

June 10, 2024

The City Council of the City of Rocky Mount met this day in a regular session scheduled for 7:00 p.m. in the George W. Dudley City Council Chamber of the Frederick E. Turnage Municipal Building with Mayor C. Saunders "Sandy" Roberson, Jr. presiding.

Councilmembers present: André D. Knight*, Reuben C. Blackwell, IV, Richard Joyner, T.J. Walker, Jr., Lige Daughtridge, Tom Harris and Jabaris Walker.

*joining remotely

Staff present: Keith Rogers Jr., City Manager; Kim Batts, City Clerk; Elton Daniels, Assistant City Manager; Nyki Hill, Assistant City Manager; Emilie Pinkston, Director of the Department of Development Services; Darvin Moore, Fire Chief; Robert Hassell, Police Chief; Mark Adcox, Video Production Specialist; Robin Cox, Communications Specialist; Monica Brantley, Deputy City Clerk and Richard J. Rose, City Attorney.

Security Officers: Sergeant Chris Williams, and Senior Police Officers Shawn Battle and Tony Taylor.

The Mayor called the meeting to order at 7:00 p.m. and requested all in attendance to stand for a moment of silent prayer.

APPROVAL OF MINUTES

Motion was made by Councilmember Joyner, seconded by Councilmember Blackwell, and unanimously carried by a roll call vote (7 ayes/0 nays) that the minutes of the following City Council meetings be approved as submitted to the City Council prior to the meeting:

- Regular scheduled City Council meeting held January 22, 2024
- Regular Rescheduled Committee of the Whole meeting held February 12, 2024

The minutes of the Regular Rescheduled Committee of the Whole meeting held February 12, 2024 are as follows:

MINUTES OF A REGULAR MEETING OF THE COMMITTEE OF THE WHOLE HELD MONDAY, FEBRUARY 12, 2024, AT 5:00 P.M. IN THE COMMITTEE ROOM OF THE FREDERICK E. TURNAGE MUNICIPAL BUILDING WITH MAYOR PRO TEM LIGE DAUGHTRIDGE PRESIDING:

MEMBERS PRESENT:

Lige Daughtridge, Mayor Pro Tem
 André D. Knight
 Reuben C. Blackwell, IV
 Richard Joyner
 T.J. Walker
 Tom Harris
 Jabaris Walker
 Mayor C. Saunders "Sandy" Roberson, Jr.

Others Present:

Tim Lyons, Mauldin & Jenkins

STAFF PRESENT:

Keith Rogers, Jr.
 Kim Batts
 Robert Hassell
 Krystal Hunter
 Mabel Taylor
 Ken Hunter
 Elton Daniels
 Nyki Hill
 Monica Brantley
 Richard J. Rose

OPENING OF MEETING

Mayor Pro Tem Daughtridge called the meeting to order at 5:00 p.m. and called on City Manager Keith C. Rogers to introduce the first agenda item.

FY23 AUDIT PRESENTATIONS - Krystal Hunter

City Manager Rogers asked Krystal Hunter, Finance Director to give brief comments and introduce the audit firm. Ms. Hunter thanked Mr. Tim Lyons from Mauldin & Jenkins, the Finance Department and City staff for their assistance with the audit. Ms. Hunter shared while working to get the audit completed, she observed that significant critical vacancies and turnover led to the findings that would be discussed. As such, she made recruitment and retention, training and development, and updates to the internal control a top priority.

FY 23 Audit Overview:

- Key personnel vacancies
 - Finance Director hired, working on filling current vacancies
- Employee turnover
 - Provide continuous staff training and development
- Internal controls
 - Update processes and procedures
 - Improve coordination across city departments

FY 24-25 Finance Goals:

- Staff training and development
 - Desk procedures for each role.
 - Trainings, webinars and conferences
- Update policies and procedures
 - Bring up-to-date with government standards.
 - Strengthen internal controls.
- Upgrade banking services
 - Offer ACH payments for vendors and employee reimbursements.
- Financial Transparency
 - Quarterly Budget to Actual reports.

Ms. Hunter stated that the methods they are working to put in place will prevent future audit findings as well as help bring Rocky Mount up to date with other municipalities. She turned the meeting over to Tim Lyons to further discuss the audit results.

Tim Lyons informed all that in his presentation he was going over the Annual Comprehensive Financial Report, the Single Audit Report that contains the three reports that must be issued when an audit is conducted in accordance with government auditing standards and a separately issued management letter. Mr. Lyons advised that he is responsible for reviewing the work done by the engagement team to approve and sign off on it. He explained their audit process and stated that a separate partner does a full quality control review before they issue any final reports.



ROCKY MOUNT, NC
THE CENTER OF IT ALL

City of Rocky Mount,
North Carolina



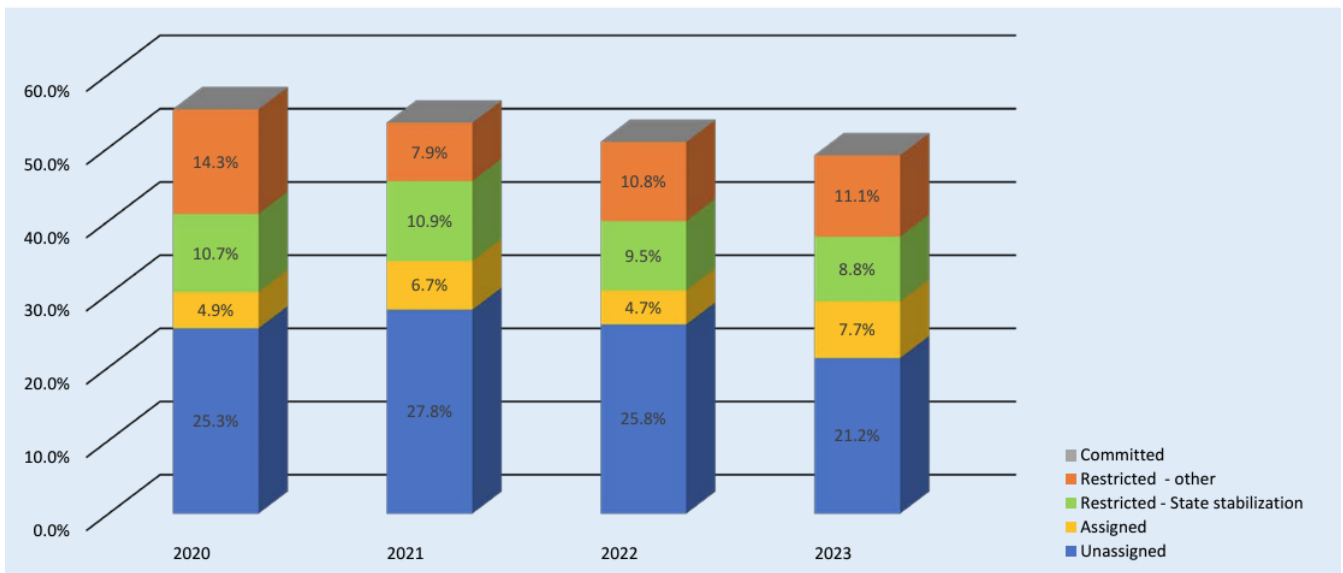
Presentation of Audit Results
June 30, 2023

Audit Opinion

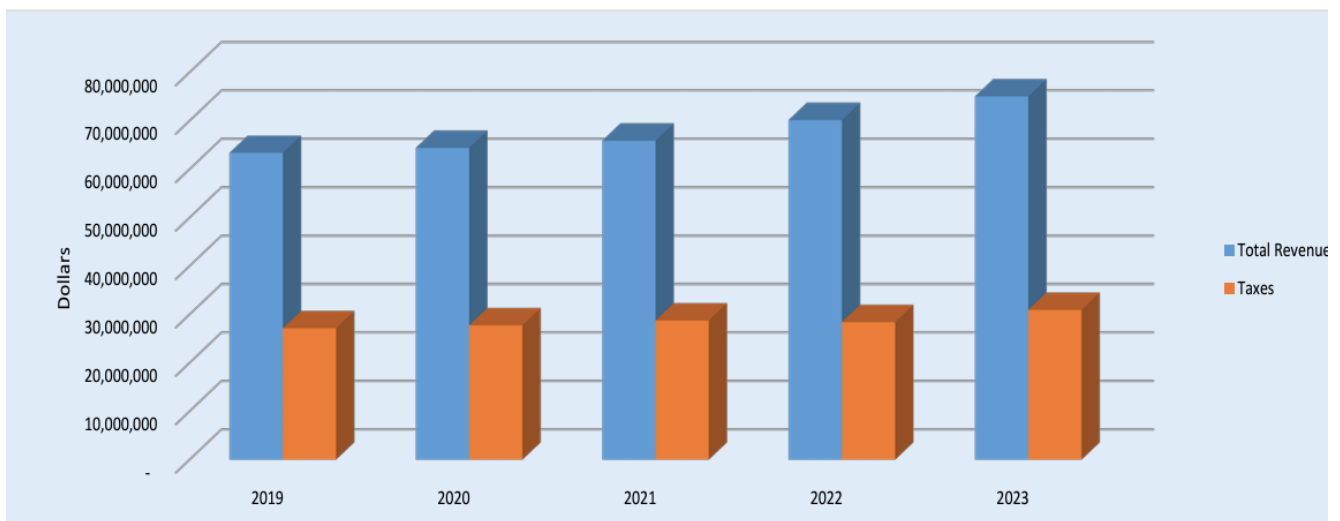
- **Our Responsibility Under Auditing Standards Generally Accepted in the United States of America (GAAS)**
 - We considered the internal control structure for the purpose of expressing our opinion on the **City of Rocky Mount, North Carolina's (the "City")** basic financial statements but not for the purpose of providing an opinion on the effectiveness of the City's internal controls.
 - Our audit was performed in accordance with GAAS and *Government Auditing Standards*.
 - Our objective is to provide reasonable—not absolute—assurance that the basic financial statements are free of material misstatement.
 - The basic financial statements are the responsibility of the City's management.

