



Minutes of the Roanoke Rapids City Council

A regular meeting of the City Council of the City of Roanoke Rapids was held on **Tuesday, May 5, 2026, at 5:30 p.m.** in the Council Chambers at the Lloyd Andrews City Meeting Hall.

Present: Emery G. Doughtie, Mayor
Sandra W. Bryant, Mayor Pro Tem

W. Keith Bell) **Council Members**
Andy Jackson)
Rex Stainback)
Curtis Strickland)

Kelly Traynham, City Manager
Geoffrey Davis, City Attorney
Traci Storey, City Clerk
Carmen Johnson, Finance Director
Ashley Thomas, Main Street Director
Kristyn Anderson, Planning & Development Director
Kelly Daughtry, Parks & Recreation Director
Richard Cook, Fire Chief
Lawrence Wiggins, Police Chief

Absent: Christina Caudle, Human Resources Director
Larry Chalker, Public Works Director

Mayor Doughtie called the meeting to order at 5:30 p.m.

Mayor Doughtie provided an invocation. 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 and called for a motion to adopt the meeting agenda as presented.

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

Special Recognitions

Planning & Development Department – Marvin Wheeler

Planning & Development Director Anderson stated that today they have the privilege of recognizing an individual whose career reflects not only skill and experience, but true dedication, perseverance, and an unwavering commitment to growth. They were here to honor Marvin Wheeler for achieving **Level III Certifications in Building, Electrical, Plumbing, and Mechanical trades**—a milestone that represents one of the highest levels of professional accomplishment in the inspections field.

She stated achieving Level III certifications is no small task. It requires countless hours of study, extensive knowledge across multiple disciplines, and the determination to push through rigorous exams. This is where Marvin's character truly stands out. Despite the demands of his job, he made the decision to invest in himself. He studied. He attended classes. He prepared. And he persevered.

Planning & Development Director Anderson said they were not just recognizing the certifications, but the effort behind them. The late nights, discipline and resilience. His achievement reflects the very best of this profession. His dedication strengthens this department, enhances the service they provide, and sets a standard for others to follow.

She thanked him for his commitment, hard work, and continued pursuit of excellence.

Approval of City Council Minutes

Motion was made by Councilman Stainback, seconded by Councilman Jackson, and unanimously carried to approve the April 21, 2026, Special Meeting (Budget Work Session, April 21, 2026, Regular City Council Meeting and the April 24, 2026, Emergency Meeting minutes as drafted.

Public Hearing

Community Development Block Grant

City Manager Traynham said Chris Hilbert with Insight Consulting has managed countless CDBG applications for the City of Roanoke Rapids over the last 30 years. His expertise and guidance have been instrumental in the application and management process. She expressed appreciation about the work they did behind the scenes and the paperwork to keep staff on track and eligible for future grants.

Mr. Hilbert stated a public hearing scheduled for tonight concerning potential applications for CDBG funds related to several different categories: Neighborhood Revitalization, Economic Development, Infrastructure, Community Housing, Demolition of public owned buildings and Disaster Recovery. This public hearing would cover any of those types of applications. He had a productive meeting with Main Street Director Thomas last week and talked about economic development opportunities. Recently, Insight Planning has hired two people from the Department of Commerce, therefore they are very versed on those application funding streams. They provided the Planning Department with the application process for any potential housing funds. Applications will be on hand if the City is eligible for additional housing funds through CDBG.

Mayor Doughtie opened the public hearing to receive public comments.

With nobody wishing to speak, Mayor Doughtie closed the public hearing.

City Manager Traynham asked Mr. Hilbert if there was any action required by City Council.

Mr. Hilbert replied not at this time. If applications developed through the City Manager's office, then they would bring them back to City Council.

City Manager Traynham noted those applications will be directed through the Planning & Development Department. The City will have instructions for interested persons in applying for the CDBG program posted on the website. When the application process opens, they will be able to utilize those applications in the development of a formal application to the State. A second public hearing would be required on the merits of the project at that time.

Mayor Doughtie asked for the total amount of funds received for the current grant.

Mr. Hilbert replied \$950,000 for housing.

