

RESOLUTION OF UNDERSTANDINGS ACCOMPANYING THE BUDGET ADOPTION FOR FISCAL YEAR 2025-2026

WHEREAS, the City Council of the City of Reidsville has adopted an annual operating budget for Fiscal Year 2025-2026, which raises revenues and authorizes expenditures for the operation of the City; and,

WHEREAS, during deliberations on said budget, certain understandings were reached concerning the operation of the City, and it is the intention of the Mayor and City Council to outline those understandings;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Reidsville that the following understandings are hereby defined:

Unfunded Needs – It is recognized that this budget, while responsible and appropriate, may not be adequate to fund all the needs of the fiscal year. Several variables could result in the need to request the use of fund balance during the year. Any large, unexpected maintenance and repair issues would likewise cause the need to use fund balance or reserves in the utility funds.

City Employment – City employment is established at a level of 201 full-time positions; including the addition of a full-time Code Enforcement Officer.

Employee Benefits – Benefits currently existing for full-time employees and retirees will remain unchanged. Group health and dental insurance has been secured through NCHIP (North Carolina Health Insurance Pool). Premiums will increase by 5% for both employees/retirees and dependents.

Cost-of-Living Adjustment – The City's budget for 2025-2026 will provide a 3% per employee increase in full-time employee salaries. Performance appraisals will be tied to performance pay. Up to 3% Merit is included in this budget for performance pay. This budget also includes one (1) floating holiday for all full-time employees.

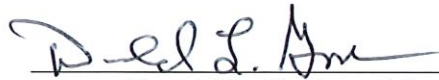
Pay and Classification Study – The pay plan study for Public Works completed last year, has been implemented and incorporated into the 2025-2026 fiscal year budget. The third year of the study will be completed to assess the pay and compression of the "All Other" employees.

Fee Schedule – There are several proposed changes to the fee schedule presented with the budget.

Capital – The 2025-2026 General Fund and Parks and Recreation Fund budgets do not include any capital purchases; expenditure budgetary savings and anticipated excess revenues in the 2024-2025 fiscal year will also be used to make some capital purchases.

Debt Service/Lease Purchase – There are no new debt issuances included in the 2025-2026 budget; anticipated debt service for in-process Water and Sewer projects have been included in the budget even though the projects have not yet been completed.

This the 10th day of June, 2025.



Donald L. Gorham, Mayor

ATTEST:



Angela G. Stadler, CMC/NCCMC, City Clerk

