

**City Council Budget Work Session  
April 15, 2024**

The City Council of the City of Elizabeth City met in Budget Work Session on Monday, April 15, 2024 in Council Chambers, located on the 2<sup>nd</sup> floor of the Municipal Administration Building, 306 E. Colonial Avenue, Elizabeth City, NC.

**MEMBERS PRESENT:** Mayor Kirk Rivers  
Mayor Pro Tem Kem Spence  
Councilman Johnson Biggs  
Councilman Joseph Peel  
Councilman Javis Gibbs  
Councilwoman Rose Whitehurst (*Arrived at 5:09 p.m.*)  
Councilwoman Katherine Felton  
Councilman Johnnie Walton

**MEMBERS ABSENT:** Councilman Ronnie Morris

**OTHERS PRESENT:** City Manager Montre' Freeman  
Chief of Staff Monica Cole  
Finance Director Alicia Steward  
Deputy Finance Director Brian Lewis  
Chief of Police J. Phillip Webster  
Deputy Chief of Police James Avens  
Electric Superintendent Donnell White  
Interim Human Resources Director Anna Spence  
Public Utilities Director Dwan Bell  
Public Utilities Deputy Director Raymond Staten  
Community Development Director Reggie Goodson  
Parks and Recreation Director Sean Clark  
Fire Chief Chris Carver  
Deputy Fire Chief Thomas Brooks  
ECDI Director Debbie Malenfant  
IT Director Matthew Simpson  
IT Systems Analyst Pedro Holley II  
City Clerk April Onley

Mayor Rivers called the Budget Work Session to order at 5:06 p.m. Mayor Pro Tem Spence provided the invocation, after which Director Steward led the Pledge of Allegiance.

**1. Presentation / Discussion – FY 2024-2025 General Fund Overview:**

Mayor Rivers advised that they would begin with the General Fund Overview. He said he would like to have the Council send in any questions that came to mind during the week and then each session could start with working through those as well as any lingering items remaining from the previous meeting. He hoped to have the budget meetings carried out informally, but respectfully.

Manager Freeman began by sharing a few highlights from his last presentation. He stated that this year's budget does include a 3% COLA for employees with the exception of the departments that had received emergency increases earlier in the year. On Friday, he received an email from the LGC accepting the City's FY 2022 audit, so staff is preparing to move into FY 2023. The FY 2024-2025 budget is titled "The Transition". The Council has been investing in the City's infrastructure. Right after this year's budget is passed, they will need to begin work on the new Capital Improvement Plan. He thanked the Finance team and all the directors for always taking his calls, no matter what time he might need to reach them. Currently, he's trying to adopt a forward-thinking process for the City. There are a lot of things that need attention, and that means the money has to be spent first, unfortunately. Tonight's presentation will cover the IT Department, Human Resources, Planning and ECDI.

Mayor Rivers asked if the Council had already received the manager's budget message. Manager Freeman replied that he delivered it during the last meeting and he would send an electronic copy before the evening ended.

Mayor Rivers asked if this FY 2024-2025 budget includes a proposed tax increase. Manager Freeman said that it did not. He noted that the projected rate for tax collection is 96.2%.

Councilwoman Whitehurst asked if we know how much money is in arrears or otherwise hasn't been collected. Director Steward replied that we won't know the final numbers for a few months, but we have exceeded projections for collections. Mayor Rivers stated that he'd like to know which departments asked for budgetary increases and which were requesting new positions. He did not want to go line item by line item if it wasn't necessary. When do we get back our costs for employee healthcare numbers? Are there increases? Manager Freeman explained that HR had received those numbers and he included them in his budget message.

Councilman Biggs asked if the manager could share a few more highlights from his budget message. Manager Freeman stated that upper 90<sup>th</sup> percentile for estimated tax collections led to his reasoning for not proposing a tax increase. Additionally, the delinquency rate for tax collection has also decreased. Sales tax numbers have remained about the same. Licenses and permits are at \$1.2 million. Sales and services are at about \$300,000 more. Payments in lieu of taxes and services are projected a bit lower. Other revenues are over \$1 million. He noted that he was projecting revenues very conservatively and there was going to be some very heavy lifting in the Capital Improvement Plan.

In his budget message, he'd stated that he'd like to invest in the City's human capital, which began almost 18 months ago with the Police Department. He'd like to keep that theme going because there's really no other way to grow the government. Recently, the Fire Department received investment, ultimately saving the shift and saving the City from losing five employees. Investing in human capital is not just increasing salaries.

