



Chowan County Board of Commissioners
SPECIAL MEETING
Monday March 16, 2026
Chowan County Public Safety Center
305 West Freemason Street
5:30 pm

AGENDA

The Chowan County Board of Commissioners will hold a special meeting on Monday, March 16, 2026, at 5:30pm before the regular 6pm meeting. The special meeting will be held in the Chowan County Public Safety Center (305 West Freemason St. Edenton, NC).

The purpose of this special meeting will be a closed session to meet in accordance with NCGS 143-318-11 (a) (3 & 5) Attorney Client and Contract Negotiations. The regular meeting at 6:00pm will follow.

Chowan County Board of Commissioners
Regular Meeting
Monday, March 16, 2026
Chowan County Public Safety Center
305 West Freemason Street
6:00pm

AGENDA

Regular Meeting

- a. Call to Order
- b. Pledge
- c. Invocation Commissioner Evans

1. Approval of Draft Agenda

2. Public Comment

In accordance with NCGS 153A-52.1 The Board will allow a maximum of 3 minutes per speaker during the Public Comment Period.

3. Consent Agenda

All items on the Consent Agenda are considered to be routine and may be enacted by one motion. If a County Commissioner requests discussion on an item, the item will be removed from the Consent Agenda and considered separately.

- a. Minutes
Minutes of the February 16, 2026 meeting, February 25, 2026 Retreat and the March 2, 2026 meeting.

4. **FY 2024-25 Audit Report**

County's Auditor with Thompson, Price, Scott, Adams and Co. will formally present the FY 2024-25 Independent Audit with financial statements and answer questions from the Board.

5. **Financial Items**

Finance Officer Cathy Smith will present the following:

a. Current Fiscal Year Budget Amendments
BA 2026-045

b. Financial Report

Finance Officer Cathy Smith will provide the Board with financial reports for January 2026.

6. **External Board/Committee Report**

Board members are asked to report on the activities of the external boards to which they have been appointed.

7. **Manager's Report**

County Manager Kevin Howard will update the Board on any pending matters.

8. **Timely and Important Matters**

9. **Adjourn**

Chowan County Board of Commissioners

Regular Meeting

Monday, February 16, 2026

Chowan County Public Safety Center

305 West Freemason St.

Edenton, NC 27980

6:00pm

This meeting was recorded. A copy of the recording is in the clerk's server meeting file labeled February 16, 2026.

Present: Chairman Bob Kirby, Commissioners Larry McLaughlin, Ron Cummings, Ellis Lawrence, Tray Taylor and Tony Shaffer.

Commissioner Chris Evans was absent.

Staff present County Manager Kevin Howard, Finance Officer Cathy Smith and Board Clerk Susanne Stallings.

Regular Meeting

Chairman Kirby called the regular meeting to order and led the pledge, he then offered the invocation.

Approval of Agenda

Commissioner Cummings moved to approve the agenda as presented.

Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Public Comment

Chair Kirby opened the floor for public comment.

Apostle Vonner Ford, 202 Mexico Rd. Edenton stated that Cynthia Gilliam also donated time for her to speak. She stated that she was there to speak about the Martin Luther King Jr. program and the false narrative about the program message/sermon for the past two years. She stated the program is a sacred commemoration rooted in history and struggle, faith and the ongoing pursuit of social justice. She stated Dr. King was a pastor who spoke from pulpits and addressed issues such as poverty, politics, war, voting and other issues. She stated to not speak on modern day issues would be to silence the very message that Dr. King lived and died for. She stated that an individual did not agree with the message. She noted that attendance at these events is voluntary. She stated attendees are there as guests. She stated that black churches are centers for civic engagement, civil rights, education and community advocacy. She stated this is historical fact. She stated to suggest that they not commemorate Dr. King without addressing present day injustices would be to reduce him to a quote on a poster. She stated their celebration is not about division but remembrance, reflection and responsibility. She stated that is the role of black clergy. She stated she is open to any discussion that shows error in their message. She stated that to be offended by a message about oppression but to be insensitive to oppression is not to honor Dr. King.

Angela Taylor 131 Colony Dr. Edenton stated that Pamela Taylor and Shakeria Holley have yielded their time. She stated she is the Chair of the Rev. Dr. King Jr. commemoration celebration. She said that the committee is determined to honor Dr. King's legacy. She stated it would be unjust to change the programming because it is not funded by local government. She stated that item #4 on the agenda "George Lewis will provide the Board with suggestions for enhancing the annual Dr. Martin Luther King Jr. celebration to include a partnership between the County, Town and School System to hold future celebrations at the new John A. Holmes High School." She stated collaboration with boards that do not contribute financially or materially to the observance risks diluting the integrity of the committee and introducing bureaucracy will shift away the true purpose of the celebration. She stated the ceremony must remain a platform for honest reflection. She stated that Dr. King's legacy is about inspiring action when faced with adversity. She stated if the tone of the speaker challenges status quo it is because the work of overcoming is not finished and the journey towards injustice is incomplete. She referenced a deeply offensive incident involving the President of the United States. She noted AI was used to impose the faces of former President Barack Obama and his wife Michelle on apes. She stated there was no accountability for this act. She stated that the President did not apologize and the video remained online for 12 hours. She stated these actions are reminders that African American people continue to face discrimination and oppression and these realities must be recognized or addressed. She asked what the issue with the current committee is and what needs to be enhanced. She stated her father, the late James Taylor served on the Chowan County Board of Commissioners for numerous years. She stated he was an advocate for the African American community. She stated he served to advance justice and contribute to the well being of the community. She stated he taught her to speak truth with integrity and never waiver in the pursuit of injustice. She stated the support in the room speaks volumes about the movement and a community that refuses to remain silent. She stated that until racism is eradicated, the Martin Luther King Jr. Birthday celebration will continue to serve as a catalyst to empower people and advance economic and social justice.

Pastor Rudy Ford 202 Mexico Rd. stated he is the pastor of New Life Ministries, and his concern is the concern for the changing of how the celebration is handled or getting rid of the celebration. He said celebrating the day is crucial because it directly addresses ongoing racial inequality. Economic disparities, and social injustices. He stated the celebration is a call to action for community service, unity and a continued commitment to fulfilling his vision. He said combatting modern inequity, while progress has been made, issues like police brutality, systemic racism and economic injustice persist. He stated the struggle for civil rights is not over. He stated this celebration ensures the continued awareness of Dr. King's leadership and inspires future generations to stand up to against inequality in all settings.

Jerald Perry, Edenton NC stated he agreed with all of the previous speakers. He stated he wanted to point out that he was the chair of the Martin Luther King Jr. celebration for over 25 years. He stated the celebration is dear to him and the project is worthwhile. He stated he did not see the need to make changes and anyone who wishes to provide input and serve can join the committee. He provided copies of his certificates for his work with the committee.

Alice Hines 503 Chowan Trail stated she was in agreement with the speakers regarding the MLK committee. She stated she was there to speak on the confederate monument placement at the Veterans Memorial. She stated she is there to request the County and town to withdraw the plans

for erecting the monument at the proposed site. She asked that the County take alternative solutions that do not promote divisiveness. She stated that Veterans monuments honors those that have protected and served the nation. She stated that confederate monuments celebrate rebellion and protection of slaveholder rights. She stated that most confederate monuments were built between 1890-1920 (well after the Civil War ended) to reinforce Jim Crow laws. She stated that this is revisionist history that downplays slavery and portrays the confederacy as historic. She stated locating the monument on the County Courthouse grounds is regressive. She stated that these buildings were placed at these sites to tell black and brown people to stay in their place. The Edenton monument was moved in the 1960s in an effort to interrupt the push for civil rights. She stated that most people in Chowan do not support these views, the lost cause is still alive and well. She stated that other communities in NC have found places allowed under the laws that allow respectful placement of monuments. She asked the Board not to re-erect the monument and find a nice resting place for the confederate monument.

Valerie Batts 308 E King St. stated as we think about Martin Luther King Jr. Day, and the Confederate monument are related. She stated that the fact it is still being debated today in 2026 speaks to the unfinished legacy of Dr. King. She provided a quote from Dr. King from 1968 “The decade of 1955 to 1965, with its constructive elements, misled us. Everyone, activists and social scientists, underestimated the amount of violence and rage Negroes were suppressing and the amount of bigotry the white majority was disguising.” She stated her work for 45 years has been about helping us recognize a critical flaw. She stated in November 2025, as a child of a WWII Veteran, when she thinks about the confederate monument there at the Veterans memorial. She stated her father would want her to speak up. She provided the clerk with a petition that asks the Board to find a different place for the confederate monument. (A copy of the petition is in the meeting file labeled February 16, 2026.)

Vicki Sherbs 420 Captains Cove Unit C Edenton provided the Clerk with a written copy of her remarks a copy is in the meeting file labeled February 16, 2026. Ms. Sherbs stated that she is a resident of both the County and Town. She stated she was there to speak on Item #4 on the agenda. She asked how the item got on the agenda, do ordinary citizens get to come up with agenda items or are the Commissioners interested in taking over the Martin Luther King Jr. Day from the folks who have been managing it for many years. She asked why this has become a priority. She stated she would love to know the answer to this question. She stated it seems there are members of the community that feel the speakers at the recent event were a bit fiery. She stated that Dr. King was a bit fiery, enough to get himself assassinated during his relentless march toward freedom and justice. She stated she was concerned that any attempt by the commissioners to produce an MLK Day celebration will be an attempt to water down Dr. King’s message or to “whitewash it” to make it more palatable for the most privileged of white folks. She stated that everything about Dr. King’s movement was to make people feel uncomfortable. She stated that uncomfortable can be a good condition if it moves us to be better people living in a better world. She implored the Commissioners to take no action on tonight’s agenda item #4.

Kristy LaLonde 330 Sandy Ridge Rd. stated she wanted to speak on the Dr. King celebration, it has been thoughtfully planned for many years by a dedicated committee. She stated that what the committee has built is a tradition that reflects the voice culture and experience of the community. She stated she appreciates collaboration, but it is important that this celebration has been sustained by the dedication of the committee with no agency or county funding. She stated that the committee has built trust and understands the history and significance. She stated Dr. Kings

legacy calls for unity. She stated if there is to be broader support she encourages it to take form in support and partnership by offering resources, space and assistance while allowing the committee to guide the celebration. She asked that the MLK celebration remain under the leadership of the existing committee. She stated she attended this year's celebration and did not find anything offensive and if anyone found anything offensive or uncomfortable she implores them to look deep within themselves and be the change they want to see.

Jacqueline Hardy-Lassiter 123 W Hicks St. stated she wanted to share her concerns about item #4 on the agenda. She stated she did not understand the why behind this request. She said she does not understand why this is before the Commissioners and Town Council and why this was not presented to the committee first. She stated she could not understand why anyone would attend the celebration and come out with divisive language. She stated she has come to understand when this term is used, it is actually about the uncomfortability of the truth of the experiences of black people concerning white people. She asked what gives anyone the right to belittle or change what really happened. She stated the truth of what we know makes us free. She stated that when she comes into the Town there is a billboard that states white supremacy or racism does not live here and that needs to be rechecked. She stated that racism is costly to everyone. She stated she loves Edenton. She asked everyone to look in the mirror and feels there has to be something different for our future. She stated she does not understand what it is about the truth that scares you. She stated all we can do is stop the repeat of the history we have come through.

Chair Kirby asked if anyone else wished to speak, there were none.

Consent Agenda

All items on the Consent Agenda are considered to be routine and may be enacted by one motion. If a County Commissioner requests discussion on an item, the item will be removed from the Consent Agenda and considered separate

- a. Minutes
Minutes of the January 20, 2026, Meeting.

Commissioner McLaughlin moved to approve the consent agenda as presented. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Martin Luther King Jr. Day Celebration

Chair Kirby noted the next item on the agenda is that George Lewis will provide the Board with suggestions for enhancing the annual Dr. Martin Luther King Jr. celebration to include a partnership between the County, Town and School System to hold future celebrations at the new John A. Holmes High School. Mr. Lewis provided the Board with a copy of his written statement, a copy is in the meeting file labeled February 16, 2026.