City Manager Traynham clarified that the public hearing tonight is for a future grant application so it is about hearing the community development needs of the city and notifying the citizens that there will be some application opportunities available. She added there is an agenda item tonight about CDBG contract for the current grant award; that is a separate action item.

Mr. Hilbert noted all projects would most predominately benefit low-to-moderate income. A lot of the time they get potential projects by talking with department heads,

but they have to funnel that back to benefit low-to-moderate income residents. If the community as a whole is not a low-to-moderate income community then they have to target specific neighborhoods or projects within those neighborhoods that may qualify. Every year, the Department of Commerce will come up with notice of funding availability for projects. They are keeping abreast of those notices that come out. This public hearing would cover any potential type of projects that would come up so they would not have to hold a public hearing to talk to City Manager or Planning Department about making an application. They would then bring that application to City Council for approval. The City currently has a CDBG Neighborhood Revitalization grant which is a scattered site housing grant. If the City is eligible to apply for another one, they may consider doing that as well.

Mayor Pro Tem Bryant confirmed in addition to the neighborhood revitalization, they would be looking for grants for economic development, infrastructure, demolition, etc.

Mr. Hilbert replied that was correct. He said they feel pretty good about the economic development component here because Roanoke Rapids is one of the larger size cities from that standpoint. There are a lot of businesses here and there may be potential for business expansion. As mentioned earlier, they discussed the Main Street District corridor. He added in some of this they need to have a dialogue because it may take some time to develop. He thinks having this type of hearing helps put it out to the public and to City Council and is useful. The City has their staff under contract for the neighborhood revitalization, so they are kind of “in house” right now and at their disposal if there are potential future applications.

Councilman Strickland asked what is considered or defined to be low-to-moderate income.

Mr. Hilbert replied below 80% of the median income. Depending on the household size and generally speaking, a single person would be about \$30,000.

Mayor Pro Tem Bryant stated they would love for him to find a grant for demolition of publicly owned buildings.

Mr. Hilbert agreed and said that was part of the conversation, but it does say publicly owned buildings. A lot of times they are dealing with school facilities that are old and need to be demolished. There are redevelopment opportunities but there needs to be some ownership interest in those things in order to get federal funding. They may need to be in a particular neighborhood that would qualify.

New Business

Bid Contract Awards for FY2022 CDBG-NR Program

Chris Hilbert with Insight Consulting said on the existing housing grant, they completed work write-ups and bid out four units and accepted bids about a week ago from three different bidders. They are requesting authorization of the City Manager to negotiate and execute contract awards. They noted the low bidder in their packets which was the same contractor. He conducted cost estimates and all the bids were within the cost estimates, so they feel comfortable with the bids received. For unit number 1, in order to do that house they will have to make the award contingent on substantial rehab approval from the Department of Commerce. They have just put that letter together. Any time they are spending over \$72,000 they have to request approval. That is pretty standard nowadays with inflation that units go over that threshold. That threshold is the same as they were using 10 years ago.

Mayor Pro Tem Bryant asked since it appears the same contractor was the low bidder for all four houses; would he be able to complete all the projects within the time allocated.

Mr. Hilbert replied they would work with the contractor to figure that out. That is one reason they are asking for authorization for the City Manager to negotiate and execute contracts. This way they can start with two units. They do not want to take work away from somebody at a lower, but at the same time they want to make sure they are spending the money and helping these people that need the help. He added there would be a delay with the larger contract because of the required state approval.

City Manager Traynham stated the requested action is to authorize the City Manager to negotiate and execute the CDBG contract award to the most qualified vendor based on proposal evaluation scoring. This way if something doesn't work out with the first vendor or add on a second one, they do not have to bring it back to City Council again and further delay the project. They are showing the order/priority based on the qualifications and evaluations, but motion requested allows flexibility to follow that order.

Councilman Strickland asked how did they know the contractors were qualified.

Mr. Hilbert said they have a qualification sheet where the contractor gives them references and he reaches out to them. One of the contractors he works with regularly, so he knows he's qualified. They have to be licensed general contractors and provide the required insurance. They also must submit the bids in the appropriate way.