- **Report on Basic Financial Statements**
 - Unmodified ("clean") opinion on basic financial statements.
 - Presented fairly in accordance with accounting principles generally accepted in the United States of America.
 - Our responsibility does not extend beyond financial information contained in our report.

Excerpts from the ACFR and Financial Trends



As of June 30, 2023, the City has approximately 21% of annual General Fund expenditures in unassigned fund balance and approximately 38% of General Fund expenditures in fund balance available for appropriation. The LGC minimum threshold is 25% and the average of similar units (NC municipalities with General Fund expenditures > \$10 million) is 46%.



For the fiscal year ended June 30, 2023, property taxes represented approximately 41% of total General Fund revenues compared to 40% for the prior fiscal year. Comparing fiscal year 2022 to 2023, taxes (\$2.5 million) and investment earnings (\$1.3 million) were the largest increases.

• **Water Fund – Financial Performance Indicators of Concern:**

- Operating net income, excluding depreciation, including debt service payments:

Cash Flow Indicators:	2021	2022	2023	Minimum Threshold	Unit Results
Operating Net Income (Loss) excluding depreciation, including debt service principal and interest	\$535,761	(\$283,932)	(\$1,320,937)	Greater than zero	(\$1,320,937)

- Condition of capital assets (accumulated depreciation compared to historical cost):

Water and Sewer Condition of Assets	2021	2022	2023	Remaining useful life of asset greater than or equal to 0.50	Unit Results
	0.47	0.46	0.44		0.44

• **Electric Fund – Financial Performance Indicators of Concern:**

- Operating net income, excluding depreciation, including debt service payments:

Operating Net Income (Loss) excluding depreciation, including debt service principal and interest	\$6,776,755	\$3,515,016	(\$3,619,701)	Greater than zero	(\$3,619,701)
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Mr. Lyons stated that The LGC has decided that financial performance indicators of concern require a response from the local government.

Mayor Pro Tem Daughtridge advised Councilmembers that he had a response prepared that required their signatures to send to the LGC.

Mr. Lyons explained that the condition of capital assets is a calculation saying that the City has an aging infrastructure that needs to be addressed. He said that several of their clients who operate large utility systems have similar ratios.

Councilmember Blackwell asked if the reason for the decline in the Water Fund was not because of declining revenue.

Mr. Lyons said that he thinks from 22 to 23 the operating revenue in the Water Fund did go down.

Councilmember Blackwell stated that the evaluation is a statement of the "what" not the "why". He then asked Mayor Pro Tem Daughtridge when the Council would discuss the why.

Mayor Pro Tem Daughtridge responded that the question is if it is being worked on.

Councilmember Blackwell said that in the past it was customary for the Council to receive updates making them aware of significant investments in infrastructure. He mentioned the grant that was received for \$400,000 to target investment in downtown neighborhoods and replace aging infrastructure. He asked Mr. Lyons if he was prepared to talk about the variables that make up the line items.

Mr. Lyons stated that a number of governments that they work with had a significant increase in operations. He said that a lot of supplies and operating costs have become more expensive. He feels that could be an explanation in addition to increases in personnel and pension costs.

Councilmember Blackwell said that he would love to have a conversation about why the trends occurred. He stated that it would be more insightful to see previous years by line item. He asked the City Manager to prepare an opportunity for Councilmembers, as the policy makers and holders of the trust, to go in depth into the major net balance changes. He added so that Council will understand how they occurred and what can be done to better plan, prepare and support.

Councilmember Harris stated that he is looking forward to additional information because they will be going over the budget for next year very soon. He recalled being advised last year of costs escalating about \$1 million for water treatment chemicals and said it really impacted operations.

Councilmember Blackwell agreed and said that he would like to see where that line is. He wants to see if they are being sufficiently capitalized to do what they are doing and if there are other variables or impacts in the market that they need to better respond to.

Mayor Pro Tem Daughtridge said that recently Director Bent presented a study that showed water rates need to be reviewed as they were below operating expenses.

Councilmember Blackwell responded that speaks to revenue generated versus cost expense.

Mr. Lyons showed that the City's Electric Fund was negative this year as well.

Councilmember Blackwell asked if it was prior to transfers being made.

Mr. Lyons replied that transfers are not taken into account.

Councilmember Blackwell summarized that its revenue that hits the account along with expenses that support the activities. That it has nothing to do with what happens to the cash once it gets there.

Mr. Lyons replied it's the revenue that was taken in from operating the electric fund minus the cost of operating the electric fund. The depreciation is added back because it's non-cash and then the debt services payments are factored in.

Financial Statement Findings

▸ 2023-001: Restatement of Prior Year Balances

- There were three (3) adjustments that were required to be made that affected opening balances (fund balances / net position) of the City:
 - The City was not properly accruing sales tax receivable as the June 2022 distribution (received in September 2022) was omitted from prior year revenues.
 - An installment note payable that was entered into in April 2022 in the Communications Fund was omitted from the City's prior year liabilities.
 - During the implementation of GASB 87 in the prior year, certain inputs related to a lease were entered incorrectly causing the right-to-use lease asset and lease liability to be understated.

▸ 2023-002: Reporting of Capital Assets and Related Balances

- In the City's proprietary funds, several audit adjustments were required to properly report capital assets that were identified as being improperly expensed during our audit procedures. The adjustments required by fund were as follows:
 - Electric Fund - \$829,000
 - Water Fund - \$135,000
 - Sewer Fund - \$926,000
 - Gas Fund - \$212,000

▸ 2023-003: Accounts Payable

- Certain audit adjustments were required to properly accrue expenses and related liabilities that were omitted from the City's fiscal year 2023 financial statements that were identified during our audit procedures.

Compliance Reports

- **Government Auditing Standards (“Yellow Book”) Report**

- The financial report package contains a report on our tests of the City’s internal controls and compliance with laws, regulations, etc. The report is not intended to provide an opinion on internal controls nor is it intended to provide a legal determination on the City’s compliance with applicable laws and regulations.
- This report and the procedures performed are required by *Government Auditing Standards*.

- **Compliance Reports**

- We were required to perform Single Audit procedures on two (2) major programs (one Federal and one State of North Carolina).
- We issued a report on the City’s federal program in accordance with the Uniform Guidance. That report contained an unmodified opinion on compliance and no significant deficiencies or material weaknesses in internal controls over compliance were noted.
- We issued a report on the City’s state program in accordance with the State of North Carolina Single Audit Implementation Act. That report contained an unmodified opinion on compliance and no significant deficiencies or material weaknesses in internal controls over compliance were noted.

Councilmember Harris asked for a brief definition of a single audit.

Mr. Lyons explained that a single audit is a grant compliance audit. He said that a schedule of expenditures of federal and state awards, that included all grant activity for the year was received from the City. He stated that the process is called major program determination and that the Feds determine which programs are to be audited. Mr. Lyons said that it is risk based and they typically look for larger programs. He stated that for the last couple of years they have been asked to look at the ARPA funds. He informed Council that they check compliance and internal controls over compliance. He shared that findings would be cited in the report, and none were found in the single audits.

Mr. Lyons reported that three findings were discovered related to the financial statement audit.

Required Communications

- **Significant Accounting Policies**

- Management is responsible for the selection and use of appropriate accounting policies.
- The significant accounting policies used by the City are described in Note 1 to the basic financial statements.
- During the current year, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*.
- The policies used by the City are in accordance with generally accepted accounting principles.
- In considering the qualitative aspects of its policies, the City is not involved in any controversial or emerging issues for which guidance is not available.

- **Management Judgment/Accounting Estimates**

- Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events.
- The City uses various estimates as part of its financial reporting process – including actuarial assumptions.

- **Relationship with Management**

- We received full cooperation from the City's management and staff.
- There were no disagreements with management on accounting issues or financial reporting matters.

- **Management Representation**

- We requested, and received, written representations from management relating to the accuracy of information included in the financial statements and the completeness and accuracy of various information requested by us.

- **Consultation with Other Accountants**

- To the best of our knowledge, management has not consulted with, or obtained opinions from, other independent accountants during the year, nor did we face any issues requiring outside consultation.

- **Significant Issues Discussed with Management**

- There were no significant issues discussed with management related to business conditions, plans, or strategies that may have affected the risk of material misstatement of the financial statements.

- **Passed Audit Adjustments**

- There were four (4) passed audit adjustments that were determined to be immaterial individually and in the aggregate.

- **Financial Statement Disclosures**

- The footnote disclosures to the financial statements are also an integral part of the financial statements and the process used by management to accumulate the information included in the disclosures was the same process used in accumulating the statements. The overall neutrality, consistency, and clarity of the disclosures was considered as part of our audit.

- **Information in Documents Containing Audited Financial Statements**

- Our responsibility for other information in documents containing the City's basic financial statements and our report thereon does not extend beyond the information identified in our report. If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, we must be provided with printers' proof for our review and approval before printing. You must also provide us with a copy of the final reproduced material for our approval before it is distributed.

- **Auditor Independence**

- In accordance with AICPA professional standards, M&J is independent with regard to the City and their respective financial reporting processes.