Mr. Lewis stated that he is in full agreement with the comments from this evening. He stated his comments are about the importance of the County recognizing this event. He stated he was speaking as a private citizen not the Board of Education and he was not here as a spokesperson for any organization that he is an active member including the NAACP local chapter. He stated he is a supporter of the First Amendment. He stated the right to speak freely includes the right to

say things that others may disagree with. He stated that as a soldier he has defended these freedoms. He stated he is grateful for protection for religious liberty to allow faith communities to speak on moral and public questions without fear of unequal treatment. He stated he has shared his thoughts with people who agree and disagree with him. He stated his purpose was not to win an argument but to contribute honestly and respectfully. He stated that for more than 40 years he has served in nonpartisan public service. He has taken part in and helped organize MLK Day celebrations in many places around the world. He recognized Ms. Angela Taylor and the members of the MLK celebration committee for several years, often without the broader support from the County and citizens. He stated this year's program included many moments of beauty, patriotism and respect that were worthy of honoring Dr. King's life and work. He stated that he was troubled by divisive words and tones used during this year's celebration. He stated that over the past two years keynote messages have, in his view, and those of others, missed the mark on Dr. King's lessons for us. He stated the result is that many have felt alienated from participating. He stated he was not there to accuse or chastise any individual. He stated he had chosen to forgive those whose remarks stirred his concern and prompted him to write an op-ed shortly afterwards. He stated that regardless of party position or background, we should recoil from language that demeans or dehumanizes anyone. He stated that rhetoric that divides or degrades, including the vile rhetoric against President Obama or previous presidents. He stated that Dr. King taught that people should be judged by the content of their character not the color of their skin. He stated that humiliation and name-calling have no place in the pursuit of opportunity to engage openly. He stated that now, with black history month and upcoming Lent season is the time when people search their hearts and set aside division. He referenced Nicole Elliott's Marcus Jackson Project in Edenton that brings people together. He stated he hopes this spirit of widening the circle (referenced by Ms. Elliott) is the spirit that shapes Chowan's observance of MLK Day. He stated he is not asking for control. He was asking for leadership, not partisan politics but stewardship and partnership. He provided examples of what he imagines for a MLK celebration weekend that includes students learning and leading in schools, service projects, music and storytelling, scholarships that invest in future teachers, public service. He stated perhaps the gathering could be in the new high school auditorium. He stated he recently attended a prayer vigil at Shalom International Church where he was reminded that even painful moments can bring people together. He stated that with the leadership of the Commissioners, they can ensure that MLK reflects the very best of who we are. He asked the Commissioners to restore and elevate the County's celebration of Dr. King's legacy in a way that invites every citizen to participate eagerly in unity gratitude and hope.

Chair Kirby asked if there were any questions.

Commissioner Taylor asked how this item got placed on the agenda for that evening.

Board Clerk Susanne Stallings stated that Mr. Lewis spoke to the Chair. Any Commissioner may request that an item be placed on the meeting agenda. The procedure at the beginning of the meeting to approve the agenda allows the board to vote to remove an item from the agenda which would require a majority vote. She stated this item was put on the agenda by the Chair.

Commissioner Taylor asked Mr. Lewis if he presented this to the MLK committee.

Mr. Lewis stated he spoke with members of the NAACP committee about his concerns. He stated this year he went to the program anticipating seeing a change. He stated that this year

comments were racist and demeaning to everyone in attendance, black and white. He stated he shared his comments with others and hoped in their connections that his concerns would be shared. He stated he did not have a direct connection with the committee and stated he did not fault the committee for the comments. He stated the program was beautiful.

Ms. Taylor stated that the NAACP is separate from the MLK committee.

Mr. Lewis stated he thought the MLK program was a Chowan County committee. He stated he did not understand this event was separate and this is about the County's celebration.

Commissioner Shaffer asked if there was a group of organizations that worked on this celebration prior to COVID.

Ms. Taylor stated that the previous Town Manager, Anne-Marie Knighton, worked with the committee in the past.

Mr. Lewis stated he has nothing but praise for those that carry this through. He stated his concern is that the County is not supporting this event financially or with facilities or advertising to bring the whole community together.

Commissioner Taylor stated the County has never supported the MLK celebration and it has always been under the committee.

Commissioner Lawrence stated that he has been in education for about 50 years and traveled the world. He stated that there were things he dealt with in 1965-66, Mr. Lewis could not have a clue what that was like for him. He stated he was NC A&T when the National Guard shot bricks out of the walls with students in the building. He stated that Mr. Lewis could not know about that. He stated Mr. Lewis' feelings do not have a grip on what he has experienced because Mr. Lewis has not experienced these things. He stated the former Commissioner Mr. Taylor is the reason he is currently a commissioner. He stated that Mr. Lewis may have a good heart, but he cannot have a feeling for what these constituents are talking about. He asked if Mr. Lewis is aware that there were local black pilots that flew for President Ronald Reagan. He named Malachi Parson, Donald Pierce, Clarence McCleave who were all from Edenton. He stated that some of the black history would have to be lived to be understood.

Mr. Lewis stated he agrees that people need to know this history and these names and that this needs to be a county celebration. He stated this information needs to be passed on. He stated he doesn't want to wash it over, but he wants everyone to see it. He stated the way it is treated now; few people do not know about it because few participate because they see an event that is not inclusive. He stated he hopes to restore inclusivity.

There being no further comments, the Board moved on to the next agenda item.

Bleacher Repair – DF Walker High School Gym

Mr. Howard stated that the Board has been provided with a quote to repair the bleachers in the DF Walker High School gym using parts from the bleachers that are being removed from the John A. Holmes High School Gymnasium. The cost for this repair will be paid using remaining ARPA funds.

Commissioner McLaughlin asked if the company had looked at the bleacher in a complete way.

Mr. Howard stated that the bleachers from the high school would be taken over to the Walker Gym and the systems would be checked to ensure everything is in good working order.

Commissioner McLaughlin asked for clarification on the courtside bleachers. He then moved to approve the quote for the repairs as presented.

Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Bennett's Millpond RFP

Mr. Howard stated that the project was originally put out for bids on in January 2025. In February of that year, the Board reviewed the two bids received and requested that the RFP be amended so that the bids received were for more specific scope of work. Included in the Board packet is a new RFP for 2026. The Board will review and consider approval of the revised RFP for Bennett's Millpond before putting the project out for bid.

Commissioner McLaughlin recommended the RFP allow for screws to be used on the decking.

Mr. Howard stated he would update this if the contractors recommended screws.

Commissioner McLaughlin moved to approve the RFP as presented. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Soil and Water Annual Report

Jacob Peele and Celeste Maus provided the Board with the annual report from Soil and Water. A copy of the presentation is in the meeting file labeled February 16, 2026.

Commissioner McLaughlin discussed statewide farmland preservation initiatives.

Ms. Maus and Mr. Peele provided the information regarding the process noting that if a landowner chooses to participate the agreements are legally binding.

Sheriff's Office Trucks

Mr. Howard stated that the Sheriff has three trucks that were part of the Enterprise lease program and are at the end of their leases. The County is interested in purchasing one of the trucks for Soil and Water. The purchase price of the 2023 Chevrolet truck which has 64,000 miles on it is \$23,000. Based on the agreement with Perquimans County for Soil and Water operations, Chowan would pay half of the purchase price and Perquimans would pay the other half. Chowan's portion for the purchase is \$11,500. The cost of this purchase will be paid using remaining ARPA funds.

Commissioner Shaffer moved to approve the purchase as presented contingent on Perquimans County approving their portion of the purchase. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Jail Replacement Options

Mr. Howard stated that over the past 2-3 years the Board has discussed the need for a new county jail. The County has looked at various options for replacement of the existing Chowan County Detention Center (Jail). Options that have been explored included the construction of a new jail, construction of a new regional jail with neighboring counties, as well as joining existing local regional jails. Mr. Howard provided the Board with estimated costs for each option. He noted the following:

- Current County Jail Budget \$1,165,820
- Cost to join Albemarle District Jail (ADJ) \$1,485,178, he noted there is currently space available and no new construction is required for Chowan to join ADJ. He noted this cost estimate does not include the costs for transport of Chowan inmates for court.
- Cost to buy in with Bertie Martin \$1,066,910 (he noted this cost estimate is based on Bertie Martin receiving state funding for capital costs for expansion. He stated that Bertie Martin will not move forward with Chowan joining if they do not receive these funds).
- Construction of a Regional Jail with Gates and Washington Counties \$2,040,823. He noted that Gates and Washington Counties have opted to not move forward on this option.
- Cost to construct a new jail in Chowan County \$2,857,157, this is the annual cost, construction costs were estimated to be around \$25 million.

Mr. Howard stated he is requesting the Board consider approval to allow him to begin negotiations with ADJ. He stated he did not believe building a new jail is a viable option. He noted another concern about the Bertie-Martin proposal is that that jail is in a different judicial district from Chowan and ADJ.

Commissioner Lawrence asked Mr. Howard's recommendation is to go with ADJ.

Mr. Howard stated that he feels that ADJ is the better option for Chowan and noted it is in the same judicial district as Chowan County. Mr. Howard noted this cost is estimated to be around \$325,000 more than what the County is currently spending in its jail budget. He noted the cost estimate for construction of a new jail was done two years ago and is expected to be more now than previously estimated. He noted that there are holding cells at the Courthouse and the Public Safety Center to allow staff to hold inmates on court dates noting that inmates would not be held overnight at the Public Safety Center.

Sheriff Edward Basnight stated that he will need to retain detention officers to monitor inmates that are being held for court. He noted that the County is responsible for the transport of inmates. He noted there are three cells at the courthouse and two at the Public Safety Center. He noted that the cells will only have benches and not beds as they are not intended for overnight housing.

Chair Kirby noted that the Board that governs ADJ will have a say in this agreement as well and that legislative approval is also needed.

Mr. Howard stated that the State will have to amend the charter that created ADJ. He noted that Gates was invited to join ADJ and if they decide to join, the cost for Chowan County will

decrease. He noted that \$279,733 is the buy in cost for ADJ annually and after 15 years this amount will not be charged to Chowan.

Commissioner Taylor asked what will happen to Chowan’s detention offices.

Mr. Howard stated they will be offered positions with ADJ, and some may be retained to monitor inmates on court dates and for transport.

Commissioner Shaffer stated that the costs for transition are also needed.

Mr. Howard stated that the Sheriff budget will need around \$300,000 to cover the salaries of the officers retained in Chowan and to cover the costs for the purchase of a van.

Chair Kirby noted this will be on the retreat agenda for February 25th and will be discussed in more detail.

Appointment

Trillium Health Resources Regional Advisory Board

Chair Kirby noted that the current appointee had to resign from the Board for personal reasons. North Regional Director Bobbie Lowe has recommended the Board consider the appointment of Claire Mills to fill the vacant seat on the regional board.

Commissioner McLaughlin moved to appoint Claire Mills to the vacant seat.

Commissioner Shaffer noted he is on this Board and concurs with the nomination.

Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Financial Items

Finance Officer Cathy Smith presented the following:

Current Fiscal Year Budget Amendments

BA2026-038

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
<i>Inspections</i>			
11-4350-121-00	Salaries - Regular		(1,500.00)
11-4350-126-00	Salaries - PT		1,500.00
	Balanced	-	-
Justification:			
<i>To amend the 2026 budget for Building Inspections to include part-time salaries for coverage of vacation for a FT employee.</i>			

BA2026-039

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Tax Admin			
11-3346-105-00	Attorney Fees/Suit Costs	10,062.48	
11-4140-199-00	Prof Fees - Legal Cost		10,062.48
	Balanced	10,062.48	10,062.48
Justification:			
<p><i>To amend the 2026 budget for Tax Administration to include additional revenue and expense for legal fees on foreclosures. Current revenue is \$10,062 over budget.</i></p>			

BA2026-040

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Register of Deeds			
11-3418-415-00	*Preservation/Automation	570.71	
11-4180-298-00	*Dept Supplies - Auto/Pres		190.24
11-4180-440-00	*Contr Svcs - Automation/Pres		190.24
11-4180-511-00	*C/O - Auto / Pres		190.23
Sheriff's Office			
11-3431-232-00	*Sheriff Donations	125.00	
11-4317-440-00	*Donation - Expense		125.00
11-3431-240-00	*Project Lifesaver	(100.00)	
11-4317-298-00	*Project Lifesaver		(100.00)
11-3431-243-00	*KIDS & COPS	1,660.00	
11-4317-443-00	*KIDS & COPS Expense		1,660.00
Animal Shelter			
11-3438-894-00	*Donations - Chowan	605.00	
11-3438-894-01	*Donations - Gates	97.70	
11-3438-894-02	*Donations - Perquimans	685.32	
11-3438-894-03	*Donations - Other	2,248.00	
11-4381-600-00	*Donation - Expense		3,636.02
11-3438-895-00	*Adoption - Chowan	125.00	
11-4381-441-00	*Contr Svcs - Spay/Neuter		125.00
Cooperative Ext:			
11-3495-370-00	*AG Program Fees Discretionary	775.00	
11-4953-440-00	*Ag Program Fees Discretionary		775.00
11-3495-378-00	*4-H Fees Discretionary	1,665.00	
11-4953-448-00	*4-H Fees Discretionary		1,665.00
Recreation			
11-3612-487-00	*Recreation Donations	800.00	
11-6130-299-01	*Donations - Dept Supplies		800.00
Senior Center			
11-3616-533-00	*Reg Fees - Trips	8,173.00	
11-4268-312-00	*TRIPS - Senior Citizens		8,173.00
11-3616-533-01	*Registration Fees Activities	197.00	
11-4268-299-01	*Activities - Dept. Supplies		197.00
11-3616-535-04	*Silver Sneakers	756.00	
11-3616-535-06	*Renew Active	363.00	
11-4268-352-02	*Healthways		1,119.00
11-3616-535-01	*Donations - Fitness	148.95	
11-4268-352-01	*Donations - Fitness		148.95
DSS			
12-3531-230-14	*DSS Special Events	246.00	
12-5310-450-00	*DSS Special Events		246.00
	Balanced	19,140.68	19,140.68
	Total Discretionary Income Received FYE 2026	288,153.25	
Justification:			
	<i>To amend the 2026 budget to include Discretionary income for January 2026.</i>		

BA2026-041

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Animal Shelter			
11-4381-121-00	Salaries - Regular		(250.00)
11-4381-125-00	Cell Phone Stipend		250.00
	Balanced	-	-
Justification:			
	<i>To amend the 2026 budget for Animal Shelter to include cell phone stipend for new employee.</i>		

Commissioner Lawrence moved to approve the budget amendments as presented. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Financial Report

Finance Officer Cathy Smith provided the Board with financial reports for December 2025. A copy of the report is in the meeting file labeled February 16, 2026.