Mayor Doughtie asked where S&R Roofing and Interiors were out of. Mr. Hilbert replied Wilson. Mayor Doughtie asked if there were any opportunities for local sub-contractors. Mr. Hilbert stated they recommend the contractors use local sub-contractors and that happens fairly frequently. Some will bring their own subs with them because they like to work with whom they know because they trust who they know. Therefore, he does not demand they work with someone local because trust goes a long way in the construction world, but he does give them references of local people that are in the trade.

Councilman Bell asked to be excused from voting on the matter due to a conflict of interest. The conflict is one of the units is the residence of a family member.

Mayor Doughtie called for a motion with the exclusion of Councilman Bell.

Motion was made by Mayor Pro Tem Bryant, seconded by Councilman Stainback, and unanimously carried to authorize the City Manager to negotiate and execute CDBG-NR bid contracts hereby awarded to the most qualified vendors based on proposal evaluation and scoring completed by the grant administrator.

Budget Ordinance No. 2026.18 (OSC Unauthorized Substance Tax)

Finance Director Johnson stated the Police Department received \$7,812.50 in OSC Unauthorized Substance Tax. She presented the following budget ordinance for their consideration:

**Ordinance No. 2026.18
CITY OF ROANOKE RAPIDS
BUDGET AMENDMENT**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROANOKE RAPIDS:

SECTION 1. The following additional amounts are hereby appropriated for the operation of City Government and its activities for the fiscal year beginning July 1, 2025 and ending June 30, 2026, according to the following schedule:

SCHEDULE A – PROJECT FUND REVENUES

Police – OSC Unauthorized Substance Tax	
Project Revenues - OSC Unauthorized Substance Tax	\$7,812.50
FUND PROJECT TOTAL	<u>\$7,812.50</u>

SECTION 2. The following additional revenues and reductions in appropriations are available for the fiscal year beginning July 1, 2025 and ending June 30, 2026, in order to meet the foregoing appropriations, according to the following schedule:

SCHEDULE B – PROJECT FUND EXPENDITURES

Police – OSC Unauthorized Substance Tax	
Project Expenditures - OSC Unauthorized Substance Tax	\$7,812.50
FUND PROJECT TOTAL	<u>\$7,812.50</u>

SECTION 3. This ordinance shall become effective upon adoption.

Emery G. Doughtie, Mayor

Motion was made by Councilman Strickland, seconded by Councilman Jackson, and unanimously carried to Ordinance No. 2026.18 in the amount of \$7,812.50 for OSC Unauthorized Substance Tax.

Budget Ordinance No. 2026.19 (Fire Recovery Program)

Finance Director Johnson said to date the Fire Department has received \$26,776.59 in Fire Recovery funds. She presented the following budget ordinance for their consideration:

**Ordinance No. 2026.19
CITY OF ROANOKE RAPIDS
BUDGET AMENDMENT**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROANOKE RAPIDS:

SECTION 1. The following additional amounts are hereby appropriated for the operation of City Government and its activities for the fiscal year beginning July 1, 2025, and ending June 30, 2026, according to the following schedule:

SCHEDULE A – PROJECT FUND REVENUES

Fire Dept. – Fire Recovery Program Project Revenues	<u>\$26,776.59</u>
FUND PROJECT TOTAL	\$26,776.59

SECTION 2. The following additional revenues and reductions in appropriations are available for the fiscal year beginning July 1, 2025, and ending June 30, 2026, in order to meet the foregoing appropriations, according to the following schedule:

SCHEDULE B – PROJECT FUND EXPENDITURES

Fire Dept. – Fire Recovery Program Project Expenditures	<u>\$26,776.59</u>
FUND PROJECT TOTAL	\$26,776.59

SECTION 3. This ordinance shall become effective upon adoption.

Emery G. Doughtie, Mayor

Motion was made by Councilman Jackson, seconded by Councilman Bell, and unanimously carried to adopt Ordinance No. 2026.19 in the amount of \$26,776.59 for the Fire Recovery Program.