### **Information Technology:**

Manager Freeman pointed out that the City's technology has never had been breached and part of that is due to the leadership and skills of Director Simpson. IT asked for two new employees last year and received one, which has already been paying off. We have the skillset in house to maintain our servers so we do not have to go outside to house them. We have brought on one cyber expert and borrowed another one from ECSU. The small increases across IT are a testament to the leadership in that department. Councilwoman Felton agreed that investing in our human capital is important and she hadn't seen the problem in IT, but she wanted us to continue to professionalize the City and make sure that professionalism stood out.

Councilman Peel noted that the health insurance is going up, but the same number from last year is included in the budget document. Manager Freeman stated that they received new numbers today and the books needed to be corrected. There would be an increase in the retirement numbers. He explained that he often projected those numbers higher than they needed to be before he received the final totals. The corrected numbers would be in place for the budget session next week.

Councilman Biggs asked if there was a salary increase projected. Manager Freeman replied that 3% was projected across the board, minus those departments that had already received an increase. Councilman Biggs stated that there was \$30,000 in salaries for IT over the amount budgeted last year - is that 3%? Manager Freeman confirmed that it was. Councilman Biggs asked about overtime, as it appeared we were constantly going over, but have only included \$5,000 here. He understood this was a small department with lots of demand. Do we need to manage it better or adjust it? Manager Freeman stated that he cut the overtime line item to \$5,000 for a few reasons. We now have more people in the department so the work will be spread better. Although we did have some more people this year, they were new and needed training. He felt that we could manage the department at that number now.

Director Simpson explained that most of the overtime in IT is based on the cross-training approach. They wanted everyone in the department to be able to cover someone else, so there was a lot of training involved to make that happen.

Councilwoman Felton asked about the over-expenditures. What checks and balances did he use as a director to make sure he stayed within the guidelines? Director Simpson said all directors had access to Edmunds to make sure they could track vendor invoices and their spending, which was simple. Directors should be checking their various balances before doing anything. Councilwoman Felton asked if everyone had the same program and the same level of access. Director Simpson confirmed that they did.

Director Simpson stated that when Fybe is integrated, a majority of the budget with radio antennas would be eliminated. Most of that was a fail-safe. Councilman Biggs asked if there was anything critical for the future as far as IT was concerned. Director Simpson pointed out that we would be inheriting the dark fiber network from Fybe at the end of next year. We were going to need certain equipment to bring that to fruition, which totaled about \$200,000. We could take the approach of phasing that in. The first phase would be buildings and surveillance cameras. Councilman Biggs noted that as it sits today, there's nothing built in the budget for it. What's the delivery date? Director Simpson replied sometime in the summer of 2024. Councilman Biggs stated that if we don't budget anything, we'll be sitting there with dark fiber and no funding to connect to it. Director Simpson agreed that was a possibility. Our communications used to be supported by radio antennas, but we're trying to get rid of those.

Other than that, we need to integrate our key card panels, but the manager decided he would add that cost to each individual department. We also have the pump station upgrades. We have about 23 that still need upgrading and expect that it would take about \$47,000 to do that. Councilman Biggs said we talked about not adding the additional cameras because we were waiting for Fybe but if we don't budget the amount of money it takes to put these things online, and we're only budgeting \$18,000, it's not going to cover it. How far will that even get you? He added that he did not want Director Simpson to feel that he was implying the \$18,000 had to go to fiber and fiber alone either.

Councilman Gibbs asked if that would be part of the capital project ask. Director Simpson said that was correct. Mayor Rivers stated they had to do include some of these costs now though. They couldn't just wait and minimize the budget. Councilman Biggs agreed that the Capital Improvement Plan is a five-year plan, but if we're not putting anything in the budget this year, we're probably not going to end up addressing it this year. Cameras were a priority and I want to make sure we have the funding. Have they been ordered?

Manager Freeman replied that the cameras had been ordered and they are on their way. Mayor Pro Tem Spence felt including funding to continue this was important because so many of the recent crimes have been solved thanks to cameras. The new cameras are a lot better and eliminate some of our officers' headaches. He stated that he would never take shortcuts on safety.

