ROCKY MOUNT, NC
THE CENTER OF IT ALL

ROCKY MOUNT CITY COUNCIL

COMMITTEE OF THE WHOLE MEETING

MONDAY, FEBRUARY 14, 2022

CITY COUNCIL
COMMITTEE OF THE WHOLE

MONDAY, FEBRUARY 14, 2022
4:00 PM

AGENDA

1. City Manager Recruitment	Carl Stenberg
2. Extend Master Services Agreement With Aetna	Kena Cofield-Jones Mark Browder, Mark III
3. Red Light Cameras	Elton Daniels
4. Crime Stats	Robert Hassell
5. Quarterly Financial Update	Ken Hunter
6. QVC Fire Video	Corey Mercer Jamey Cooke

7. Closed Session
    - Property acquisition
    - Attorney-client
    - Personnel

MEMORANDUM

ROCKY MOUNT
CITY MANAGER'S OFFICE
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To: Mayor and City Council

From: Peter Varney, Interim City Manager

Date: 2/5/2022

Re: City Manager Recruitment

The School of Government at the University of North Carolina at Chapel Hill is the largest university based local government training, advisory, and research organization in the United States.

Carl Stenberg has been a member of the faculty since 2003. He teaches a number of courses including "Essentials of Municipal Government for newly elected municipal officials. He has extensive contact with city and county managers and with local governing boards in the State of North Carolina.

Dr. Stenberg will be present at the Committee of the Whole meeting, Monday, February 14th to discuss the process of recruiting a city manager using a search firm.

The city council engaged Developmental Associates to assist in the recruitments of city managers here in 2010 and 2017.

Attached is a list of recruitment firms for your consideration.

MEMORANDUM

ROCKY MOUNT
CITY MANAGER'S OFFICE
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To: Peter Varney, Interim Cit Manager

From: Elton Daniels, Assistant City Manager ED

Date: January 25, 2022

Re: Executive Search Firms

Listed below are a few search firms that may be able to assist the Mayor and Council with their executive recruitment i.e. City Manager search. (Firms are listed in no specific order.)

1. The Mercer Group – Ellis Hankins - 919-349-8988 - ellis.hankins@gmail.com

2. Ralph Andersen & Associates – Robert Burg - 916 630-4900 - info@ralphandersen.com

3. Janice Allen Jackson and Associates – Janice Jackson - 704-707-5114 - JaniceAllenJackson@gmail.com (MWBE)

4. Development Associates – Dr. Steve Straus - 919-813-6096 - skstraus@developmentalassociates.com

5. Triangle J Council of Governments - Lee Worsley - 919-558-9395 - lworsley@tjcog.org

6. Upper Coastal Plains Council of Governments – Robert Hiett -252-234-5950 - lworsley@tjcog.org

- I will be attending the North Carolina City/County Manager's Association Winter Seminar next week, where I should be able to scout out a few others.

Please let me know if you have questions or need additional information.

Respectfully Submitted,

Elton Daniels
Assistant City Manager | Office of the City Manager

Item

ROCKY MOUNT
CITY MANAGER'S OFFICE
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City Council Agenda

Date: 02/14/2022

To: The Honorable Mayor and City Council

Subject: Recommendations Extension of Health Plan for the Year 2022-23.

Summary of Requested Action:

Staff requests Council to grant authorization to Mayor for extending Master Services Agreement with Aetna Life Insurance Company to serve as the City of Rocky Mount's health plan provider for an extended period of one-year effective July 1, 2022.

Brief note outlining the extension proposal is attached for kind perusal. Our benefits broker Mark III will make a presentation to the Council.

Department Requesting Action:

Human Resources Department

Budgetary Impact:

Aetna has increased the wellness allowance by $10,000 and extended the fee holiday for 3 months like in the current contract.

City Manager's Recommendation: Authorize the Mayor to extend Master Service Agreement for a period of one-year effective July 1, 2022.

I recommend that the City Council authorize the Mayor and City Clerk to execute the Master Service Agreement.

PV

Item

Brief Note for Extension of Contract for providing Medical Insurance Services.

Background information:
The City of Rocky Mount entered into a Master Service Agreement with Aetna Life Insurance Company for a period of three years starting from July 1, 2018. Further extension of one year was approved by the council which is due to expire on June 30, 2022.

Our experience of services provided by Aetna is quite satisfactory and they have shown tremendous partnership in employee's health insurance, wellness, and employee assistance program.

Proposal:

Aetna has sent their proposal for extending health insurance services to the City's self-funded medical plan for one year. While most of the terms and conditions of the existing contract will remain unchanged, Aetna has offered to provide the below favorable changes by an increase in the fee holiday, better discounts and fees for the pharmacy contract, and enhanced wellness allowance etc.:

Item Description	Existing Contract	Proposed Contract	Difference ($)
Administration Fee Per Employee Per Month (PEPM)	17.37	No Change	
Broker Compensation PEPM	2.13	No Change	
Fee Holiday	3 Months	3 Months	
Wellness Allowance Per Year	50,000	60,000	10,000
Overall			**10,000**

Aetna has not increased Administration Fee and increased wellness allowance by $10,000/-.

Aetna has quoted a 33% increase in the Stop Loss premium. Our benefits broker, Mark III and staff will negotiate the stop loss contract separately and we will bring this to council for approval no later than May 2022.

Based on performance and utilization pattern, staff recommend a 20% reduction in premium for the HSA plan and an increase of the annual HSA/HRA from $600 to $750. It is also proposed to add an additional tier premium, Employee + Children. It is expected to result in premium buoyancy and attraction of HSA plan.

Recommendation:

- Extend the master service agreement for Administration and Pharmacy Contract with Aetna Life Insurance Company for a further period of one-year effective July 1, 2022.
- Reduce the premium charged from employee in HSA plan by 20%.
- Add another tier of Employee + Children for premium.
- Increase HSA/HRA payment by $150 per year.

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PLAN UPDATE

2022-2023 Planning – Medical Plan

Mark III
Employee Benefits

Mark III / Human Resources 02/14/2022

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2022-2023 Medical Plan Renewal

- The Plan Years 2019 – 2020 and 2020 – 2021 performed very well, with a net negative trend of 3%.
- The 2021 – 2022 Plan Year is seeing a surge in high claimants.
- While there is a significant increase in high claimants, there is no funding increase needed from the City or employees.
- Based on claims, there is an opportunity to improve benefits for the HSA Plan:
  - Increase City Fund (HSA/HRA) contributions.
  - Based on Plan performance, reducing HSA Dependent Premiums in the HSA Plan is doable.

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High Claimants

Claimant	Total	ICD-10 Code Description – 2020 – 2021
Claimant 1	**$397,874**	Hereditary Factor Viii Deficiency
Claimant 2	**$387,018**	Other Specified Sepsis
Claimant 3	**$349,679**	Malignant Neoplasm Of Unspecified Kidney, Except Renal Pelvis
Claimant 4	**$264,354**	Breakdown (mechanical) Of Other Gastrointestinal Prosthetic Devices, Implants And Grafts, Initial Encounter
Claimant 5	$257,467	Encounter For Screening For Malignant Neoplasm Of Colon
Claimant 6	$245,598	Low Back Pain
Claimant 7	$238,737	Encounter For Antineoplastic Chemotherapy
Claimant 8	$174,678	Diffuse Large B-cell Lymphoma, Lymph Nodes Of Head, Face, And Neck
Claimant 9	$154,325	Other Cholangitis
Claimant 10	$128,195	Other Specified Diseases Of Intestine

Claimant	Total	ICD-10 Code Description – 2021 – 2022
Claimant 1	**$595,327**	Thyrotoxicosis With Diffuse Goiter Without Thyrotoxic Crisis Or Storm
Claimant 2	**$552,293**	Covid-19
Claimant 3	**$407,222**	Hereditary Factor Viii Deficiency
Claimant 4	**$365,545**	Restricted Diagnosis
Claimant 5	$359,195	Acute Myeloblastic Leukemia, In Remission
Claimant 6	$261,856	Secondary Malignant Neoplasm Of Brain
Claimant 7	$199,341	Mantle Cell Lymphoma, Lymph Nodes Of Multiple Sites
Claimant 8	$130,768	Malignant Neoplasm Of Unspecified Kidney, Except Renal Pelvis
Claimant 9	$127,914	Multiple Sclerosis
Claimant 10	$84,498	Chronic Lymphocytic Leukemia Of B-cell Type Not Having Achieved Remission

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2021-2022 Experience

PPO Actives

	Medical	Pharmacy	Total	Admin	SSL	Stop-loss Credits	Other Credits	Total Costs	Subs	Claims/Sub/ Month	Members	Claims/Mbr/ Month	City Expected Total Cost
July-21	$191,399.08	$72,716.02	$264,115.10	$2,359.50	$11,620.84	$28,020.40	$0.00	**$250,075.04**	121	$2,182.77	165	$1,600.70	**$102,124.00**
August-21	$33,262.94	$55,612.97	$88,875.91	$2,359.50	$11,620.84	$3,719.88	$0.00	**$99,136.37**	121	$734.51	165	$538.64	**$102,124.00**
September-21	$119,462.94	$26,289.04	$145,751.98	$2,359.50	$11,620.84	$0.00	$85,510.51	**$74,221.81**	121	$1,204.56	165	$883.35	**$102,124.00**
October-21	$73,875.92	$67,973.25	$141,849.17	$2,379.00	$11,716.88	$227,994.32	$0.00	**-$72,049.27**	122	$1,162.70	162	$875.61	**$102,968.00**
Total	**$418,000.88**	**$222,591.28**	**$640,592.16**	**$9,457.50**	**$46,579.40**	**$259,734.60**	**$85,510.51**	**$351,383.95**	**485**	**$1,320.81**	**657**	$975.03	**$409,340.00**
	Rx/Sub	**$458.95**											

PPO Retirees

	Medical	Pharmacy	Total	Admin	SSL	Stop-loss Credits	Other Credits	Total Costs	Subs	Claims/Sub/ Month	Members	Claims/Mbr/ Month	City Expected Total Cost
July-21	$25,019.21	$57,328.76	$82,347.97	$1,345.50	$6,626.76	$0.00	$0.00	**$90,320.23**	69	$1,193.45	72	$1,143.72	**$58,236.00**
August-21	$20,898.50	$71,115.38	$92,013.88	$1,345.50	$6,626.76	$0.00	$0.00	**$99,986.14**	69	$1,333.53	72	$1,277.97	**$58,236.00**
September-21	$128,489.36	$48,902.70	$177,392.06	$1,306.50	$6,434.68	$0.00	$0.00	**$185,133.24**	67	$2,647.64	70	$2,534.17	**$56,548.00**
October-21	$41,484.51	$57,670.96	$99,155.47	$1,248.00	$6,146.56	$0.00	$0.00	**$106,550.03**	64	$1,549.30	67	$1,479.93	**$54,016.00**
Total	**$215,891.58**	**$235,017.80**	**$450,909.38**	$5,245.50	$25,834.76	**$0.00**	$0.00	**$481,989.64**	**269**	**$1,676.24**	**281**	$1,604.66	**$227,036.00**
	Rx/Sub	**$873.67**											

HSA Actives

	Medical	Pharmacy	Total	Admin	SSL	Stop-loss Credits	Other Credits	Total Costs	Subs	Claims/Sub/ Month	Members	Claims/Mbr/ Month	City Expected Total Cost
July-21	$445,267.13	$115,068.13	$560,335.26	$12,675.00	$62,426.00	$56,657.65	$0.00	**$611,278.61**	650	$862.05	858	$653.07	**$548,600.00**
August-21	$247,210.42	$165,142.75	$412,353.17	$12,655.50	$62,329.96	$191,881.57	$0.00	**$327,907.06**	649	$635.37	854	$482.85	**$547,756.00**
September-21	$222,911.29	$91,004.06	$313,915.35	$12,694.50	$62,522.04	$312,453.10	$0.00	**$109,228.79**	651	$482.20	851	$368.88	**$549,444.00**
October-21	$148,947.89	$110,796.94	$259,744.83	$12,850.50	$63,290.36	$181,056.17	$0.00	**$187,779.52**	659	$394.15	862	$301.33	**$556,196.00**
Total	**$1,064,336.73**	**$482,011.88**	**$1,546,348.61**	**$50,875.50**	**$250,568.36**	**$742,048.49**	**$0.00**	**$1,236,193.98**	**2,609**	**$592.70**	**3,425**	$451.49	**$2,201,996.00**
	Rx/Sub	**$184.75**											

