



Minutes of the Roanoke Rapids City Council

A regular meeting of the City Council of the City of Roanoke Rapids was held on **Tuesday, December 19, 2023, at 5:00 p.m.** in the Council Chambers at the Lloyd Andrews City Meeting Hall.

Present: Emery G. Doughtie, Mayor
Wayne Smith, Mayor Pro Tem

W. Keith Bell)
Sandra W. Bryant)
Rex Stainback)
Curtis Strickland)

Council Members

Kelly Traynham, City Manager
Geoffrey Davis, City Attorney
Traci Storey, City Clerk
Carmen Johnson, Finance Director
Shane Guyant, Police Chief
Christina Caudle, Human Resources Director
Tony Hall, Main Street Development Director
John Simeon, Parks & Recreation Director
Larry Chalker, Public Works Director

Absent: Jason Patrick, Fire Chief
Kristyn Anderson, Interim Planning Director

Mayor Doughtie called the meeting to order at 5:15 p.m. He provided an invocation and then the Pledge of Allegiance was recited.

Adoption of Business Agenda

Mayor Doughtie asked Council members if there were any known conflicts of interest with respect to the matters before them this evening.

There being no conflicts, motion was made by Mayor Pro Tem Smith, seconded by Councilman Stainback, and unanimously carried to adopt the business agenda as presented.

Public Comment (Unscheduled)

Carl Ferebee

Mr. Ferebee stated he came before them kind of sad today. He was here in open session because he was not allowed to do it in closed session the other week. He was still disappointed and upset at what transpired. He wanted the Mayor and Council to know he was disappointed in the City leader for not being candid and consistent with the personnel policy. He viewed the entire City salary structure and it has all department heads and directors paid more than the next employee. They had an employee who became an interim and in that he was not done on that same protocol. There were other employees paid the same thing and he was the leader. With that being said, he was very disappointed in that. He individually brought it to each Council member and he brought it back to the City Manager. They started talking about this in September and later he was told, I'm going to take care of this, trust me. That is the part he was sad and disappointed about. He was familiar with general statute 160A and he understands that. He knows the protocol has been they have paid bonuses before over and over. They were not treating the employees the same. He was not sure if it was because they were who they are or how they are. He would like Council and the City Manager to take another look at that. It is not right. He asked them to do the right thing.

Approval of City Council Minutes

Motion was made by Councilman Bell, seconded by Councilwoman Bryant, and unanimously carried to approve the December 5, 2023 Regular City Council Meeting minutes as drafted.

New Business

Presentation of Fiscal Year 2022-2023 Audit Report

Mr. Gregory Redman, CPA presented and summarized the Fiscal Year 2022-2023 audit report. (On file in Clerk's Office). He highlighted the following:

- Independent Auditor's Report
 - Unmodified Opinion - No material weaknesses and no material findings.
 - He stated over the last few years there have been three financial issues the City could improve upon. As they finish reviewing the report, they will see the City did improve upon all three of those issues.
- General Fund Balance Sheet
 - Cash in Bank as of June 30, 2023 was \$9.1M.

- Unassigned Fund Balance (*One of the areas of the City's financial improvement*)
 - Unassigned fund balance - \$8.5M which is approximately 47% of Total General Fund Expenditures for the year. He noted there have been many years that it has been 20-24%; he did not recall it being over 27-28%. The state average is 34%.
- Revenues and Expenditures
 - General Fund Total Revenues - \$18.6M
 - General Fund Total Expenditures - \$18.2M
 - Revenue over expenditures - \$386,864 (net profit). *This is the second area of financial improvement.* The general fund is designed to break even because they are providing services, but always want it to make money if it can.
 - NC State Directed Grant and ARPA Funds.
- Budget and Actual
 - Revenues and Expenditure compared with the budget. He noted it would be a violation of state tax use if they overspent the budget in any department. There are no negative numbers so there are no budget violations which means the finance department kept expenses in line with the budget. Any budget amendments were brought before Council and approved. This shows good internal control on the finances.
- Changes in Long-term Liabilities
 - Direct borrowings – Beginning Balance \$1.4M, made payments of approximately \$400,000 leaving a balance of \$1M at the end of the year.
 - Tax increment special revenue bonds - \$8.3M, made payments of \$746,228 leaving a balance of \$7.6M.
 - Two new things: Lease liabilities & Subscription liabilities
 - Lease liability ending balance - \$1.1M
 - Subscription liability (softwares) ending balance - \$205,460
 - Total Pension (LEO) – Ending balance \$1.3M and Net Pension (LGERS) - Ending balance \$4.8M. These monies are technically sitting in the bank where the City sends these payments in monthly.
 - Total OPEB liability (Healthcare for retirees) – Ending balance is \$5.9M
- Analysis of Current Tax Levy (*Third area of financial improvement*)
 - The City had a 99.16% tax collection rate.
- Since the City received the \$2.2M ARPA money they have stepped up a level to what they call uniform guidance audit/single audit. They have to do a little more detail on internal control of grants and how they spend the money. Both are of unmodified opinion and there were no findings.
- Schedule of Expenditures of Federal and State Funds

