The Smithfield Town Council reconvened their May 7, 2026 meeting on Wednesday, May 13, 2026 at 6:30 pm to continue budget discussions in the Council Chambers of the Smithfield Town Hall, Mayor M. Andy Moore presided.

Council Members Present:	Council Members Absent:	Administrative Staff Present
Mayor Pro Tem Sloan Stevens		Kimberly Pickett, Interim Town Mgr.
Dr. Gettys Cohen, Jr., District 1		Elaine Andrews, Town Clerk
Travis Scott, District 3		Tracy Stubblefield
Doris L. Wallace, District 4		Gary Johnson, Parks & Rec Director
Stephen Rabil, At-Large		Pete Hedrick, Police Chief
John Dunn, At-Large		Jeremey Daughtry, Fire Chief
Roger Wood, At-Large		Lawrence Davis, Public Works Dir.
Also Present:		Administrative Staff Absent:

Reconvened May 7, 2026 Meeting for FY 2026-27 Budget Discussions

Fire Department Budget

Interim Town Manager Kim Pickett addressed the Council. She stated the total Fire Department expense for the proposed budget was presented at $5,206,788, reflecting a 30% increase on the expense side. Interim Town Manager Kim Pickett noted that the Johnston County cost share, if the budget were approved as presented, would amount to $800,000 and that any reductions to the Fire Department budget would proportionally reduce that cost share amount.

Pickett highlighted other Fire Department budget items as:

- **Other projected revenues:**
  - Fire inspection fees: **$25,000**
  - MVA cost recovery: **$16,000**
  - EMS return: **$3,000**
  - EMS building rent: **$42,000**

- **Capital/software request:**
  - Implementation of **iWorQ software** for fire inspections, compatible with the Planning Department's system but under a separate contract; systems will integrate and share data.

- **Staffing/restructure request:**
  - **Restructure to add three battalion chiefs** (promotions from within).
  - **Addition of three new firefighters** to backfill positions created by promotions.
  - The battalion chief positions account for **$362,705** in the requested budget (salary and related costs).

Fire Chief Jeremy Daughtry presented the department's budget requests to the Council, outlining his department's capital items requested as:

- iWork Software — Chief Daughtry requested $12,500 for the first year of an iWork contract, which would decrease to $7,500 annually thereafter. The software would integrate fire inspection activity with the Planning Department's billing operations, improving interdepartmental communication as the town grows.

- Fire Engine Replacement — Chief Daughtry requested $625,000 as the first of two equal installments toward a new fire engine estimated at $1,200,000, with the second installment to be funded in FY28 to coincide with the approximately two-year build time. Mayor Andy Moore and Council members discussed the rising cost of apparatus.

- Radio Upgrades — Chief Daughtry requested $257,215 to replace 38 portable Harris radios with Motorola units. He explained that the Harris radios had exceeded their end-of-life, that replacement parts were no longer manufactured, and that Motorola radios would provide interoperability with county water rescue teams and personnel tracking capability. Mayor Pro Tem Sloan Stevens and Councilman Travis Scott discussed the feasibility of splitting the radio purchase over two fiscal years, to which Chief Daughtry confirmed that was possible, noting it would also reduce the county cost share accordingly.

- Firehouse Beds — Chief Daughtry requested $12,000 to replace six beds at Station 1, which he noted had been in service for at least 20 years. The replacement beds include integrated storage to address space constraints.

- Storage Building — Chief Daughtry requested $9,500 for a storage building at Station 1 to house gasoline-powered equipment that currently occupies the department's gear decontamination room. He explained that the separation is necessary to implement a proper decontamination protocol for turnout gear, noting the health significance of the program in light of a firefighter's recent cancer diagnosis.

- Pump Test Diffuser — Chief Daughtry requested $4,500 for the final component needed to conduct independent annual pump test certifications, eliminating the need to borrow equipment.

- Land Purchase – Station 3 — Chief Daughtry requested $200,000 to set aside for a future Station 3 land purchase. He reported that the department has been in productive discussions with Johnston County regarding potential co-habitation with EMS at the new station, which would allow cost-sharing and improve EMS distribution throughout the northern part of the service area. Chief Daughtry referenced a third-party station study, funded by the county, whose preliminary results confirmed the need for a third station in the location already under consideration. He noted that the study also identified a need for two additional stations beyond that. Mayor Pro Tem Stevens mentioned the cost-benefit of the investment relative to the response time improvements. Councilman Scott noted that the fire insurance rating — currently a Class 3 — directly affects business and residential insurance costs, and that improving the rating through better station distribution supports economic development.