HSA Retirees

	Medical	Pharmacy	Total	Admin	SSL	Stop-loss Credits	Other Credits	Total Costs	Subs	Claims/Sub/ Month	Members	Claims/Mbr/ Month	City Expected Total Cost
July-21	$64,200.85	$17,870.62	$82,071.47	$2,164.50	$10,660.44	$0.00	$0.00	**$100,446.41**	111	$739.38	119	$689.68	**$93,684.00**
August-21	$75,380.68	$27,978.02	$103,358.70	$2,262.00	$11,140.64	$0.00	$0.00	**$122,561.34**	116	$891.02	125	$826.87	**$97,904.00**
September-21	$44,217.21	$25,131.86	$69,349.07	$2,262.00	$11,140.64	$0.00	$0.00	**$88,551.71**	116	$597.84	125	$554.79	**$97,904.00**
October-21	$141,099.88	$37,232.88	$178,332.76	$2,223.00	$10,948.56	$0.00	$0.00	**$197,204.32**	114	$1,564.32	122	$1,461.74	**$96,216.00**
Total	**$324,898.62**	**$108,213.38**	**$433,112.00**	$8,911.50	$43,890.28	$0.00	$0.00	**$508,763.78**	**457**	**$947.73**	**491**	$882.10	**$385,708.00**
	Rx/Sub	**$236.79**											

Both Plans

	Medical	Pharmacy	Total Claims	Admin	SSL	Stop-loss Credits	Other Credits	Total Costs	Subs	Claims/Sub/ Month	Members	Claims/Mbr/ Month	City Expected Total Cost
July-21	$725,886.27	$262,983.53	$988,869.80	$18,544.50	$91,334.04	$84,678.05	$0.00	**$1,052,120.29**	951	$1,039.82	1,214	$814.56	**$802,644.00**
August-21	$376,752.54	$319,849.12	$696,601.66	$18,622.50	$91,718.20	$195,601.45	$0.00	**$649,590.91**	955	$729.45	1,216	$572.86	**$806,020.00**
September-21	$515,080.80	$191,327.66	$706,408.46	$18,622.50	$91,718.20	$312,453.10	$85,510.51	**$457,135.55**	955	$739.69	1,211	$583.33	**$806,020.00**
October-21	$405,408.20	$273,674.03	$679,082.23	$18,700.50	$92,102.36	$409,050.49	$0.00	**$419,484.60**	959	$708.11	1,213	$559.84	**$809,396.00**
Total	$2,023,127.81	$1,047,834.34	$3,070,962.15	$74,490.00	$366,872.80	**$1,001,783.09**	$85,510.51	**$2,578,331.35**	3,820	**$803.92**	4,854	$632.67	**$3,224,080.00**
	$529.61	**$274.30**	34.12%			**273.06%**		**Trend**		**120.79%**			**$645,748.65**

- Medical Claim are up significantly.

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2022-2023 Medical Renewal Goals

The City's goals are to improve benefits and costs, based on historical claims:

Plan History	PPO Active Claims/Sub/Month	PPO Retiree Claims/Sub/Month	HSA Active Claims/Sub/Month	HSA Retiree Claims/Sub/Month
2018 - 2019	$1,018.95	$1,253.31	$377.35	$949.44
2019 - 2020	$904.07	$1,603.63	$467.84	$1,193.97
2020 - 2021	$1,260.39	$1,752.51	$413.99	$738.76
2021 - 2022	$1,320.81	$1,676.24	$592.70	$947.73
Average	**$1,126.06**	**$1,571.42**	**$462.97**	**$957.48**

Based on claims, the real opportunity for improvement lies with the HSA Plan:

- The HSA Plan has significantly outperformed the PPO Plan.
- The opportunity with the HSA Plan is through fund contributions improvement.

2022-2023 Medical Renewal Goals

Aetna Renewal:

- On the current administrative arrangement, Aetna has no increase in Medical Plan Administration costs.
- However, the Stop Loss renewal from Aetna has a 33% increase in premium and needs work.
- Also, we need better cooperation from Aetna on some unique pharmacy programs to significantly reduce high claimant costs.

2022-2023 Medical Plan

RECOMMENDATIONS:

- Increase the City contribution to the HSA/HRA Plan to $750.
- Reduce HSA Dependent Premiums by 20% based on Plan performance.
- Add a Child tier.
- Renew the Medical Plan Administration with Aetna.
- Wait on renewing Stop Loss coverage and some Pharmacy Program strategies.

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2022-2023 Medical Renewal Goals

	Aetna - Current		Option 1: Aetna	
	7/21 - 6/22 PPO	7/21 - 6/22 HSA	7/22 - 6/23 PPO	7/22 - 6/23 HSA
Primary Care Physician Visits	$40	Deductible/20%	$40	Deductible/20%
Specialist Physician Visits	Deductible/30%	Deductible/20%	Deductible/30%	Deductible/20%
Preventive Care	0%	0%	0%	0%
Deductible	$3,000	**$1,500**	$3,000	**$1,500**
Deductible - Family Maximum	$5,500	**$3,000**	$5,500	**$3,000**
Out of Pocket Limit	$6,000	$3,500	$6,000	$3,500
Out of Pocket Limit - Family Max	$11,500	$5,000	$11,500	$5,000
In-patient Hospital Services	Deductible/30%	Deductible/20%	Deductible/30%	Deductible/20%
Out-patient Hospital Services	Deductible/30%	Deductible/20%	Deductible/30%	Deductible/20%
Emergency Room	Deductible/30%	Deductible/20%	Deductible/30%	Deductible/20%
Pharmacy	One-time $150 Deductible 3x $4/$45/$60/25%	Deductible/20%	One-time $150 Deductible 3x $4/$45/$60/25%	Deductible/20%
	Health Map Rx For Generics	$600 - HSA or $600 - HRA	Health Map Rx For Generics	**$750 - HSA or $750 - HRA**
	$350 $100 HMRX	**$350 $100 HMRX**	**$350 $100 HMRX**	**$350 $100 HMRX**
Total Waist and HSA Contribution		**$950**		**$1,100**
Select Diabetes Medication	**Free**	**Free**	**Free**	**Free**
HSA Only for New Hires	**Yes**	**Yes**	**Yes**	**Yes**
				20% Change
Employee Only	$58.31	$0.00	$58.31	**$0.00**
Employee and Spouse	$617.47	$506.06	$617.47	**$404.85**
Employee and Child			$287.11	**$229.69**
Employee and Children	$474.46	$378.37	$474.46	**$302.70**
Employee and Family	$947.68	$800.88	$947.68	**$640.70**

- **Option 1 provides opportunity via the Plan that is performing at a high level and has the significant membership, with no funding increase needed by the City**

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2022-2023 Medical Renewal Goals

	Aetna 2021 - 2022 $125,000 Spec Laser - $325,000	Option 1 Aetna 2022 - 2023 $125,000 Spec - Firm Laser - $325,000		Option 2 Aetna 2022 - 2023 $125,000 Spec - Firm Laser - $325,000 – High Rebate Share	
Plan Administration Fee	$17.37	**$17.37**	**100%**	**$35.00**	**201%**
Broker Compensation	$2.13	$2.13	100%	$2.13	100%
Specific Stop-loss	$96.04	**$127.69**	**133%**	**$127.69**	**133%**
Aggregate Stop-loss - None	$0.00	$0.00		$0.00	
Total Administration Fees	**$115.54**	**$147.19**	127%	**$147.19**	**127%**
Annual	**$1,357,710.54**	**$1,729,629.69**	127%	**$1,729,629.69**	**127%**
Laser	**$325,000.00**	**$325,000.00**		**$325,000.00**	
Laser Allocation	**$1,682,710.54**	**$2,054,629.69**	**122%**	**$2,054,629.69**	**122%**
Difference		**$371,919.15**		**$371,919.15**	
	Rebates Shared	Rebates Shared		Rebates Shared	
	50K yearly wellness	**60K yearly wellness**		**60K yearly wellness**	
Three Month Admin Fee Waiver	N/A	**$20,000**		**$20,000**	

NEXT STEPS:

- Finalize the Stop Loss and some Pharmacy components and bring to Council no later than May 2022.

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VOLUNTARY BENEFITS

2022-2023

Mark III

Employee Benefits

Mark III / Human Resources 02/14/2022

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Voluntary Benefits Summary

The Standard
- ACCIDENT
- CANCER
- CRITICAL ILLNESS
- HOSPITAL INDEMNITY
- GROUP LIFE
- VISION

Manhattan Life & Met Life
- CANCER

Mass Mutual
- PERMANENT LIFE

One America/AUL
- SHORT-TERM DISABILITY
- LONG-TERM DISABILITY

Ameritas
- DENTAL

Legal Shield/ID Shield
- LEGAL & IDENTITY PROTECTION

Met Life
- PET INSURANCE

BENEFITS:

- The STANDARD
  - 3-year Rate Guarantee
  - Group Life: Rate Reduction
- AMERITAS
  - Rate Reduction
  - 2-year Rate Guarantee
- VISION
  - Dual Option Plan
- ONE AMERICAL/AUL
  - 3-year Rate Guarantee

Thank you!

Mark III
Employee Benefits

MEMORANDUM

ROCKY MOUNT
PUBLIC WORKS
THE CENTER OF IT ALL

To: Rochelle Small-Toney, City Manager

Cc:

From: Brad Kerr, PE, Director of Public Works

Date: December 8, 2021

Re: Red-Light Camera System

The purpose of this memo is to provide an executive summary of the Red-Light Camera (RLC) research conducted by Staff. More specifically, the information below gives a brief history of the City's previous RLC program as well as outlines how other cities across the state have implemented RLC programs e.g. associated costs, vendor information, number of cameras, lease versus own, etc.

Background

The goal of a RLC program is to increase traffic safety by reducing red-light running violations, collisions and injuries. According to the Governors Highway Safety Association, twenty-two (22) states, the District of Columbia and the U.S. Virgin Islands have red-light cameras currently operating in at least one location. Eight (8) states prohibit their use, and twenty-one (21) states have no state law concerning red-light camera enforcement.

North Carolina law (§160A-300.1) permits jurisdictions within the state to use automated cameras at intersections to catch red light violators. The City of Rocky Mount (Engineering Department) previously operated a RLC program --- "Safelight Camera Program" from 2002 to 2008. The City had five (5) cameras located at the following intersections:

1. E. Raleigh/Hill
2. Wesleyan/Stone Rose
3. Sunset/Circle
4. Benvenue/Tiffany
5. Wesleyan/Sutters Creek.

According to City records, a total of $792,746 was paid to the vendor (TrafficPax) and $439,060 was paid to the Nash Rocky Mount School System (after a settlement was reached).

Data from other N.C. municipalities

Staffing: 1 Primary Administrator[1], 1 back up administrator, and 1-3 appeals officials

Municipality	Population	Number of cameras	Number of Intersections	Citation Cost	Own or lease	Vendor
Raleigh	457,159	15 (25)[2]	15 (25)	$50.00	Lease	Conduent
Fayetteville	209,465	15	13	$100.00	Lease	Verra Mobility
Wilmington	118,094	13	12	$50.00	Lease	ATS[3]
Greenville	93,136	10	5	$100.00 [4]	Lease	Verra Mobility

(2019 Data)

Municipality	Annual revenue generated	Annual Expenses	Amount given to schools (dollar amount)
Fayetteville	$1,620,000	$567,000	$1,053,000
Greenville	$2,000,000	$1,400,000	$600,000
Raleigh	$1,068,375	$595,179	$474,196
Wilmington*[5]	$810,000	$364,500[6]	$729,000

Municipalities operating RLC programs under the original NCGS 160A-300.1 legislation are required to send 90% of gross proceeds to the local school system unless they receive supplementary program legislation from the North Carolina General Assembly. The gross proceeds rule stems from Article 9 Section 7 of the N.C. State Constitution. Raleigh, Fayetteville and Greenville have all received special legislation providing a program exemption from this clause.

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[1] Administrators vary from City Traffic Engineers to Police Officers

[2] At the time this research was conducted the City of Raleigh had 15 cameras located at 15 intersections. They anticipated installing an additional 10 cameras/intersections by the end of FY 20.

[3] Verra Mobility is a global conglomerate and American Traffic Solutions is their North American Subsidiary.

[4] The City of Greenville increased their violation fine from $50 to $100 within the last 3 months

[5] Wilmington operates under the original N.C. G.S. 160A. 300.1 (which requires 90% of revenue to go to the school system).

[6] New Hanover Co. pays half of expenses (approximately $180K)

Payment Options:

- Cost Absorption: City or local coalition covers the cost deficit incurred after sending 90% of gross proceeds to school system. (Wilmington)

- Cost Appropriation: City pays initial expenses associated with RLC program and sends 100% of program revenues to school system along with an invoice for expenses incurred. School system reimburses the city for program expenses 2-4 weeks after receipt of invoice. (Fayetteville)

- Cost Avoidance: City pays vendor for services rendered upon collection of program revenues. Net proceeds are remitted to the local school system after all program expenses are paid. (Raleigh/Greeneville)

Items to consider:

1. Potential reduction in motor vehicle accidents (at intersections)
2. Special legislation requirement(s)
3. Associated costs/lease versus own
4. Payment Options
5. School system revenue split (Edgecombe County/ Nash County)
6. Staffing (Traffic Engineers, Police Officers, etc.)