External Board/Committee Report

Commissioner Shaffer reported on the DSS Board noting the Board is monitoring the potential impacts from HB1. He noted this will be discussed at the retreat in more detail.

Commissioner McLaughlin reported on the Senior Center Advisory Board noting his appreciation for Maintenance staff for their quick response and remediation of a moisture issue in the fitness room. He noted that the building exterior will need to be sealed but he is confident that staff are addressing this issue.

Commissioner Lawrence reported that the Airport Board has a new Manager. He noted that repairs continue at the airport.

Manager's Report

Mr. Howard noted that he did not have any additional items to report on.

Timely and Important Matters

There were none.

Adjourn

Being no further business, Commissioner Cummings moved that the meeting be adjourned. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Bob Kirby, Chair

Susanne Stallings, Clerk

Special Meeting
RETREAT
Wednesday, February 25, 2026
9:00am
Chowan County Public Safety Center
305 West Freemason St.
Edenton, NC 27932

Present Chair Bob Kirby, Commissioners Ron Cummings, Larry McLaughlin, Chris Evans, Ellis Lawrence and Tony Shaffer. Commissioner Tray Taylor joined later in the meeting.

North Carolina Association of County Commissioners (NCACC) Outreach Associate Denise Stinagle was also present.

Staff present County Manager Kevin Howard, Finance Officer Cathy Smith and Board Clerk Susanne Stallings.

Board Chair Bob Kirby welcomed everyone in attendance.

Denise Stinagle welcomed the Board and thanked them for inviting her to the retreat. She provided a copy of the Highlights for Chowan County from the 2025 NCACC Map Book. A copy of the handout is in the meeting file labeled February 25, 2026.

County Budget Update and Projections

Fund Balance Estimate

Finance Officer Cathy Smith provided the Board with a General Fund Balance Calculation handout. A copy of the handout is in the meeting file labeled February 25, 2026. She noted that based on the projection, the fund balance percentage of available or unrestricted fund balance is 29.50%. They provided an additional handout that shows how the fund balance is calculated noting that monies went into the capital reserve fund. Mr. Howard noted that the revenues from tax/tags were increased this year as well as sales tax revenues were increased. It was noted that every department did well except for the jail. He noted that often the unknown health care expenses at the jail can impact this budget. Mr. Howard also reviewed a handout on the general fund revenues and expenditures for FY 2025. A copy of all handouts is in the meeting file labeled February 25, 2026.

Proposed DSS Reimbursement Changes

Mr. Howard called on DSS Director Tyeshia Phelps to discuss proposed changes to DSS reimbursement. He noted that it is unknown as to how the changes will impact the current and future budget. He stated that the federal government has cut funding without cutting mandated programs and this has been pushed down to the States. Mr. Howard provided the Board with copies of three presentations that County Managers were given regarding the HR1 fiscal impacts. (A copy of the three handouts is in the meeting file labeled February 25, 2026). He stated that beginning on October 1, 2026, the reimbursement for SNAP benefits will change from 50% reimbursement to 25%.

Ms. Phelps stated the state is looking at centralized Medicaid services, she said that state DSS Directors are opposed to this because there is no local contact to assist with filling out paperwork for Medicaid. She noted that the program requirements may be changed to reduce eligibility for Medicaid and FNS services

Mr. Howard stated that the statewide impact for FY 2026-27 is \$69 million. He stated the median county impact is around \$400,000. He noted that additional workload is expected to verify eligibility.

Property Tax Legislation

Mr. Howard stated there is discussion regarding changes to county property tax legislation. He said that NCACC is working to keep Counties up to date on the committee discussions. He noted that the committees are focusing on tax exempt properties as well as relief programs for the elderly and disabled to receive discounts.

Recreation Capital

Recreation and Senior Center Director Brian Chappell provided the Board with information on the facilities managed by the Recreation Department and Senior Center. A copy of the handout is in the meeting file labeled February 25, 2026. He reviewed the needs:

Northern Chowan Community Center (NCCC) for FY 26-27 and FY 27-28. The 26-27 needs are ceiling and air duct cleaning in the gym, bathroom floor replacement and floors buffed and waxed.

Walker Gym – Current year needs are repairs to the back of room, repair back storage room by stage and bleachers and repairs bathrooms and locker rooms. He noted that for next fiscal year door replacement.

Earnhardt Field – this project has been separated into two phases over two fiscal years, that include lighting, fencing, concessions, bathroom and storage and parking lot repairs. The second phase includes playground and gravel for parking.

Purser Fields – for FY 26-27 goals are needed, bleachers and benches, parking lot gravel, concessions and a septic pump. For FY 27-28 Fencing is needed.

Fisher Fields – For FY 26-27 Parking lot gravel, bleacher area and screening, score hut repair and gutters on concession stands. For FY 27-28 a third field will be requested.

Chowan Senior Center – Additional space is needed in the senior center. The current facility is 5,740 sq ft, the master plan calls for 9,300 square feet of space. For FY 26-27 the needs include heat/air in offices, parking lot resurfacing and renovating the stairs on the Church Street side of the building.

Miscellaneous needs include:

- A maintenance shed
- Reboarding the riverwalk at Cannons Ferry
- Replacing damaged boards on pier

The Board discussed the need for project design for Red Banks Farm. It was recommended that the Recreation Director come back at 3pm for additional discussion on this topic.

Break

The Board took a 15-minute recess for break, following the break Chair Kirby called the retreat back to order.

Water Plant and Distribution

Scott Godefroy, Kevin Cooper and Greg Churchill with Rivers and Associates Inc provided a PowerPoint update on ongoing water projects. Water Director Chuck Jones was also present. A copy of the PowerPoint presentation is in the meeting file labeled February 25, 2026.

Reverse Osmosis Water Treatment Plant

Mr. Godefroy provided updates on the planning for a 4/0 MGD (net)/5.0 MGD (gross) Regional Reverse Osmosis (RO) Water Treatment Plant (WTP). He provided mapping on the various test well sites that are currently in place and a Water Treatment Plan Conceptual Plan. He noted the six test wells that have been installed have demonstrated sufficient capacity and water quality. He noted that no exceptional pre-treatment and or chemical feed systems are anticipated. He stated that no exceptional post treatment systems are anticipated other than typical PH adjustment and chlorine disinfection. The waste discharge is proposed to be piped and discharged into the Albemarle Sound through a multi-port diffuser. Preliminary COREMIX dilution model findings suggest that an optimized multi-port diffuser should be able to achieve a dilution factor of 40-50 within the near-field mixing zone and will mitigate concerns during the NPDES permitting process and reduce the required effluent concentration. If the County were to construct the RO Plant in phases, the current 3 test wells will be sufficient to provide the raw water needs for the new plant. As demand increases and regional partners choose to participate, additional well sites can be developed, and the plant upsized with additional skids. Based on estimates an additional 3-4 production well sites can be developed to accommodate the increased demand.

Mr. Godefroy noted that GMA is completing the CORMIX modeling and report over the next two weeks and the engineering alternatives analysis will be finalized (estimated 4 weeks). After this an application for NPDES permit will be prepared for review and execution by the County. He noted that the unfunded portion of the project needs to be considered. The current agreement for engineering services included the application of for funding from USDA. The Board agreed by consent that the contract with Rivers should be amended to allow Rivers to go through DWI processes and approvals. The Board will need to agree on a capacity design and these items will come to the Board for future approval.

Existing System Improvements

It was noted that improvements at Cape Colony must be made before the R/O plant is online. A sampling station is needed and additional personnel for dedicated flushing and signage is a request/recommendation by the Department Head.

The group took a break for lunch for about 10 minutes and continued meeting while eating lunch.

Water Leak Adjustment Policy/ Water Rates

It was determined any policy for water leak adjustments would need to be codified by the Board.

A future meeting will be needed to discuss water rate adjustments that are needed in order to qualify for grants or state fundings to make the Cape Colony repairs as well as other projects.

RPO Projects

Ethan Sommers Transportation Planner, Albemarle Rural Planning Organization (RPO) discussed projects that are under consideration by the RPO. He provided a PowerPoint presentation, a copy of the presentation is in the meeting file labeled February 25, 2026.

Highlights included:

- Ongoing projects such as the West Queen Street Bridge Replacement, NC 32 (NC 37 to Virginia state Line) engineering only and Albemarle Sound Bridge Maintenance.
- Highway Maintenance Improvement Program (HMIP) projects that are future projects that could include changes before the contract is let.
- State Transportation Improvement Program (STIP), which are long term (10 year or more) projects and may be reprioritized every 2 years. The ARPO has 15 submittals and Division 1 has 10 submittals.
- Overview of Rail prioritization from Edenton to the Virginia State line, Aviation (additional box hangers at Northeast Regional Airport), Bike/Pedestrian and Highway (modernization of Rocky Hock Rd.)

Planning/Land Use

County Planner Robert Daniel discussed the following, (Handouts were provided to the Board and are in the meeting file labeled February 25, 2026).

- Data Centers. Zoning for and regulations to consider the impacts on infrastructure. The Board discussed the pros and cons of a data center. It was agreed that staff develop regulations for the Board to consider in the future.
- Status of Ordinance Update
This project was put on hold due to legislative changes, it is still ongoing and the Board will consider an amendment to the contract with Insight at their meeting on March 2nd.

- Nuisance Abatement/Enforcement for junk yards/long term yard sales
Staff noted these issues are complaint driven. There is no staff in place to ride around and enforce these types of issues. The process of sending letters requesting landowner compliance was reviewed with the Board. It was noted that many of these properties are in foreclosure or owned by multiple heirs that are not local, which creates challenges for staff when trying to enforce nuisance ordinances.

Commissioner Tray Taylor joined the meeting.

The Board discussed long-term yard sales and the complaints that have been submitted by adjoining property owners.

County Architectural Standards

Board members discussed their views on architectural standards.

Commissioner McLaughlin stated he would like to see more standards established in the County particularly with development of small chain stores such as Dollar General.

Commissioners Kirby and Shaffer discussed their concern with regulations and standards which would apply to all commercial development.

Farmland Preservation

Rodney Woolard, Agricultural Development and Farmland Preservation Discussed programs available for Farmland Preservation initiatives. He provided the Board with website resources for residents interested in farmland conservation easements. He noted these programs are voluntary and are used as a tool to ensure that farmland is not developed.

Chowan County Jail

Mr. Howard stated that over the past 2-3 years the Board has discussed the need for a new county jail. The County has looked at various options for replacement of the existing Chowan County Detention Center (Jail). Options that have been explored included the construction of a new jail, construction of a new regional jail with neighboring counties, as well as joining existing local regional jails. Mr. Howard provided the Board with estimated costs for each option. He noted the following:

- Current County Jail Budget \$1,165,820
- Cost to join Albemarle District Jail (ADJ) \$1,485,178, he noted there is currently space available and no new construction is required for Chowan to join ADJ. He noted this cost estimate does not include the costs for transport of Chowan inmates for court.
- Cost to buy in with Bertie Martin \$1,066,910 (he noted this cost estimate is based on Bertie Martin receiving state funding for capital costs for expansion. He stated that

Bertie Martin will not move forward with Chowan joining if they do not receive these funds).

- Construction of a Regional Jail with Gates and Washington Counties \$2,040,823. He noted that Gates and Washington Counties have opted to not move forward on this option.
- Cost to construct a new jail in Chowan County \$2,857,157, this is the annual cost, construction costs were estimated to be around \$25 million.