Chief Daughtry also discussed the Johnston County Fire Commission and its single service district model at length. He explained that Smithfield has representation on multiple subcommittees, including staffing and compensation, apparatus replacement, budget, cost share, and communications. He clarified that the county has no intent to take over municipal fire departments, and that the cost share model is 100% data-driven, based on population, call volume, and heated square footage in both the rural district and the town. The current formula yields approximately 15% county funding and 85% town funding. He also disclosed that district boundary maps are under discussion to move toward midpoint boundaries, which would modestly expand Smithfield's rural service area. Chief Daughtry noted the department handled just over 3,300 calls in the past fiscal year, a roughly half-percent increase over the prior year.

- Personnel Requests - Chief Daughtry requested a departmental restructuring involving the creation of three Battalion Chief positions through internal promotions, the elimination of the Lieutenant title in favor of a single Captain title as the uniform company officer rank, and the addition of three new Firefighters to backfill the positions vacated by those promotions. He explained that under the current structure, neither he nor Deputy Chief Ward is present on nights, weekends, or holidays, leaving captains to assume incident command responsibilities in addition to their company officer duties — a gap he described as safety deficiency. The Battalion Chiefs would serve as 24/7 shift supervisors, improving span of control and command continuity. The estimated cost for the three Battalion Chief positions, including benefits, was noted in the salary and wages line item, with a base salary of $75,850.51 per Battalion Chief. Chief Daughtry indicated implementation would target late summer following a promotional process. Councilman Scott confirmed his understanding that three Firefighters would be hired as a downstream result of the promotions, not as a separate standalone request.

- Not Included in Budget – Interim Town Manager Kim Pickett noted that the following items requested by Chief Daughtry were removed from the budget during the balancing process: a quarter rescue boat (approximately $50,000) and one additional item. These were identified as unfunded needs.

Parks and Recreation

Parks & Recreation Director Gary Johnson presented the department's budget. Interim Town Manager Kim Pickett noted that the department is projected to finish the current year at approximately $1,525,915 million dollars, noting a 9% increase.

Revenues

Director Johnson presented proposed fee schedule increases to offset rising operational costs. Youth sports registration fees were proposed to increase from $25/$50 to $30/$60, with football moving to $40/$75 given the higher cost of that program — the first fee increase in approximately eight years. Non-resident athletic field and court rental rates were proposed to increase to $50/hour, with resident rates unchanged. One-day tournament rental fees would increase from $80 to $100, with half-day and two-day rates restructured accordingly. A new non-refundable deposit policy was proposed for birthday parties ($50) and summer camp registrations ($25) to reduce last-minute cancellations that foreclose rebooking opportunities. Multipurpose room and gymnasium rental rates were modestly adjusted for simplicity. Mayor Pro Tem Stevens raised the issue of credit card processing fees, noting the department spent approximately $23,000 in merchant fees during the current fiscal year.

Capital Items

Director Johnson presented the following capital requests: fencing at the community park practice football/turf field for $27,500; walkway repairs for $15,000; a replacement Ventrac multi-use tractor (replacing a 2006 model) for $45,000; restroom and press box remodeling across all park facilities for $26,000; architectural/engineering drawings for park planning for $7,500; and soccer goals for $10,000. Interim Town Manager Pickett noted that parking lot seal coating (the town's share estimated at $45,000) and a maintenance trailer were removed from the budget during the balancing process. Councilman Scott emphasized that seal coating is preventive maintenance critical to preserving the parking lot asset. The Council discussed the aging condition of the Community Park parking lot and directed staff to look at adequately budgeting for its repair. Councilman Gettys Cohen, Jr. raised concerns about mud holes and potholes at Smith Collins Park, which Interim Town Manager Pickett confirmed was a separate issue from paving. Director Johnson noted that the Community Park hosted approximately 700,000 of the department's nearly 950,000 annual visitors.

Personnel Requests

Director Johnson requested one full-time Facility Maintenance Employee at an all-in cost of $119,332, including salary, insurance, and benefits. He explained that current staff capacity is fully consumed by day-to-day field maintenance, trash removal, and basic repairs, with no remaining bandwidth for capital upkeep or off-season improvements. Mayor Moore asked whether a part-time position could meet the need; Director Johnson responded that finding qualified applicants for maintenance roles has become extremely difficult, noting he had not received a summer employment inquiry in approximately two years.

Not Included in Budget

The following items were identified as needs not included in the proposed budget: parking lot seal coating at the Community Park (town share $45,000) and a maintenance trailer. Councilwoman Doris Wallace raised the long-standing need for a restroom facility at the Gerry Johnson Park, which Director Johnson confirmed the town does not own — it is leased — and that the owners had previously declined to sell, though a long-term lease may be possible. A restroom facility at that location was estimated at approximately $300,000.

Aquatics Center

Interim Town Manager Pickett presented the Aquatics Center budget for a total expense of $1409,364, which was at a 10% increase. Recurring revenue line items included daily rentals at $165,000, the daily rental program at $70,000, program maintenance at $75,000, and concession shop revenue at $30,000. Director Johnson noted the facility sees close to 200,000 visitors annually.