If Council approves moving forward with a Red-Light Camera program, the following steps need to occur:

- Determine if the City will operate under NCGS 160A-300.1 or seek special legislation providing a program exemption
- Procure a vendor
- Determine how the program will be administered as it relates to payment options and staff i.e. Police Department, Engineering and or Vendor
- Enter into an agreement/MOU with the School System(s) based on legislation requirements
- Work with approved vendor to determine location of cameras

Attached are the following documents:

a. § 160A-300.1. Use of traffic control photographic systems
b. Local Measure 160A-300.1 modifications for Fayetteville and Greenville
c. City of Rocky Mount Settlement Letter with the School System
d. Data regarding Motor Vehicle Accident location in Rocky Mount (2016-2019)
e. Summary of findings from staff interviews conducted (Raleigh, Fayetteville, Wilmington, Greenville).

Respectfully Submitted,

Brad Kerr, PE

Director | Public Works

Data regarding Motor Vehicle Accident location in Rocky Mount (2016-2019)

1. Grace St @ Sunset Ave - 25 crashes
2. Church St @ Sunset Ave - 15 crashes
3. Benvenue Rd @ Jeffreys Rd - 14 crashes
4. E. Grand Ave @ Atlantic Ave - 14 crashes
5. Wesleyan Blvd @ Bishop Rd - 13 crashes
6. Atlantic Ave @ E. Thomas St - 12 crashes
7. Winstead Ave @ English Rd - 10 crashes
8. Wesleyan Blvd @ Lowe's Crossover - 9 crashes
9. Wesleyan Blvd @ Rowe Dr - 9 crashes
10. Wesleyan Blvd @ Jeffreys Rd - 9 crashes

(Information obtained from NCDOT and is intended for illustrative purposes only)

MEMORANDUM

ROCKY MOUNT
CITY MANAGER'S OFFICE
THE CENTER OF IT ALL

To: Elton Daniels, Assistant City Manager

From: Chase A. Norwood, Management Analyst

Date: 03/18/2020

Re: NC Red Light Camera Programs

In response to the request made Councilman Daughtridge about implementing a Red-Light Camera Program (RLC), discussions were held with four neighboring municipalities that are currently operating programs of this type. The four jurisdictions outlined in this report are Raleigh, Fayetteville, Wilmington and Greeneville. Charlotte and Asheville do not currently have Red Light Programs in operation, so they were removed from this study.

Wilmington

Wilmington has the longest running Red Light Camera program in NC, which has been in place since the original legislation. Their program administrator is a traffic engineer named Don Bennet and the following information comes from discussions with him.

The enabling legislation for the City of Wilmington is North Carolina general statute 160A-300.1. According to Don, this is the original legislation that was used by all municipalities using an RLC before the Shavitz vs. City of High Point case in 2006. This court case is important because it established the precedent that all municipalities operating programs under NCGS 160A-300.1 are required to pay 90 percent of gross proceeds to the local school system. Wilmington operates their program despite this due to a cost-share agreement with New Hanover county. As part of this agreement, New Hanover County pays 50 percent of the service costs annually with the city paying the rest.

Their operating vendor, chosen through the city's bid process, is Verra Mobility. Verra Mobility operates under the name American Traffic Solutions in the US. As part of the contract, Wilmington charges 50$ per citation to citizens who run red lights at monitored intersections and the vendor handles all operating, start-up and administrative costs except for the appeals process. This amounts to an estimated 95% of overall costs. The city sends 27,000 citations out annually for 12 intersections monitored by 13 cameras. Forty-five dollars per ticket, or 90 percent of gross, is sent straight to New Hanover County Schools. The remaining 10% is used to pay part of the Vendor fee, which is 22.50 per paid citation. Wilmington sees an average collection rate of 60 percent, resulting in an average revenue of $810,000. Of that sum, $729,000 goes to the school system. The Vendor fees for Wilmington amount to about $364,500 annually, with the city and county paying $180,000 each.

When an individual appeals their citation in Wilmington, they are invited to City Hall as part of an administrative hearing. Before the hearing, the resident must pay a $50 bond in-lieu of his citation fee, to be refunded upon case dismissal. During the hearing, two volunteer professors from Wilmington State University preside over the case. They sit with the resident and watch the film captured by the cameras before giving the resident time to make his case. Once the resident has been heard, they decide whether to dismiss the case, in which case the resident would be refunded, or let it stand. In this case, the bond would be transferred to the city as payment for the citation.

Don acknowledges that the city operates the program at a loss but stated that it is viewed as payment for the stabilization of their collision rate. Wilmington saw a reduction in accidents in the early stages of the program, but this was quickly offset by the number of travelers that come through Wilmington unaware of the cameras and run red lights. However, despite the large amount of growth Wilmington is seeing traffic-wise they do not see increases in collisions at intersections. Don attributes this to the Red-Light Camera program. He warned that any municipalities starting a new program should be aware that they will face vocal opposition in the beginning and must be willing to proactively communicate with residents about the purpose of the program and its

expected benefits to provide transparency, accountability and eventually program acceptance.

Raleigh

Raleigh started their Red-Light Camera program in 2003. The program administrator for the city is traffic engineer Todd Edwards. Their enabling legislation is senate bill 243, passed in the 2001 legislative cycle. The vendor contract was awarded to Conduent, a subsidiary of Xerox. Total annual program expenses amounted to $594,179.08 last fiscal year. These expenses include vendor fees, one of the two engineer salaries overseeing the program, adjudication hearing costs, vendor fees and a 10 percent admin fee charged by the finance department. Annual Revenues for the program were $1,068,375.67 in 2019. The net subsidy from the program, approximately $474,196.59 went to Wake County Schools. Last fiscal year 25,522 citations were mailed. Residents are charged $50 per citation.

Raleigh is billed per active approach; each camera covers one approach (or entry point) per intersection. The city currently monitors 15 approaches but is transitioning to 25 this fiscal year. This project expansion is due to the 46 percent decrease in angle crashes that the city is seeing. However, Edwards does attribute the 21 percent increase in rear-end accidents to the program as well.

The program is monitored by two full-time staffers, with only one of their salaries being funded by program revenues. They review an average of 120 citation footages per day but are still able to perform their non-program related duties as well. Citations are only sent to offenders that proceed straight through the intersection, turning offenders are exempt. The appeals process utilizes two off-duty police officers to oversee the adjudication hearings held once a month. Residents who dispute their citation pay a $50 bond to the city and watch the recording captured by the video with the officers. After the viewing of the evidence, they are given time to plead their case. Once their case is heard, the officers have 10 days to provide a verdict to the city. The officers are paid overtime for hearing these cases. On dismissal of a case as a result of appeal, the $50

bond is refunded to the resident. If the case stands, the city remands the funds as payment for the citation. The city holds 1-2 hearings a month depending on appeals volume, for an estimated 100 appeals per year.

Greeneville

Greeneville implemented their Red-Light Camera program in October of 2017. The program administrator for the city is Officer Patrick O'Callaghan. Their enabling legislation is house bill 1126, passed in the 2015 legislative cycle. The vendor contract was awarded to Verra mobility. Greeneville issued 18,850 citations in 2018 and 14,002 the following year.

The program costs are covered by citation revenues at no additional cost to the city. Once citations are paid each month, the revenues are remitted to the city by Verra mobility. The city then transfers 100 percent of the proceeds to Pitt County schools along with a vendor invoice. The school then pays Verra mobility 31.50 per citation. The invoice also includes $6,250 per month for the salary of the program administrator and the cost of hearings from the previous month. In 2019, $2,000,000 was sent to Pitt County Schools, after all expenses were paid the were able to spend $600,000 on school programs.

According to Patrick, the program is extremely effective. The city has seen fewer traffic accidents at all the monitored intersections with a significant spillover effect into the rest of the jurisdiction due to heightened resident awareness. His role as program administrator requires him to take phone calls from concerned residents, schedule hearings, and review footage before citation postage. One other officer has been designated as backup administrator and is trained to fulfill the duties of the role in the event of his absence. The hearing process is administered by two retired attorneys who are each paid $25 per case heard. Greeneville sees an average of 75 hearings per year, leading to a $1875 annual hearing expense. Patrick mentioned that the implementation of the program as a duty of the police department, as opposed to engineering, reduced the level of tension from the public during project rollout. Patrick offered to come present

their system in-person to Rocky Mount authorities, as the equipment used in program administration has been made mobile for police use.

Fayetteville

Fayetteville implemented their Red-Light Camera program in July of 2015. The program administrator for the city is traffic engineer Bryan Checcarelli. Their enabling legislation is Senate bill 810 and House bill 1151, both passed in 2013. The vendor contract, much like Wilmington and Greeneville, was awarded to Verra mobility. The vendor was given full discretion on the waiver of late fees in order to increase the program collection rate.

Fayetteville was given two options for program rollout from Verra mobility. The first option was a capital transfer, where the city would be given ownership of all installed equipment and systems at the end of the 5-year term. The second was a 5-year lease program. Fayetteville opted to go with the lease, as it was all inclusive with no associated start-up costs.

Residents are charged $100 for red light violations in the city of Fayetteville. The city typically issues 12-1500 citations per month. The revenue process begins with the vendor collecting fees from offenders and remitting all associated collections to the city. The city then gives 100 percent of the revenues to Cumberland County Schools along with an invoice. The city then pays the Verra mobility $35 per collected citation for services rendered. Vendor fees include the cost of two mailings issued during the collection process. Costs associated with hearings are not included. Later in the year, usually about two weeks, the School System reimburses the city for fees paid to the vendor. Estimated revenues for the program are $1,620,000 annually, with $567,000 paid in vendor fees. This leaves $1,053,000 to be used by the local school system.

Fayetteville initially implemented the Red-Light Camera program with 10 cameras in operation and added 5 more the following year. They currently have 14 cameras in operation, as one camera is undergoing repair/replacement. Two intersections have two cameras installed, to cover multiple points of entry. Program administrators hear about 10-20 appeals per month as part of the program.

Bryan made a few notable comments regarding possible public dispute of the program that are listed here:

- Red light cameras use a yellow-light calculation to decide whether someone has violated red-light traffic laws. A concerned third-party known as the red-light robber has been very vocal about disputing the use of this calculation to enforce traffic laws.
- Only straight-through offenders are issued citations within Fayetteville so that this calculation is more effective
- Some residents may voice concerns about the motives behind the program. Fayetteville addressed these concerns by being transparent about the fact that this program provides no surplus revenue for the city. Residents were also reassured that cameras do not track a person's complexion or skin color. Only the vehicle and license plate.
- To reduce program vulnerability, do not put a camera on a street with an outdated traffic signal plan.
- If there are DOT roads to be monitored, keep DOT involved.
- The more organizations and institutions involved, the smoother the implementation process will be.
- All construction plans should be signed by a licensed public engineer.
- Be prepared to respond pro-actively to opposition.

ROCKY MOUNT, NC

THE CENTER OF IT ALL

Red Light Camera Program

June 8,2020,

Table of Contents

- Background of the Red-Light Camera Program (RLC)
- Implementation (Shavitz vs. City of High Point case in 2006)
- Data from comparable (NC) municipalities (Fayetteville, Greenville, Raleigh Wilmington)
- Motor Vehicle Accidents (Rocky Mount Intersections)
- Items to consider/next steps
- Questions

Red Light Camera

Background

- The goal of a RLC program is to increase traffic safety by reducing red-ligl violations, collisions and injuries.

- Twenty-two (22) states, the District of Columbia and the U.S. Virgin Island light cameras currently operating in at least one location. Eight (8) states p use, and twenty-one (21) states have no state law concerning red-light came enforcement. -- Source Governors Highway Safety Association

- North Carolina law (§160A-300.1) permits jurisdictions within the state to cameras at intersections to catch red light violators.

Red Light Camera

Safelight Camera Program

- Started in 2002 (September) and ended in 2008 (October)
- 5 Cameras
- Camera locations (E. Raleigh/Hill, Wesleyan/Stone Rose, Sunset/Circle, Benvenue/Tiffany, Wesleyan/Sutters Creek)
- 18,996 Citations collected ($50 fine)
- Payment to vendor $792,746
- Payment sent to schools $439,060 (total include $127,562 of in kind)

Red Light Camera

Implementation

- Shavitz vs. City of High Point case in 2006 set the precedent that all municipalities operat under NCGS 160A-300.1 are required to pay 90 percent of gross proceeds to the local sc
- Wilmington is the only municipality in NC who continues to operate a red-light camera p original legislation. All other jurisdictions with RLC have received a legislative exemption Carolina General Assembly.
- Jurisdictions that use red light cameras must install signs indicating to motorists that red l use.
- Staffing: 1 Primary Administrator , 1 back up administrator, and 1-3 appeals officials

N.C. Municipalities with Population Greater Than 50K With Active RLC

Charlotte and Asheville do not currently have Red Light Programs in operation.

