understanding of how they work individually and collectively.

The Council reached consensus on its highest priorities and identified specific goals and action items to achieve them. This process provides City staff with a clear, consensus-driven work plan and budgeting guidance for FY 2026-2027.

ADJOURNMENT

With no further business to discuss, the meeting was concluded at 11:15 a.m.

William P. Elmore, Jr.

 William P. Elmore, Jr.,
 Mayor

Melissa R. Matti

 Melissa R. Matti,
 City Clerk