Councilman Peel asked how much money is required for the dark fiber integration. Director Simpson relayed that it would be just under \$200,000. We have about 300 locations and the buildings are priority. Councilman Biggs noted that they would have to talk about that phased approach. How many years are we talking about phasing it over? Director Simpson shared that his plan broke it into three years. Councilman Peel pointed out that would run about \$75,000 or so each year. Director Simpson reiterated that the buildings are the most important to connect and should be first because they involve operations. We can maintain the radios for now. We can have a hybrid system for a while.

Mayor Rivers asked the manager what his thoughts were on the financing for this project. Manager Freeman replied he was looking at the \$18,000 in the budget to get started with the buildings, and roll the rest into the Capital Improvement Plan. He felt that it might end up being a bit more than \$200,000. The Fybe agreement will drop the cost of some of this. Councilman Biggs didn't want to call this a one-time expense because you'll have reoccurring maintenance but it really is more or less. We spend about \$18,000 every year. Director Simpson explained that last year the expense was for the Tyler servers. We haven't really had a reoccurring expense. The pump stations landed over in Public Works' budget and there are only about 23 of those left for upgrades.

Mayor Rivers asked how much are we expecting it will cost to connect the buildings. Director Simpson said about \$25,000. Mayor Rivers clarified that it's not in the budget. Manager Freeman said that was correct. Director Simpson reiterated that we've been using radio antennas for 10 years and we can sustain those for as long as we need to, but a fiber network is much more efficient and it will improve our bandwidth. We'd have no interruption or latency. Manager Freeman believed that we do have the funding flexibility if the Council wants to include that cost somewhere. Councilman Biggs stated that the Council was told the reason the City didn't have the cameras and they weren't installed was because we were waiting on fiber. He said he would hate to install them on the old technology after purposefully waiting around for the new technology.

Manager Freeman asked if the Council wanted him to move that funding. Mayor Rivers said not yet; just make a note of it on the wish list for the time being. We don't want the new cameras in potential "hot spots" to be lagging. This Council is very concerned about safety.

### **Human Resources:**

For salaries, there is a budgeted amount of \$413,558 and \$540,400 is proposed. Mayor Rivers asked why the increase is so high. Manager Freeman clarified that he put a higher salary in this positions because the posting for a new director will be advertised in July. The number also includes the 3% increase. Councilman Biggs asked if Chief of Staff is coming out of Administration now. Manager Freeman said Monica is still being funded from HR for now, but that would change on July 1<sup>st</sup>. There were four full-time and one part-time position originally budgeted for HR, but the part-time position will not be funded in the new budget.

Councilman Peel noted that if Monica's position as HR Director has not been backfilled, the expense should have dropped.

Mayor Rivers requested that the blue background could be removed for the next PowerPoint presentation because it was difficult to see.

Councilman Peel continued that if we're removing Monica's salary from HR and not backfilling, that should account for both a full-time position and a part-time position that are no longer coming of HR. Manager Freeman noted that Monica is included in that total as it is presented now.

Councilman Biggs asked who was in the department before Anna was promoted. Manager Freeman explained that there were four people: Anna, the director, Monica and a part-time person. Councilman Biggs stated that they are going to backfill now if they keep it at four personnel in HR. That accounts for nearly a 1% tax increase if you add benefits across the board.

Mayor Rivers explained that right now in that number, the Chief of Staff position is included. He said he was not happy with the \$540,000 number – that was too much of an increase. He understood there would be an increase because of the 3%. Mayor Pro Tem Spence recommended putting this department on hold. Manager Freeman stated it appeared that there were some numbers calculated incorrectly. Finance staff believed they found the error and would bring it back. Councilman Biggs said he didn't want to ask the manager to address it publicly, but if he could share where he might be thinking of going with the director's salary, please let them know what that number was looking like.

Councilwoman Felton asked what the part-time position did. Interim Director Spence stated that they worked the front desk and served as an administrative assistant. Councilwoman Felton asked if they ever thought about using an intern for that role. Interim Director Spence said they did, but they were in the wrong period now, so they had to wait until the fall.

Councilman Biggs asked if they are asking to take the Chief of Staff's salary out of HR and move it to Administration. Mayor Pro Tem Spence confirmed that was correct. Councilman Biggs suggested they would need updated pages for both HR and Administration in that case.

Mayor Rivers asked the manager to explore if whether the HR Department could operate with less employees, maybe just three full-time. He would also like to know about the

technology available to the department. He would like to hear the pros and cons. Maybe we need to upgrade our software so the job is easier and we can work with less people. He felt there had to be some calculations that were wrong because he didn't think four people were making \$540,000, but maybe five were.