Greenville recently increased their fine from $50 to $100

Municipality	Population	Number of Cameras	Number of Intersections	Citation Cos
Raleigh	457,159	15 (25)	15 (25)	$50
Fayetteville	209,465	15	13	$100
Wilmington	118,094	13	12	$50
Greenville	93,136	10	5	$100*

Revenue and Expenses

Municipality	Annual revenue generated	Annual Expenses	Amount given to schools (dollar amount)
Fayetteville	$1,620,000	$567,000	$1,053,000
Greenville	$2,000,000	$1,400,00	$600,000
Raleigh	$1,068,375	$595,179	$474,196
Wilmington*	$810,000	$364,500	$729,000

Ilm operates under §
which requires 90% ·
go the school system

New Hanover Co. pa
Expense

Red Light Camera

City of Rocky Mount's top 10 intersections where the primary cause of motor vehicle accident (MVA) was a signal light violation (2016-2019).

1. Grace St @ Sunset Ave - 25 crashes
2. Church St @ Sunset Ave - 15 crashes
3. Benvenue Rd @ Jeffreys Rd - 14 crashes
4. E. Grand Ave @ Atlantic Ave - 14 crashes
5. Wesleyan Blvd @ Bishop Rd - 13 crashes
6. Atlantic Ave @ E. Thomas St - 12 crashes
7. Winstead Ave @ English Rd - 10 crashes
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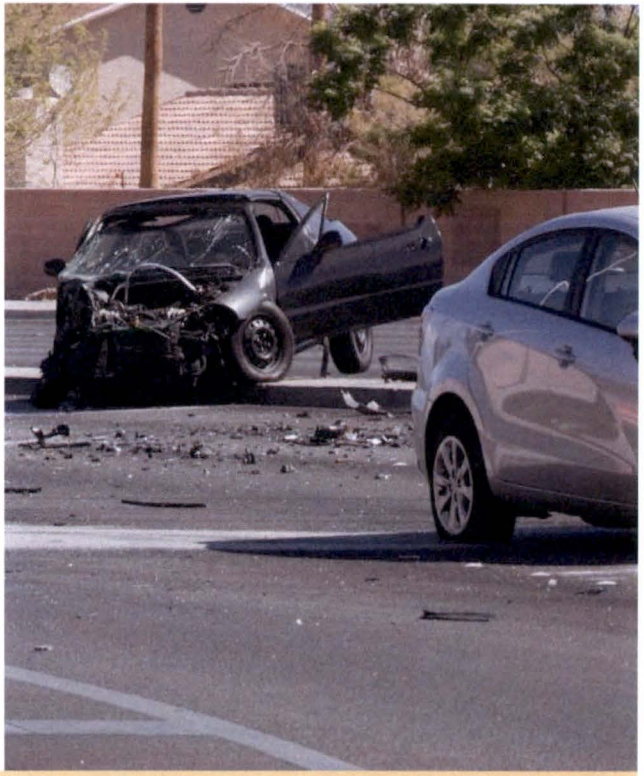
(Information obtained from NCDOT and is intended for illustrative purposes only)

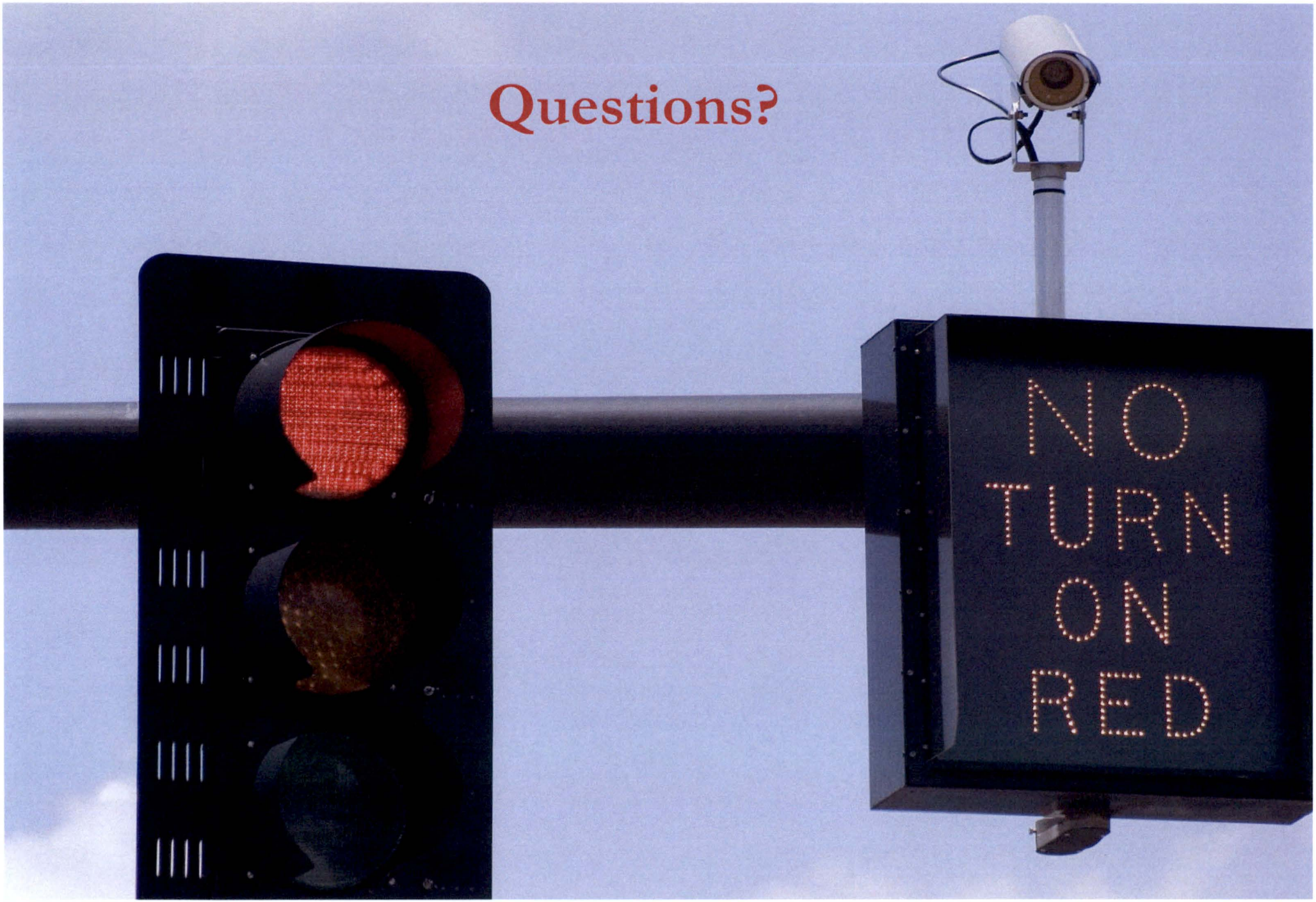


Red Light Camera

Items to Consider

- Presentation from vendor(s)
- Special legislation requirement(s) --- City Attorney
- Location of cameras ---- Staff/Vendor
- School system revenue split (Edgecombe County/ Nash County) --- City A
  Finance/Budget Staff/School System(s)
- Lease versus own
- Staffing (Traffic Engineers, Police Officers, etc.)
- Financial process
- Associated costs

Questions?



MEMORANDUM

ROCKY MOUNT
POLICE
THE CENTER OF IT ALL

To: Peter Varney, City Manager

Cc:

From: Robert Hassell, Police Chief

Date: 02/07/2022

Re: Presentation of Crime Statistics

Purpose
The purpose of this memo is to present a summary of the city-wide crime numbers to the Committee of the Whole during the February 14, 2022 meeting.

Discussion
The presentation covers the crime incidents throughout the city currently and compares them to last year during the same time period. The crimes tracked in this presentation are crimes labeled as part 1 crimes in the National Incident Based Reporting System (NIBRS) by the federal government. These crime numbers are tracked by the FBI and shared with the Bureau of Justice Statistics for tracking purposes

The presentation includes investigation outcomes for the violent crimes and the related arrests. It also includes maps depicting the areas of shots fired, incidences of aggravated assault and murder. The presentation also highlights the efforts and successes of the police department to combat the violent crime occurring in the city.

Requested Action
None

Respectfully Submitted,

Robert Hassell
Chief of Police

ROCKY MOUNT
POLICE
THE CENTER OF IT ALL

February 2022 Crime Report

January 2022 Data

February 14, 2022
Robert Hassell, Chief of Police

ROCKY MOUNT
POLICE
THE CENTER OF IT ALL

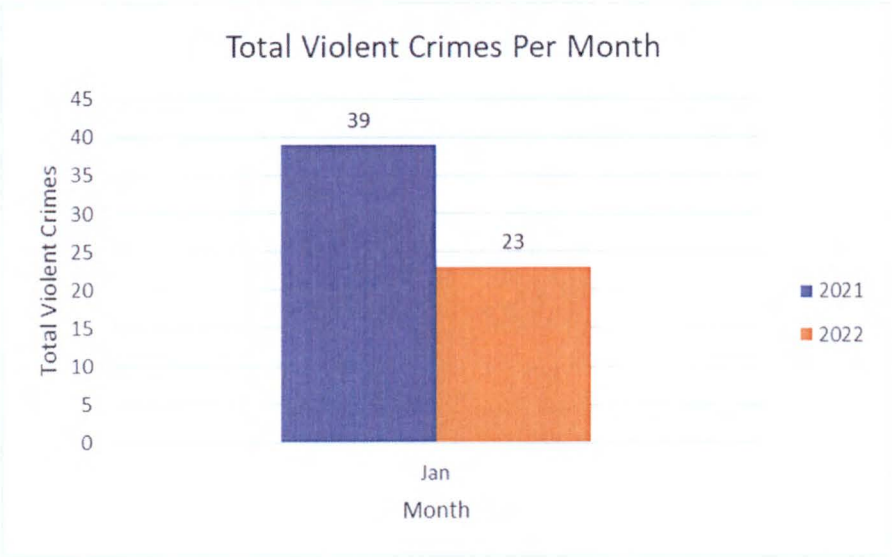
February 2022 Crime Report

Part 1 Crimes Comparison Chart

The table is a comparison of crime numbers by month and year to date compared to the same time periods last year.

CRIMES	Jan 2021	Jan 2022	+/-	YTD 2021	YTD 2022	+/-
Murder	1	1	0	1	1	0
Rape	3	1	-2	3	1	-2
Com Robbery	7	6	-1	7	6	-1
Ind Robbery	1	5	4	1	5	4
Agg Assault	35	18	-17	35	18	-17
Violent	**47**	**31**	**-16**	**47**	**31**	**-16**
Commercial B&E	5	7	2	5	7	2
Residential B&E	20	11	-9	20	11	-9
Non Residential B&E	2	3	1	2	3	1
Larceny	79	92	13	79	92	13
MV Theft	6	10	4	6	10	4
Arson	1	0	-1	1	0	-1
Property	**113**	**123**	**10**	**113**	**123**	**10**
****Total****	**160**	**154**	**-6**	**160**	**154**	**-6**

Part 1 Crimes Comparison Chart



February 2022 Crime Report

Aggravated Assault Cases and Investigations

Aggravated Assault Cases	10
Aggravated Assault Victims	18
Numbers Cases with Multiple victims	3
Aggravated Assault Arrests	3
Aggravated Assault Cases Cleared	2

Case Dispositions

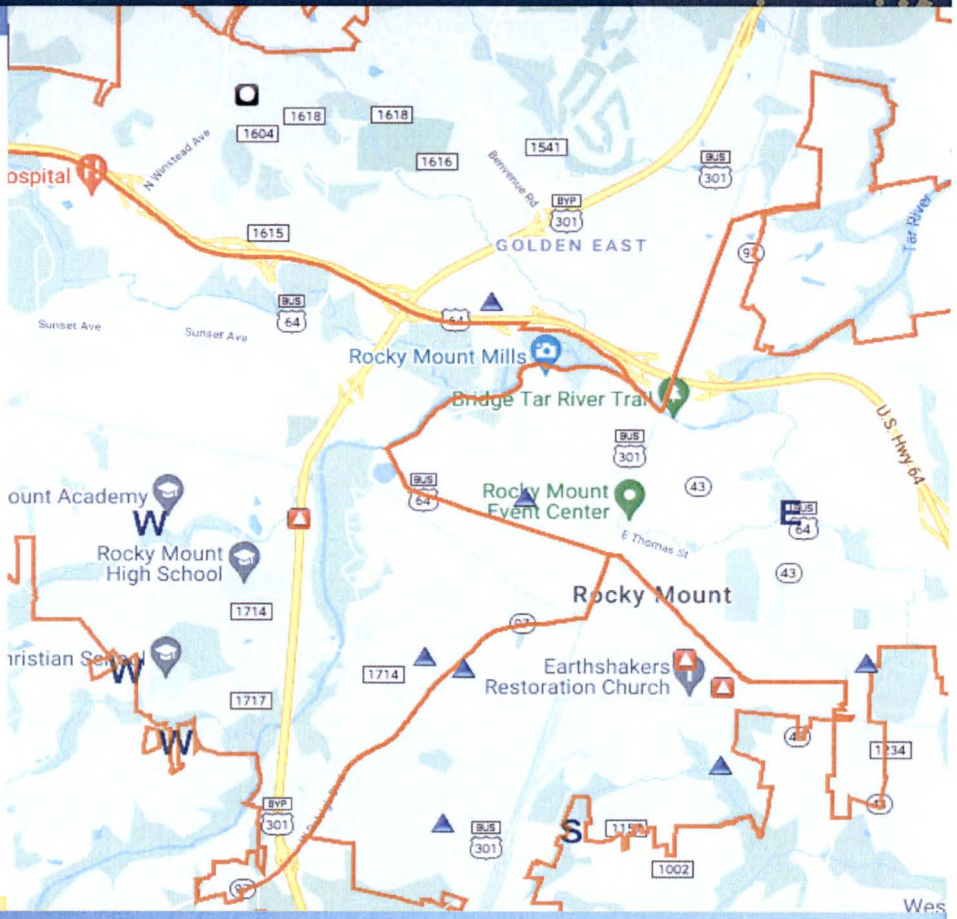
• Cases Cleared by Arrest	1
• Exceptionally Cleared	1
• Inactive Cases	3
• Open Cases	5
• **Grand Total of Incidents**	**10**

ROCKY MOUNT
POLICE
THE CENTER OF IT ALL

February 2022 Crime Report

- Murder
- Aggravated Assault
- Shooting Into OCC Build/Veh.