- Federal - \$3.2M – ARPA, FEMA, CDBG
- State - \$1.1M – Powell Bill and State Directed Grant

Mr. Redman stated in summary, financially it was the best year in years. They increased the fund balance and made money in the general fund. This is the second year for the new finance director. He thinks things are running smoothly with internal control and segregation of duties.

Motion was made by Councilman Bell, seconded by Mayor Pro Tem Smith and unanimously carried to accept the Fiscal Year 2022-2023 audit report as presented.

City Manager's Report

City Manager Traynham thanked staff for their responsible spending and management of budgets for a positive audit.

She wished everyone a Merry Christmas and thanked them for all they do.

Finance Director's Report

Finance Director Johnson reported for the month of November 2023, General Fund year to date receipts totaled \$9,255,111.22. General Fund year to date expenditures totaled \$7,891,396.07. As a result, Year-To-Date Revenues exceeded Expenditures by \$1,363,715.15.

She reported during the month of November, the City received the following revenues:

- Current and Prior Year Ad Valorem Tax
- Motor Vehicle Tax
- Sales Tax
- Hold Harmless Revenue
- Residential Solid Waste Fees
- Commercial Solid Waste Fees
- Interest Revenue
- Grants & Donation Funds

She stated interest on savings is at its utmost highest with year-to-date interest income at \$251,196.98.

Mayor Pro Tem Smith asked how is the City's income in comparison to last year. Finance Director Johnson replied it was basically running the same. Last year at this time, it was at 46.3% and this year it is 48.4%.

Public Hearing

CDBG Neighborhood Revitalization Program Closeout

City Manager Traynham reported that in 2020 the City applied for the grant that included the demolition and reconstruction of two residential dwelling units, rehabilitation and public facility improvements by providing a bath house at Chaloner Recreation Park. As mentioned by the auditor these funds are federal money that is passed through the NC Department of Commerce for administration and spending supervision. The timeline on this particular grant has run its course and the City has applied for a new grant to continue these efforts. Tonight, the purpose is to talk about the program successes, conduct a public hearing to receive any citizen comments on the expenditure of CDBG funds and to move forward with the close out of the grant with the NC Department of Commerce. She called upon the grant administrator, Chris Hilbert with Insight Planning, to provide additional comments and information.

Mr. Hilbert said this project was applied for during COVID which had its own challenges. They determined early on that there were a couple of units that were ineligible because no one had actually looked at the houses that applied because of those challenges. They did accomplish reconstructing two homes for two elderly households. All the units that are directly benefited are low-moderate income individuals. They did one large rehabilitation unit for a family of six. The projects were in three different neighborhoods within the city. A big part of the project was the restrooms at Chaloner Recreation Park. He believes it was very good public benefit from the project.

He added a new application has been submitted which they helped prepare through this grant. Early indications are that it will be favorable, but until they get a letter, they cannot guarantee anything.

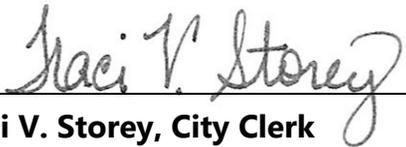
Mayor Doughtie opened the public hearing and asked if anyone had any questions or comments concerning the CDBG Neighborhood Revitalization project.

With no one wishing to make comments, Mayor Doughtie closed the public hearing.

Motion was made by Councilwoman Bryant, seconded by Mayor Pro Tem Smith and unanimously carried to proceed with closing out the CDBG Neighborhood Revitalization Project (19-C-3135) to the NC Department of Commerce.

Adjournment

There being no further business, motion was made by Mayor Pro Tem Smith, seconded by Councilman Stainback and unanimously carried to adjourn. The meeting was adjourned at 5:42 p.m.



Traci V. Storey, City Clerk

Approved by Council Action on: January 2, 2024