Councilman Peel noted that if it is three it's a wash because one is just going under Administration. Mayor Rivers still thought it was five because otherwise they were making too much money if the amount in salaries and wages was correct. He reiterated that he'd like to know if the department could operate off of three people.

Councilman Biggs pointed out that last year was a bit over \$280,000 for salary expenses alone, but this year included everything in the same line. A 3% increase on \$282,050 is \$8,200. That puts it at \$290,000. Councilman Peel noted that there's also a problem with the insurance item. He believed that issue carried the whole way through the budget. Councilman Biggs asked if the group insurance is only health insurance. Chief of Staff Cole explained that the City has health insurance, dental insurance, vision insurance and life insurance, but workers' comp is a completely separate line item in the budget. Councilman Biggs asked if they'd gotten those numbers back yet. Interim Director Spence stated that they are not expecting them to come until May or June; however, they did receive the health insurance numbers today. Councilman Biggs asked if the manager could get those numbers to the Council. Manager Freeman replied that he could.

Mayor Rivers stated that last year with a full staff in HR, we budgeted \$282,000 for salaries and this year we're looking at \$381,000. Whatever you bring back, I'm not really for it, but I would like to see a presentation with only three personnel for the department.

Councilwoman Felton asked what the general fund increase included. Manager Freeman explained that it included everything, but that would all be changing when they came back.

Mayor Rivers asked about contracted services; was that for computer programs? Manager Freeman replied it was NovaTime and NeoGov. There is a blend there and that cost covers that. It will be phased. Mayor Rivers said if Council sees fit to go to three positions, he could see where all those programs could help assist the department in making people's jobs easier. They are asking for \$68,000 in terms of programs. Councilwoman Felton asked into which line item the personnel policy rewrite fell. She knew it was already decided to hire a firm, but she could not understand why we didn't just contact some other municipalities, get the information ourselves and change what needed to be changed instead of paying money like that.

Manager Freeman advised that in terms of wellness funds, we were able to get \$40,000, up from \$25,000. This was funding we receive from the insurance carrier. Councilwoman Felton asked if the City had to match this. Interim Director Spence said that we did. The insurance carrier gives us a credit for wellness dollars. Mayor Rivers asked why it only reflected \$10,000 in the budget for wellness if we expect more. Manager Freeman explained that the wellness funding is a credit. They put something in the budget to get started. The wellness credits lower our health insurance costs. Councilman Biggs clarified that we realize expense, but to offset that expense do they reduce our monthly insurance? What do we have in place to track where we're receiving that revenue? Can they cut us a check back so that we can match up that revenue is coming in and is a true revenue stream and not just a credit somewhere? Councilwoman Felton asked if it was possible to look back last year and see where this money went. Mayor Rivers stated that right now, the budget just shows \$10,000 as an expenditure and no revenue. As far as he was concerned, they could cut that and put it in IT.

### **ECDI:**

Manager Freeman said ECDI was a two-person department, though the City only assisted with funding for one position. The \$119,085 cost was for personnel. Operating costs are the same. \$85,700 will move to \$86,900 for the director's wages. There is one full-time position, which is Director Malenfant. There is one part-time position, but that is paid from the ECDI budget and not funded by the City. ECDI reimburses the City for 65% of the director's salary.

### **Planning Department:**

Director Goodson advised that there are three full-time employees in the Code Enforcement Department. Code Enforcement keeps everything from buildings to parking to signs cleaned up and regulated within the City's ordinances. The past year there were only two employees in this department. There was a new employee now, which is why the salary has increased. The two code enforcement officers and the minimum housing officer are all considered part of Code Enforcement. The minimum housing inspector was just approved in this current fiscal year. Mr. Todd Henry was introduced to the Council during the last meeting.

