



AGENDA
TOWN OF STOKESDALE
SPECIAL CALLED
TOWN COUNCIL MEETING
8325 ANGEL-PARDUE ROAD
STOKESDALE, NC 27357
JUNE 21, 2023 AT 7:00 PM

AVAILABLE VENUES TO WATCH/ATTEND:

- a. Attend in Person at Stokesdale Town Hall in Council Chambers at 7 PM
 - b. View & Participate (Citizen Comments) Virtually via Zoom at 7PM:
<https://us02web.zoom.us/j/81316684523?pwd=NENgeVJRd3h2bnFGaVlrL3RmemZFZz09>
Meeting ID: 813-1668-4523
Passcode: 101658
One-Tap Mobile: 1-305-224-1968
 - c. View Live Stream on Town of Stokesdale's YouTube Channel at 7 PM:
https://www.youtube.com/channel/UC1tJH7T0Q_56F_EDH6wljiA/live
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1. Call To Order, Pledge of Allegiance, and Invocation.
2. Review and Adopt the Agenda.
3. Citizen Comments from the Floor (3-Minute Limit per Speaker).

PUBLIC HEARINGS:

4. Continued from June 8, 2023: Public Hearing on Proposed Budget for Fiscal Year 2023 – 2024.

NEW BUSINESS:

5. Consideration and Approval of Operating Budget Ordinance for Fiscal Year 2023 – 2024.
6. Consideration of a request by Stokesdale Parks and Recreation for \$50,000 Grant for lighting at the baseball fields.
7. Consideration of a 3% Cost of Living increase for Town Staff.
8. Citizen Comments from the Floor (3-Minute Limit per Speaker).
9. Council Comments.
10. Adjournment.

Notice Issued On Monday, June 19, 2023.

Derek Foy, Mayor Pro Tem
Town of Stokesdale, NC



The Honorable Michael Crawford, Mayor & Town Council Members

Town of Stokesdale

P. O. Box 465 Stokesdale, North Carolina 27357

2023-2024 Finance Officer's Budget Message

Mayor, Council Members and Citizens:

The Town of Stokesdale is located in the northwest corner of Guilford County and is a rural community with services limited to Planning and Zoning, Water, contracted Solid Waste/Recycling services and a Town Park. The Town is served by the Stokesdale Fire Department and the Guilford County Sheriff's Department. The Town is comprised of a mixture of agricultural and farming areas, businesses, industries, and residential areas. A small business district provides services for the citizens of the area. Several industries are also located within the Town. The 19.5 square miles included in the incorporated area of the Town is intersected by three major highways, US Highway 158, NC Highway 68, and NC Highway 65. Part of the Town borders a fourth major highway, Interstate 73. With this network of roads, Stokesdale citizens are within a short drive of the larger cities of Greensboro, High Point and Winston Salem. The Town of Stokesdale operates under the Council-Mayor form of government and consists of a mayor and four council members which serve 4-year staggered terms.

The proposed budget for Fiscal Year 2023-2024 has been prepared based upon input from Budget workshops with council members and the citizens that attended the workshops.

The budget complies with the North Carolina Local Budget and Fiscal Control Act. The Town continues to maintain a strong financial position with reserves significantly above those that are required by state statute, and with no Town Property Tax. The proposed budget for the fiscal year 2023-2024 is presented for your review and consideration.

Ad Valorem property taxes will not be imposed for this Fiscal Year as a source of income for the Town. The Town plans to continue providing services that have been offered to the citizens for several years including, streetlights for the downtown area, and a water system that provides potable drinking water and supplemental water for the fire department.

In 2002-2003 Fiscal Year, Guilford County distributed Sales Tax proceeds on a per capita basis and the Town received \$312,266. In 2003, Guilford County Commissioners changed their distribution method to Ad Valorem method therefore eliminating any Sales Tax distribution to the Town of Stokesdale.

Since the Coronavirus, the Town has successfully dealt with unprecedented challenges. To help offset losses in revenues, the Town of Stokesdale received a federal grant in the amount of \$725,475.00 from the State Local Fiscal Recovery Fund, also known as the American Rescue Plan. Those funds must be encumbered no later than December 31, 2024, and spent no later than December 31, 2026. The Town has been granted \$3,113,038 from the Guilford County American Rescue Plan Fund.