• Victims with Injuries	8
• Victims Without Injuries	11
Grand Total of Victims	**19**

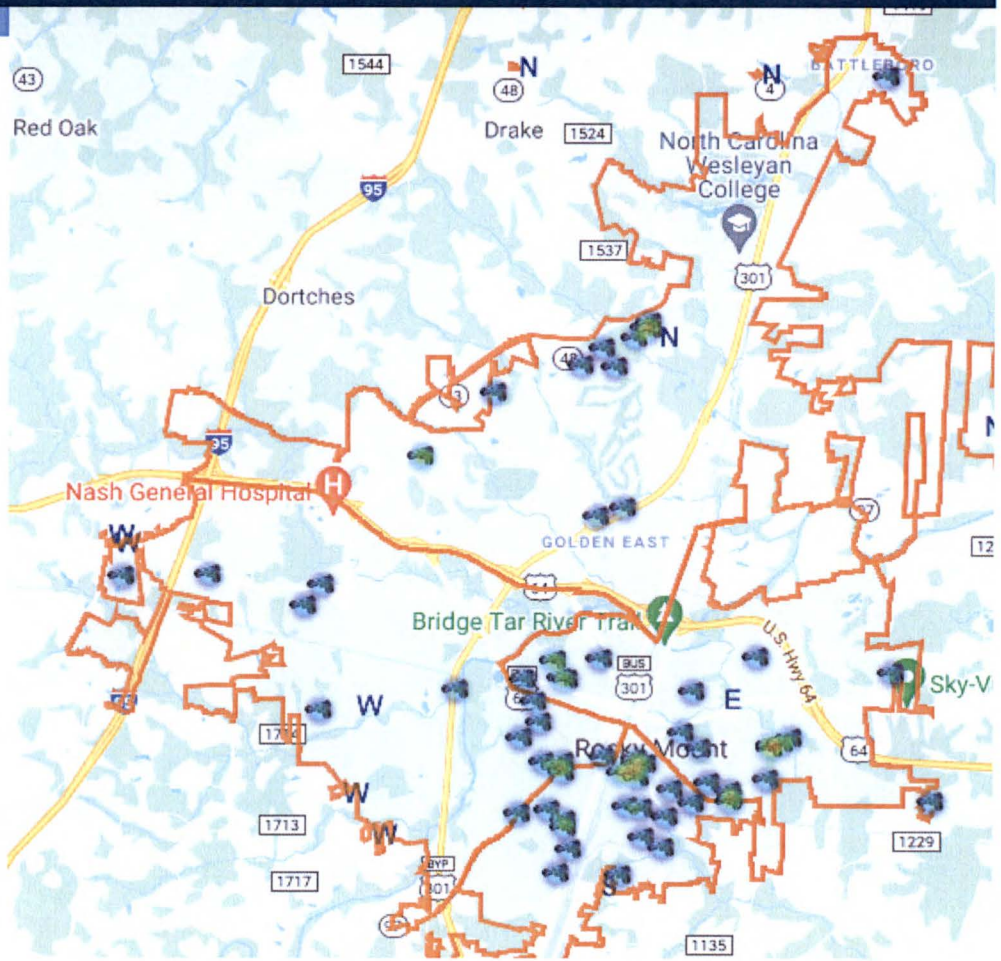


ROCKY MOUNT
POLICE
THE CENTER OF IT ALL

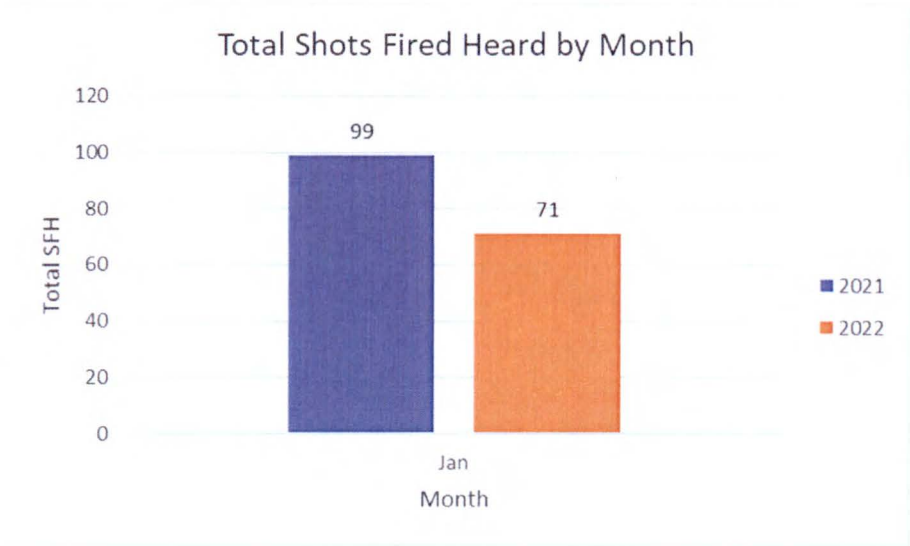
February 2022 Crime Report

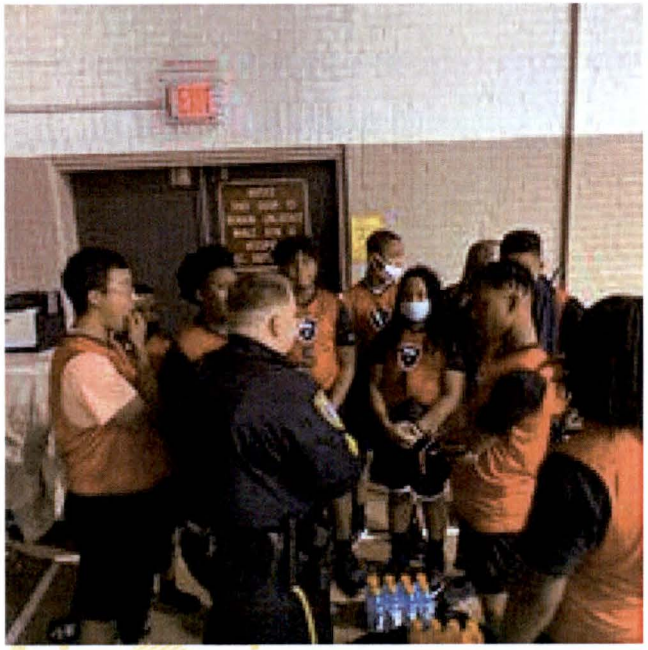
Shotspotter & Citizen Calls Throughout the City

• Shots Fired	71
• Shell Casings were Found	41
• Number Shell Casings Found	239
• Number of Firearms Seized	32
• Number of Firearms Seized YTD	32
• Weapon Violation Arrests	7



Shots Fired Heard Comparison Chart





Community Involvement

- ***Police Athletic/Activity League***: We are finishing the 13–15 year-old male basketball league and tournament. We are planning new activities to include bowling, art, book clubs and cooking that will be offered in the coming months.

MEMORANDUM

ROCKY MOUNT
CITY MANAGER'S OFFICE
THE CENTER OF IT ALL

To: Peter Varney, Interim City Manager

From: Kenneth Hunter, Assistant to the City Manager for Budget & Evaluation

Date: 2/7/2022

Re: Review of Second Quarter, FY 2022 Revenues & Expenditures

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The attached "Report of Revenues and Expenditures for Government Funds" provides additional information for the City's primary general government and enterprise funds, all of which appear to be in solid condition as of September 30, 2021, the end of the Second Quarter of Fiscal Year (FY) 2022.

During the Second Quarter of the current FY, General Fund revenues remained stronger than forecasted, for a total of 13.6% greater than for the same period in FY 2021. Ad Valorem Taxes grew by 5.6%, and Local Option Sales Tax grew by 14.1%. Other revenue groups finished the quarter higher than projected..

Expenditure activity across all funds remained well-controlled by staff, as we work to ensure the City finishes the current FY with a balanced budget and minimal use of appropriated fund balance. Electric revenues are consistent compared to last year, while Gas revenues increased. Wholesale natural gas costs also led to an increase in Gas Fund expenditures, while both Electric and Gas also increased their capital outlay in relation to several current projects.

Water revenues increased for the quarter, while Sewer sales decreased due to the lower demand than last year. Stormwater revenues performed as expected, with increased capital expenditure activity expected in the upcoming months of the FY.

Current Local Employment Statistics

In December 2021, total employment across the city increased 0.4% compared to November and increased 2.7% compared to December 2020. For the Rocky Mount MSA,

total employment increased 0.3% compared to November and 2.6% compared to December 2020. The City unemployment rate is currently 6.8%, while the unemployment rate is 5.0%. Given the timing, these statistics do not take into account potential impacts created by the fire at the QVC Warehouse on December 18, 2021.

Total nonfarm payrolls for the Rocky Mount MSA were 55,500, which is 500 less compared to February 2020, the month before the start of the implementation of policy measures to address the COVID Pandemic. Amongst sectors, the greatest growth during this period is in Trade, Transportation & Utilities (+1,400) and the greatest declines were in Manufacturing (-1,200).

For reported sectors, the most current information (2nd Quarter 2021) shows average hourly wages for the Rocky Mount MSA at $21.58 per hour, an increase of 7.3% compared to the 1st Quarter of 2020. By sector, most average hourly wages are greater than $15 per hour, with the exceptions of Accommodation and Food Services ($8.48), Administrative and Support ($13.88), and Retail Trade ($14.98).

Event Center Operations

Activities at the Rocky Mount Event Center are picking up significantly in the current fiscal year compared to last fiscal year. Based on most current information available, the Event Center should host 182 total paid events in the current fiscal year, with a combined attendance of approximately 67,000 and just under $1.4 million in direct revenues. The local economic impact from the Event Center in the current fiscal year is estimated at approximately $12.5 million, an increase of 60% compared to the economic impact last fiscal year.

Staff is currently working on providing a financial analysis of Event Center operations, which will be presented to City Council as part of the Third Quarter Report on Revenues & Expenditures.

ROCKY MOUNT
CITY MANAGER'S OFFICE
THE CENTER OF IT ALL

Report of Revenues and Expenditures of Government Funds

Fiscal Year 2022

Purpose

This report provides summary information on revenue, expenditures, and budget balance for primary City funds, including General Government, Transportation, and Utilities. It is presented to the public and the Mayor and City Council on a quarterly basis to represent recent financial activity and the current status of the City's financial condition.

Source of Information

Information in this report is summarized from the General Ledger of the City, as entered in our financial management system.

Timeframe

This report includes information for specific funds budgeted in Fiscal Year 2022.

Guide to Reading Report Information

Description
Revenue or expenditure

Summary Statement
Brief description of fund performance.