Revenues

The Council discussed the swim meet scoreboard, which was installed at opening in 2008-2009 and is reaching end-of-life, with LED pixel failures and no available replacement panels. Director Johnson noted the facility hosts between 23 and 27 high school meets annually, as well as meets from other counties. Mayor Pro Tem Stevens noted that beginning to charge credit card processing fees could offset significant cost; the Council again expressed support for passing those fees to members. Mayor Moore requested the fee schedule be emailed to him.

Capital Items

Interim Town Manager Kim Pickett noted that all Aquatics Center capital items are split 50/50 with Johnston County Parks and Facilities (JCPF). Approved capital items included carpet replacement at a town cost of $40,000 and a pool heater replacement at a town cost of $7,500. Director Johnson noted the carpet has been in place since the 2009 opening and that most areas would be converted from carpet to LVT/hard flooring for durability, with only private office spaces retaining carpet. Items removed from the budget included parking lot seal coating (town share $45,000), a front desk reconfiguration ($16,500), and flooring replacement in the pool area (town share $30,000). The front desk reconfiguration was discussed in the context of a prior safety incident; Director Johnson explained the goal is to reorient staff to face the entrance door, improving visibility of all patrons entering the facility. The cost to accomplish this was $16,500 through the original builder as a retrofit.

Personnel Requests

No additional personnel were requested for the Aquatics Center.

Not Included In Budget

Items not included were the parking lot seal coating (town share $45,000), front desk reconfiguration ($16,500), and pool area flooring (town share $30,000).

SYCC (Sarah Yard Center)

Total Expense

Interim Town Manager Pickett reported a 41% decrease in SYCC expenses, with a total budget of $26,699. She explained that the Boys & Girls Club is scheduled to move into the facility on August 15th, and that staffing is budgeted at part-time levels only through that transition date. Post-occupancy costs are limited to building maintenance, supplies, operations, utilities, and custodial services as required under the lease agreement with the Boys & Girls Club. Mayor Moore raised a question about whether the utilities line item was sufficient given the anticipated increase in building use; Director Johnson expressed cautious optimism that it would be adequate, noting LED lighting and the ability to monitor usage.

Councilman Gettys Cohen, Jr. asked if the potholes, that appear as mud holes could be addressed in the budget. Councilman Travis Scott echoed this concern and directed staff to look into the issue. Councilman Gettys Cohen, Jr. also made note that the entrance door at the Sarah Yard Center has no way to see who is on the other side. Parks & Recreation Director, Gary Johnson stated the Boys and Girls Club asked him if they could put windows in, to which he stated this was no problem, as long as tempered glass was used, and the installation was as their expense.

Contingency

No separate contingency discussion was recorded for SYCC beyond the transition cost structure described above.

Fee Schedule

Interim Manager Pickett also noted proposed fee schedule updates.

Gary Johnson noted particular fee increases for his budget. He noted there were some increases for his budget line items that he would like to recoup with revenues. Some fees he highlighted were:

- *Adult sports team home game fees — increase to $500 (basketball/volleyball/home fees).*
- *Youth sports registration — increase from $25 / $50 to $30 / $60.*
- *Youth football registration — increase from $40 to $75.*
- *Athletic field / court hourly rental (non-resident) — increase to $50/hour.*
- *One-day tournament rental fee — increase from $80 to $100.*
- *Half-day tournament fee — $50 per team.*
- *Two-day tournament fee — $150 (total).*
- *Multi-purpose room rental — set to $65 (resident) / $85 (non-resident) (simplified rate).*
- *Gymnasium rental — same adjusted rates as multi-purpose room.*
- *Annual / monthly membership fee — increase from $10 to $12.*
- *Birthday party booking — refundable deposit $50.*
- *Summer camp booking — refundable deposit $25.*
- *Shelter rentals — change minimum booking from 1 hour to 2 hours.*
- *Field prep / drying agent — charge structure noted (town supplies; currently charging ~$5/bag to renters while cost $15/bag).*

Interim Manager Pickett stated that in addition to Parks & Recreation and Aquatics fee changes, staff has proposed changes in cemetery fees and electric rates (pending rate study). Pickett also noted the elimination of the taxicab permit fee after July 1, 2026 as administratively impractical. There was discussion among Pickett and the Council that this would require an ordinance update, to which Pickett stated this would be done.

Staff also committed to researching a utility line extension fee structure and a more granular subdivision tap fee schedule, with the mayor noting Smithfield's current rates are below those of surrounding municipalities.

Other Discussion

Interim Manager Kim Pickett reviewed next steps for the budget process. She proposed presenting the FY27 proposed budget at the next Council meeting and scheduling a public hearing thereafter. Pickett noted she will prepare March financials for Council (to be provided Tuesday) and weekly budget reports going forward. Pickett also proposed allocating $500,000 from fund balance for paving (for a total of $900,000 for paving next year). She asked whether Council wants another budget work session prior to public presentation.