Budget Ordinance No. 2026.20 (Various Donations)

Finance Director Johnson said donations were received for Parks & Recreation Special Programs in the amount of \$777, the Friends of the Library in the amount of \$500, the Fire Department’s Veterans Breakfast in the amount of \$200 and \$1,000 to the Police Department for a K-9. She presented the following budget ordinance for their consideration:

**Ordinance No. 2026.20
CITY OF ROANOKE RAPIDS
BUDGET AMENDMENT**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROANOKE RAPIDS:

SECTION 1. The following additional amounts are hereby appropriated for the operation of City Government and its activities for the fiscal year beginning July 1, 2025, and ending June 30, 2026, according to the following schedule:

SCHEDULE A – PROJECT FUND REVENUES

P&R Dept. – Special Programs	\$ 777.00
P&R Dept. – Friends of the Library	\$ 500.00
Fire Dept. – Veteran’s Breakfast Donation	\$ 200.00
Police Dept. – K-9	<u>\$1,000.00</u>
Project Revenues	\$2,477.00
FUND PROJECT TOTAL	\$2,477.00

SECTION 2. The following additional revenues and reductions in appropriations are available for the fiscal year beginning July 1, 2025, and ending June 30, 2026, in order to meet the foregoing appropriations, according to the following schedule:

SCHEDULE B – PROJECT FUND EXPENDITURES

P&R Dept. – Special Programs	\$ 777.00
P&R Dept. – Friends of the Library	\$ 500.00
Fire Dept. – Veteran’s Breakfast Donation	\$ 200.00
Police Dept. – K-9	<u>\$1,000.00</u>
Project Expenditures	\$2,477.00
FUND PROJECT TOTAL	\$2,477.00

SECTION 3. This ordinance shall become effective upon adoption.

Emery G. Doughtie, Mayor

Motion was made by Councilman Bell, seconded by Councilman Stainback, and unanimously carried to adopt Ordinance No. 2026.20 in the amount of \$2,477.00 for donations Parks & Recreation Special Programs, Friends of the Library, the Fire Department’s Veterans Breakfast and to the Police Department for a K-9.

Presentation of Proposed Fiscal Year 2026-2027 Budget

City Manager Traynham stated in accordance with NC General Statutes the budget message and a proposed budget is to be presented to City Council by June 1st. She said this was a very limited approach right now. Under state law, all budget numbers for the upcoming year are due by April 30th which was the end of last week. They are still finalizing some numbers but wanted to give City Council a snapshot of where they are as of today. She summarized the following Proposed Fiscal Year 2027 Budget Message – Part I. (On file in Clerk’s Office)

Part I. The proposed budget is introduced as a balanced financial plan that supports the City’s daily operations, long-term obligations, and strategic priorities. In addition to maintaining compliance with the Local Government Budget and Fiscal Control Act, this recommended budget is intended to align municipal resources with the City’s emerging 2030 Strategic Plan, which calls for strong leadership and city management, customer-service excellence in city services, economic vitality, stakeholder engagement, quality of life and place, and community well-being.

This budget is intended to support the City’s strategic vision of being known as the “City of Resilience” and its mission to champion a vibrant community with excellent city services, economic vitality, entertainment, and a beautiful quality of place. As such, the proposed financial plan is more than an annual spending document; it is an operational tool to advance Council priorities through responsible stewardship of public funds.

For FY 2026-2027, the proposed budget is guided by the following priorities:

- Maintain essential public services in a reliable, efficient, and fiscally responsible manner;
- Align departmental operations and resource allocations with the City’s strategic plan goals;
- Support customer-service excellence through professional service delivery, staff development, and appropriate operational resources;
- Preserve the City’s financial stability through conservative revenue estimates, expenditure discipline, and compliance with applicable North Carolina statutes;
- Continue investment in public safety, infrastructure, capital improvements, and quality-of-life amenities; and
- Position the City to leverage partnerships, grants, and outside funding opportunities that advance long-term community and economic development goals.

At the same time, the budget recognizes the need to manage ongoing obligations responsibly, including personnel costs, capital asset maintenance, equipment replacement, debt service, and leased assets. City Administration has therefore prepared this recommendation using prudent assumptions and a disciplined review of departmental needs, with the objective of sustaining current services while advancing strategic goals in a measured and financially responsible manner.