The Town also provides and maintains a beautiful park for all residents and guests to enjoy, "Martin's Meadow" located directly behind Town Hall. The park hosts two large picnic shelters, a covered playground, two soccer fields, a sand volleyball court, a .75 mile paved walking trail, a disc golf course and restroom facilities. The Shelters are reservable for a nominal fee or used on a first-come first-served basis. Additional picnic tables and benches are scattered throughout the park. The soccer fields and volleyball court are reservable upon request or on a first-come first-served basis. In 2021, the Town Council purchased a 9.8-acre tract adjacent to the current park property and in the spring of 2023, Council voted on three projects which include the installation of new playground equipment, a full-size basketball court with six basketball goals, and two pickleball courts. These three projects should be complete by early fall of 2023.

The Town of Stokesdale operates under a limited staff including One Full-time Town Clerk, One Full-time Water System Customer Service Manager, One Part-time Deputy Clerk, One Part-time Finance Officer/Budget Officer, and One Part-time Water Technician. In 2022, the Town joined the North Carolina Local Government Retirement System and appropriates funds for a health insurance plan for eligible full-time employees.

TOWN OF STOKESDALE BUDGET: The proposed combined General Fund and Water Enterprise Operating Budget for the 2023-2024 Fiscal Year totals \$1,211,000.

GENERAL FUND: The proposed Operating Budget for the General Fund totals \$459,000.

REVENUES: General Fund Revenues for Fiscal Year (FY) 2023-2024 are estimated at \$459,000. The largest source of income, the State Collected Revenues, previously called Utilities Franchise Tax is estimated at \$295,000. Beer & Wine Excise Tax \$24,000. Greensboro-Jamestown ABC Profit Shares at \$23,000. Investment earnings are estimated at \$85,000. Interest rates on our CDAR investments will range at an estimate of 2.71% - 3.69%.

Planning Fee Revenues are estimated to be \$20,000. Plan Review Inspection Fees \$5,000. Revenues from Contribution/Donations and Parade revenues are estimated at \$3,000. The fees from the Rental of Town Hall & Park Facilities are estimated at \$3,000. Estimated miscellaneous fees at \$1,000 and transfer from Fund Balance \$0.

GENERAL FUND REIMBURSEMENT: The town receives \$172,328.57 from the Water Enterprise Fund as a reimbursement for shared expenses paid from the Town's General Fund.

EXPENDITURES: General Fund Expenditures for the Fiscal Year (FY) 2023-2024 are budgeted to be \$631,328.57. General Fund Revenue of \$459,000 with allocating cost to the Water Enterprise Fund at a percent of 45.9% budgeted at \$172,328.57 (reimbursed) to the General Fund resulting in a balanced budget for FY 23/24.

WATER ENTERPRISE FUND: The proposed Operating Budget for the Water Enterprise Fund totals \$752,000.

REVENUES: Water Sales \$640,000. Tap & Connection Fees \$20,000, Water Capacity Use Fees for the year \$60,000. Investment Income \$30,000. Late Fees \$1,000 and Miscellaneous Income from Backflow fees, Damage Penalties/Meter Resetting Fees \$1,000, and Transfer from Fund Balance \$0.

EXPENDITURES: Expenditures for the Water Enterprise Account are expected to be \$752,000.

GRANTS/RESTRICTED FUNDS: The Town of Stokesdale has been awarded grant funds under House Bill 1163 in the amount of \$1,154,081.75. The Town has also been awarded a grant from the NC Division of Water Infrastructure, a grant in the amount of \$400,000.

The Proposed Budget for 2023-2024 is presented for the review and the input of the Town Council as well as the citizens of the Town. The Proposed Budget will provide a sound financial position for the Town with revenues being utilized in beneficial ways for all citizens of the Town of Stokesdale.

Respectfully submitted the 21st day of June 2023.