Mayor Andy Moore agreed another work session would be useful, and suggested Council consider specific items between now and the session. Mayor Moore recommended examining several fees (e.g., sewer/water tap fees, zoning fees). He observed current tap fees are not broken out by minor vs. major subdivisions and suggested creating clearer tiering (e.g., minor subdivision vs. major subdivision rates). Moore further commented that Smithfield's fees appear lower than some neighboring towns and recommended benchmarking against other municipalities to inform potential adjustments. He stated the town should review and update zoning and other development-related fees as appropriate. Mayor Moore added that historically the town has aligned sewer and water tap fees with the county's approach, but noted the county's fees have risen significantly and warrant comparison. Pickett stated that typically she would mimic fees in line with the County's fees.

Councilman Travis Scott also requested that Interim Town Manager Kim Pickett prepare materials for the next budget work session. To address transitions and changes, Scott urged a close review of the numerous personnel requests in the proposed budget, and emphasized the need for conservative revenue and expense assumptions. Scott stated that given recent management changes, he was concerned about inconsistent fund balance figures and he stressed the need to clarify actual cash/reserve levels before making spending decisions. Councilman Scott asked staff to provide analysis on whether available funds could support a property tax rate reduction or other allocations for Council consideration.

Councilman Travis Scott requested staff prepare a budget scenario showing the impact of lowering the property tax rate to $0.40 (and staged alternatives) so Council can evaluate tax-rate reductions vs. use of fund balance. He again emphasized need for conservative revenue assumptions and transparency.

There was Council discussion/debate around this suggestion. Brief, at times heated exchange between Councilmembers concerns about timing, staffing requests, reserve levels, and whether the budget process has had adequate time for review were stated. Councilman Travis Scott expressed concern that the town has substantial reserves while continuing to collect full revenues; suggested the tax rate should better reflect current expenses, asked staff (Kim Pickett) to review and eliminate nonessential items as appropriate, and proposed considering use of fund balance to help balance the budget. Pickett noted that staff has trimmed a lot from their respective budgets. She further commended staff on these efforts.

Interim Manager Pickett stated that she respectfully declined to use fund balance to balance the operating budget, citing Benson as an example where Council-directed use of reserves created problems, and she became the scapegoat. She stated she does not recommend using fund balance except for specific capital projects (e.g., resurfacing or major purchases), agreed to prepare a budget scenario showing the impact of a $0.40 tax rate but noted that producing that analysis will take time and is not a one-day task (she will work on it and present results as soon as feasible).

Councilman Travis Scott said the purpose of the discussion is to understand budget impacts. He acknowledged some items are matters of opinion, and expressed concern that while there was pushback about public safety needs, budgeted Parks & Rec spending appears disproportionately high. Scott cited a prior Parks & Rec study showing the department is already spending above national averages. He noted this concern is heightened given the planned baseball stadium (a major expense) is not yet reflected in the operating budget. Pickett reminded Council that some items (e.g., stadium) are capital projects and will be accounted for in project funds rather than the operating budget. Interim Manager Kim Pickett further clarified that the baseball stadium is currently a capital project—not an operating expense—and therefore is accounted for in a capital fund while under construction; it will only move into the operating budget after construction is complete and a certificate of occupancy is issued, at which point it becomes an asset and its operating costs will be reflected in the appropriate operating fund. Pickett indicated the proposed budget would be presented to Council at the next meeting, with a public hearing scheduled for June 2nd, and final adoption targeted prior to the June 30th deadline.

Councilman Scott stated he agreed to disagree on this point for the sake of time, and would like to discuss the issue later. He reiterated concerns about the budget process, requesting staff prepare analyses for future discussion; he stressed the importance of the town's rainy-day fund but re-stated his view that the town could realistically lower the property tax rate to $0.40 given recent reserve inflows. Councilman Scott stressed the necessity of a routine annual review of the budget and conservative revenue/expense assumptions amid staff transitions. Scott further noted that he felt the budget cycle was delayed and rushed this year compared with prior practice. He asked for thorough tax-rate and budget adjustment scenarios to be provided for Council consideration.

It was the consensus of the Council to reconvene the meeting on Monday, May 18th at 7:00 pm.

Adjourn/Recess:

Councilman Travis Scott made a motion, seconded by Councilman John Dunn to recess the meeting at approximately 9:26 pm until Monday, May 18, 2026 to resume budget discussions. Unanimously approved.

M. Andy Moore, Mayor

ATTEST:

Elaine Andrews, Town Clerk

TOWN OF SMITHFIELD
SMITHFIELD
NORTH CAROLINA
APRIL 23, 1777