Mr. Howard stated he is requesting the Board consider approval to allow him to begin negotiations with ADJ. He stated he did not believe building a new jail is a viable option. He noted another concern about the Bertie-Martin proposal is that that jail is in a different judicial district from Chowan and ADJ.

Sheriff Edward Basnight and Chief Deputy John McArthur discussed the need to retain 4 employees to serve as detention officers for inmates that are being held in Chowan for court. Its estimated \$306,698.93 is needed. Additional monies are needed to purchase transport vehicles (2 vans -\$88,288) and the costs for fuel (\$7,332 annually).

Mr. Howard stated he is looking into the cost benefits for utilizing enterprise for lease agreements with Enterprise.

Recreation

Master Plan Items

Mr. Howard stated he spoke with Rivers and Associates. They are the County's Engineering firm for water projects, but they have a division that also specializes in Recreation development. He stated the cost for engineered drawings for development of the Red Banks Farm site is estimated to be around \$120,000. He stated he will ask to utilize CIP funds to pay for this design.

Ches Chesson with the Town of Edenton/ Director of Mainstreet Edenton discussed the work of a private group that got together after the bond referendum failed. The group has formed a nonprofit group under the ECP umbrella called ECREF (Edenton Chowan Recreation Enhancement Fund). The group is working to fundraise for a future Recreation complex. He stated his role is to advise the group on the new market tax credits.

Miscellaneous Topics

Town Updates – Mr. Chesson provided the Board with some updates on Town projects including Hotel Hinton and Project Teapot.

Commissioner Evans left the meeting.

Fire Substation – Mr. Howard has discussed a purchase price with the owners; they are considering if they wish to sell the property.

Meeting Room Acoustics- The Board discussed that room acoustics; it was determined that listening devices could enhance the sound for those who have trouble hearing speakers. The only other option is to locate another meeting space.

Commissioner Tray Taylor left the meeting.

Commissioner Computer Equipment – It was recommended that when future equipment is purchased the Board members are given the option of an iPad or PC.

Summary

Ms. Stinagle summarized the meeting:

- She feels the Board has good policies in place, good leadership and good staffing/department heads and added that the County's financials appear to be very strong thanks to these individuals and policies.

She thanked the Commissioners for inviting her to the retreat.

Being no further business Chairman Kirby declared the retreat adjourned.

Bob Kirby, Chairman

Susanne Stallings
Clerk

Chowan County Board of Commissioners

Regular Meeting

Monday, March 2, 2026

Chowan County Public Safety Center

305 West Freemason St.

Edenton, NC 27980

6:00pm

This meeting was recorded. A copy of the recording is in the clerk's server meeting file labeled March 2, 2026.

Present: Chairman Bob Kirby, Commissioners Larry McLaughlin, Ron Cummings, Chris Evans, Tray Taylor and Tony Shaffer. Commissioner Ellis Lawrence came in later

Staff present County Manager Kevin Howard, Finance Officer Cathy Smith and Board Clerk Susanne Stallings.

Regular Meeting

Chairman Kirby called the regular meeting to order and led the pledge.

Commissioner Taylor then offered the invocation.

Approval of Agenda

Board Clerk Susanne Stallings presented a request to amend Item #11 on the agenda. She noted an item a. would be to approve an amendment to the 2025 auditor contract and item b would be approval of the 2026 auditor contract.

Commissioner Cummings moved to approve the agenda as amended.

Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Public Comment

Chair Kirby opened the floor for public comment.

There was none.

Consent Agenda

All items on the Consent Agenda are considered to be routine and may be enacted by one motion. If a County Commissioner requests discussion on an item, the item will be removed from the Consent Agenda and considered separate

a. Minutes

Minutes of the January 28, 2026, Salary Study Presentation, February 10, 2026, 5 on 5 Committee meeting and the February 11, 2026, CIP Committee meeting.

Ms. Stallings noted a correction to the minutes of February 11th to note this was a CIP Committee meeting at the top of the minutes.

Commissioner McLaughlin moved to approve the consent agenda as corrected. Chair Kirby asked for all in favor, the motion passed unanimously (6-0).

Reappraisal Presentation

Ryan Vincent with Vincent Valuations presented the Board with a status update presentation on the 2026 Reappraisal. A copy of the PowerPoint presentation is in the meeting file labeled March 2, 2026. Highlights from the presentation include:

- A reappraisal is a process in which all real property in the County is appraised at its current market value as of a particular date.
- State law requires all counties to conduct a reappraisal at least once every 8 years.
- Market value is the most probable price a property would bring in an open and competitive market. Market value is obtained by analyzing market sales patterns and trends and is set by the choices of buyers and sellers in the marketplace.
- Data collection for the reappraisal began in March 2024.
- The schedule of values was presented September 15, 2025.
- Reappraisal notices will be mailed to property owners in March 2026.
- Approximately 13,000 properties are appraised in Chowan County. This is referred to as a mass appraisal. Appraisals are conducted using industry standards for mass appraisals.
- Overall county wide changes are estimated to be between 38-42%
 - o 87.7% of the properties will have a higher value than 2022
 - o 12.3% of the properties will have a lower value than 2022
 - o 13.9% of the properties changed by +/- 15% or less
 - o Some areas of the County have seen an increase in market value while others have experienced a decrease in value, and some have stayed about the same.

Mr. Vincent then provided the Board with slides that showed various residential and commercial properties within the County. The slides show the year built, the 2022 assessed value, a recent sale date and sale price and the percentage of increase in the value. He noted that the appraised value and tax rates are two separate concerns. He noted the tax rate is determined by the Board based on their budget needs. He noted the appraised value is established well before the tax rate is set and independent of the tax rate. The amount of the final tax bill cannot be determined until the tax rate is set.

Commissioner Lawrence joined the meeting.

Mr. Vincent stated that residents should review their property data to ensure the information is accurate and up to date as of 1/1/2026. He stated residents should compare their value against properties that sold within 2024 and 2025. Residents must appeal their property by May 11, 2026, if data problems or value discrepancies have been found. A fully completed appeal form with date and signature is required to be given to the Tax Office prior to May 11th. He reviewed the accepted documentation that must accompany the appeal. He stated that errors or out of date information can be managed quickly. He discussed property tax relief programs available. He reminded the Board that May 11, 2026, at 5pm is the deadline to file an appeal. He noted that tax bills will go out in the summer of 2026.

Commissioner McLaughlin stated that in 2022 when Vincent assisted the County with appeals he was impressed with the thoroughness and understandability of the listings and appeals. He

encouraged the public to check the dates on their assessment, he stated he noticed an error on his form and was able to have it corrected easily.

Jail Replacement

Mr. Howard noted that over the past 2-3 years the Board has discussed the need for a new county jail. At the February 16, 2025, meeting, he provided various options for replacement of the existing Chowan County Detention Center (Jail). Options that have been explored included the construction of a new jail, construction of a new regional jail with neighboring counties, as well as joining existing local regional jails that showed estimated costs for each option. Based on discussions at the February 25, 2026, retreat it was recommended the Board vote to authorize the County Manager to begin negotiations with Albemarle District Jail to develop an agreement for Chowan County to join ADJ. A final contract will be placed before the Board at a future meeting.

Mr. Howard provided the Board with estimated costs for each option. He noted the following:

- Current County Jail Budget \$1,165,820
- Cost to join Albemarle District Jail (ADJ) \$1,799,178, he noted there is currently space available and no new construction is required for Chowan to join ADJ. He noted this estimate includes the costs for transport of inmates that were not previously included.
- Cost to buy in with Bertie Martin \$1,066,910 (he noted this cost estimate is based on Bertie Martin receiving state funding for capital costs for expansion. He stated that Bertie Martin will not move forward with Chowan joining if they do not receive these funds).
- Construction of a Regional Jail with Gates and Washington Counties \$2,040,823. He noted that Gates and Washington Counties have opted to not move forward on this option.
- Cost to construct a new jail in Chowan County \$2,857,157, this is the annual cost, construction costs were estimated to be around \$25 million.

Commissioner Shaffer moved to authorize the County Manager to engage with Albemarle District Jail for the purpose of a merger for Chowan County to join ADJ with a final contract agreement to come back for the Board to approve at a later meeting.

Chair Kirby noted that legislative approval will be needed for this merger.

Mr. Howard noted that ADJ has begun that process at the General Assembly and he noted that Chowan will need to contact its representatives.

Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Zoning Ordinance Rewrite Contract Amendment

Mr. Howard stated that the Board is asked to consider approval of an extension of the current contract with Insight Consulting Group LLC to extend the contract term to October 1, 2026. He noted this project was put on hold because of changes being made to zoning regulations by the General Assembly. He noted this extension is no additional cost to the contract.

Commissioner Shaffer moved to approve the contract amendment as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

John A. Holmes High School Change Order

Change Order for new HVAC unit for Boy Scout Hut

Mr. Howard presented the Board with a proposal for a change order in the amount of \$16,162.42. He stated this type of change does not require a vote from the Board but is being brought before them as FYI. He noted that they are requesting a natural gas hookup for this location to allow them to remove the onsite propane tank. He noted this option is

Hicks Field net extension

Mr. Howard presented the Board with a proposal for a change order in the amount of \$63,472.84. He noted this is to increase the height of the net by 10'. He noted the contract called for 30' tall net however 40' is recommended to protect the building and parking lot. The majority of the cost is for new taller metal poles for the netting. He noted the increase in the contract price is the amount of the change. He noted the cost for this increase will come from the contractor contingency line. He stated this type of change does not require a vote from the Board but is being brought before them as FYI.

Probation Lease

Mr. Howard presented the Board with a request for approval of a one-year lease with NC Department of Adult Correction Probation and Parole for the space at the Chowan County Public Safety Center. He noted this is a no-cost lease and the statutes require the County to provide office space for the officers.

Chair Kirby asked if there were any considerations for relocating them to the jail building.

Mr. Howard stated they previously looked at the office space at the jail, and it was not enough space. He stated this can be revisited in the future once the jail is vacated.

Commissioner Shaffer moved to approve the lease as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

DF Walker Gym Door Replacement

Mr. Howard presented the Board with a proposal to change out the doors at DF Walker Gym (Oakum St.) utilizing capital improvement plan funds. He stated the closures on the doors are worn out and some are becoming a hazard. He stated the doors will be installed primed and will need to be painted.

Commissioner McLaughlin asked about the cost estimate for painting.

Mr. Howard stated he would recommend another \$2,000 in addition to the cost of the doors.

Commissioner McLaughlin moved to approve the proposal and the additional \$2,000 for painting. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Appointment

Recreation Advisory Board

Chair Kirby noted that this vacancy has been advertised for over a year. The Recreation Advisory Board has reviewed the applications and recommends the appointment of Maurice Bunch to the Recreation Advisory Board.

Commissioner Taylor moved to appoint Maurice Bunch to the Recreation Advisory Board. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Audit Contract and Engagement Letter

Audit Contract and Engagement Letter- 2025 Amendment

Ms. Smith presented the Board with an amendment to the 2025 contract with Thompson, Price, Scott, Adams & Co PA. She noted the amendment is the not to exceed cost of \$57,000 to be changed to \$59,000. She noted this was due to changes for DSS Medicaid requirements. She noted that a portion of the cost can be billed for reimbursement. She noted the auditor will be at the March 16th meeting to present the audit.

Commissioner Cummings moved to approve the contract amendment as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Audit Contract and Engagement Letter -2026

Ms. Smith presented the Board with a request for approval of the audit contract and engagement letter with Thompson, Price, Scott, Adams & Co., P.A. (TPSA) for 2026. She noted the audit contract fee has increased with a not to exceed cost of \$68,000.

Commissioner Lawrence moved to approve the contract as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Financial Items

Finance Officer Cathy Smith presented the following:

Current Fiscal Year Budget Amendments

BA2026-042

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Solid Waste			
62-3471-521-00	Electronics Recycling - Rev	1,511.72	
62-4710-696-00	Electronics Recycling - Exp		1,511.72
62-3471-530-00	Scrap Tire Tax Distribution - Rev	4,148.92	
62-4710-694-00	Scrap Tire Tax Distribution - Exp		4,148.92
62-3471-531-00	White Goods Tax Distribution - Rev	1,872.16	
62-4710-695-00	White Goods Tax Distribution - Exp		1,872.16
	Balanced	7,532.80	7,532.80
Justification:			
<i>To amend the 2026 budget for Solid Waste to include Scrap Tire and White Goods tax distributions received through February 2026.</i>			

BA2026-043

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Veterans Services			
11-3582-361-00	NCDMVA Grant - Revenue	20,000.00	
11-5820-696-01	NCDMVA Grant - Expense		20,000.00
	Balanced	20,000.00	20,000.00
Justification:			
<i>To amend the 2026 budget for Veterans Services to include grant received by NC Department of Military and Veterans Affairs. BOCC approved grant application on 11/03/25.</i>			

BA2026-044

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
E-911 Fund			
24-3990-990-00	Fund Balance Appropriated	127,311.00	
24-4325-300-01	Telecommunicator Furniture		127,311.00
	Balanced	127,311.00	127,311.00
Justification:			
<i>To amend the 2026 budget for E-911 Fund to include Wrightline Console Furniture for backup PSAP located in Perquimans County. Purchase has been approved by NC 911 Board. Fund Balance for the E-911 Fund will be utilized for the purchase.</i>			

Commissioner McLaughlin moved to approve the budget amendments as presented. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

External Board/Committee Report

Commissioner Lawrence reported on the COA Board.