Councilman Biggs stated that the year most of them first came on board, they significantly increased the postage line for property abatement letters because cleaning up the City was important. Now, it looks like the recommendation is to slash that funding. Building demolitions are also housed in Code Enforcement. You've already identified nine houses that are ready to be demolished, is that right? Director Goodson confirmed that was correct. Ideally, the owners should handle the demolition, but if they don't, the City would have to spend the money to take care of it. Councilman Biggs asked what's included in demolition. Director Goodson explained it would cover asbestos abatement, the actual demolition, and clean up. Councilman Biggs asked what would fall under the "other abatement fees" item. Director Goodson replied that those were contracted services. We have to follow the steps outlined in general statute. Going from the point of citing someone to getting the property back up to code doesn't happen overnight. Councilman Biggs pointed out that this department has already zeroed in on nine houses and they're ready to go. We gave them a minimum housing inspector and they filled the role; they have someone dedicated to fixing these issues, but we have to give them the proper funding. Director Goodson pointed out that before they had the housing inspector, they had their building inspector trying to manage some of this and he was completely overworked. We now have someone who can concentrate on this daily. If the owner doesn't demolish the proper after we notify them, it will come to Council for your order. Councilman Biggs asked if Director Goodson was saying those nine could be voted on at the next meeting. Director Goodson said no; the properties are identified, listed and we're ready to begin the citation process. We will take the process through. By next fiscal year, they'll be demolished either by the City or the owner, one way or the other. Councilman Biggs asked if any of these properties might be okay to burn. Director Goodson explained that if the homes were built before 1968, they would likely not be okay to burn as you can be certain asbestos will be present.

Councilwoman Felton asked how long it takes before a lien appears on the property or there's a tax foreclosure. Director Goodson said it generally took a few years before reaching that point. He noted that his office does keep a file on all of the properties they abate with running totals of exactly how much money the City put into everything.

Mayor Rivers agreed that they must verify the postage line item is adequate. We want to make sure we're having an aggressive campaign for City cleanliness and that requires a lot of certified mail. I don't want to tell you make this a priority and then not give you the ability to do it. Manager Freeman stated that he would make a note to increase that funding.

Mayor Rivers asked why contracted services were only at \$10,000. That would be lot clearings, wouldn't it? Director Goodson confirmed that contracted services would cover grass, weeds, debris, trees, junk vehicles, boarding up houses. He said they could not maintain any of that for \$10,000. There is absolutely no way. The contracted services line item was \$35,000 last year, but there was \$9,000 in a separate line item specifically for boarding up houses. Even with \$44,000 between them we were going over. Now it has been combined into one for \$34,000 less. He reiterated that there was no feasible way to do any of this for \$10,000. They get a lot of lot clearing, especially in the summer. Grass season is ramping up and people will refuse to mow. We will not be able to do anything about it if we don't have the money.

Mayor Pro Tem Spence asked who controls who hires the mowing companies. Director Goodson stated that the Purchasing Department has to send out for a lowest responsive responsible bid. Community Development doesn't control that process or pricing. The only thing Community Development assesses is the administrative fee, but it's been a long time since that's been raised.

Councilman Biggs asked prior to the contracted services, where was lot clearing housed within the budget. Director Goodson said that it was a separate item in Code Enforcement specifically called Lot Clearing. He didn't have it in front of him, but he would bring it back. Councilman Biggs expressed concern that the Council was not providing Director Goodson enough money to do the bare minimum. We say we want a clean city but we have no follow through. We don't give people enough money to do what we want them to do. Lot Clearing was 10-4800-4601 in the last budget and we budgeted \$35,000 for that and then \$9,800 for contracted services. We're actually trying to cut him \$35,200. The last budget-to-actual has us over \$23,000 for that. They're doing a lot of work out there. Director Goodson pointed out that between the warm weather and the steady rain, it's really about to pick up.

Manager Freeman stated that he wasn't sure why the correct total did not print in current budget. His recommendation for that line item should be \$35,000. Director Goodson noted that it's combined, but it's cut extremely short. Mayor Rivers declared that the Council could not say they were being aggressive with the cleanup of the city and then turn around and not give the budget required to do anything. Councilman Gibbs pointed out that under contracted services it mentions that they're combined, so it's in there, but it's cut to pieces. Councilman Biggs asked if we had a demolition budget at all last year. Director Goodson replied that it was included in inspections and it should not have been in there.

Manager Freeman asked what the request should have been. Director Goodson replied that he requested an increase for lot clearing / contracted services and demolition based on Council's desire to clean up the city. Manager Freeman stated they would bring new numbers for that because it would change a few things. Mayor Rivers said right now, you have \$10,000 recommended for lot clearing. You need to find the rest of the money he needs because we want that added in there.

Councilwoman Felton noted that the grant writer used to be under Community Development and they did a lot of CDBG and helped many people in the community. Director Goodson shared that when he first came on, the Albemarle Commission was supposed to help with our community grants, but they really didn't. Back then, he wrote in a grant writer position for Elizabeth City, which is why it was under Community Development. Over the years that position has moved under Finance. There are some community-centered grants out there, but we'll be competing against other small communities for those.