Accounting Recommendations and Related Matters

- **Management Points**

The following items are offered as constructive suggestions to be considered as part of the ongoing process of modifying and improving the City's practices and procedures:

1. During our review of journal entries posted to the City's general ledger during the period under audit, we noted that evidence documenting the review and approval of five (5) manual journal entries was not available from the City's records. We recommend the City implement the necessary controls to ensure all manual journal entries are proposed and subsequently reviewed by another individual prior to being posted in the system. We also recommend documentary evidence supporting this process be attached to each manual journal entry.
2. During the audit, we identified several current year additions to the City's capital assets were incorrectly classified as to the applicable asset class. As a result, the useful lives assigned to these assets was not correct or consistent with the City's useful lives that are assigned to capital assets. Even though the effects of this misstatement were immaterial, it is critical that assets be categorized properly to ensure proper calculation of annual depreciation expense. We recommend that management of the City review its processes and internal controls related to the reporting of capital assets and implement additional procedures, such as monthly reviews of all capital asset additions and the related useful lives assigned / depreciation expense calculation, to ensure proper classification of capital assets and accuracy of depreciation expense.

3. During the audit, the City discovered a vehicle that was recorded on the books in fiscal year 2023 that had been sold in fiscal year 2022. A journal entry was made to remove the asset as of 7/1/2022. We noted that the asset was fully depreciated at the time of disposal and thus the adjustment to correct the City's capital asset balances was not material. Additionally, we discovered a piece of equipment that was received in fiscal year 2022 but was not added to the capital asset ledger until fiscal year 2023 when it started to be depreciated and the related invoice was paid. The asset and related liability that should have been booked in fiscal year 2022 would net to each other and the related depreciation that should have been recorded in fiscal year 2022 was immaterial. As discussed above in item #2, we recommend that management of the City review its processes and internal controls related to the reporting of capital assets and implement additional procedures, such as monthly reviews of all capital asset additions and the related useful lives assigned / depreciation expense calculation, to ensure proper classification of capital assets and accuracy of depreciation expense.
4. During the previous two fiscal years, the City of Rocky Mount was required to implement the provisions of two pronouncements issued by the Governmental Accounting Standards Board (GASB) which have introduced a new class of capital assets. GASB Statement No. 87, *Leases*, and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs), require governments to recognize right-to-use assets in conjunction with leases and SBITAs. As with most local state and local governments now, these standards will continue to impact the City accounting and financial reporting in future periods. To assist with efficiency and to ensure consistency going forward, we recommend the City implement a capitalization threshold for these right-to-use assets. Currently, the City has a capitalization threshold of \$5,000 related to tangible capital assets. This threshold allows the City to evaluate purchases and quickly determine whether an item qualifies for reporting as a capital asset. A threshold for right-to-use assets will allow the City to do the same with leases and SBITAs, creating efficiencies for the accounting and financial reporting processes and ensuring consistency from fiscal period to fiscal period.
5. During the process of gaining an understanding of the City's internal controls and related processes / procedures, we noted that the Human Resource department does not notify the IT department on a timely basis for any changes that need to be made to user profiles, such as access removal. We additionally noted that the City does not currently offer cybersecurity training for all users. We recommend that the City put into place policies and procedures to ensure timely information is shared with IT regarding employee's IT access. We additionally recommend the City provide cyber security training, covering topics such as phishing scams and business email compromise scams, on a periodic basis.
6. From an overall standpoint as it relates to the City's general ledger and the manner in which the City records items in its system, we noted the following:
 - a. While performing procedures over pooled cash balances at June 30, 2023, we noted that the "Equity in Pooled Cash" accounts did not net with the "Due To/From" accounts. Although this did not result in a material misstatement, it required an adjusting journal entry to remedy. In order to prevent this in the future, we recommend that the City evaluate its financial close-out procedures specifically relating to cash to ensure all transfer activity between funds net to zero. Additionally, the City should set up a pooled cash fund to separately track cash and the related due/to from which represents each funds' share of the City-wide cash balances.
 - b. Upon receipt of the trial balances from the City for the fiscal year 2023 audit, we noted that beginning net position / fund balance for several of the City's funds did not agree to the ending balances reported in the prior year ACFR. Although these differences were immaterial and were able to be ultimately reconciled by management, we noted the main reason for the issues pertains to how the City maintains its general ledger throughout the year. The City does not maintain its enterprise funds on a consistent basis of accounting in that some capital asset and long-term debt activities are recorded on the balance sheet and other portions are recorded through the income statement with resulting adjustments running through the equity accounts in the fund. Then, in order to produce annual audited financial statements, a significant number of manual entries are required to produce ending balances for the financial statements. This process creates a number of opportunities for errors and issues – as noted in our current year report on the City's internal controls over financial reporting with the prior period restatements that were discovered during our audit. The City needs to determine the basis of accounting upon which to maintain these funds and make adjustments as necessary so that the trial balance and general ledger are consistent. Furthermore, the City should refrain from making any adjustments to fund balance / net position throughout the year to ensure a complete and accurate audit trail exists for all transactions occurring during the accounting period.

- **New GASB Pronouncements for Future Years**

- **Statement No. 100, Accounting Changes and Error Corrections** was issued in June 2022 and is effective for accounting changes and error corrections in fiscal years beginning after June 15, 2023, all reporting periods thereafter.
- **Statement No. 101, Compensated Absences** was issued in June 2022 and is effective for fiscal years beginning after December 15, 2023, which means the City's fiscal year ended June 30, 2025.

- **Current / Pending Major GASB Projects**

- **Re-Examination of the Financial Reporting Model.** GASB has added this project to its technical agenda to make improvements to the existing financial reporting model (established via GASB issued Statement No. 34). Improvements are meant to enhance the effectiveness of the model in providing information for decision-making and assessing a government's accountability. GASB anticipates a final standard in mid-2024.
- **Revenue and Expense Recognition** is another long-term project where the GASB is working to develop a comprehensive application model for recognition of revenues and expenses from non-exchange, exchange, and exchange-like transactions. The final standard is expected in mid-2027.
- **Going Concern Uncertainties and Severe Financial Stress** is major project where the goal is to address issues related to disclosures regarding going concern uncertainties and severe financial stress. This technical topic is being examined by the GASB due to a wide diversity in practice regarding required presentation on the face of the financial statements, disclosures, etc. An exposure draft on this topic is expected by mid-2026.

Councilmember Blackwell asked Mr. Lyons to go to 6b and discuss net position/fund balance.

Mr. Lyons replied that the recommendation is specifically related to trial balances. He said that the trial balance is a summary of the activity with all the ending balances for each of the City's funds. He stated that they make sure the beginning balances agree with what was in the issued financial statements from last year. In the Enterprise fund a lot of the balances did not roll forward. He told Council that they realized a lot of manual adjustments made from the City's trial balance to get to the financial statement numbers didn't make their way into the City's accounting system. He said they noted what were not best practices, what should be changed and fixed for the coming year's audit.

Councilmember Blackwell asked if there is procedure and protocol for when manual entries are made opposed to automatic. He inquired if it occurs when someone decides to move money.

Mr. Lyons said that these entries had nothing to do with cash. He informed the Council that the State of North Carolina tells local governments how to maintain their books. He outlined that Enterprise funds are known as business type activities and that's the accrual basis of accounting. The City's General fund is the modified accrual basis of accounting. He said that the state mandates that proprietary funds be recorded on a modified accrual basis throughout the year for budget reasons. Mr. Lyons stated that there's a lot of adjusting to get from modified accrual to full accrual for inclusion in financial statements. He said that a lot of the adjustments happened outside of the general ledger in the prior year. He stated that when they got the trial balances, what they had as beginning balances did not reflect what was in the financial statements issued in the previous year.

Mr. Lyons advised the City Council that governments typically account for cash in one central location and then allocate to individual funds their share. He expressed that the City is running it through the General Fund, and it has created some issues in getting it identified. He stated that the recommendation is to adopt the use of a central depository or a pooled cash fund.

Councilmember Blackwell stated that a line in 6b read The City does not maintain its Enterprise funds on a consistent basis of accounting and asked if that is a statement of fact or a statement of concern.

Mr. Lyons replied that was a statement of fact for the fiscal year that ended June 2023. He said that the Enterprise fund reflected some items found under both the accrual basis and modified accrual basis of accounting. He said that it was a bit inconsistent which basis of accounting was being followed.

Councilmember Joyner asked that the information be put into layman's terms for their constituents.

Councilmember Harris voiced that he was happy to begin a relationship with M&J and it being good to have new people look at city operations. He asked if the statement, we do not express an opinion on the effectiveness of the city's internal controls in the cover letter is a standard statement for all municipal clients.

Mr. Lyons replied, yes.

Councilmember Harris asked if they had ever been asked by a client to do an exhausted review of internal controls throughout the whole organization.

Mr. Lyons responded yes; they have.

Councilmember Harris asked if he had been asked to look at internal controls and procedures in other departments.

Mr. Lyons said, no.

Councilmember Blackwell asked Mr. Lyons if he was able to advise and audit the City.

Mr. Lyons said that M&J Advisory Services can perform entity-wide operational assessments. They can find out what's going on now, make observations about what is working, what's not working and make recommendations. He stated that as an audit client they cannot assist with implementation.

Councilmember Harris noted the City classified as material weakness in the internal control letter and asked if there is a dollar level to differentiate between deficiency, material weaknesses and significant deficiency.

Mr. Lyons explained that the government auditing standards defined material weakness as internal controls were not sufficient to either prevent or to detect and then correct a material misstatement. He said in conducting audits, they establish a materiality threshold for each of the opinion units that they are giving an opinion on. If it's necessary to make an adjustment to fix a number in either one of those opinions that goes over the materiality threshold it's considered a material weakness. He said that there are different dollar amount thresholds. He stated that significant deficiencies are where there's qualitative judgement because they're not as severe as a material weakness, but they warrant the attention of those charged with governance. He said that if they aren't at the level of material weakness, they ask if the error that they identified or had to fix influences the governing body's decision making in any way.