Commissioner Shaffer reported on the Health Department Board.

Chair Kirby noted that the NCACC is hosting district meetings and the meeting for District 1 is Wednesday, March 11, 2026, in Halifax County at 10am. If a Board member wishes to attend, please notify the Clerk so that she may RSVP them for the meeting.

Manager’s Report

Mr. Howard noted that EMS has the UTV ambulance on display at the meeting for the Board to see it in person. He noted this ambulance was purchased with NC Emergency Management grant funds and will be a regional asset that is housed in Chowan County.

Timely and Important Matters

NCACC Video

The NCACC requested that a brief video from NCACC President Wallace Nelson be shared with all counties at their March meeting. The Board watched the video.

Finance Officer Class

Ms. Smith noted that she would be attending classes at the School of Government the next week.

Adjourn

Being no further business, Commissioner Cummings moved that the meeting be adjourned. Chair Kirby asked for all in favor, the motion passed unanimously (7-0).

Bob Kirby, Chair

Susanne Stallings, Clerk

CHOWAN COUNTY
AUDIT PRESENTATION
FOR THE YEAR ENDED JUNE 30, 2025



Thompson, Price, Scott, Adams & Co., P.A.
4024 Oleander Drive Suite 103
Wilmington, North Carolina 28403
Telephone (910) 791-4872
Fax (910) 239-8294

CHOWAN COUNTY REQUIRED COMMUNICATIONS

Area

Comments

Responsibilities Under Generally Accepted Auditing Standards, Government Auditing Standards, OMB Uniform Guidance, and the State Single Audit Implementation Act.

Design the audit to provide reasonable assurance that the financial statements are free of material error and in compliance with government regulations.

- Accomplished. No material error noted.

Perform all planned procedures and have complete access to both management and required information.

- Completed. Our work was not limited in any way.

Communicate significant deficiencies in the internal control.

- None.

CHOWAN COUNTY REQUIRED COMMUNICATIONS (CONTINUED)

Area

Comments

Adoption or Change in Accounting Policies

Communicate the initial adoption of or a change in an accounting principle which had or is expected to have a significant effect on the financial statements.

- GASB 101 - Sick Leave.

Management Judgment and Accounting Estimates

Assess methodologies used and basis of evidence for matters requiring judgments and estimates.

- Methods used and evidence considered appear to have led to reasonable amounts being included in the financial statements.

Financial statement disclosures

- The financial statement disclosures are neutral, consistent, and clear.

Significant Audit Adjustments or Unrecorded Differences

Communicate significant recorded and unrecorded differences.

- None.

CHOWAN COUNTY REQUIRED COMMUNICATIONS (CONTINUED)

Area

Comments

Disagreements with Management

Communicate any disagreements on financial or reporting matters that, if not satisfactorily resolved, would cause a modification of our report.

- None.

Management Representations

- Management provided a management representation letter.

Consultation with Other Accountants

Communicate consultation that took place with other accountants.

- None to our knowledge.

Prior to Retention Issues

Communicate any major issues that management discussed with the auditor in connection with the retention of the auditor, including the application of accounting principles and auditing standards.

- None.

CHOWAN COUNTY REQUIRED COMMUNICATIONS (CONTINUED)

Area

Comments

Difficulties Encountered Performing the Audit

Any serious difficulties the auditor encountered in dealing with management such as unreasonable delays in providing needed information, unreasonable timetable set by management, or unavailability of client personnel.

- None noted.

Irregularities and Illegal Acts

Communicate the existence of any material irregularities and/or illegal acts determined during the audit.

- None noted.

CHOWAN COUNTY GENERAL FUND

Dear Board Members:

Below is a summarization of some of the key items in the audit report.

2025

Total Revenues and Other Financing Sources	\$	25,126,665
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Total Expenditures and Other Financing Uses	\$	24,720,204
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Net Change	\$	406,461
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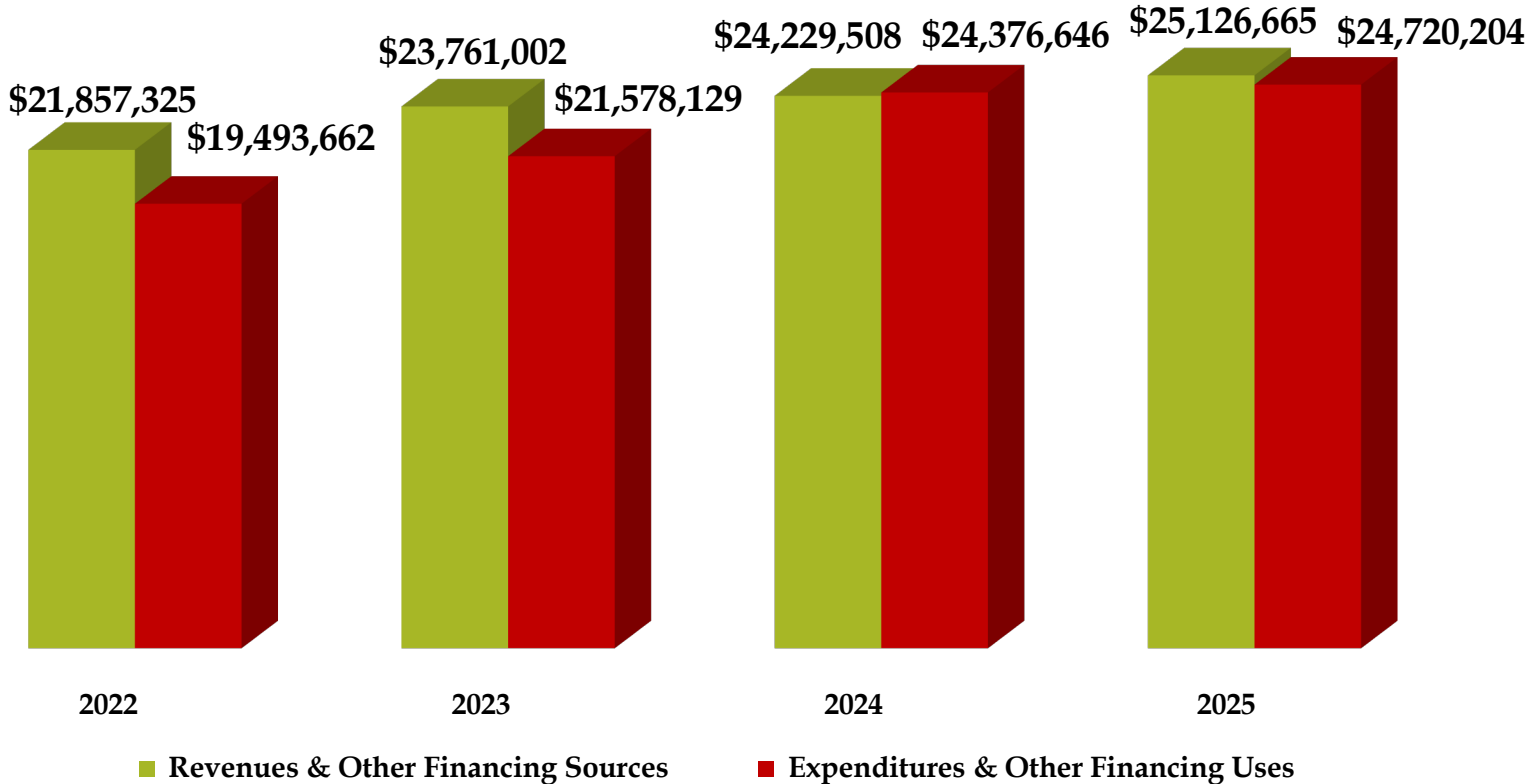
Minimum Undesignated Fund Balance as Recommended by the Local Government Commission (20% of Expenditures)	\$	4,944,041
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Unassigned Fund Balance	\$	12,133,252
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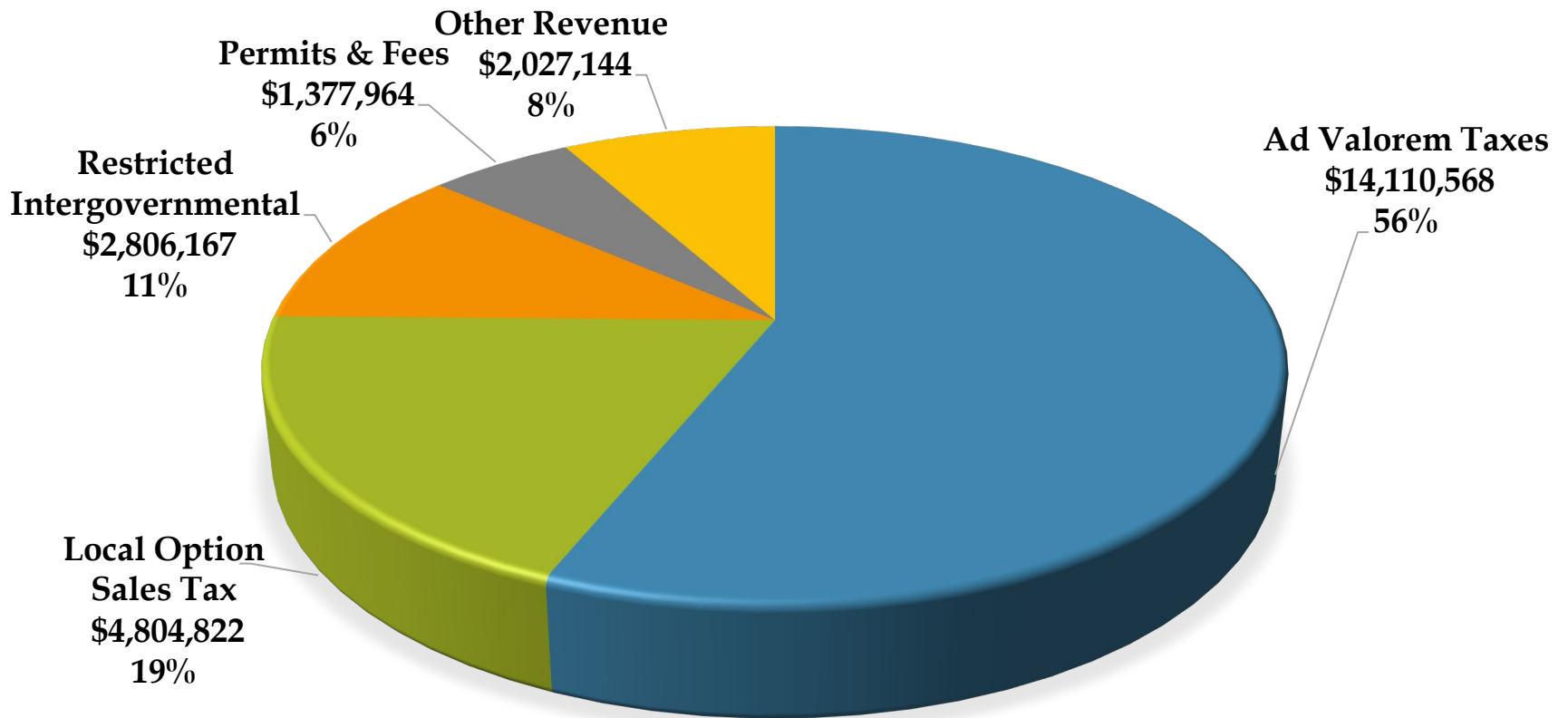
Fund Balance Available as a Percentage of General Fund Expenditures		58.13%
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Tax Collection Rate		98.15%
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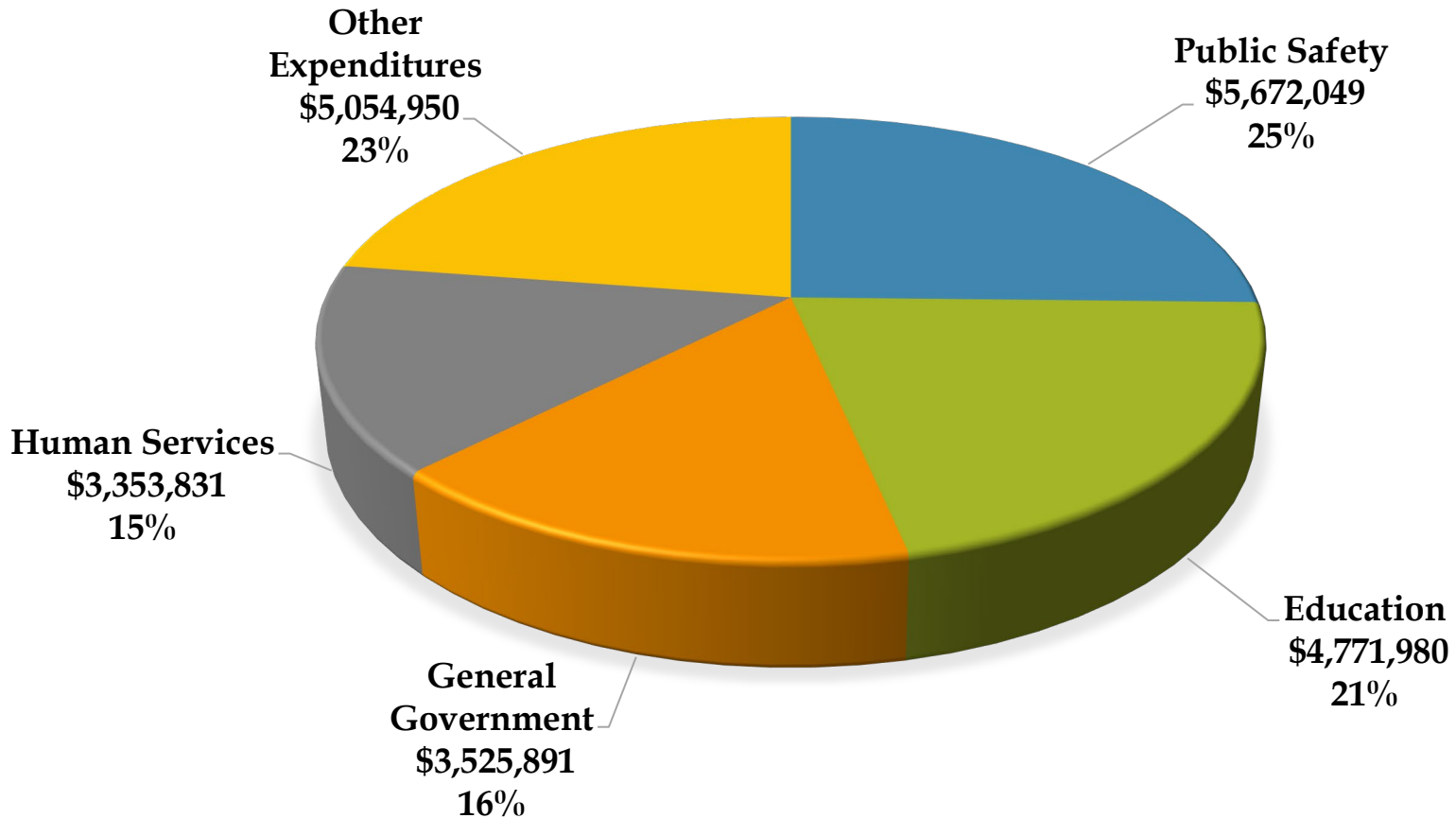
GENERAL FUND OPERATING SUMMARY