The proposed budget reflects the following principles of fiscal management:

- Structural balance between recurring revenues and recurring expenditures;
- Careful stewardship of fund balance and adherence to State fiscal requirements;
- Strategic use of available revenues, grants, and external funding sources;
- Responsible planning for capital and infrastructure needs;
- Ongoing monitoring of compensation, benefits, operating costs, and contractual obligations; and
- Transparency and accountability in budget development, presentation, and implementation.

Proposed FY27 Budget – General Fund Overview

The General Fund Budget includes all tax supported governmental activities. As of the date of this report, the Finance Department projects a sum of \$18,950,664 in FY27 general fund revenues, while utilizing the FY26 ad valorem tax rate of \$0.641 per \$100 assessed value. This initial FY27 revenue projection represents a decrease of \$129,000 from the current year initially adopted budget (\$19,079,664).

Revenue Highlights

The proposed budget anticipates modest revenue estimates mainly driven by stable property tax revenues and normalized tax revenue changes, aligning with statewide predictions for the upcoming fiscal period.

Top Revenue Accounts. The following line items reflect the top sources of revenue for FY27.

Table 1 Top Revenue Accounts

Account Name	FY26 Base Budget 7/1/25	Adjustments	FY27 Estimated
AD VALOREM CURRENT	8,667,940	316,309	8,984,249
RESIDENTIAL SOLID WASTE FEES	1,820,445	-155,445	1,665,000
UTILITY FRANCHISE TAX REVENUE	1,268,600	181,400	1,450,000
NC STATE TAX AND TAG FEES	1,006,876	191,502	1,198,378
1% SALES TAX ARTICLE 39	1,195,215	-145,215	1,050,000
HOLD HARMLESS REVENUE	1,000,000	-130,000	870,000
POWELL BILL ST ALLOC	560,000	-10,000	550,000
INTEREST EARNINGS	464,750	75,250	540,000
1/2% SALES TAX ARTICLE 42	455,320	-55,320	400,000
1/2% SALES TAX ARTICLE 40	313,033	-38,033	275,000
1/2% SALES TAX ARTICLE 40	284,575	-9,575	275,000
1/2% SALES TAX-ARTICLE 44	284,575	-34,575	250,000
1/2% SALES TAX ARTICLE 42	313,032	-63,032	250,000
COMMERCIAL SOLID WASTE FEES	61,360	46,640	108,000

AD VALOREM .01 TAX RES SQ REV	87,555	14,271	101,826
CEMETERY GRAVE FEES	88,000	-13,000	75,000
BEER AND WINE TAX	74,000	-14,000	60,000
ABC PROFITS REV-HALIFAX COUNTY	110,000	-54,500	55,500

Other revenues are accounted for in various grants, donations, permits, registration fees, etc.

Ad Valorem and Effect of Property Tax Rate Scenarios

The FY26 Budget was developed using a Property Tax Rate of \$0.641 per \$100 Assessed Value. In FY27, this rate is expected to generate \$8,984,249 based on the projected tax year (2026). The 2026 Projected Values in City Limits are estimated at \$1,422,943,103 and one cent is expected to generate \$140,160. The Halifax County Tax Office anticipates collection of 98.50% of the annual full levy, or **\$8,984,249** (Excludes Motor Vehicle Taxes). The following table reflects the incremental increases in tax rate and the estimated revenues, if implemented above the current rate.

Table 2 Effect of Property Tax Rate Scenarios

Rate Increase (\$)	\$ 0.00	\$ 0.01	\$ 0.02	\$ 0.03	\$ 0.04	\$ 0.059
Tax Rate	0.641	0.651	0.661	0.671	0.681	0.700
Annual Levy*	8,984,249	9,124,409	9,264,569	9,404,729	9,544,889	9,811,943
Increased Revenue	0	140,160	280,320	420,480	560,640	826,943

*Revenue assumes Halifax Co. to collect 98.50% of levy

FY27 Projected Values. The following data was received from Halifax County Tax Office.