Councilmember Harris noted that property tax collection went up from 95.5% to 97.5%, he asked Mr. Lyons if he had any suggestions on how to get to the state average of 99%.

Councilmember Harris asked where write offs of utilities and debts that have been deemed uncollectible would be found.

Mr. Lyons replied that it's listed in business type activities within the number that says charges for services in the financial statements. He said that they are not separately disclosed.

Councilmember Harris feels for public knowledge that the amount of write off debt should be disclosed.

Councilmember Harris expressed his concern regarding how The Event Center is presented as a separate corporation in financial information.

Councilmember Harris directed Mr. Lyons to Doubtful Accounts on page 69 and asked what planning loans were.

Mr. Lyons replied that he wasn't sure what that was referencing. He thought it could be loans made for development purposes, but was not certain.

Councilmember Harris asked that the Finance Director provide more information as to why \$3.6 million was set aside for Doubtful Accounts.

Councilmember Harris asked if the 17 City lessees were current as of June 2023.

Mr. Lyons responded that he couldn't speak to the timing of the cash flow. He said it was noted that they didn't have any of the lease receivables that they thought wouldn't be collectible.

Councilmember Harris asked Ms. Hunter, Finance Director, for information on whether leases were current.

Councilmember Harris thanked Mr. Lyons and asked that the June 2024 Consolidated Report be received by November so that it could be approved in December.

Mayor Pro Tem Daughtridge asked Mr. Lyons if his firm found anything that may have been overlooked from the previous firm.

Mr. Lyons said aside from previous period misstatements that had to be corrected it would be hard to say.

Mayor Pro Tem Daughtridge asked if vacancies attributed to some of the issues.

Mr. Lyons said that turnover in the finance department tends to create issues in preparation.

Councilmember T.J. Walker asked Mr. Lyons if he had any recommendations to position the City to reach LGC standards for development.

Mr. Lyons said look at multi-year trends. He stated that he heard Councilmembers say, timely financial updates throughout the year, looking at the specific reasons why the ratios are what they are in the water and electric fund and addressing them.

Councilmember Knight commented that the document Councilmembers were signing states that Mr. Lyons presented the findings. Mr. Knight thanked Ms. Hunter for helping to get the audit done and asked City Manager, Keith Rogers, if the Council would be getting quarterly updates.

Keith Rogers responded that Ms. Hunter and the budget staff provided

an example of the type of report the Council will receive. He said that in the management comments included in the audit that Ms. Hunter and the finance staff provided a response. Mr. Rogers stated the Council will be provided with a financial update quarterly and the budget versus actual will be available as a rolling balance monthly.

Mayor Pro Tem Daughtridge asked that the write offs and leases Councilmember Harris requested be included in the quarterly report.

City Manager Rogers clarified that what the Council has from Ms. Hunter's comments is budget versus actual. He said there will be additional reporting and an update on the City's general financial position on a quarterly basis.

Councilmember Harris expressed he asked that Council not just be presented actual to the percent of the year end budget. We need to have month to date actual versus month to date budget and year to date actual to year-to-date budget. He said that he can't look and say we will be good in this category, looking at year to date actual to projected. He said that more current actual information is needed.

Councilmember Blackwell asked that the City Manager present where the City is now prior to setting priorities for next year's budget.

Mr. Rogers stated that it would be available in advance of the retreat. He feels it's important to have staff present the information as well because the report may not give an answer to a question.

Councilmember Knight asked if the Finance Department was fully staffed.

Mr. Rogers replied that there are still vacancies. He said that Ms. Hunter filled one of the critical long-term vacancies. City Manager Rogers stated that Ms. Hunter is working on recruiting, retention and training in the policy and procedures.

Councilmember Knight asked if the City is still working with a CPA firm.

The City Manager responded yes that everything is being done to make sure that things can improve and get done until those positions are filled.

Krystal Hunter stated that they are working on recruiting a CPA for the accounting manager position.

Mayor Pro Tem Daughtridge acknowledged that the City was late on having the audit in.

Mr. Lyons responded that the audit had been submitted and accepted by the state.

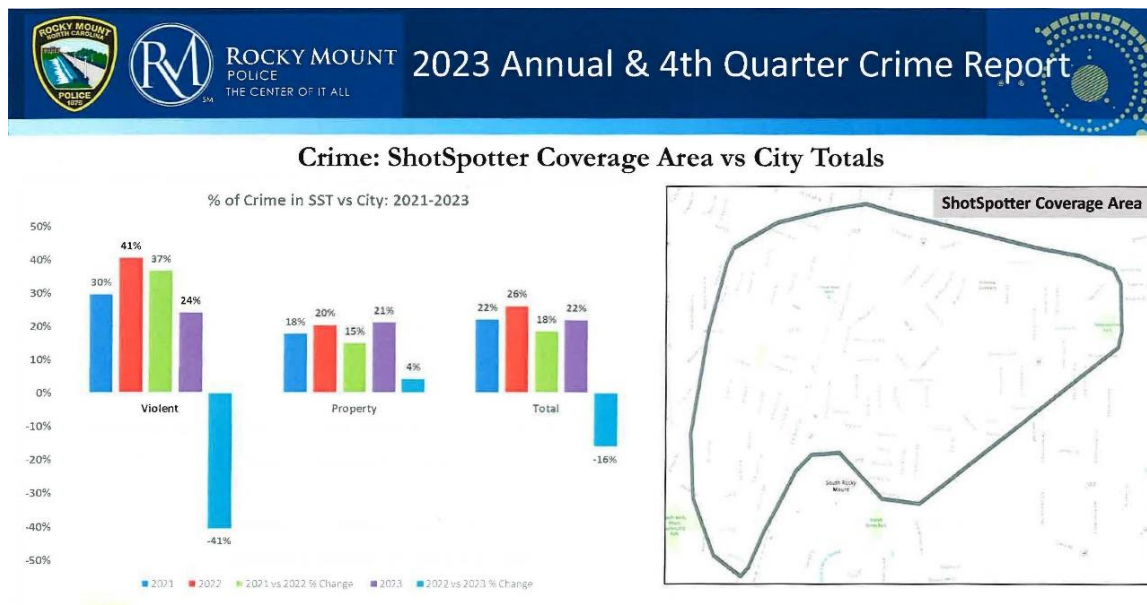
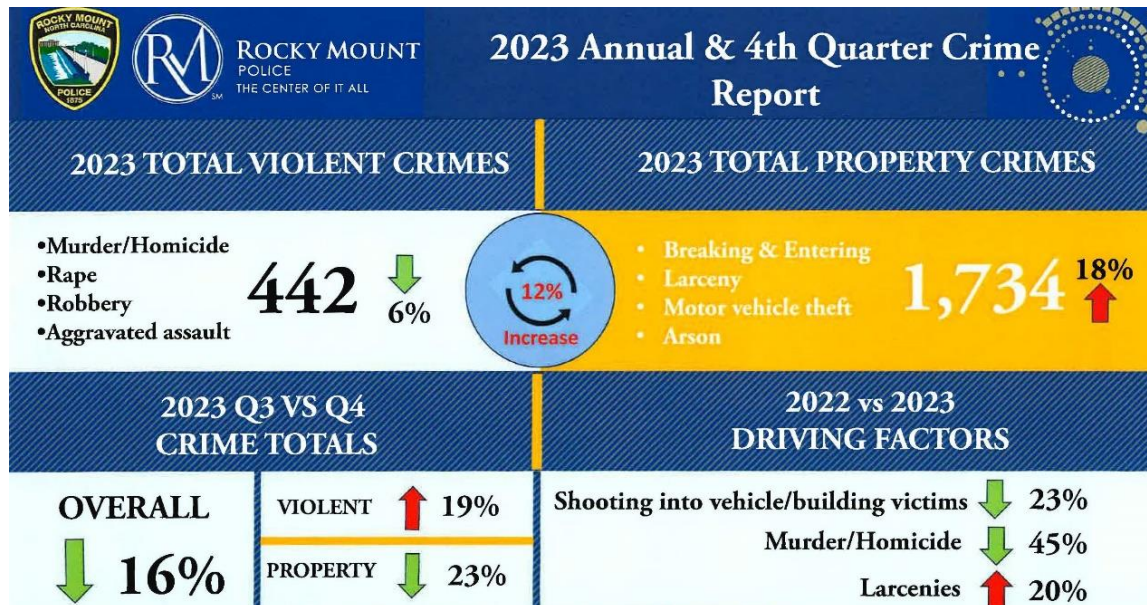
COMMITTEE RECOMMENDATION: Information only; no formal action

2023 ANNUAL & 4TH QUARTER CRIME STATISTICS - Chief Robert Hassell

Chief Robert Hassell presented a summary of city-wide crime numbers to the City Council for 4th Quarter and 2023 Annual. It was noted that the presentation covers crime incidents throughout the City, currently and in comparison with the prior year during the same time period. The Council was advised that crime numbers are tracked by the FBI and shared with the Bureau of Justice Statistics for tracking purposes and the presentation includes investigation

outcomes for violent crimes and related arrests. The presentation also included maps depicting areas of shots fired, incidences of aggravated assault and murder and highlighted efforts and successes of the Police Department to combat violent crime.

An overview of PowerPoint presentation provided to the Mayor and Council includes:



Councilmember Blackwell asked if the ShotSpotter equipment location could be changed if the priority needed to shift.

Chief Hassell stated that it could be redeployed in different areas of the City.

Councilmember Blackwell asked if we are limiting the reach of ShotSpotter because The City has a certain number of pieces of equipment.

Chief Hassell stated that more square miles can be added if the City wants to put more funds towards ShotSpotter technology. He said that more devices will be included in the service plan if the City chooses to cover additional areas. Chief Hassell told Councilmembers that they are constantly monitoring where they are seeing the highest levels of crime and where ShotSpotter will be a benefit.