TOP 4 REVENUES: GENERAL FUND - OPERATING

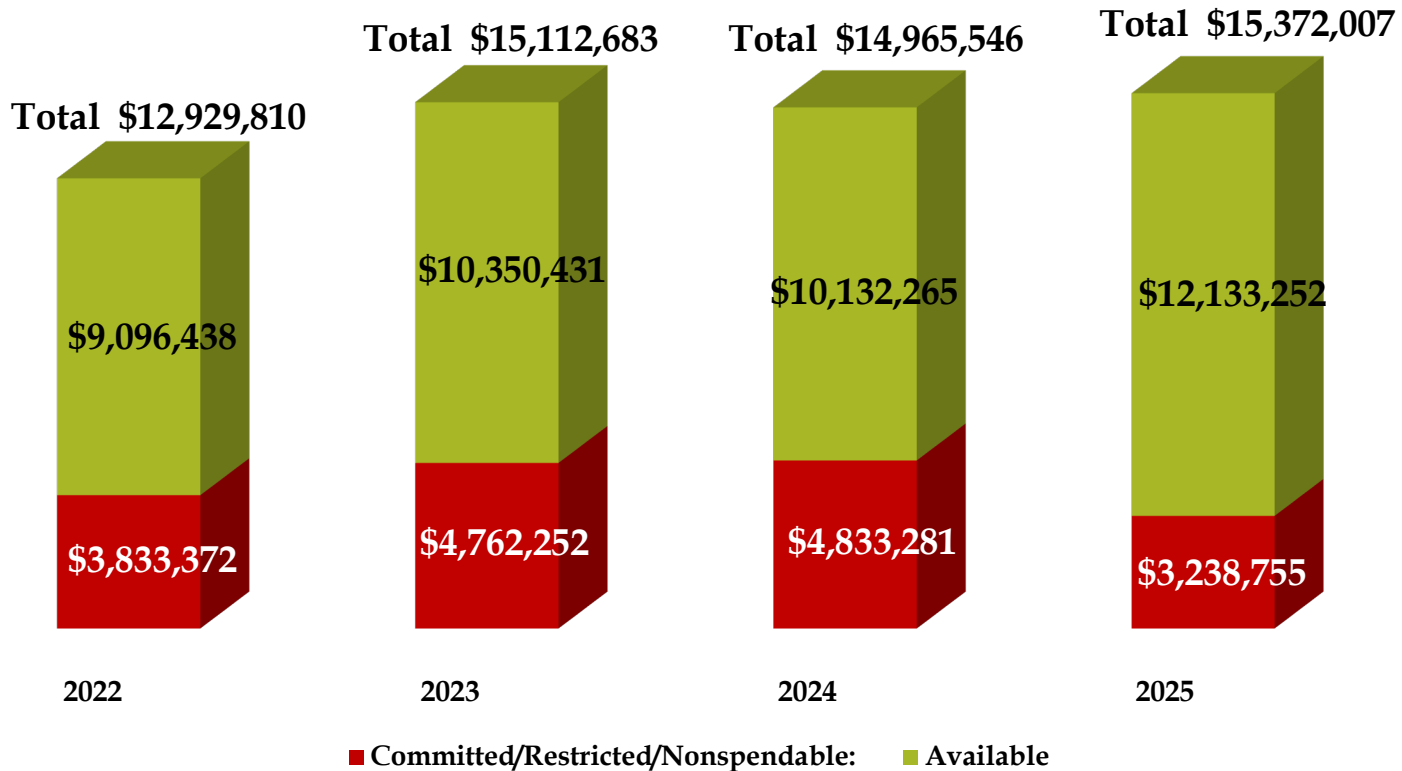


TOP 4 EXPENDITURES: GENERAL FUND - OPERATING



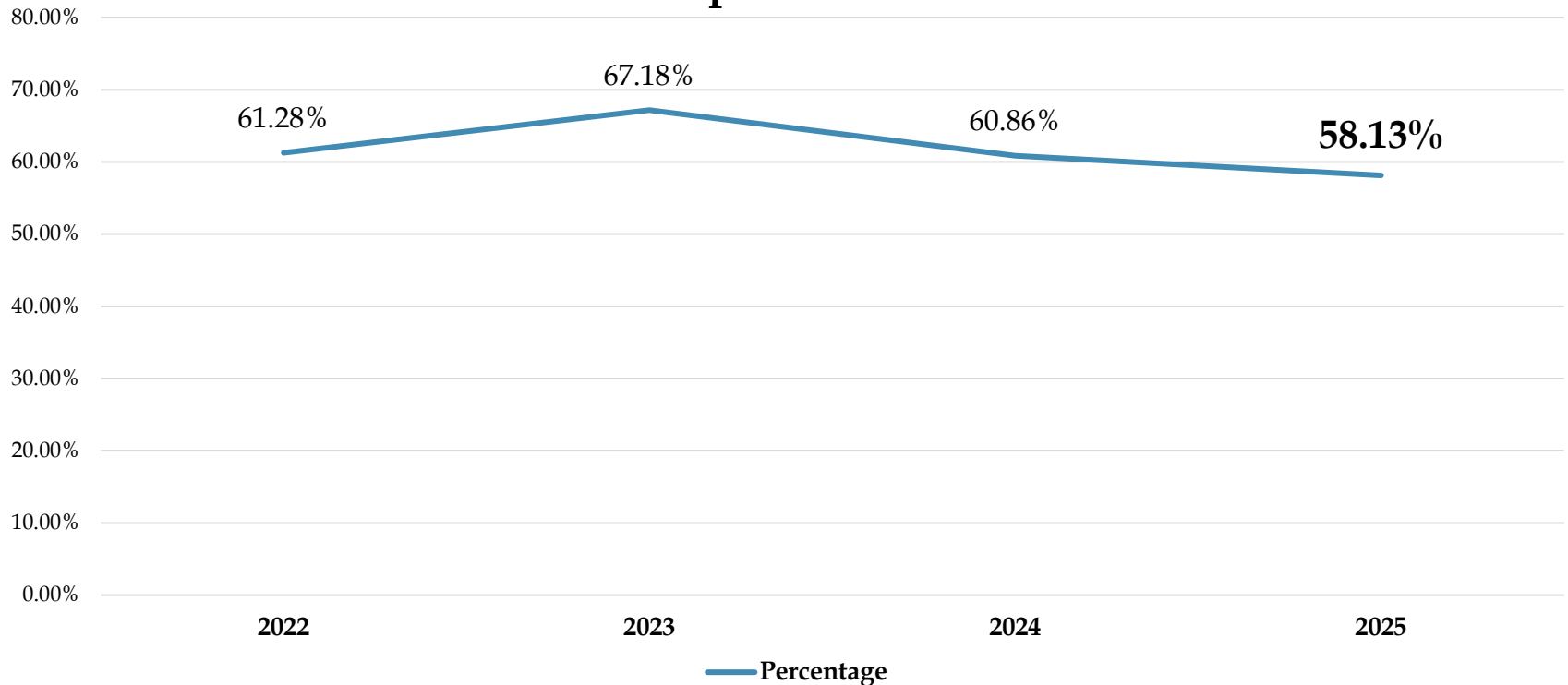
GENERAL FUND

ANALYSIS OF FUND BALANCE



CHOWAN COUNTY

Fund Balance Available as a Percentage of General Fund Expenditures



CHOWAN COUNTY DEBT SERVICE FUND

Dear Board Members:

Below is a summarization of some of the key items in the audit report.

2025

Total Revenues and Other Financing Sources

\$

1,130,094

Total Expenditures and Other Financing Uses

\$

372,830

Net Change

\$

757,264

Net Position, Beginning

\$

1,717,131

Net Position, Ending

\$

2,474,395

CHOWAN COUNTY AMERICAN RESCUE PLAN ACT FUND

Dear Board Members:

Below is a summarization of some of the key items in the audit report.

2025

Total Revenues and Other Financing Sources

\$

715,570

Total Expenditures and Other Financing Uses

\$

556,245

Net Change

\$

159,325

Net Position, Beginning

\$

84,630

Net Position, Ending

\$

243,955

CHOWAN COUNTY JAHHS RENOVATION PROJECT

Dear Board Members:

Below is a summarization of some of the key items in the audit report.

2025

Total Revenues and Other Financing Sources	\$	33,638,604
--	----	------------

Total Expenditures and Other Financing Uses	\$	33,959,464
---	----	------------

Net Change	\$	(320,860)
-------------------	-----------	------------------

Net Position, Beginning	\$	35,711,458
-------------------------	----	------------

Net Position, Ending	\$	35,390,598
----------------------	----	------------

CHOWAN COUNTY NON-MAJOR GOVERNMENTAL FUNDS

Dear Board Members:

Below is a summarization of some of the key items in the audit report.

2025

Total Revenues and Other Financing Sources	\$	2,118,092
--	----	-----------

Total Expenditures and Other Financing Uses	\$	1,928,690
---	----	-----------

Net Change	\$	189,402
-------------------	-----------	----------------

Net Position, Beginning	\$	1,185,007
-------------------------	----	-----------

Net Position, Ending	\$	1,374,409
----------------------	----	-----------

CHOWAN COUNTY WATER FUND

Dear Board Members:

Below is a summarization of some of the key items in the audit report.

		<u>2025</u>
Operating Revenues	\$	1,720,993
Operating Expenses	\$	1,924,181
Total Operating Income (Loss)	\$	(203,188)
Nonoperating Revenues (Expenses)	\$	473,282
Transfers in (out)	\$	89,705
Net Change	\$	359,799
Net position, beginning, as previously reported	\$	7,162,307
Restatement - Change in accounting principle	\$	(3,068)
Net position, beginning as restated	\$	7,159,239
Net position, ending	\$	7,519,038

CHOWAN COUNTY SOLID WASTE FUND

Dear Board Members:

Below is a summarization of some of the key items in the audit report.