R[illegible]venues and Expenditures

	FY 2022 Amended Budget	YTD Actual	YTD %Dif to YTD FY 2021	YTD% of Budget	3-Year Avg. YTD%	Comparison of Performance 3-Year Average % End of Year Actual (Blue) to FY 2022 % of Budget (Purple)
General Fun[illegible]mmary						
First Quarter r[illegible]nues exceeded their budgeted forecast for the period, continuing last year's trends. Expenditures reflect normal operating activity for a First Quarter of the fiscal year. [illegible]eneral Fund finished the First Quarter with an operating ratio (revenues/expenditures) of 0.979, significantly higher than the average of performance for the past 3 years (0.775).						
Revenues						
Ad Valorem	28,626,000	5,010,963	19.9%	17.5%	13.7%	
Intergovernmental	8,358,200	1,926,309	22.5%	23.0%	18.0%	
Sales Tax	15,400,000	1,[illegible]0,680	20.[illegible]	12.3%	10.5%	
Licenses & Permits	1,566,790	321,209	1[illegible]%	20.5%	16.7%	
Sales & Services	11,199,240	2,309,714	[illegible]%	2[illegible].5%	23.2%	
Investments	295,520	214,236	0%	[illegible]5%	2[illegible].2%	
Miscellaneous	690,600	191,705	.7%	8%	1[illegible]%	
Transfers	3[illegible]	[illegible]	[illegible]%	0%	1[illegible]%	
L[illegible]	7[illegible]	[illegible]	[illegible]	0%	[illegible]	
F[illegible]	7[illegible]	[illegible]	[illegible]	0%	[illegible]	
T[illegible]	84[illegible]	[illegible]	[illegible]	9%	[illegible]	

Budget Portion
Share of budget represented by line.

FY 2022 Amended Budget
Final amended budget total for line.

YTD
Actual FY 2022 Year to Date amount for line.

YTD %Dif to YTD FY 2021
1-Year % DIfference in YTD Amounts.

YTD% of Budget
Actual FY 2022 Year to Date amount for line as percentage of Amended Budget.

3-Year Avg. YTD%
Year to Date of budget percentagefor similar period averaged for last 3 fiscal years (FY 2019 to FY 2021).

Comparison of Performance
Graphic representation of FY 2022 Year to Date performance (bottom, purple horizontal bar) in relation to performance of 3 prior years (top, light blue horizontal bar) and 100% of budgeted amount (red vertical line).

Prepared By

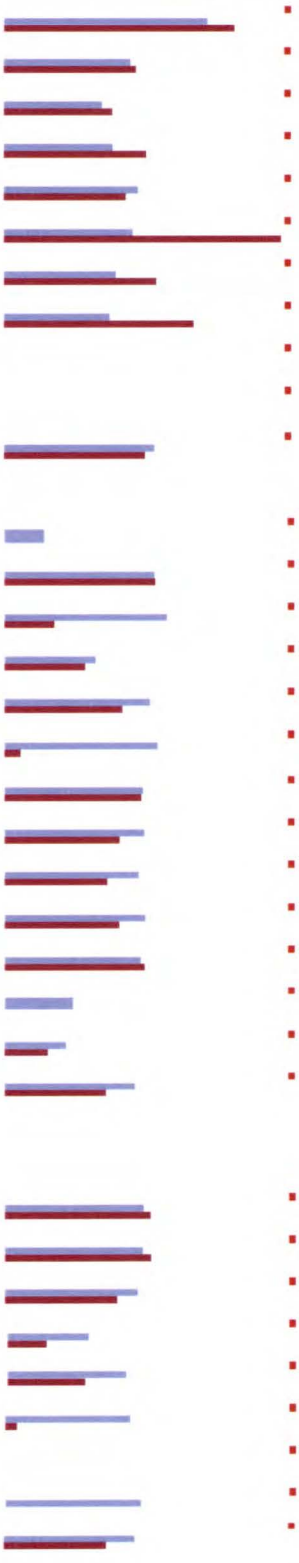
Kenneth Hunter
Kenneth.Hunter@rockymountnc.gov
(252) 972-1335

Available online at
www.rockymountnc.gov/budget

Report on General Fund Revenues and Expenditures

	FY 2022 Amended Budget	YTD Actual	YTD %Dif to YTD FY 2021	YTD% of Budget	3-Year Avg. YTD%
General Fund Summary					
Second Quarter revenues exceeded their budgeted forecast for the period, continuing last year's trends. Expenditures reflect normal operating activity for a Second Quarter of the fiscal year, with some impact from the COLA adopted by Council. General Fund finished the Second Quarter with an operating ratio (revenues/expenditures) of 1.398, significantly higher than the average of performance for the past 3 years (1.214).					
Revenues					
Ad Valorem	28,626,000	23,252,179	5.6%	81.2%	71.7%
Intergovernmental	8,358,200	3,870,019	-0.9%	46.3%	44.4%
Sales Tax	15,400,000	5,866,115	14.1%	38.1%	34.5%
Licenses & Permits	1,566,790	783,332	15.4%	50.0%	38.1%
Sales & Services	11,199,240	4,791,345	23.3%	42.8%	47.0%
Investments	295,520	288,169	120.9%	97.5%	45.2%
Miscellaneous	748,100	400,023	94.0%	53.5%	39.2%
Transfers	5,005,757	3,330,757	118.4%	66.5%	37.0%
Lease Proceeds	7,498,000	-	N/A	0.0%	0.0%
Fund Balance Appropriated	7,460,242	-	N/A	0.0%	0.0%
Total Revenue	**86,157,849**	**42,581,938**	**13.6%**	**49.4%**	**52.6%**
Expenditures by Department					
Mayor & City Council	1,179,810	163,424	-120.7%	13.9%	17.4%
City Clerk	175,490	92,241	14.9%	52.6%	52.3%
City Manager	2,130,686	370,678	-47.3%	17.4%	56.6%
Human Resources	1,517,662	427,459	228.2%	28.2%	31.7%
Human Relations	448,230	184,059	-21.3%	41.1%	50.7%
Finance, Technology Services, Business & Collections Services	7,644,388	441,539	-65.4%	5.8%	53.4%
Police	18,292,538	8,725,096	0.2%	47.7%	48.3%
Fire	16,888,976	6,774,835	7.3%	40.1%	48.8%
Public Works	14,437,260	5,178,210	14.8%	35.9%	46.7%
Parks & Recreation	12,340,757	4,938,933	29.1%	40.0%	49.0%
Development Services	2,830,800	1,381,783	9.3%	48.8%	47.3%
Event Center	6,144,610	1,460,154	-12.2%	23.8%	N/A
Community & Business Dev.	2,126,642	320,677	-49.0%	15.1%	21.4%
Total Expenditures	**86,157,849**	**30,459,088**	**2.0%**	**35.4%**	**45.3%**
Balance - Revenues Over/(Under) Expenditures		*12,122,850*			
Expenditures by Category					
Salaries & Wages	39,112,773	19,755,802	7.4%	50.5%	48.0%
Employee Benefits	14,485,025	7,336,653	10.8%	50.6%	47.7%
Professional Services	1,661,328	646,432	-13.6%	38.9%	45.9%
Operating Costs	7,101,799	958,521	-296.9%	13.5%	28.0%
Debt Service	3,893,920	1,043,564	-11.0%	26.8%	41.1%
Capital Equipment	17,068,477	716,785	-49.6%	4.2%	43.4%
Transfers	468,270	1,332	N/A	0.3%	5.9%
Other	2,366,257	-	-100.0%	0.0%	46.9%
Total Expenditures	**86,157,849**	**30,459,088**	**2.0%**	**35.4%**	**45.3%**

Comparison of Performance
3-Year Average %
End of Year Actual (Blue) to
FY 2022 % of Budget (Purple)



Report on Powell Bill and Public Utility Funds

Powell Bill Fund

Summary

FY 2022 Powell Bill Allocation is 16.7% greater than FY 2021 and 2.0% greater than originally projected.

	FY 2022 Amended Budget	YTD Actual	YTD %Dif to YTD FY 2021	YTD% of Budget	3-Year Avg. YTD%
Powell Bill Allocation	1,650,000	1,683,284	16.7%	102.0%	N/A
Other Revenue	774,000	45,574	2464.4%	5.9%	N/A
Fund Balance Appropriated	792,244	-	N/A	0.0%	0.0%
Total Revenues	**3,216,244**	**1,728,858**	**19.7%**	**53.8%**	**72.1%**
Total Expenditures	**3,216,244**	**293,496**	**-10.1%**	**9.1%**	**22.4%**
Balance - Revenues Over Expenditures		*1,435,362*			

Electric Fund

Summary

Utility Sales performed 0.2% higher than last year, while expenditures reflect anticipated increases in capital project activity.

	FY 2022 Amended Budget	YTD Actual	YTD %Dif to YTD FY 2021	YTD% of Budget	3-Year Avg. YTD%
Utility Sales	75,750,000	38,468,000	0.2%	50.8%	54.4%
Other Revenue	3,324,230	876,468	61.8%	26.4%	23.3%
Fund Balance Appropriated	7,817,459	-	N/A	0.0%	0.0%
Total Revenues	**86,891,689**	**39,344,469**	**1.1%**	**45.3%**	**51.7%**
Energy Purchase	52,550,000	22,743,177	5.0%	43.3%	44.3%
Operating	18,452,796	7,384,174	2.5%	40.0%	47.5%
Non-Operating	5,428,650	2,369,309	-6.9%	43.6%	47.9%
Capital	10,460,243	4,462,686	215.5%	42.7%	41.7%
Total Expenditures	**86,891,689**	**36,959,346**	**12.6%**	**42.5%**	**45.1%**
Balance - Revenues Over Expenditures		*2,385,123*			

Gas Fund

Summary

Sales are greater to last year, with expenditures influenced significantly by increased wholesale energy costs and additional capital project activity.

	FY 2022 Amended Budget	YTD Actual	YTD %Dif to YTD FY 2021	YTD% of Budget	3-Year Avg. YTD%
Utility Sales	21,950,000	7,611,435	10.7%	34.7%	35.0%
Other Revenue	492,500	164,310	13.0%	33.4%	27.6%
Fund Balance Appropriated	2,838,935	-	N/A	0.0%	0.0%
Total Revenues	**25,281,435**	**7,775,745**	**10.7%**	**30.8%**	**34.4%**
Energy Purchase	11,017,790	4,329,205	65.0%	39.3%	28.0%
Operating	10,780,793	5,019,947	12.2%	46.6%	49.3%
Non-Operating	948,550	339,620	N/A	35.8%	45.2%
Capital	2,534,302	892,914	259.4%	35.2%	46.6%
Total Expenditures	**25,281,435**	**10,581,686**	**35.5%**	**41.9%**	**37.8%**
Balance - Revenues Over Expenditures		*(2,805,941)*			

Report on Water Resources and Stormwater Management Funds

Comparison of Performance
3-Year Average %
End of Year Actual (Blue) to
FY 2022 % of Budget (Purple)

Water Fund

Summary
Sales are 2.9% greater than last year for the Second Quarter, with expenditures minimized during the same time period.

	FY 2022 Amended Budget	YTD Actual	YTD %Dif to YTD FY 2021	YTD% of Budget	3-Year Avg. YTD%
Utility Sales	11,055,000	5,887,547	2.9%	53.3%	52.5%
Other Revenue	785,000	235,596	-13.2%	30.0%	52.0%
Fund Balance Appropriated	1,414,794	-	N/A	0.0%	0.0%
Total Revenues	**13,254,794**	**6,123,143**	**2.2%**	**46.2%**	**50.6%**
Operating	9,993,087	4,464,547	11.8%	44.7%	51.4%
Non-Operating	388,560	86,936	-82.4%	22.4%	37.7%
Capital	2,873,147	622,447	-17.4%	21.7%	79.1%
Total Expenditures	**13,254,794**	**5,173,929**	**-1.2%**	**39.0%**	**45.7%**
Balance - Revenues Over Expenditures		***949,214***			

Sewer Fund

Summary
Sales decreased compared to last year due to higher-than-normal demand last year. Expenditures were limited during the Second Quarter as well.

	FY 2022 Amended Budget	YTD Actual	YTD %Dif to YTD FY 2021	YTD% of Budget	3-Year Avg. YTD%
Utility Sales	14,490,000	6,501,589	-9.3%	44.9%	49.3%
Other Revenue	1,808,000	206,808	-57.9%	11.4%	26.4%
Fund Balance Appropriated	1,913,463	-	N/A	0.0%	0.0%
Total Revenues	**18,211,463**	**6,708,397**	**-12.4%**	**36.8%**	**47.0%**
Operating	13,219,706	6,364,823	0.6%	48.1%	48.2%
Non-Operating	1,461,620	404,734	-2.8%	27.7%	29.7%
Capital	3,530,137	704,228	-70.9%	19.9%	45.5%
Total Expenditures	**18,211,463**	**7,473,785**	**-18.4%**	**41.0%**	**47.1%**
Balance - Revenues Over Expenditures		***(765,388)***			

Stormwater Fund

Summary
Revenue are in line with budgeted projections. Capital activity has increased and is exepcted to accelerate in the remainder of the fiscal year.