Kimberly Thacker, Finance Budget/Officer

Date

Michael E. Crawford, Mayor

Date

ATTEST:

Dale F. Martin, Town Clerk

Date

General Fund
Budget Projection 6-21-23

GENERAL FUND	
Proposed FY24 Budget	
	Budget
Section A: Income	
Beer & Wine Excise Tax	\$ 24,000.00
Contributions & Donations - Parade	\$ 3,000.00
Greensboro-Jamestown Profit Share	\$ 23,000.00
Investment Earnings	\$ 85,000.00
Miscellaneous	\$ 1,000.00
Planning & Zoning Fees	\$ 20,000.00
Plan Review Insepection Fee	\$ 5,000.00
State Collected Revenues (Utilities)	\$ 295,000.00
Town Hall & Park Facility Rentals	\$ 3,000.00
Total Income from Outside Sources	\$ 459,000.00
Undesignated Funds	\$ -
Total Income	\$ 459,000.00
Section B: Expenses	
10000 - Capital Outlays	
10100 - Park Investment	\$ -

See Special ARPA Fund

General Fund
Budget Projection 6-21-23

GENERAL FUND	
Proposed FY24 Budget	
	Budget
Total Capital Outlays	\$ -
20000 - Cultural & Recreational	
20100 - Events Fund/Community	\$ 5,500.00
20300 - Park Electrical, Repairs, Cleaning, Lighting	\$ 7,000.00
Total Cultural & Recreational	\$ 12,500.00
30000 - Economic & Physical Developemnt	
30100 - Advertising - Planning & Zoning	\$ 6,500.00
30200 - Planning Fees - Planning & Zoning	\$ 25,000.00
Total Economic & Physical Developemnt	\$ 31,500.00
40000 - General Administrative Expense	
40100 - Administrative Expenses, & Fees, Education	\$ 7,000.00
40200 - Advertising (not zoning related)	\$ 1,000.00
40300 - Membership & Dues	\$ 10,000.00
40350 - Code Book/Development Ordinance	\$ 30,700.00

General Fund
Budget Projection 6-21-23

GENERAL FUND	
Proposed FY24 Budget	
	Budget
40400 - Travel & Conferences for Staff/Council	\$ 2,950.06
40500 - Town Hall Repairs & Maintenance	\$ 20,000.00
40600 - Office Equipment Purchase/Repair	\$ 7,000.00
40700 - Housekeeping, Printing, Office Supplies & Software	\$ 25,000.00
40800 - Postage	\$ 2,000.00
40801 - Elections	\$ 4,000.00
40900 - Insurance, Bonding, Workers Comp	\$ 10,000.00
41000 - Lawn/Outdoor Maintenance	\$ 42,300.00
70100 - Town Hall Electricity	\$ 14,000.00
70200 - Internet/Phone	\$ 10,001.88
70300 - Security/Alarm	\$ 3,500.00
70400 - IT Security & Website Design	\$ 9,600.00
Total General Admin	\$ 199,051.94
6000- Legal & Professional Services	
60200- Audit	\$ 12,000.00
60300 - Legal & Professional - Attorney	\$ 45,000.00

General Fund
Budget Projection 6-21-23

GENERAL FUND		
Proposed FY24 Budget		
		Budget
Total Legal & Professional Services	\$	57,000.00
80000- Payroll Expenses		
80100 - F.I.C.A.	\$	18,600.29
80200 - Mileage Reimbursement	\$	500.00
80300- Payroll Processing Fees	\$	2,700.00
80400- Town Hall Staff Salaries	\$	208,341.00
80500 - Health Insurance	\$	16,800.00
80501- Dental Insurance	\$	480.00
80502- Vision Insurance	\$	144.00
80503- ST Disability	\$	252.00
80504- State Retirement	\$	17,024.34
80600 - Stipends - Council Expenses	\$	34,800.00
Total Payroll Expenses	\$	299,641.63
9000- Public Safety		
90050 - Public Safety (Stokesdale Elementary Deputy Coverage)	\$	1,000.00