		<u>2025</u>
Operating Revenues	\$	1,476,349
Operating Expenses	\$	1,525,350
Total Operating Income (Loss)	\$	(49,001)
Nonoperating Revenues (Expenses)	\$	7,976
Transfers in (out)	\$	(25,000)
Net Change	\$	(66,025)
Net position, beginning, as previously reported	\$	203,280
Restatement - Change in accounting principle	\$	-
Net position, beginning as restated	\$	203,280
Net position, ending	\$	137,255

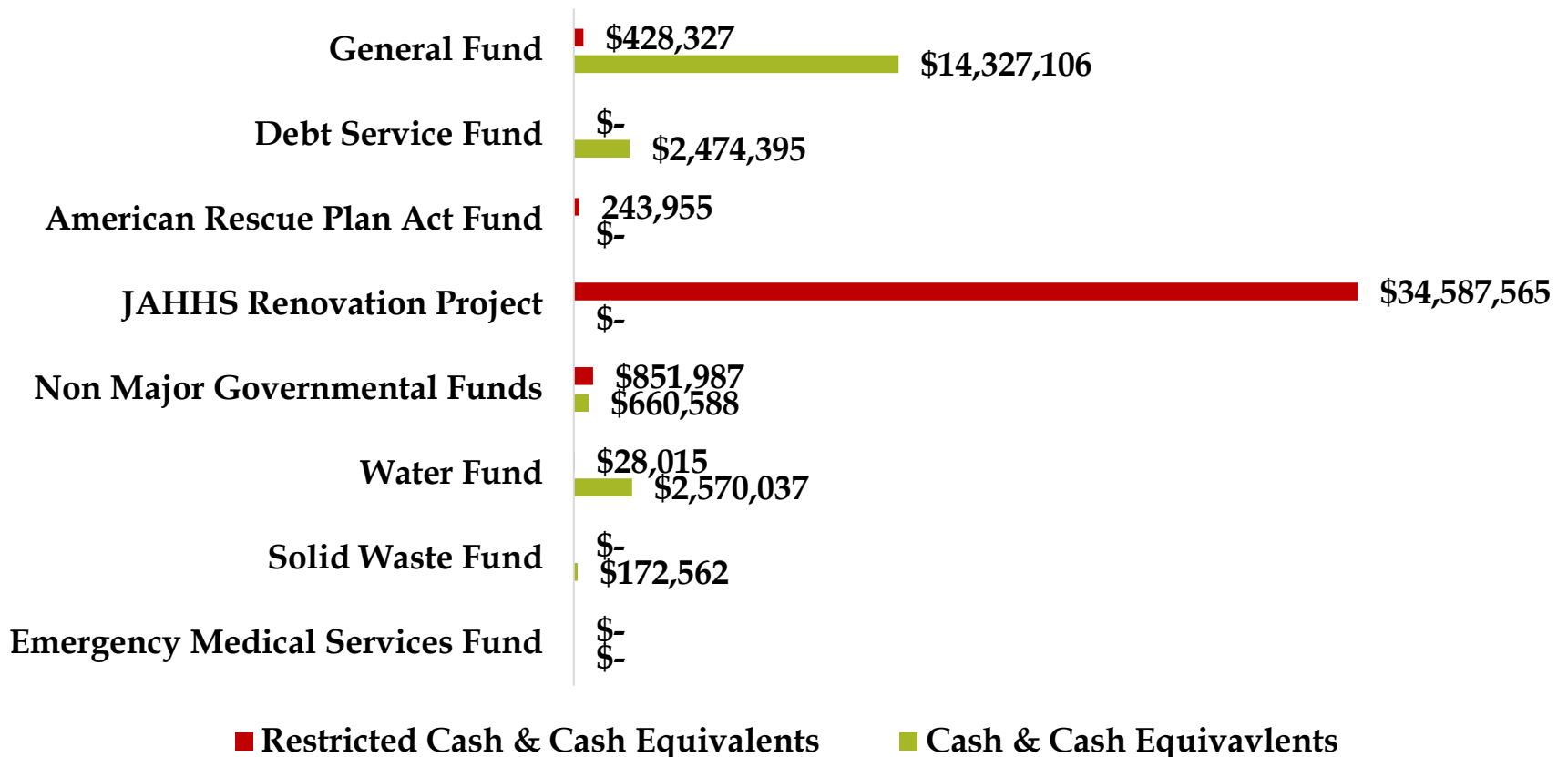
CHOWAN COUNTY EMERGENCY MEDICAL SERVICES FUND

Dear Board Members:

Below is a summarization of some of the key items in the audit report.

	<u>2025</u>
Operating Revenues	\$ 1,055,563
Operating Expenses	\$ 2,239,195
Total Operating Income (Loss)	\$ (1,183,632)
Nonoperating Revenues (Expenses)	\$ -
Transfers in (out)	\$ 1,072,472
Net Change	\$ (111,160)
Net position, beginning, as previously reported	\$ (1,014,687)
Restatement - Change in accounting principle	\$ (10,225)
Net position, beginning as restated	\$ (1,024,912)
Net position, ending	\$ (1,136,072)

Chowan County Analysis of Cash



Chowan County

Federal Award Finding

US Department of Health and Human Services

Passed through the NC Dept. of Health and Human Services

Program Name: Medical Assistance Program (Medicaid; Title XIX)

Assistance Listing Number: 93.778

Finding: 2025 - 001

Significant Deficiency/Noncompliance

Eligibility

Criteria: Medicaid for Aged, Blind and Disabled case records should contain documentation that verifications were done in preparation of the application and these items will agree to reports in the NC FAST system. In this process, documentation should be present and agree back to the records in the NC FAST system. Any items discovered in the process should be considered resources and explained within the documentation.

Condition: There were Fourteen (14) technical errors discovered during our procedures that resources in the county documentation and those same resources contained in NC FAST were not the same amounts or files containing resources were not properly documented to be considered countable or non-countable. The errors were as follows: Six (6) cases lacked substantiating documentation and/or inaccurate resource calculations, Five (5) cases lacked substantiating documentation and/or inaccurate income budgeting/calculation, One (1) case was improperly forced, and Two (2) cases contained errors in the input of household size evidence.

Questioned Costs: There was no affect to eligibility and there were no questioned costs.

Chowan County

Federal Award Finding

Context: We examined 91 Medicaid transactions out of 110,178 to re-determine eligibility Medicaid claims from the Medicaid beneficiary report provided by the NC Department of Health and Human Services. These findings were disclosed in a separately issued spreadsheet to the North Carolina Department of Health and Human Services and are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST which affect countable resource and a participant could have been approved for benefits that they were not eligible.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2024-001.

Cause: Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.

Recommendation: Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST.

Views of responsible officials and planned corrective actions: The County agrees with the finding. Supervisors will perform second party reviews to ensure proper documentation is contained in files to support eligibility determinations. Workers will be retrained on what information should be maintained in case files, the importance of complete and accurate record keeping, and reserve calculations.

Chowan County

Federal Award Finding

US Department of Health and Human Services

Passed through the NC Dept. of Health and Human Services

Program Name: Medical Assistance Program (Medicaid; Title XIX)

Assistance Listing Number: 93.778

Finding: 2025 - 002

Significant Deficiency/Noncompliance

Eligibility

Criteria: In accordance with 42 CFR 435, documentation must be obtained as needed to determine if a recipient meets specific standards, and documentation must be maintained to support eligibility determinations. In accordance with 2 CFR 200, management should have an adequate system of internal controls procedures in place to ensure an applicant is properly determined or redetermined for benefits.

Condition: There was one error discovered during our procedures that lacked appropriate ex parte review. One applicant/beneficiary received assistance for which the recipient was not eligible.

Questioned Costs: The amount of claim paid on behalf of the above ineligibility error resulted in a questioned costs of \$6.20.

Context: We examined 91 out of 110,178 Medicaid applicants to re-determine eligibility. These findings were disclosed in a separately issued spreadsheet to the North Carolina Department of Health and Human Services and are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Chowan County

Federal Award Finding

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST which affect countable resource and a participant could have been approved for benefits that they were not eligible.

Identification of a repeat finding: This is a repeat finding from the immediate previous audit, 2024-002.

Cause: Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.

Recommendation: Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST.

Views of responsible officials and planned corrective actions: The County agrees with the finding. Supervisors will perform second party reviews to ensure proper documentation is contained in files to support eligibility determinations. Workers will be retrained on what information should be maintained in case files, the importance of complete and accurate record keeping, and reserve calculations. The County finance office will also participating in the review process.

ADDITIONAL REQUIRED COMMUNICATIONS

- Changes to the Audit Process
- The Local Government Commission (LGC) will no longer initiate communications about concerns or findings (formerly considered unit letters). They have created a spreadsheet that has to be completed and submitted with the audit report. If that worksheet identifies what they consider a "Financial Performance Indicators of Concern" (FPICs), we are required to communicate those items to the Board.
- You are required to submit a response within 60 days of the Board meeting in which the financial statements are presented. The detailed audit response should be presented to the entire Board, and signed by the entire Board, Finance Officer, and Manager.
- The following FPIC's were identified on the LGC's transmittal document that we are required to notify you about:

ADDITIONAL REQUIRED COMMUNICATIONS

Financial Performance Indicators

The self-reported information from your unit's audit report was used to generate the following trends and performance indicators. We have created this Performance Indicator tab to make these indicators available to auditors and local governments when your audit is conducted. Per [20 NCAC 03 .0508](#), the unit must submit a Response to the Auditor's Findings, Recommendations, and Fiscal Matters within 60 days from the auditor's presentation to the unit's governing board. The unit's response shall address each significant deficiency, material weakness and other audit finding presented to the governing body and shall provide a plan to address each Financial Performance Indicator of Concern reported to the governing body. Responses can be submitted via the [LGC File Transfer Portal](#).

Financial Performance Indicators

Account #	Question	2025
980	Date the auditor presented or plans to present Financial Performance Indicators of Concern (FPIC) to the Governing Board.	02/13/2026

Summary


Indicator Name	2023	2024	2025	Fail Condition	2025 Status
Number of Financial Performance Indicators of Concern (FPICs)	1	1	1	Greater Than 0	Fail

General Fund

Indicator Name	2023	2024	2025	Fail Condition	2025 Status
Fund Balance Available as Percent of Expenditures & Transfers Out Without Powell Bill	67.18%	60.86%	66.60%	Less Than 20.00%	Pass
Use of Fund Balance for Operations	No	No	No	Equal Yes	Pass
Total Fund Balance	\$15,112,683	\$14,965,546	\$15,372,007	Less Than \$0	Pass

Water & Sewer Fund

Indicator Name	2023	2024	2025	Fail Condition	2025 Status
Quick Ratio	94.87	64.42	468.17	Less Than 1.00	Pass
Operating Net Income Excluding Depreciation; Including Debt Service Principal and Interest	\$333,053	\$576,206	\$135,043	Less Than \$0	Pass
Unrestricted Cash as a Percentage of Expenses	238.62%	177.83%	162.05%	Less Than 16.00%	Pass
Transfers in > 3% of Total of Operating and Non-Operating Expenses	\$53,522	\$57,943	\$57,725	Less Than \$0	Pass
Capital Assets Condition Ratio	19.25%	16.59%	14.04%	Less Than or Equal To 50.00%	Fail



Thank You for the
Opportunity to Work
With You!