Crime by District:	4 th Quarter	2023 Annual
NORTH:		
Violent Crime	27 (22%)	101 (23%)
Property Crime	100 (25%)	493 (28.4)
EAST:		
Violent Crime	34 (27%)	147 (33%)
Property Crime	87 (21%)	390 (22.5%)
SOUTH:		
Violent Crime	33 (26%)	100 (23%)
Property Crime	84 (21%)	337 (19.4%)
WEST:		
Violent Crime	31 (25%)	92 (21%)
Property Crime	133 (33%)	507 (29.2%)

- **CFS by District:**

	4 th Quarter	2023 Annual
NORTH	4,101 (18.6%)	17,971 (19.9%)
EAST	4,509 (20.5%)	17,981 (19.8%)
SOUTH	3,979 (18.1%)	16,650 (18.4%)
WEST	5,851 (26.6%)	22,608 (25%)

- **ShotSpotter and Citizen calls City-wide:**

	4 th Quarter	2023 Annual
Shots fired/Heard	300	958
Incidents with shell casings found	75	334
Number shell casings found	909	3166
Number of Firearms Seized	85	447
Weapon violation arrests	14	63

- **Virtual Call Center:**

	4 th Quarter	2023 Annual
Virtual CFS/Reports	290	550
Hours Saved from Patrol	322	544

- **911 Center:**

	4 th Quarter	2023 Annual
911 Calls	19,173	79,154
Admin Calls	2,882	123,348
Calls for Service	22,024	90,292

- **Code Enforcement:**

	4 th Quarter	2023 Annual
Inspections	13	110
Vehicles Removed	13	103
Vehicles Received Warning	13	110

- **Other Police Stats:**

	4 th Quarter	2023 Annual
Calls for Service	22,024	90,292
On-View Arrests & Warrant Service	396	1,764
Traffic Accidents	574	2,277
Accident Property Damage	\$2,798,066	\$10,524,384
Traffic Stops	2,242	7,983
Citations Issued	812	1,072
Warnings Issued	1,658	6,284

• **Violent Crime, Gang & Arrest Team:**

	4 th Quarter	2023 Annual
Warrants Served	41	243
Citations Issued	54	110
Calls for Service	1,000	3,215
CFS - Primary	465	1,585
Search Warrants	12	25
Gang Validations	6	10
Intelligence & Retaliation Reports	9	21
Contraband Seized:		
Weapons	14	64
Marijuana	57.3 grams	4,665 grams
Cocaine/Heroin	42.45 grams	119.25 grams

• **Community Involvement:**

	4 th Quarter	2023 Annual
# Attended	20	67
# of Officers/Staff Involved	184	356
# of Citizen Interactions	4,083	8,170
# Initiated	11	41
# of Officers/Staff Involved	126	393
# of Citizen Interactions	335	6240

Mayor Pro Tem Daughtridge asked if there are issues with Fentanyl in the City. He expressed concern about young people experimenting with drugs.

Chief Hassell responded that Fentanyl is a U.S. issue and being found in other drugs more. He stated that the number of overdoses has increased. Chief Hassell shared that the curriculum taught to 5th graders was revised to include Fentanyl, over the counter and prescription medication.

Councilmember Knight asked if the Police Department was fully staffed.

Chief Hassell responded that they went from 30% vacancies down to 10%. He said that the Department currently has 160 officers and 15 vacancies.

Councilmember Knight asked how many officers were on the drug and gang task force.

Chief Hassell said that there are 4 task force officers. He reported one on the US Marshall, two on ATF and one DEA.

Councilmember Knight asked about the two substations.

Chief Hassell stated that some space became available at the train station and the traffic and parking unit will be located there.

Councilmember TJ Walker stated that there has been conversation in the community regarding a substation. He mentioned noticing Edgecombe County Sheriffs doing security at The Event Center and asked why.

Chief Hassell said at the time RMPD had 52 vacancies and found themselves not able to fill all those secondary employment opportunities. He stated that ECSO had the manpower and filled the position.

Councilmember TJ Walker would like to see a collective partnership between RMPD and the Sheriff's Department at The Event Center. He thinks it's important for visitors to see Rocky Mount police officers at the City's facility.

City Manager Rogers stated that The Event Center's needs in

operations, security, traffic control and crowd management will be discussed with Council and Event Center staff as part of the upcoming budget.

Councilmember TJ Walker stated that other cities are wanting to implement what Rocky Mount has and improve on it.

Councilmember Jabaris Walker asked Chief Hassell about a pamphlet that the Police and Sheriff's department was working on with agencies to help people in the re-entry population.

Chief Hassell said there is a 2-to-3-page resource list available outlining the community resource contact information and their target service or person.

Councilmember Jabaris Walker asked if there is a list of transitional homes in the area.

Chief Hassell said that there are a few in the City and he will make sure to put them on the list if they aren't there.

Councilmember Joyner thanked Chief Hassell for his collaboration with the Edgecombe County Sheriff's Office. He asked if there is an increase in juvenile crime.

Chief Hassell said there has been a rise in juvenile offenders. He shared that a survey is going out to ask youth what their concerns and challenges are. He stated that he is looking forward to the results and hearing how youth feel they can help or what services may be missing.

Councilmember Joyner said that summer is a very active time for youth and he hopes they can look to increase summer employment programs.

Councilmember Harris asked if an individual is arrested for narcotics or manufacturing and distributing if it's considered a violent crime.

Chief Hassell replied no.

Councilmember Harris asked if they see the whole picture of what is happening in the City.

Chief Hassell said that there are other crimes that aren't typically reported in his presentation to the Council. He said that everything is tracked but he presents what has been of interest to the Council in the past.

Councilmember Harris asked to see the numbers for gang members who have committed minor instances and major violent crimes.

Councilmember Knight asked if the City purchased an armored truck.

Chief Hassell replied that there was a transport rescue vehicle that was in the CIP for this year that was purchased.

City Manager Rogers stated that he believes it was \$340,000 and that PD has 2 vehicle upgrades in the Capital Improvement Plan. He said that one is MCU mobile command unit that is already in existence and the other is a vehicle from 1989.

Councilmember Knight asked what the vehicle would be used for.

Chief Hassell stated high risk and high danger situations, barricaded subjects, subjects with weapons, gunfire towards officers, hostage situations.

Councilmember Harris asked what could be done with people coming to vehicles trying to solicit money.

Chief Hassell said that if the individual is aggressive the person should immediately call so that Officers can try to identify the individual. He stated if the individual is in the median or the roadway they can be asked to move because they are impeding traffic.

Councilmember Harris stated if someone is being passive and not impeding the flow of traffic it's allowable.

City Attorney Rose stated that Aggressive Panhandling is in the City ordinance.

Councilmember Harris said that he's advising citizens if they see someone being aggressive to take a video so they can contact the police department.

Councilmember Blackwell thanked Councilmember TJ Walker for articulating the need for a dedicated ongoing police presence at The Event Center as a priority. He feels it's a higher priority than homeless people in the train station. He stated that at train and bus stations across the country he has seen homeless people. He said that there are thousands of people at The Event Center on the weekends and he thinks it's important to have a Rocky Mount Police presence. He was grateful to hear that traffic control would be a part of the discussion. Councilmember Blackwell said people talk about crime so much because they talk about crime so much in Rocky Mount. He feels that they generate their own talk. He expressed that much of the crime that every city experiences are directly related to poverty. Councilmember Blackwell asked that they remember the way to deal with the manifestation of a problem is to deal with the root cause. He said that policing it away has never happened. He said that you can't predict someone's actions and does feel that a decent job of showing up and doing what needs to be done is happening. He said if the concern is crime, they should be concerned about what prevents crime and that is safe neighborhoods, jobs, people prepared for the workforce, employers willing give people an opportunity. He voiced that they understand why gangs are looked at through a negative lens but many of the young people who are gang affiliated see them as people who feed them, give them clothes and provide shelter. He said it's not an easy issue and he hopes the budget reflects the priority of lessening the environment for the proliferation of crime. He wants the adage that Rocky Mount has one of the most challenging economies of a larger city in North Carolina changed. Councilmember Blackwell added helping people figure out how to get into a home and somewhere safe, so we won't have people without shelter walking around the streets.

COMMITTEE RECOMMENDATION: Information only; no formal action

ADJOURNMENT

Without objection, the Mayor Pro Tem adjourned the meeting at 6:35 p.m.

A printed copy of the PowerPoint presentations are on file in the office of the City Clerk.

APPROVAL OF ADDITIONS/DELETIONS TO AGENDA

- Workman's Compensation report to be provided by City Attorney Rose
- Request for lease of property - STL Farms (54.25 acres)
- Request to postpone items 10C, D, E until July 8, 2024 City Council Meeting per City Manager's recommendation

- Appointments

Motion was made by Councilmember Daughtridge, seconded by Councilmember Joyner and unanimously passed by a roll call vote (7 ayes/0 nays) that the agenda be amended as requested.