	FY 2022 Amended Budget	YTD Actual	YTD %Dif to YTD FY 2021	YTD% of Budget	3-Year Avg. YTD%
Utility Sales	4,150,000	2,063,561	0.3%	49.7%	44.4%
Other Revenue	765,000	82,099	-1.7%	10.7%	58.9%
Fund Balance Appropriated	885,890	-	N/A	0.0%	0.0%
Total Revenues	**5,800,890**	**2,145,660**	**0.2%**	**37.0%**	**47.9%**
Operating	3,894,260	1,629,960	12.6%	41.9%	47.9%
Non-Operating	197,340	77,813	-36.1%	39.4%	49.7%
Capital	1,709,290	281,705	N/A	16.5%	23.9%
Total Expenditures	**5,800,890**	**1,989,478**	**26.8%**	**34.3%**	**45.1%**
Balance - Revenues Over Expenditures		***156,182***			

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Review of Revenues & Expenditures

2nd Quarter FY 2022

February 2022

Update

General Fund

- Revenues continue to exceed forecasts in multiple sources
- Ad Valorem Tax receipts reflect strong housing market, collections
- Local Option Sales Tax continues to grow
- Expenditures carefully managed
- Council-adopted COLA for employees implemented December 2021
- Should conclude FY 2022 with a positive contribution to Fund Balance

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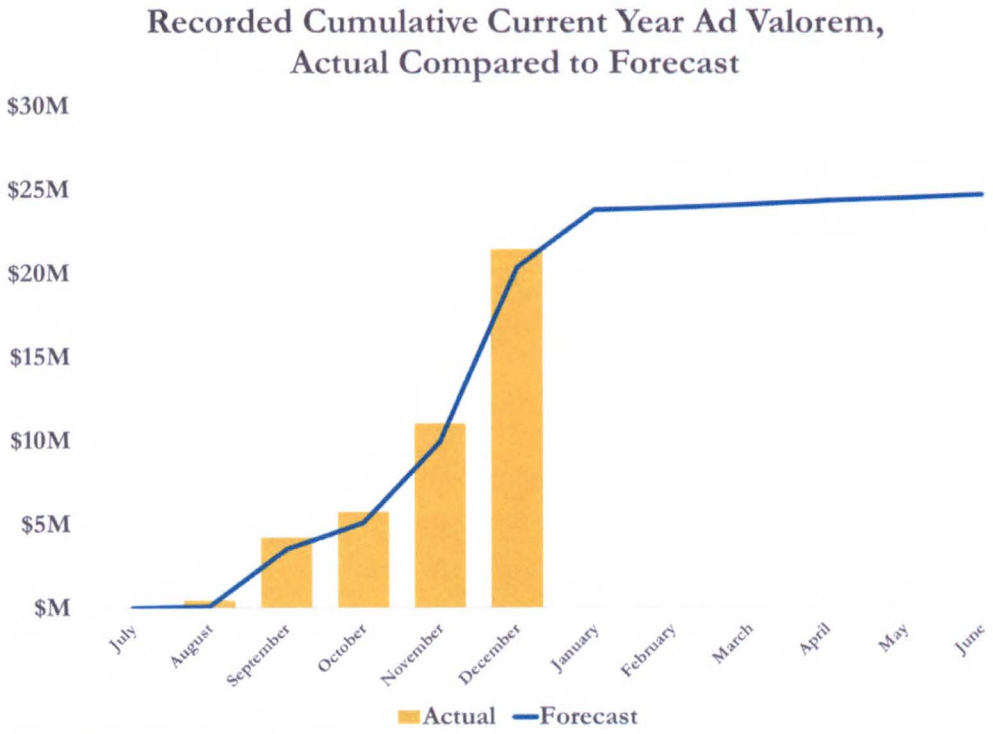
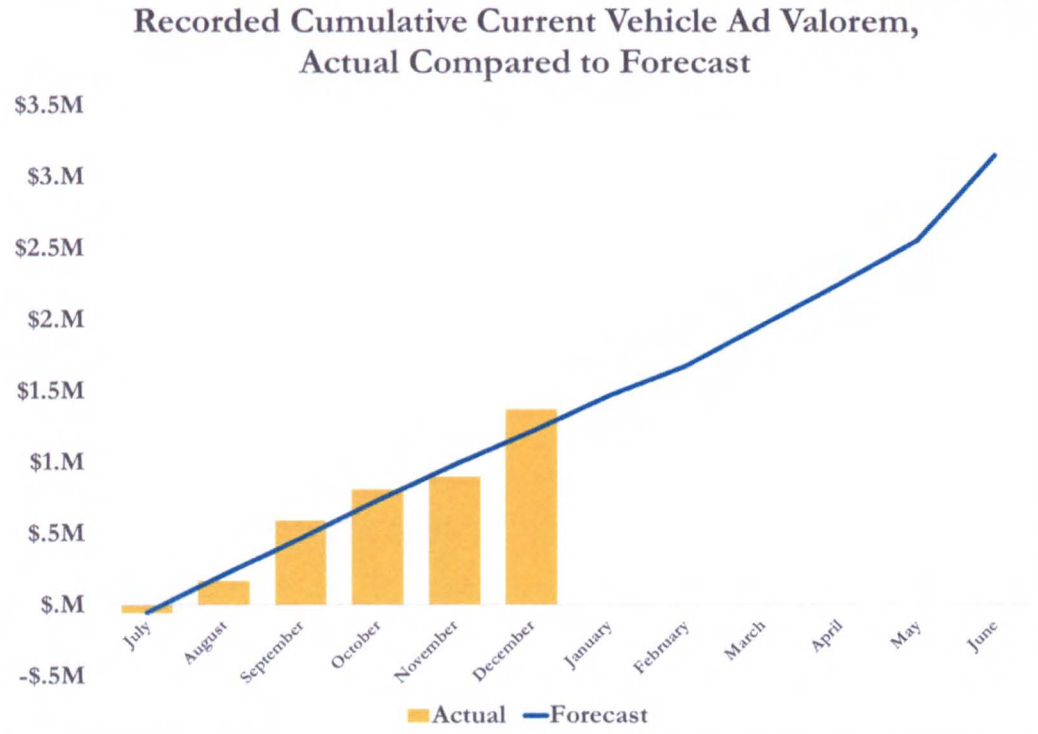
Ad Valorem Taxes





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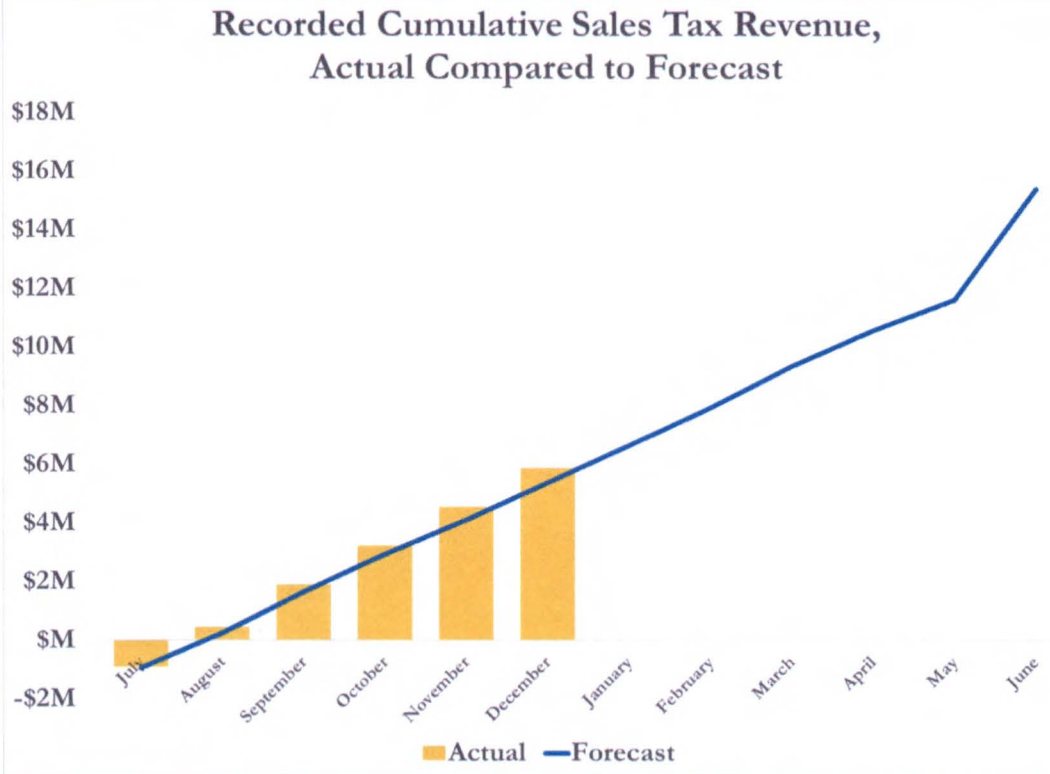
Local Option Sales Tax



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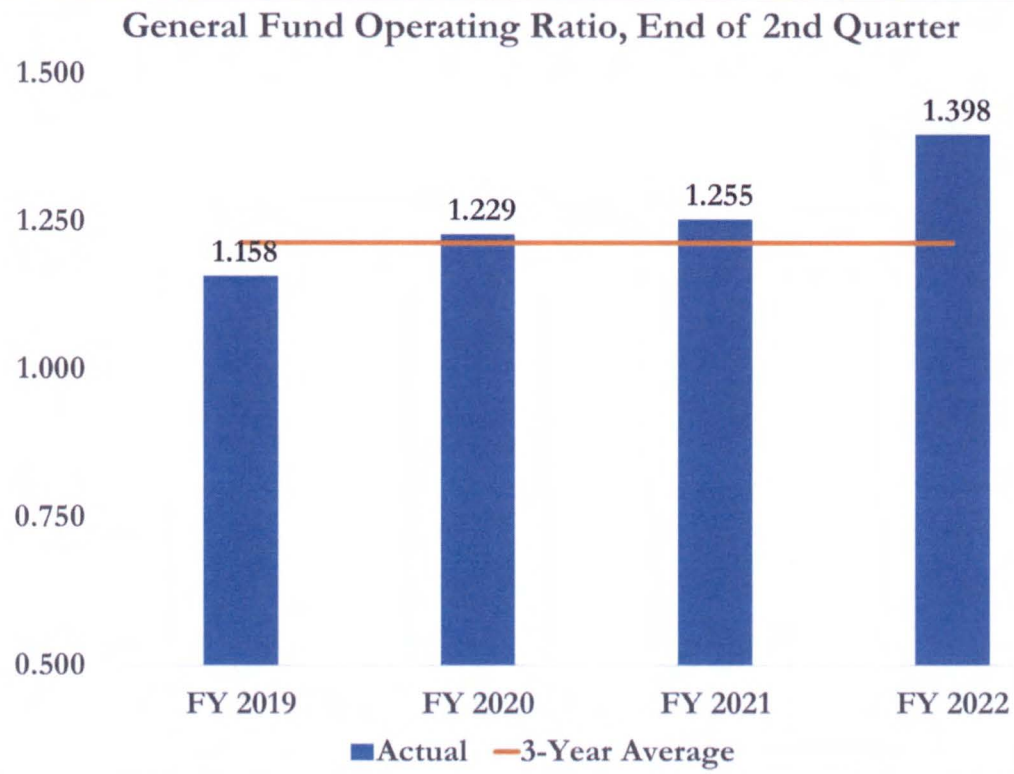
General Fund Operating Ratio



Enterprise Funds

- Electric & Gas
  - Sales consistent with last year in Electric, higher in Gas
  - Significant increase in wholesale Gas costs
  - Increased capital outlay (CIP projects, expansion)
- Water & Sewer
  - Sales up in Water, down in Sewer
  - Capital activity lower than last year
- Stormwater
  - Revenues meeting expectations
  - Increased capital activity compared to last year (Downtown improvements)

Outlook

- Revenue Monitoring Continues
  - Anticipate finishing FY 2022 above budgeted forecasts
  - Anticipate positive forecasting for FY 2023
- Staff continues to monitor and control Expenditures
  - Impact of 4.5% COLA is manageable
- Staff deliberating Proposed CIP for Fiscal Years 2023-2027, present to Council in April
- FY 2023 Budget Development underway