Mayor Pro Tem Spence asked why grants were taken from under Community Development and moved to Finance. Director Goodson didn't know; it was after he left. Mayor Pro Tem Spence felt the position should move back under Community Development because Finance was too busy. Hertford helps Hertford and Elizabeth City should be helping Elizabeth City. Manager Freeman noted that there's a request for a part-time grant writer in this year's budget. Our grant writer, Jon Hawley takes care of all of the City's grants and does a fantastic job. Councilman Walton asked where Jon's office space is located Manager Freeman said he's on the 2<sup>nd</sup> floor of the Midgett Building. He noted that not only does Jon write the grants, but he also administers them and it's a huge undertaking.

Councilman Peel cautioned to remember that where Jon or a grant writer exists in this organization is not the Council's decision. Mayor Pro Tem Spence clarified that he wasn't telling the manager to put Jon there, he was just saying he'd like it. Mayor Rivers confirmed that it wasn't the Council's choice.

Director Goodson briefly discussed some of the Planning positions. A Level II Planner was hired recently. They are still interviewing for a senior level position. Councilman Peel asked if these were new positions. Director Goodson said they were not.

There are no new positions included for Building Inspections, although some of the current positions are vacant. Councilman Biggs asked why there's a \$106,000 increase in the department overall if all of these positions were budgeted. Are we creating new positions? Director Goodson stated that all of the positions approved, just not budgeted or filled. Councilman Peel opined that they couldn't be filled because there was no money in the budget; that's where the increase is coming from. Director Goodson agreed that's what it appeared to be, that positions were approved but there was no money tied to

them. Councilman Peel clarified that the department has grown. Director Goodson said that it had, and it was needed. When I came in, there was a backlog and developers were very upset. The backlog has been cleared, but new requests continue to come in. Councilman Biggs understood that it was needed, but now we have more personnel there than we've ever had since I've been on Council. Do we still need another one or is this something we can discuss? Director Goodson stated that the part-time position will be removed once we get the senior planner. Councilman Biggs opined that he'd rather have the part-time position. Councilman Peel noted that they had also added an office manager on top of an administrative assistant that already existed. Director Goodson said the office manager did not technically exist under that title. Additionally, the office manager is under the Finance budget. Manager Freeman explained that the office manager in question was in Customer Service and then moved to Community Development. Councilman Peel asked if they were they part of the \$140,000. Director Goodson said they were. Councilman Peel worried that there wasn't enough money reflected in the budget for all these people. Councilman Biggs questioned why they are adding so many positions here. You have the director who also serves as a planner, the new Planner 2, and then we'll add another senior planner, and then you also have an office manager and an admin. So director, admin, planner, senior planner, office manager. Mayor Rivers asked if the admin and office manager were the same thing, Director Goodson replied that they were two different positions. Mayor Rivers asked if this is going to be a wash when we get to Finance then. Director Goodson said it would, as the office manager position would be coming out of Customer Service. Mayor Rivers pointed out that they needed to remember to check to make sure it's been deleted from Customer Service. Councilman Peel stated they just need to make sure it's the right amount of people and the right amount of money. Councilman Biggs thought the senior planner would already be included. We approved for four positions. If you add the office manager or moved somebody over or whatever, that makes five. It says it in the notes that they're requesting to increase, but we increased the department's budget \$100,000 last year too.

Mayor Rivers thought they had a flow chart last year and that was helpful. Councilwoman Whitehurst agreed that would be great. Mayor Rivers stated that they would wait to continue this conversation until the next meeting, at which time they would pick up here and with the remaining questions about HR.

Councilman Biggs asked that since the health insurance could potentially be such a large increase do we need to update the budget books across the board. He didn't want any surprises at the end. He imagined that it would be a steep increase.

Councilman Peel asked with our audit submitted and only one away from catching up, do we have any better understanding of what our fund balance might be. Manager Freeman confirmed that we do, and we have a presentation on that coming. Mayor Rivers noted they would have an update during the Regular Session on Monday.

Manager Freeman stated that he would bring back the HR items, the insurance numbers and the answers to the lingering questions from this evening's discussion for the next meeting and they would pick up from there.

## **2. Adjournment:**

There being no further business to be discussed, Mayor Rivers adjourned the meeting at 7:31 p.m.

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E. Kirk Rivers  
Mayor

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April D. Onley  
City Clerk, NCCMC