COMMUNITY UPDATE BY CITY MANAGER

City Manager Keith Rogers Jr. provided the following community update. The City Manager reported that:

- Stated the Juneteenth Community Empowerment Festival will be held on Friday, June 14th through Sunday, June 16th at the lawn of the Helen P. Gay Rocky Mount Historic Train Station
- Stated in observance of Juneteenth, all City offices, community centers and the Imperial Centre will be closed on Wednesday, June 19th
- Stated Sunset Park will be open from 1:00 p.m. to 7:00 p.m. and the Denton Street pool will be open from 1:00 p.m. to 3:00 p.m. with a short break then re-open from 3:30 p.m. to 5:00 p.m.
- Stated Downtown Live will return to the Imperial Centre lawn on June 20th at 6:00 p.m. and Jim Quick & Coastline will be performing so he encourages everyone to come out

PETITIONS FROM THE PUBLIC

The Mayor opened the meeting for petitions from the public and outlined guidelines for public petitions. He called on the following individuals for public comment and a brief summary of comments is outlined below:

Curmilus Dancy

- Stated it does not make sense that Council is having an issue with the budget that has been brought before them
- Stated the reason for the issues is because there was no retreat, if there was a retreat this conversation would not be taking place
- Stated today he heard the Councilmembers still asking for information and the City Manager says he will bring it back but they have been asking for information since last year and have not received it
- Stated people need to know who the City Manager and staff report to and realize the blame is not on the Council

Laura Wittman

- Stated she is the senior Pastor at the Mills Church here in Rocky Mount
- Stated she wanted to speak about the importance of art within the community
- Stated her church has an ongoing relationship with the Tar River Arts collaborative and is home to an entire church building filled with art to create a safe space where art is celebrated and people are too
- Stated her entire family has found a home at the Imperial Centre, she is now in her fourth production, her husband has been in productions and her children are involved as well
- Stated her favorite part about being in these shows is seeing all of the young people who participate who have found safety and a way to express their creativity to the world
- Stated she is grateful for a community that supports the arts and she hopes the community will continue to prioritize these arts

Marilynn Anselmi

- Stated she is a Rocky Mount based artist and playwright and she is here to talk about the arts as well and urge everyone to really make Rocky Mount a home for the arts

- Stated because of her playwriting she has been very fortunate to travel the country there is a thriving art district everywhere that she has visited and Rocky Mount does not have one
- Stated her art is included in seven galleries in North Carolina and Rocky Mount but she does not sell in Rocky Mount because there is no place to sell
- Stated Rocky Mount needs a dedicated art district and a dedicated gallery

Evangeline Bullock

- Stated she is the CEO and hostess of Shine a Little Light TV Ministry and she is concerned about the elderly people in the community
- Stated in the years 2022 and 2023 her ministry delivered 536 meals to the elderly people in their homes with the assistance of the Nash and Edgecombe County Sheriff departments
- Stated she has designated August 15, 2024 at Abundant Life Church called “It’s Not Just a Meal” where they will have fellowship for the senior citizens, dinner, and gospel singing
- Asked for assistance in making this happen, if Council has connections in this City she could really use their support and she would love to have them in attendance

Councilmember T.J. Walker stated he would just like to make sure that there is a staff member for Ms. Evangeline to try to help with this event.

Mike Klinetobe

- Stated he would like to reference something in an article from the Rocky Mount Telegram which stated that Mayor Roberson drew applause when he spoke about owing a debt of gratitude to the fire, police, energy resources, public works, and development services departments for springing into action and working tirelessly to provide aid and normalcy to the community
- Thanked the Chief and the Police Department for everything that they do
- Stated he saw an ad for Davis furniture and had not been there before so he went and they do a great job downtown; he is hoping there will be additional businesses and places to shop downtown

Robert Cordell

- Stated there was an incident that happened at Rocky Mount Middle School where a City vehicle was involved in an accident which he was an eye witness to
- Stated the City vehicle came through flying and hit a car which hit into another car
- Stated if Mr. Jones is going to remain fired for running over two garbage cans then certainly this employee should receive the same fate for causing this accident that could have killed people or Mr. Jones should be hired back
- Asked Council to investigate this and just be fair

Antoinette Cutler

- Thanked those who came to their community meeting
- Stated she is in support of an art museum in the City of Rocky Mount as it seems as some of the other cities are growing very fast in terms of art
- Stated it is very important that downtown is rebuilt and she sees that in the budget there is only \$600,000 allocated for downtown
- Stated in the budget, it went from \$2 million to \$600,000 and that is quite a lot taken away from the downtown area

Kimberly Hickerson

- Stated she is here on behalf of the Minority Economic Development Committee and she would like to thank the City Manager for coming and sitting with the committee

and hearing feedback from the minority business owners as well as those who support minority businesses

- Stated they are excited for the partnership that they have had with the MWBE program
- Stated some of the things they do is look at education opportunities for minority businesses, make sure they are aware of the resources that are available, and they have access to those resources and capital to support them

Mayor Roberson stated he had failed to add an additional item to the agenda to accept the request from Omar Bayyari Mohammad to withdraw rezoning request at 14500 US 64 Alt. West HWY and cancel the special called joint meeting with the Planning Board scheduled for June 11, 2024.

Motion was made by Councilmember T.J. Walker, seconded by Councilmember Harris and unanimously passed by a roll call vote (7 ayes/0 nays) that the agenda be amended as requested.

CONSENT AGENDA

Motion was made by Councilmember Joyner, seconded by Councilmember T.J. Walker, and unanimously carried by a roll call vote (7 ayes/0 nays) that the Consent Agenda [Items 8(A) through 8(G), be approved as follows and more specifically:

A. SURPLUS PROPERTY DISPOSAL/ELECTRONIC AUCTION:

That the list of personal property proposed to be declared surplus and sold at electronic auction be placed on file in the office of the City Clerk as **BD-2024-3** and **Resolution No. R-2024-19** entitled **RESOLUTION DECLARING PROPERTY SURPLUS AND AUTHORIZING DISPOSAL BY ELECTRONIC AUCTION** was approved.

B. TEMPORARY STREET CLOSINGS (recommended for approval)

- Request from the Public Works Department for an Ordinance approving a temporary street closing for the Bikes, Brews, & Blues event (ordinance adoption requirement of NCDOT standards):
 - Temporary closures of Tarboro Street (US 64 Business) from NE Main Street to Atlantic Avenue (NC 97);
 - N. Washington Street from Hill Street to E. Thomas Street (US 64 Business);
 - Albemarle Avenue from E. Thomas Street to Tarboro Street; and
 - W. Rose Street from Albemarle Avenue to Atlantic Avenue
 - This will be in effect on Saturday July 13, 2024 from 12:00 pm to 12:00 am (midnight)

By consent **Ordinance No. O-2024-17** entitled **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ROCKY MOUNT DECLARING A TEMPORARY ROAD CLOSURE FOR BIKE, BREWS, AND BLUES** was adopted.

C. TRAFFIC ORDINANCE RECOMMENDATIONS

The City Council was informed this request is a result of a residential traffic management study completed and over 75 percent of the Katherine Trail property owners have provided written approval of the requested speed limit change.

The City Council received the following recommendations from the Traffic Engineer:

- Adopt a 25-mph speed limit ordinance for the following streets:
 - Katherine Trail

By consent **Ordinance No O-2024-18** entitled **ORDINANCE AMENDING THE TRAFFIC CONTROL ORDINANCE MAP OF THE CITY OF ROCKY MOUNT** was adopted.

D. AUDIT SERVICES

The City Council was advised that Mauldin & Jenkins, LLC was awarded a bid for a three-year contract for Audit Services for fiscal years 2023 (\$117,000), 2024 (\$99,000), and 2025 (\$103,500). The City Council was informed this request was to approve the FY 24 contract @ \$99,000 and authorize execution of the annual contract.

By consent, the FY 24 contract (**C-2024-___**) with Mauldin & Jenkins was approved and the Mayor and Director of Finance were authorized to execute the same on behalf of the City.

E. 2024 PATRICK LEAHY BULLETPROOF VEST PARTNERSHIP GRANT (BVP)

The City Council was advised that staff requests to apply for a \$42,254 grant through the 2024 Patrick Leahy Bulletproof Vest Partnership (BVP) which would cover the cost to replace 51 bulletproof vests. A local match of 50% (\$21,127) is required. It was noted that the deadline to apply is June 10, 2024.

The recommended action to authorize submission of the grant application and authorize the Mayor and City Clerk to execute subsequent grant agreement, certifications and assurances on behalf of the City was approved.

F. SECOND AMENDED ELECTRIC SERVICE AGREEMENT/TIDAL DATA SYSTEMS, LLC

The City Council received a second amended and restated electric service agreement with Tidal Data Systems, LLC that outlines the terms and conditions for the purchase of electric power for their facility at 50 Merchant Court. The City Council was advised that the contract increases the demand from 4,800 kilowatts to 10,000 kilowatts and Tidal will be billed on the City's Electric Rate Schedule - Industrial Service and the pods will increase from (3) three to (7) seven. It was also noted that this amendment additionally approves a monthly credit of 2% of the City's avoided equipment costs for Tidal's purchase of six (6) non-standard transformers (transformers are unique to Tidal's power requirements and not standard equipment provided by the City - transformers also cannot be used for any other customer location).

The recommended action is to approve the amended and restated contract with Tidal Data Systems, LLC and that the Mayor and City

Clerk be authorized to execute the same on behalf of the City. The contract will be on file in the City Clerk's office with **(C-2022-61)**.

G. BID/BOOKER T. WASHINGTON GYM RENOVATIONS

The City Council received the tabulation of bids received on a bid for the Booker T. Washington gym renovations. Bids were received and opened April 30, 2024 after all the necessary legal requirements had been implemented and the bid tabulation is on file in the office of the City Clerk as BD-2024-4. The solicitation was posted on the City's purchasing webpage and the HUB website.

Bid was awarded to Calvin Davenport, Inc. @ a total cost of \$1,762,167 which consisted of the base bid of \$1,487,700, and three alternates in the amount of \$274,467 (alternates consist of gym flooring, basketball goals and telescopic bleachers). It was noted that Calvin Davenport, Inc. is proposing approximately 12% MWBE participation in the amount of \$177,866.84. The Mayor and City Clerk were authorized to execute the bid contract on behalf of the City.