General Fund
Budget Projection 6-21-23

GENERAL FUND	
Proposed FY24 Budget	
	Budget
90100 - Fire Inspections & Investigations	\$ 10,000.00
90200 - Guilford County / Animal Control Service	\$ 20,635.00
Total Public Safety	\$ 31,635.00
90500 - Contingency Appropriations	\$ -
Total GF Operating Expenses	\$ 631,328.57
Section C: Reduction in GF Expenses from WE Fund Reimbursement	
40500- Town Hall Repairs & Maintenance	\$ (9,180.00)
40600 - Office Equipment Purchase/Repair	\$ (3,213.00)
40700 - Housekeeping, Printing, Office Supplies & Software	\$ (11,475.00)
40900 - Insurance, Bonding, Workers Comp	\$ (4,590.00)
70100 - Town Hall Electricity	\$ (6,426.00)
70200 - Internet/Phone	\$ (4,590.86)
70300 - Security/Alarm	\$ (1,606.50)
70400 - IT Security & Website Design	\$ (4,406.40)
60200- Audit	\$ (5,508.00)
80100 - F.I.C.A.	\$ (8,537.53)

General Fund
Budget Projection 6-21-23

GENERAL FUND		
Proposed FY24 Budget		
		Budget
80300- Payroll Processing Fees	\$	(1,239.30)
80400- Town Hall Staff Salaries	\$	(95,628.52)
80500 - Health Insurance	\$	(8,113.28)
80501- State Retirement	\$	(7,814.17)
Total Reduction in GF Expenses from WE Reimbursement		\$ (172,328.57)
Grand Total (On Budget Side Should Equal Zero: Income Must Equal Expenses)		\$ 0.00

Water Enterprise
Budget Projection 6-21-23

Water Enterprise		
Proposed FY24 Budget		
	Proposed Budget	
Section A: Income		
Backflow Preventer Fees	\$-	
Damage Penalties/Meter Resetting	\$1,000.00	
Investment Income	\$30,000.00	
Taps & Connection Fee	\$20,000.00	
Water Capacity Fees	\$60,000.00	
Water Sales	\$640,000.00	
Late Fees	\$1,000.00	
Transfer from Fund Balance		
Total Income	\$752,000.00	
Section B: Expenses		
11000 - Water Purchase	\$225,000.00	
Total Water Purchase	\$225,000.00	
Expenses		
12001 - Bond & Insurance	\$1,000.00	

Water Enterprise
Budget Projection 6-21-23

Water Enterprise		
Proposed FY24 Budget		
	Proposed Budget	
12002 - Contract Operations	\$110,000.00	
12003 - Engineering & Infrastructure Consulting	\$50,000.00	
12004 - Dues/Subscriptions/Office Supplies	\$6,500.95	
12005 - ORC Gary Matchunis	\$16,000.00	
12006 - Postage	\$6,000.00	
12008 - F.I.C.A. Expense	\$765.00	
12009 - Mileage Reimbursement	\$2,000.00	
12010 - Salaries	\$10,000.00	
Total Administrative & Payroll Expenses	\$202,265.95	
13000 - Repairs & Maintenance		
13002 - Chemicals	\$700.00	
13003 - Chlorinator Maintenance	\$4,000.00	
13004 - Electricity Chlorinator Utilities	\$650.00	
13006 - Marking Water Lines 811	\$1,000.00	
13007 - Supplies/Water Hydrant Maintenance/	\$5,000.00	
13008 - Meter Installation/Gen Repair	\$15,000.00	

Water Enterprise
Budget Projection 6-21-23

Water Enterprise	
Proposed FY24 Budget	
	Proposed Budget
13009 - Water Tank Maintenance	\$1,000.00
13010 - Water Testing	\$4,000.00
Total Repairs & Maintenance	\$31,350.00
14000 - Water Capital	
14001 - Purchase Transponder Equipment	
14002 - Transfer to Capital Reserve Fund	\$60,000.00
Total Water Capital	\$60,000.00
16000 - Meters	
16001 - Electronic Water Meters Changeout	\$25,000.00
16002 - Electronic Water Meters New Construction	\$20,000.00
Total Meters	\$45,000.00
17000 - Contingency Appropriations	\$16,055.49
15000 - Over Head Reimbursement Expense to General Fund	
15001 - Office Equipment Purchase/Repair	\$ 3,213.00