Chowan County
MANAGEMENT BUDGET AMENDMENT

To: FYI - Board of Commissioners

MBA #: 2026-045

From: Cathy Smith, *Finance Officer*

Date: March 4, 2026

RE: Discretionary Income

Please authorize the finance officer to amend the 2026 budget as follows:

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
Register of Deeds			
11-3418-415-00	*Preservation/Automation	720.39	
11-4180-298-00	*Dept Supplies - Auto/Pres		240.13
11-4180-440-00	*Contr Svcs - Automation/Pres		240.13
11-4180-511-00	*C/O - Auto / Pres		240.13
Sheriff's Office			
11-3431-232-00	*Sheriff Donations	101.41	
11-4317-440-00	*Donation - Expense		101.41
11-3431-243-00	*KIDS & COPS	500.00	
11-4317-443-00	*KIDS & COPS Expense		500.00
Animal Shelter			
11-3438-894-00	*Donations - Chowan	1,674.00	
11-3438-894-01	*Donations - Gates	221.70	
11-3438-894-02	*Donations - Perquimans	226.32	
11-3438-894-03	*Donations - Other	123.85	
11-4381-600-00	*Donation - Expense		2,245.87
11-3438-895-00	*Adoption - Chowan	375.00	
11-3438-895-02	*Adoption - Perquimans	125.00	
11-3438-895-03	*Adoption - Other	177.95	
11-4381-441-00	*Contr Svcs - Spay/Neuter		677.95
11-3438-897-00	*A.W.A.R.E. Reimbursement	11,030.00	
11-4381-601-00	*A.W.A.R.E. Reimbursement		11,030.00
Cooperative Ext:			
11-3495-363-00	*SHIIP Grant (Senior Health Insurance Information Program)	3,796.00	
11-4950-600-00	*SHIIP Grant (Senior Health Insurance Information Program)		3,796.00
11-3495-363-01	*MIPPA Grant (Medicare Improvement for Patients & Providers Act)	2,810.00	
11-4950-600-01	*MIPPA Grant (Medicare Improvement for Patients & Providers Act)		2,810.00
11-3495-370-00	*AG Program Fees Discretionary	965.00	
11-4953-440-00	*Ag Program Fees Discretionary		965.00

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
11-3495-378-00	*4-H Fees Discretionary	3,060.00	
11-4953-448-00	*4-H Fees Discretionary		3,060.00
11-3495-387-00	*Master Gardner Program	120.00	
11-4953-457-00	*Master Gardner Program		120.00
Recreation			
11-3612-487-00	*Recreation Donations	2,400.00	
11-6130-299-01	*Donations - Dept Supplies		2,400.00
11-3612-504-00	*Recreation Special Events	125.00	
11-6132-453-00	*Recreation Special Events		125.00
Senior Center			
11-3616-533-00	*Reg Fees - Trips	5,665.00	
11-4268-312-00	*TRIPS - Senior Citizens		5,665.00
11-3616-533-01	*Registration Fees Activities	124.00	
11-4268-299-01	*Activities - Dept. Supplies		124.00
11-3616-535-03	*Healthways	99.00	
11-3616-535-04	*Silver Sneakers	609.00	
11-3616-535-05	*Silver & Fit	90.00	
11-4268-352-02	*Healthways		798.00
11-3616-535-01	*Donations - Fitness	152.30	
11-4268-352-01	*Donations - Fitness		152.30
	Balanced	35,290.92	35,290.92

Total Discretionary Income Received FYE 2026

323,444.17

Justification:

To amend the 2026 budget to include Discretionary income for February 2026.

Approval Date: _____

Bd. Clerk's Init: _____

Initials: _____

Batch #: _____

Date: _____

Chowan County
Revenue/Expenditure Summary
General Fund
Year-to-Date through 01/31/26

	Actual + Encumbrances	Adjusted Budget	Available Budget	% Budget Met	Prior Year Actual YTD
Ad Valorem Taxes					
Tax Penalty & Interest	44,015	100,000	55,985	44%	74,523
Prior Year - R&P	136,156	150,000	13,844	91%	89,169
Current Year Levy - R&P	14,570,938	15,049,769	478,831	97%	11,876,235
Prior Year - MV	22	-	(22)	100%	147
Current Year Levy - MV	774,722	1,394,865	620,143	56%	697,311
Total Ad Valorem Taxes	15,525,852	16,694,634	1,168,782	93%	12,737,385
Sales Tax					
Article 39 Sales Tax	808,946	2,142,850	1,333,904	38%	853,707
Article 40 Sales Tax	436,920	1,059,833	622,913	41%	420,685
Article 42 Sales Tax	89,971	312,800	222,829	29%	125,750
Article 44 Sales Tax	146,020	348,490	202,470	42%	140,984
Total Sales Tax	1,481,857	3,863,973	2,382,116	38%	1,541,126
Other Taxes					
Other Taxes	3,115	150,600	147,485	2%	3,141
Permits & Fees	348,004	508,296	160,291	68%	267,023
Departmental	586,851	1,140,907	554,056	51%	722,662
Miscellaneous	692,855	1,606,449	913,594	43%	779,700
Fund Balance Appropriations	-	2,783,952	2,783,952	0%	-
Total General Fund Revenue	18,638,534	26,748,810	8,110,276	70%	16,051,036
Expenditures					
Education Expenses	3,649,343	6,610,248	2,960,905	55%	2,999,989
Governmental Expenses	2,513,981	4,114,661	1,600,680	61%	2,386,883
Human Services Expenses	1,086,597	2,212,599	1,126,001	49%	1,102,177
Other Expenses	2,438,228	2,831,414	393,186	86%	206,045
Public Safety Expenses	3,399,963	6,241,590	2,841,627	54%	3,391,847
Transfer to Social Services	-	1,501,427	1,501,427	0%	-
Transfer to Re-Val	-	95,000	95,000	0%	-
Transfer to Debt Service	-	1,585,497	1,585,497	0%	-
Transfer to Capital Projects	-	31,168	31,168	0%	-
Transfer to EMS	-	1,525,206	1,525,206	0%	-
Total General Fund Expenditures	13,088,112	26,748,810	13,660,698	49%	10,086,941
Net General Fund (11)	5,550,421	-			5,964,095

Chowan County
Revenue / Expenditure Summary by Fund
Year-to-Date through 01/31/26

	Actual + Encumbrances	Adjusted Budget	% Budget Met
GOVERNMENTAL FUNDS:			
General Fund (Fund 11, 12)			
Revenues	19,877,847	29,359,492	68%
Expenditures	15,225,127	29,359,492	52%
Net General Fund	4,652,720	-	
Revaluation Fund (Fund 25)			
Revenues	2,007	100,000	2%
Expenditures	92,335	100,000	92%
Net Revaluation Fund	(90,328)	-	
Debt Service Fund (30)			
Transfers In	-	2,342,761	0%
Expenditures	185,297	2,342,761	8%
Net Debt Service Fund	(185,297)	-	
Capital Project Fund (32)			
Revenues	-	664,570	0%
Expenditures	299,842	664,570	45%
Net Capital Project Fund	(299,842)	-	
Capital Reserve Fund (33)			
Revenues	440,286	1,320,326	33%
Expenditures	-	1,320,326	0%
Net Capital Reserve Fund	440,286	0	
School Capital Reserve Fund (40 and 42)			
Revenues	574,473	1,387,638	41%
Expenditures	443,862	1,387,638	32%
Net School Capital Reserve Fund	130,611	-	
JAHHS Replacement Fund (45)			
Revenues	4,807,194	40,049,923	12%
Expenditures	25,439,229	40,049,923	64%
Net JAHHS Replacement Fund	(20,632,034)	-	

Chowan County
Revenue / Expenditure Summary by Fund
Year-to-Date through 01/31/26

	Actual + Encumbrances	Adjusted Budget	% Budget Met
Lottery Proceeds Fund (49)			
Revenues	104,351	120,000	87%
Expenditures	104,351	120,000	87%
Net Lottery Fund	<u><u>-</u></u>	<u><u>-</u></u>	
SPECIAL REVENUE FUNDS:			
Fire Districts Fund (23)			
Revenues	1,180,743	1,397,423	84%
Expenditures	134,089	1,397,423	10%
Net Fire Districts Fund	<u><u>1,046,654</u></u>	<u><u>-</u></u>	
E-911 Fund (24)			
Revenues	120,372	262,138	46%
Expenditures	171,563	262,138	65%
Net E-911 Fund	<u><u>(51,191)</u></u>	<u><u>-</u></u>	
ARPA Fund (27)			
Revenues	6,313	-	100%
Expenditures	-	-	0%
Net ARPA Fund	<u><u>6,313</u></u>	<u><u>-</u></u>	
Opoird Settlement Fund (28)			
Revenues	109,029	30,000	363%
Expenditures	-	30,000	0%
Net Opoird Settlement Fund	<u><u>109,029</u></u>	<u><u>-</u></u>	
ENTERPRISE FUNDS:			
Water Dev. Capital Reserve (22)			
Revenues	18,889	-	100%
Expenditures	-	-	0%
Net Water Dev Capital Reserve	<u><u>18,889</u></u>	<u><u>-</u></u>	
Capital Water (34)			
Revenues	-	-	0%
Expenditures	29,349	-	-100%

Chowan County
Revenue / Expenditure Summary by Fund
Year-to-Date through 01/31/26

	Actual + Encumbrances	Adjusted Budget	% Budget Met
Net Capital Water Fund	(29,349)	-	
EMS Fund (60)			
Revenues	622,296	2,663,311	23%
Expenditures	1,873,668	2,663,311	70%
Net EMS Fund	(1,251,372)	-	
Water Fund (61)			
Revenues	1,039,423	2,212,895	47%
Expenditures	1,153,010	2,212,895	52%
Net Water Fund	(113,587)	-	
Solid Waste Fund (62)			
Revenues	813,336	1,540,698	53%
Expenditures	769,545	1,540,698	50%
Net Solid Waste Fund	43,790	-	

Chowan County
Cash and Investment Summary
1/31/2026

	<u>12/31/2025</u>	<u>1/31/2026</u>	Increase / (Decrease)
Cash Accounts			
Petty Cash - General Fund	250	250	-
Petty Cash - Water Department	150	150	-
Cash on Deposit - Southern Bank	<u>360,301</u>	<u>156,208</u>	<u>(204,093)</u>
Total Cash Accounts	360,701	156,608	(204,093)
Investment Accounts			
Investment - BB&T	504,920	504,942	21
Investment - BB&T - Project Fund DF Walker	269,289	269,292	2
Investment - NCCMT Portfolio	10,283,075	10,314,637	31,562
Investment - NCCMT Portfolio / School QZAB	459,500	460,911	1,410
Investment - PNC Money Market - 8893	105,114	105,209	94
Investment - Southern Bank - Certificate of Deposit	3,375,784	3,387,127	11,343
Investment - Southern Bank - Money Market	11,759,553	12,389,903	630,351
Investment - Southern Bank - SunEnergy	108,000	108,000	-
Investment - Southern Bank - SunEnergy	100,000	100,000	-
NCCMT Term Portfolio	718,671	720,877	2,206
Investment - PNC Money Market - 8061 (Loan Proceeds - JAHHS)	<u>17,574,948</u>	<u>15,583,014</u>	<u>(1,991,933)</u>
Total Investment Accounts	45,258,854	43,943,911	(1,314,943)
Total Cash & Investments	<u>45,619,555</u>	<u>44,100,519</u>	<u>(1,519,036)</u>

***Note - Total Cash/Investments increased \$472,897 excluding JAHHS Project Fund.**

Sales Tax Revenue Analysis 2026

Date Rec'd	For Period	Art. 39	Art. 40	Art. 42	Art. 44	Art. 44 *524	Art. 39 - Fire	Art. 40	Art. 42	Total
		11-3230-310-00	11-3232-310-00	11-3233-310-00	11-3234-310-00	11-3234-310-01	23-3230-310-00	40-3232-330-00	40-3233-330-00	
9/12/2025	7/31/2025	180,546	92,524	23,865	-	29,204	7,523	39,653	79,307	452,622
10/14/2025	8/31/2025	164,222	88,486	18,677	-	29,204	6,843	37,922	75,845	421,199
11/14/2025	9/30/2025	158,176	86,729	16,425	-	29,204	6,591	37,170	74,339	408,634
12/12/2025	10/31/2025	133,753	83,803	6,444	-	29,204	5,573	35,916	71,831	366,524
1/14/2026	11/30/2025	172,250	85,377	24,560	-	29,204	7,177	36,590	73,180	428,338
2/17/2026	12/31/2025	166,017	87,792	19,491	-	29,206	6,917	37,625	75,251	422,300
Sales Tax Rev YTD		974,963	524,711	109,462	-	175,227	40,623	224,876	449,753	2,499,616
Prior Year Rev YTD		1,030,873	506,697	152,519	-	169,174	42,953	217,155	434,311	2,553,682
Over/(Under) Prior Year (\$)		(55,910)	18,015	(43,057)	-	6,053	(2,330)	7,721	15,443	(54,066)
Over/(Under) Prior Year (%)		-5%	4%	-28%	0%	4%	-5%	4%	4%	-2%
Projected 2026		1,949,926	1,049,423	218,923	-	350,454	81,247	449,753	899,507	4,999,232
Budget 2026		2,142,850	1,059,833	312,800	-	348,490	89,285	454,212	908,426	5,315,896
Over/(Under) Budget (\$)		(192,924)	(10,410)	(93,877)	-	1,964	(8,038)	(4,459)	(8,919)	(316,664)
Over/(Under) Budget (%)		-9%	-1%	-30%	0%	1%	-9%	-1%	-1%	-6%

	FYE 06/30/26			
	Projected	Budget	Variance \$	Variance %
General Fund	3,568,726	3,863,973	(295,247)	-8%
Fire Districts	81,247	89,285	(8,038)	-9%
School Capital	1,349,260	1,362,638	(13,378)	-1%
Total Sales Tax	4,999,232	5,315,896	(316,664)	-6%