2024-2025 PROPOSED BUDGET/PUBLIC HEARING

The Mayor opened the public hearing relative to the proposed budget for the City of Rocky Mount for FY 2024-2025.

The Mayor opened the public hearing and recognized the following citizens:

Nathlyn Ohree

- Stated she was listening to the Local Government Commission last week and wanted to know what was going on as she is concerned that their focus was not supporting our local fire station because they felt that Rocky Mount prioritized a speculative investment for a casino
- Stated she was embarrassed that two firemen went to the meeting and no other officials were there
- Stated the citizens need more transparency and clarity on what is being done and where millions of dollars are going as it seems like priorities might be upside down
- Stated she is also waiting to see a parking deck for the Event Center

Councilmember Joyner asked City Manager Rogers why there were only two fire personnel at the meeting and no executive staff.

City Manager Rogers responded that the request for the last LGC meeting was to talk about the condition of the fire station, following that meeting the application has been forwarded to their July meeting and there will be a full contingent to actually discuss the financing.

The Mayor stated he will be there.

Bridget Phifer

- Stated she is with Living Better Life, a small business here in Rocky Mount
- Stated as she watched the budget workshop, she noticed that there were some funds, approximately \$3 million or so that seemed to be in buckets that may or may not be available

- Stated she would like to suggest that they could be used for supporting downtown and minority businesses, financial support programs, matching for downtown businesses to make exterior improvements
- Suggested allocating funds towards minority owned business grants for startup costs, expansions and operational; to partner with local CDFIs using funds as collateral to establish loan programs with low market interest rates; fund workshops, business planning, marketing, financial development, and digital literacy for some of the businesses in dire need, not just downtown; establish and fund a program that helps businesses gain the skills needed to compete for grants

Chris Darden

- Stated he is the owner of Darden Construction and he is here to discuss the urgent need for increased financial support with redeveloping downtown Rocky Mount
- Stated with over 30 years in the construction business, he and his team have extensive experience in historical renovations and a high cost of renovating downtown and dilapidated buildings are a significant barrier
- Stated there are three options: 1) to either let the buildings fall further in the disrepair ultimately collapsing on their own which weighs safety concerns and cost of cleanup or major implications of doing nothing, 2) to tear the buildings down and start over, or 3) is historical preservation and rehabilitation
- Stated the City currently allocates \$600,000 for downtown rehabilitation grants which he feels is far from adequate
- Stated developers he has met are stalled because they need significantly more financial support to cover the enormous cost of rehabilitation
- Stated historical preservation is crucial for maintaining the City's character and heritage, it keeps the money in the local economy
- Urged the Council to increase the budget for the downtown revitalization and work closely with developers to make these projects financially sensible

Theresa Alston Stokes

- Stated there does not need to be another process created when it comes to the budget and the City not having a retreat never should have occurred since now everything is being rushed concerning the budget
- Stated when budget planning, go back and look at plans that have already been established, and don't forget about the hotel parking deck and other projects in underserved communities that should not be overlooked
- Stated the City needs to stop spending so much money in consultants and look at the studies that were given prior
- Asked for them to be fair with the budget

Charles Roberson

- Stated he decided to leave this City and he learned how to shoot with a camera instead of a gun; art saved his life
- Stated he came back to help his City; he walked downtown with Kevin Johnson (NBA legend and former Mayor of Sacramento) who transformed his downtown with the investment surpassing a half billion dollars and he challenged us to think bigger
- Stated the Wilson City Manager affirmed that investing in arts sparked their largest downtown revitalization and attracted substantial private investment

No one else from the public appeared to speak on this item and the Mayor declared the public hearing closed.

PLANNING BOARD RECOMMENDATIONS

The City Council received the minutes and recommendations from a Planning Board meeting held May 14, 2024.

The following action was taken upon the recommendations of the Planning Board:

PUBLIC HEARING/LAND DEVELOPMENT CODE AMENDMENTS

The Mayor opened up a public hearing relative to the following land development code amendments recommended for approval and found in compliance with the Comprehensive Plan by the Planning Board:

- Text amendments to CHAPTER 7, GENERAL DEVELOPMENT STANDARDS, Sec. 710 - Fences and Walls. - Purpose: to clarify and update fence regulations.

It was noted that the ordinance amendment intends to make the fence height permitted in front yards clear, prohibits fences on property without a primary or permitted use, establishes standards for appropriate fence materials and creates standard for maintenance of fences and walls.

A motion to adopt the ordinance was made by Councilmember Joyner and seconded by Councilmember Daughtridge.

Councilmember Knight stated that he just wants to make sure that staff or the City Manager can articulate or explain the changes.

Emilie Pinkston, Director of Development Services, provided a brief explanation of the request. She stated that the amendment does the following:

- clarifies where fences are limited to 4 feet in height in residential and business zoning districts
- clarifies where the front yard is, which is the area between the primary structure and the property front yard
- prohibits fences and walls on any undeveloped lot that has no primary or permitted use as doing so promotes aesthetics and also minimizes access concerns that the City needs to move forward with abatement of any grass and weed violations
- prohibits certain fence materials such as used tires, wood pallets, sheet metal, and untreated plywood
- includes the addition of maintenance standards for fences and walls so as not to interfere with site visibility at driveways and intersections, if not maintained in a safe manner and poses a safety concern then the City can move forward with enforcement to cause repair or removal of that fence or wall

Councilmember Harris asked if there is an existing resident who has a front fence made out of tires or plywood, or something that the City is trying to eliminate, would they be given a certain amount of time to correct that situation.

Mrs. Pinkston responded if an existing fence is present and they have received a fence permit in the past then that would be considered an existing non-conforming use. She explained that currently the Land Development Code does not have a prohibition on that type of material so they could have obtained a fence permit but without one, they would be subject to the new regulations.

Councilmember Daughtridge stated he is in full support of the changes here, but he also thinks that they need to clarify regarding when to get a fence permit, which includes when a fence is being replaced. He asked who goes out to enforce these codes and how is it monitored other than neighbors calling in.

Mrs. Pinkston responded that Development Services has two zoning officers who canvas neighborhoods for violations, so there is a proactive approach to finding violations, but they also receive calls and complaints as well.

Councilmember Blackwell asked if they are going to go through the entire City and monitor every yard with a fence to see if a permit was received before it was erected.

Ms. Pinkston responded that if they receive a question or complaint about a particular fence then they will likely do their due diligence to understand whether or not it is considered legal non-conforming and if not, they will reach out to the property owner. She clarified that the maximum height limitations are not changing with these proposed amendments for a residentially zoned property, the maximum height is 4 feet in a front yard and 6 and a half feet in the rear yard.

Councilmember Blackwell stated he does not doubt the need for some conformity, but he is challenged with this. He explained that he lives in a neighborhood with alleys behind homes and over the years they have had people run from the neighborhood through people's front and backyards to the alleys. He stated that he is challenged that every neighborhood in Rocky Mount is not gated and it's not planned and prepared. He expressed that he is fine with no tires as he does not know how anybody would build a wall of tires, but he is challenged with a 4-foot height restriction because some people have fences for safety and security and do not want everyone to see what is happening in their backyard.

City Manager Rogers stated the height for the backyard is 6.5 feet.

Councilmember Blackwell responded he is talking about the front yard as well and maybe people who ride down certain streets do not have issues, but some people have structures in their backyards and if people see it from the street, they may want to come and enjoy it too. He stated that it needs to be taken into consideration the different neighborhoods and what takes place in the neighborhoods as well. He stated he is challenged and just cannot support it. He stated he does not have a problem with the intent but with the enforcement and he is not sure why they are selecting fences as a start in the enforcement arena since there are other things that he would think are more important. He explained that he is not saying that this is not important, but he would like to understand how this escalated to priority at this point.

Councilmember Daughtridge stated that he was the one who brought up enforcement, not just enforcement of the fence but enforcement of the code in general. He explained that he is not aware of any gated communities except maybe one and as far as he

knows they are all public and open. He stated the only change here is defining where you can put the 4-foot fence and as far as the backyard, all you have to do is just go 6 and a half feet and enclose your yard before you hit the front of the house. He explained to be fair to the staff, he is the one who brought up the enforcement because he firmly believes that this City could take care of the majority of the problems with code enforcement because everyone has to live by the same rules.

Councilmember Blackwell stated that concerns him also, since a recommendation from one Councilmember now becomes a text amendment to the ordinance. He continued stating that he would have expected that they would at least have had a discussion at the Committee of the Whole prior to this.

Councilmember Daughtridge responded to Councilmember Blackwell that he felt he may be misrepresenting due to the fact the first time he saw it was on the agenda was when the rest of Council got it.

Councilmember Blackwell responded that he was taking the commentary that Councilmember Daughtridge had stated and if he misrepresented, he apologized. He inquired why Council was discussing a text amendment to vote on when no conversation has been had at a Committee of the Whole so Council could be polled, had concerns heard, and changes and revisions be considered based on Council's advisement. He explained that they have been talking about transparency, conversation, and proper communication and he is just saying that he is challenged with 4 feet. He continued explaining that he does not have a problem with saying that they need regulation, but he is also challenged with going back and saying people who already have fences are not grandfathered in. He asked if the City of Rocky Mount were to be polled on how many people would know you have to have a permit to put a fence up in your own yard, he did not even know that as a sitting Councilmember of 20 some years.

Councilmember Knight stated that he would like to make a motion to table the item until the City Council has been able to address any questions or concerns in a Committee of the Whole work session.

It was noted that there was already a motion and a second on the floor, but City Attorney Rose stated that the motion to table was non-debatable, therefore it takes precedence over the current motion on the floor.