Current Local Employment Statistics

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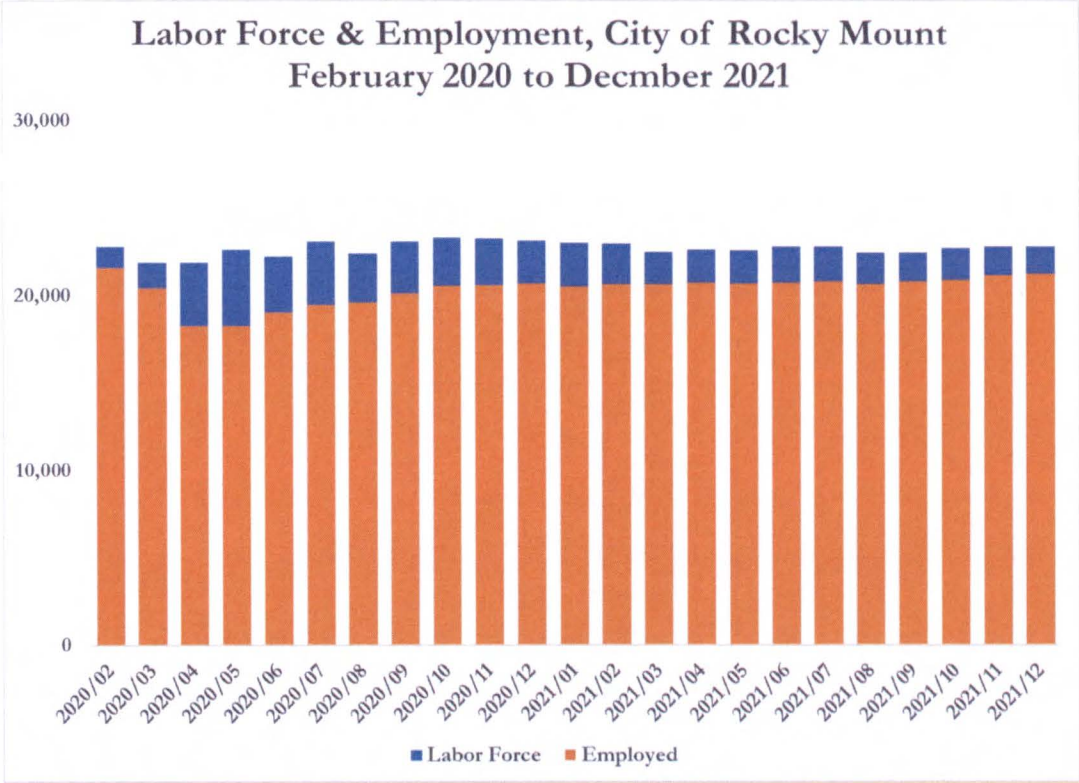
Local Employment



City Employment

December 2021

- 0.4% for Month
- 2.7% since December 2020
- -1.6% since February 2020

Labor Force

- 0.0% for Month
- -1.5% since December 2020
- -0.1% since February 2020

Current Unemployment Rate

- 6.8%

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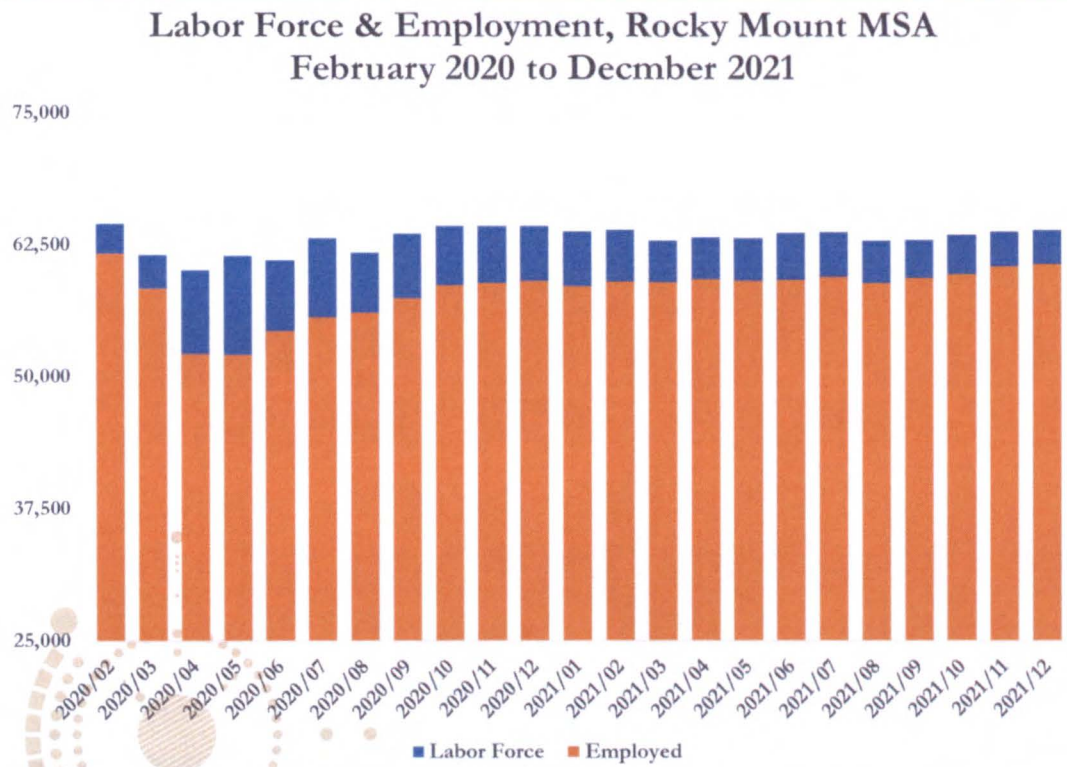
Local Employment



MSA Employment
December 2021
- 0.3% for Month
- 2.6% since December 2020
- -1.6% since February 2020

Labor Force
- 0.1% for Month
- -0.7% since December 2020
- -1.0% since February 2020

Current Unemployment Rate
- 5.0%

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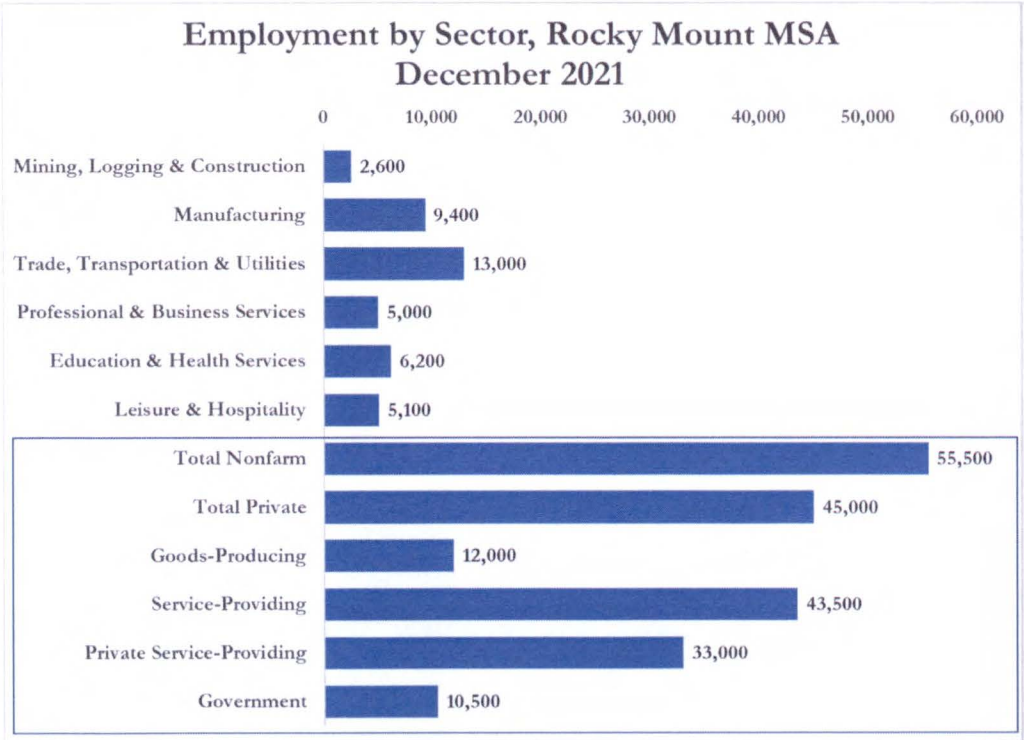
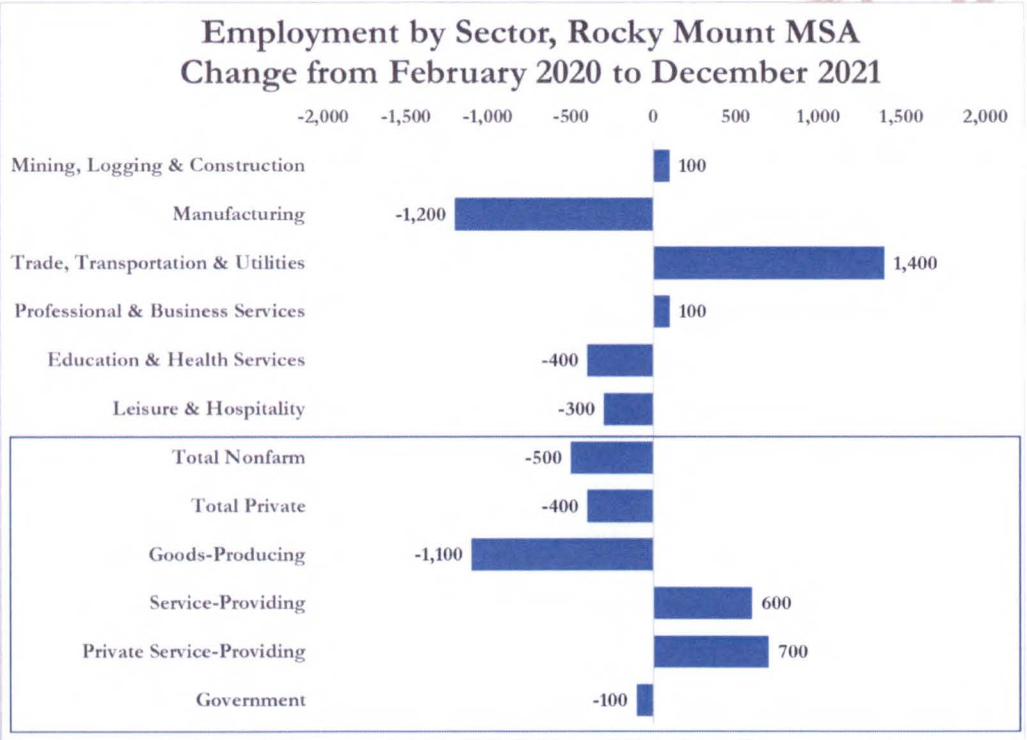
Workforce Distribution





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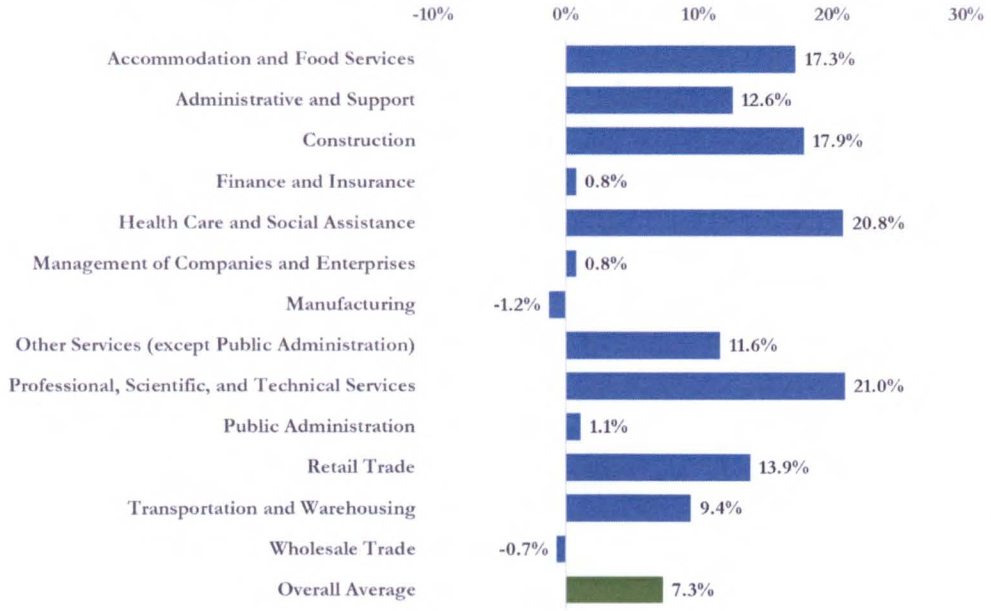
Workforce Wages

Hourly Wages by Sector, Rocky Mount MSA 2nd Quarter 2021

Hourly Wages by Sector, Rocky Mount MSA Change from 1st Quarter 2020 to 2nd Quarter 2021



Review of Event Center Operations

ROCKY MOUNT, NC
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Event Center Utilization

	FY 2021 Actual			FY 2022 Actual & Forecasted		
Type of Event	**# Events**	**Total Attendees**	**Gross Revenue**	**# Events**	**Total Attendees**	**Gross Revenue**
Basketball	63	21,663	$222,688.42	32	25,554	$393,652.82
Volleyball	59	25,865	$222,417.59	49	24,411	$348,255.55
Banquet	37	1,771	$73,085.02	60	7,692	386,817.69
Meeting	3	91	$5.227.56	5	409	$27,908.29
Wedding	1	80	$4,016.42	8	734	$62,634.35
Graduation	2	1,500	$4,220.57	1	1,250	$10,000
Entertainment	0	0	0	8	4,691	89,817.85
Other	7	2,238	$32,177.42	19	2,241	$72,798.80
Total	**172**	**53,208**	**$563,833**	**182**	**66,982**	**$1,391,885.35**
Economic Impact		**$7,804,038**			**$12,477,156**	