Table 3 Projected Values from Halifax Co. Tax Office

Tax Year 2026 Projected Values from Halifax County Tax Office (4/13/2026)				
Values	3/31/2026 Tax Year 2025	Projected Tax Year 2026	YOY Change Amount , Percent (%)	
Real Property	1,004,753,315	1,319,412,064		-0.30%
Personal Property	290,374,045			1.67%
Public Service Companies	105,120,642	105,120,642	-	0.00%
Exemptions-Exclusions- Deferments	(251,425,180)	N/A		
	1,400,248,002	1,424,532,706	24,284,704	1.73%
Current Year Discoveries & Rollbacks	910,554	-	(910,554)	-100%
Prior Year Discoveries & Rollbacks	346,196	-	(346,196)	-100%
Releases & Adjustments	298,451	(1,589,603)	(1,888,054)	-632.62%
TOTAL VALUES	1,401,803,203	1,422,943,103	21,139,900	1.51%

FY 2027 Budget Information – Projected Values from Halifax County Tax Office	
Current/Proposed Tax Rate	0.6410
Proposed Collection Percentage	98.50%
One Cent Generates	140,160
RP PP & PS Values	1,422,943,103
Annual Levy-Full	9,121,065
Annual Levy-Reduced for Collection %	8,984,249
MV Values	165,070,666
MV Taxes	1,198,378
Total RP PP PS & MV Taxes	10,182,628

Expense Highlights

Long-Term Schedule of Tax-Supported Debt (current obligations).

The City will enter FY27 with approximately \$6,280,000 in currently obligated long-term debt (including principal and estimated interest). The FY27 Budget includes a budget of approximately \$1,046,657 in currently obligated tax supported debt among two financial instruments, which includes the annual payment of \$952,136 on the 2017 Series A Bond Loan and \$94,521 on the remaining debt service for the 2013 refinancing of Fire Station #2. The City satisfied one debt instrument during FY26 freeing up approximately \$40,862 in FY27. The payoffs are scheduled by end of FY32.

FY26 Tax Supported Debt				
Purpose	FY Payoff	Principal (\$)	Interest (\$)	TOTAL FY (\$)
2017 "A" Bond Loan (Theatre District)	FY 2032	\$ 825,765	\$ 126,371	\$ 952,136
2013 FCB, Fire Station 2 refi. USDA loan	FY 2032	\$ 79,160	\$ 15,361	\$ 94,521
TOTALS		\$ 904,925	\$ 141,732	\$ 1,046,657

Personnel Expenses. Like most employers, the City is experiencing workforce challenges in the recruitment and retention of employees. The City Council and City Administration continue to recognize that our employees are vital to the delivery of municipal services and are our most important resource.

The FY27 Budget funds 152 full-time employees and 46 part-time employees.

- **Employee Compensation:** As the top strategic priority, the budget aims to include a Cost-of-Living Adjustment (COLA) and continued implementation of the Employee Position Classification and Compensation Study completed by The MAPS Group and presented to the City Council on April 1, 2025.
- **Employer-Mandated Benefits:** The FY27 Budget allocates funding for the employer’s share of benefits.

- **Retirement.** Effective July 1, 2026, the NC Local Government Employees' Retirement System (LGERS) employer contribution rates will increase.
 - Law enforcement rate will increase from 16.08% to 17.10%
 - Civilian/non-law enforcement rate will increase from 14.40% to 15.15%
 - 5% salary contribution to 401k for each law enforcement officer
- **Medical/Health and Workers Compensation Insurances.** The City's group health insurance premiums will increase slightly while maintaining 100% coverage to full-time employees. The City partially supplements the elected dependent coverage to reduce the overall costs to the individual employee electing coverage for children, spouse, or a family plan.
- **Law Enforcement Separation Allowance.** The proposed budget allocates \$118,691 for seven (7) eligible retirees.
- **Voluntary Benefits:** The FY27 Budget maintains 401k matches up to 3% for general employees (non-law enforcement), \$25 Thanksgiving bonus, \$250 Christmas Bonus, and benefits established within the Personnel Policy.
- **Retiree Benefits:** There are currently 25 retired employees included in the city's group health insurance plan, and adjustments may be expected during FY27. The City Council eliminated eligibility for retiree insurance for employees hired after 12/31/2025.