Motion to table the item was made by Councilmember Knight, seconded by Councilmember Blackwell and carried by a roll call vote of 5-2 (Councilmembers Knight, Blackwell, Joyner, T.J. Walker, Jabaris Walker ayes; Councilmembers Daughtridge and Harris nays) that the item be tabled.

PUBLIC HEARING/REZONING REQUEST

The Mayor opened up a public hearing relative to the following rezoning request recommended for approval and found in compliance with the Comprehensive Plan by the Planning Board:

- Request by John R. Basham and Sadie Harper-Scott to rezone property having an area of ± 0.35 acres at 410 N. Grace Street and 506 Gay Street, from I-2 and R-6MFA to O-I

Emilie Pinkston, Director of Development Services, gave an overview of the request.

The Mayor recognized the following who wished to speak on the item:

T.W. King

- Stated he represents the petitioners in this matter and he finds himself in the enviable position tonight of having an excellent presentation by staff and an approval by the Planning Board and he is here for any questions

No one else from the public appeared and the Mayor declared the public hearing closed.

Motion was made by Councilmember Blackwell, seconded by Councilmember Joyner and unanimously carried by a roll call vote (7 ayes/0 nays) that **Ordinance No. O-2024-19** entitled **ORDINANCE AMENDING THE LAND DEVELOPMENT CODE AND MAP OF THE CITY OF ROCKY MOUNT** was adopted.

PUBLIC HEARING/REZONING REQUEST (postponed during additions/deletions in open meeting)

A public hearing was scheduled relative to the following rezoning request recommended for approval and found in compliance with the Comprehensive Plan by the Planning Board:

- Request by Rod Holloman (Goldrock Road, LLC), to rezone property having an area of ± 27.42 acres at 601, 635 and 657 Goldrock Road, from A-1 (Agricultural District) to R-6MFA (Medium Density Multifamily Residential District)

The action to postpone this item was approved during the additions/deletions to the agenda. The item was postponed until July 8, 2024 City Council meeting.

PUBLIC HEARING/LAND DEVELOPMENT CODE AMENDEMENTS (postponed during additions/ deletions in open meeting)

A public hearing was scheduled relative to the following land development code amendments recommended for approval and found in compliance with the Comprehensive Plan by the Planning Board:

- Text amendment - CHAPTER 1, Sec. 102 Terms and uses defined; CHAPTER 3, Sec. 312. Development review procedures, Table 3-1, Table 3-2; CHAPTER 4, Sec. 404. Zoning upon annexation, sec. 406. Commercial district intent statements; CHAPTER 5, Sec. 503. Zoning use tables, Table 5-1, Table 5-2, Sec. 509. Zoning variance provisions, Sec. 510. Appeal of administrative officer's decisions; CHAPTER 12, Sec. 1205. Remedies and enforcement powers; CHAPTER 13, Sec. 1301 Right-of-way width, street design - Purpose: to align development standards with practices and General Statutes

The action to postpone this item was approved during the additions/deletions to the agenda. The item was postponed until July 8, 2024 City Council meeting.

PUBLIC HEARING/LAND DEVELOPMENT CODE AMENDMENTS (postponed during additions/ deletions in open meeting)

A public hearing was scheduled relative to the following land development code amendments recommended for approval and found in compliance with the Comprehensive Plan by the Planning Board:

- Text amendment - CHAPTER 14, Sec. 1405 Exempt subdivision plats; Sec. 1406 Final plat process - Purpose: to clarify plate requirements and certificates

The recommended action to postpone this item was approved during the additions/deletions to the agenda. The item was postponed until July 8, 2024 City Council meeting.

CHAPTER 14 ENTITLED "MISCELLANEOUS OFFENSES"/CODE AMENDMENT

The City Council was provided with an amendment to Chapter 14 of the City Code entitled "Miscellaneous Offenses", Section 14-13 regulation of panhandling in order to provide for criminal enforcement of certain City Ordinances. It was noted that the amendment to Chapter 14 is bring introduced at this meeting and the ordinance amending the text will return for final City Council approval June 24, 2024.

Councilmember Knight asked if the criminal enforcement could be stated so citizens would be aware.

City Attorney Jep Rose stated the first conviction, shall be subject to a maximum fine of fifty dollars (\$50.00) or imprisonment for a period not to exceed seven (7) days, or both, and upon the second or subsequent conviction shall be subject to a maximum fine of five hundred dollars (\$500.00), or imprisonment for a period not to exceed thirty (30) days, or both.

Motion was made by Councilmember Harris and seconded by Councilmember Joyner and carried by a roll call vote of 6-1 (Councilmembers Knight, Blackwell, Joyner, Daughtridge, Harris and Jabaris Walker ayes, Councilmember T.J. Walker nay) that the ordinance amending Chapter 14 of the City Code entitled "Miscellaneous Offenses", Section 14-13 regulation of panhandling to provide for criminal enforcement was acknowledge and introduced.

REPORT OF EMPLOYEE CLAIM RESOLUTION/WILLIAMS (added in open meeting)

City Attorney Rose reported that a claim filed by employee Cassandra Williams has been resolved. The main terms of the agreement are as follows:

- Payment in the amount of \$20,000 to Ms. Williams and her attorney
- There was evap solution used to clean the heating and cooling system in the office where Ms. Williams worked and she suffered wheezing, coughing, and shortness of breath which was caused by the solution

- She is still working with the City now and has suffered no permanent affects from it

LEASE AGREEMENT/ STL FARMS, LLC (added in open meeting)

The City Council was provided with the following lease agreement with STL Farms, LLC:

- Approximately 54.25 acres - 1-year lease; \$125 per acre; annual cost of \$6,781.25 - *lease contingent upon STL Farms, LLC accepting the terms to the lease.*

Motion was made by Councilmember Joyner, seconded by Councilmember Daughtridg and unanimously carried by a roll call vote (7 ayes, 0 nays) that the lease be approved contingent upon STL Farms, LLC accepting the terms to the lease.

APPOINTMENTS (added in open meeting)

Motion was made by Councilmember Joyner, seconded by Councilmember Blackwell and unanimously carried by a roll call vote (7 ayes, 0 nays) that Corey Folta be appointed as an alternate member to the Board of Adjustment, Tysheedah Cherry as a public housing member to the Rocky Mount Housing Authority, and Kisha Cutler as a faith-based community member to the Workforce Housing Advisory Commission.

No action was taken to fill the remaining vacancies on the City's Boards, Commissions, and Committees.

WITHDRAWAL OF REZONING REQUEST (added in open meeting)

City Council was provided a written notification from Omar Bayyari Mohammad withdrawing a rezoning request at 14500 US 64 Alt. West HWY.

Motion was made by Councilmember Joyner, seconded by Councilmember Harris and unanimously passed by a roll call vote (7 ayes/0 nays) to accept the withdrawal for the rezoning and to cancel the special called joint meeting with the Planning Board scheduled for June 11, 2024.

COUNCIL COMMENTS

Councilmember Knight-

- Concerned with the assumption of some of the LGC members that the City Council put a casino ahead of their constituents
- Stated the land was purchased for economic development
- Stated he was disappointed that the fire chief was sent alone to address the LGC since there is \$7 million dollars per year paid for upper management at the City
- Stated he feels some of the issues with the LGC stems from Nash County Commissioner Davis and believes he has stalled or attempted to stop other projects in the past
- Stated he wanted to let the citizens know that he, along with the other City of Rocky Mount Council, would never endanger the safety of the citizens for a speculative casino

Councilmember Blackwell -

- State the City Council has been working very hard, especially in the last several months, to create a spirit of mutual support and prioritization of what it's going to take to grow our city wisely

- Stated he voted for the land purchase for economic development and while he has no issue with a casino, the General Assembly is who decides things such as that
- Stated that Councilmember Daughtridge, Mayor Roberson and the City Manager brought the land purchase opportunity to City Council and they acted quickly
- Stated the politics of the LGC has been turned against the City of Rocky Mount for a while now and he would like to thank the State Auditor along with the other members of the LGC that tried to keep the conversation focused on the matter at hand, which is the fire station
- Stated he also feels the fire chief should have never been sent to the LGC meeting without other members of the management staff
- Stated he is thankful to City Council for working together to get the job done
- Stated to Mayor Pro Tem Daughtridge if he misunderstood what he had said earlier then he would like to take responsibility for that because he does feel they are working really hard to ensure all of Rocky Mount is enjoying equitable and positive economic development

Councilmember T.J. Walker -

- Stated that being that Fire Station 2 is in Ward 4, he would like to thank the Fire Chief for going
- Thanked the City Manager for not diving into the politics at LGC and implementing a strategy since it is now on the agenda for July
- Asked that the Mayor Pro Tem bring some of the City Codes that could be outdated to a Committee of the Whole work session so they could be reviewed and updated

Councilmember Harris -

- Stated the request in front of the LGC is for formal approval for a loan to build Fire Station 2 and the City Council unanimously approved the loan request several months ago
- Stated the City's financial position is strong and said the City Council takes financial obligations very seriously
- Stated in order for the City to grow, there has to be additional sources of revenue and that comes in the form of economic development, which is the reason for the land purchase

Councilmember Joyner -

- Stated he wanted to thank the council, manager, mayor, city clerk, city attorney and city staff for all their hard work
- Stated he appreciates the efforts happening to educate the citizens on city process and different areas of the city

ADJOURNMENT

Motion was made by Councilmember Daughtridge, seconded by Councilmember Joyner and carried by a roll call vote of 6-0 (Blackwell, Joyner, T.J. Walker, Daughtridge, Harris, Jabaris Walker [*Jabaris Walker's vote was recorded in the affirmative pursuant to NCGS 160A-75*] and Councilmember Knight lost remote connection to the meeting, therefore no vote was recorded for him), that the meeting be adjourned at 8:29 p.m.



Kim Batts
City Clerk