Water Enterprise
Budget Projection 6-21-23

Water Enterprise	
Proposed FY24 Budget	
	Proposed Budget
15002 - Housekeeping, Printing, Office Supplies & Software	\$ 11,475.00
15003 - Insurance, Bonding, Workers Comp	\$ 4,590.00
15004 - Town Hall Repairs & Maintenance	\$ 9,180.00
15005 - Audit	\$ 5,508.00
15006 - Town Hall Electricity	\$ 6,426.00
15007 - Internet/Phone	\$ 4,590.86
15008 - Security/Alarm	\$ 1,606.50
15009 - IT Security & Website Design	\$ 4,406.40
15010 - F.I.C.A.	\$ 8,537.53
15011 - Payroll Processing Fees	\$ 1,239.30
15012 - Town Hall Staff Salaries	\$ 95,628.52
15013 - Health Insurance	\$ 8,113.28
15014 - State Retirement	\$ 7,814.17
Total Overhead Reimbursement to General Fund	\$ 172,328.56
Total Expenses	\$752,000.00
Total Budgeted Income Minus Expenses (this should equal ZERO for balanced budget)	\$-

Split Allocation
6-21-23

Employee	Budgeted Salary	GF %	WF %	GF	WE	
Pris Salary	\$ 46,350	5%	95%	\$ 2,317.50	\$ 44,032.50	
Dale Salary	\$ 19,440	100%	0%	\$ 19,440.00	\$ -	
Kim Salary	\$ 48,204	50%	50%	\$ 24,102.00	\$ 24,102.00	
Robbie Salary	\$ 57,680	65%	35%	\$ 37,492.00	\$ 20,188.00	
Deputy Clerk	\$ 36,667	80%	20%	\$ 29,333.60	\$ 7,333.40	
			Total	\$ 112,685.10	\$ 95,655.90	
	\$ 208,341			54.1%	45.9%	
			% of Total			

Grants/Restricted Funds
6-21-23

Grants/Restricted Funds	ARPA	Guilford County ARPA Grant	NC House Bill 1163	NC Div of Water Infrastructure Grant
	\$ 725,475.00	\$ 3,113,038.00	\$ 1,154,081.75	\$ 400,000.00
Expenditures	ARPA	Guilford County ARPA Grant	NC House Bill 1163	NC Div of Water Infrastructure Grant
Hawkins Landscape Architecture	\$ 1,510.00			
FEI Civil Engineers and Land Surveys	\$ 7,100.00			
(Park) Pickleball/Basketball	\$ 247,836.00			
(Park) Playground equipment	\$ 81,692.83			
A&D Enterprises, Inc.			\$ 35,000.00	
Kennerly Engineering & Design, Inc.			\$ 18,000.00	
Baseball/Softball Lights at Community Park (8401 Capri Drive, Stokesdale)	\$ 50,000.00			
Balance Available by Special Revenue Fund: Expenditures TBD	\$ 337,336.17	\$ 3,113,038.00	\$ 1,101,081.75	\$ 400,000.00



**TOWN OF STOKESDALE
SCHEDULE OF FEES AND CHARGES
FISCAL YEAR 2023-2024**

ADMINISTRATIVE FEES:

Copies 8 ½ X 10, 11 X 14	\$0.25 per page
Notary Fees	\$5.00 per signature
Return Check Fee	\$35.00
Audio/Information on USB Drive	\$5.00

FACILITY USE FEES:

Resident

Non-Resident

Deposit *

Martin's Meadow Park

Ball Field/Volleyball Courts	\$10.00/hour	\$15.00/hour	
Picnic Shelter	\$25.00/4 hours \$50.00/Full day	\$25.00/4 hours \$70.00/Full day	\$50.00

Town Hall

Community Room	\$75.00	\$100.00	\$200.00
Non-Profits	No Fee	\$100.00	
Kitchen	\$100.00	\$150.00	\$250.00
Miscellaneous Charges			
Lost Key	\$100.00	\$100.00	

* Deposit made by separate check to be retained by the Town if the facility is not clean or in order when event is over.