Understanding Fund Balance

City revenues do not arrive evenly every month. Property tax collections, sales tax receipts, and other revenues can vary across the year, while many expenses—payroll, fuel, utilities—are steady. Maintaining a healthy fund balance allows the City to cover operations during lower-revenue periods without relying on short-term borrowing. Avoiding borrowing helps reduce interest costs and protects taxpayer dollars.

Strong reserves support lower costs for taxpayers over time. Cities with adequate reserves are generally better positioned to:

- Maintain strong financial standing and public trust
- Reduce financial risk and uncertainty
- Lower the cost of issuing debt for major capital needs (like water/sewer improvements, public safety facilities, or street projects)

Even small differences in borrowing costs can add up significantly over the life of major projects, which ultimately affects what taxpayers pay.

Fund balance is for one-time needs—not ongoing spending. Using unassigned fund balance to pay for recurring costs (like ongoing positions or regular operating expenses) can create a future budget

problem: once the reserve is spent, the City still has the same ongoing expense—but no longer has the money to pay for it.

When the City uses fund balance, it is most appropriate for:

- One-time purchases or projects
- Emergency response and recovery
- Strategic investments that do not create permanent ongoing costs

Council's Next Steps in Budget Timeline:

1. May: Receive presentation of recommended budget and budget message for review
2. Hold required public hearing at least 10 days prior to adoption
3. June: Conduct final review Adopt Budget Ordinance before July 1

Mayor Doughtie asked how much was City's fund balance now.

Finance Director Johnson replied the current fund balance is around \$15 million, but only about \$3.4 million available to be used.

Mayor Doughtie asked what percentage of the budget goes to pay the employee's salaries and benefits. It has always been high, higher than the average.

City Manager Traynham said she would have that information for them at the next presentation.

Mayor Doughtie said being the City Manager and making a comment about how things keep going up, and they do, and it sounds like she wants to go up on taxes. He did not know if she wanted to use some of the fund balance or not. He referred to the revenue highlights from the budget message handout and said last year they talked about sales taxes going down, and now they are down another \$145,000. That means people are still spending money, but they're not spending in Roanoke Rapids.

Mayor Doughtie asked what was the other ½% sales tax. Finance Director Johnson said they are different articles of sales tax. Mayor Doughtie said his point was all of those are down as well. He added cemetery grave fees were down \$13,000, that is a big percentage, what does that mean? People are moving and being buried somewhere else and that is what they have been dealing with. It's the same with ABC and beer and wine tax revenues.

Finance Director Johnson stated burial rates were higher during COVID. All of that is kind of evening out.

Mayor Doughtie said they can't keep sitting here. He didn't have the answer, but they can't keep sitting here and, as the City Manager says, it's all going to turn out all right. If this was a business, it would be out of business before too long. He did not know how as a Council they can sit here and end up in a bad situation. It is difficult to make changes, but if they want to keep the community, they might have to do some of that, or they might have somebody else down here telling them how to operate. He wasn't asking for a comment, he was just looking at the figures.

Finance Director Johnson said they could go look at any gas pump in the whole city. It \$4.29 per gallon. They have to fuel their vehicles, to fuel their leaf trucks, fuel our dump trucks.

Mayor Doughtie said they would have less trucks; that's what they would have to do.

Finance Director Johnson stated less trucks means they would pick up less leaves.

Mayor Doughtie replied they may have to. They have to do what they have to do.

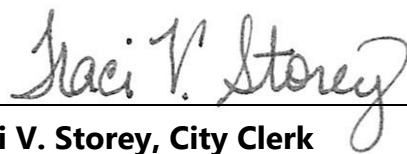
Finance Director Johnson pointed out that Roanoke Rapids has the lowest tax rate of any municipality in the general area. When she first came to work here, she thought they needed to raise taxes. With a million-dollar Theatre debt a year, that is a lot. If they are not raising taxes and not getting any new revenue, then what are you supposed to do?

City Manager's Report

No report was given.

Adjournment

There being no further business, motion was made by Mayor Pro Tem Bryant, seconded by Councilman Bell, and unanimously carried to adjourn. The meeting adjourned at 6:25 p.m.



Traci V. Storey, City Clerk

Approved by Council Action on: May 19, 2026