* No fee for Non-Profits with a legal Stokesdale address. (Limit 1 free reservation per month)

PARADE FEES & SPONSORSHIPS

Entry fee \$25.00

Platinum -- \$500.00

Logo on all flyers and Northwest Observer ad
Thank you mentions from parade announcers
Free parade participant entry

Gold -- \$250.00

Logo on all flyers and Northwest Observer ad
Thank you mention from parade announcers
Free parade participant entry

Silver -- \$150.00

Name and logo on all flyers and Northwest Observer ad
Thank you mention from parade announcers
Free parade participant entry

PLANNING AND ZONING FEES:

Subdivision Fees

Major Subdivision (5 or more lots) \$500 per Plat Plus \$200 per Lot

Minor Subdivision (4 or less lots) \$500 per Plat Plus \$100 per Lot

Rezoning * Special Use Permit Filing Fees \$1,000 per Case Plus \$25 per Acre

Board of Adjustment Cases \$250 per case

Site Plan Review Fees \$1,000 per Case Plus \$100 per
1,000 ft GFA (Gross Floor Area)

Change of Use Site Plan Review Fee \$300 per Case

Text Amendment \$500 plus advertising cost

Street and Easement Closings \$700 per Case

Street Renaming & Renumbering \$250 per Case

Appeal of Planning Board Administrative Decision \$200 per Case

WATER USAGE FEES

Water Deposit – owner occupied	\$50.00
Water Deposit – Lease/renter	\$175.00
Water Customer Service Fee	\$25.50 per month
Water Usage Fee	\$6.70 per 1,000 gallons
New Account Setup Fee	\$25.00 (one time charge)
Disconnect/Reconnect Fee	\$75.00 per occurrence
Close/Abandoned Tap Fee	\$250.00
Non-Resident Water Usage Fee	\$8.71 per 1,000 gallons
Bulk Water Schedule:	
Application Fee	\$25.00
Permit Fee	\$25.00
Yates Construction Air Gap Inspection	\$75.00
Installation and Removal of Town Meter (if needed)	\$100.00
Water Usage	\$10.00/1,000 Gallons
Water Meter Deposit	\$500.00 (refunded upon return undamaged)

WATER METER AND TAP FEES

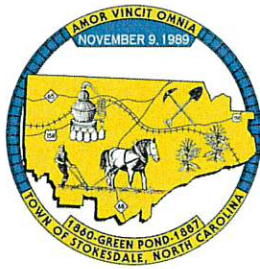
#1 Tap	FEE
3/4" Residential/Commercial Tap	\$3,500.00
Meter	\$300.00
Meter Installation	\$100.00
Capacity Use Fee	\$750.00
Water Deposit	\$50.00
	TOTAL: \$4,700.00
 #2 Tap	 FEE
3/4" Tap Infrastructure Developer	(N/A – Existing)
3/4" Meter	\$300.00
Meter Installation	\$100.00
Capacity Use Fee	\$750.00
Water Deposit	\$50.00
	TOTAL: \$1,200.00

#3	Tap	FEE
	1 "Tap	\$4,500.00
	Meter	\$550.00
	Meter Installation	\$100.00
	Capacity Use Fee	\$1,000.00
	Water Deposit	\$50.00
	TOTAL:	\$6,200.00

#4	Tap	FEE
	2 Inch Tap	\$8,700.00
	Meter	\$1,650.00
	Meter Installation	\$200.00
	Capacity Use Fee	\$1,500.00
	Water Deposit	\$50.00
	TOTAL:	\$12,100.00

PLAN REVIEW FEES FOR WATER LINES, HYDRANTS \$1,500.00 per plan

WATER LINE INSPECTION FEES \$1 per linear foot



TOWN OF STOKESDALE
BUDGET ORDINANCE
FISCAL YEAR 2023-2024

ORDINANCE NO. O-2023-05

BE IT ORDAINED by the Governing Board of the Town of Stokesdale, North Carolina:

Section 1: The following amounts are hereby appropriated in the General Fund for the operation of the Town government and its activities for the fiscal year beginning July 1, 2023, and ending June 30, 2024, in accordance with the chart of accounts heretofore established for this Town.

Capital Outlays	\$ -
Cultural & Recreational	\$12,500.00
Economic & Physical Development	\$31,500.00
General Administrative & Property Expense	\$199,051.94
Legal & Professional Services	\$57,000.00
Payroll Expenses	\$299,641.63
Public Safety	\$31,635.00
Contingency Appropriations	\$ -

Total Operating Expenses	\$631,328.57
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Section 2: It is estimated that the following revenues we will be available in the General Fund for fiscal year beginning July 1, 2023, and ending June 30, 2024:

Beer & Wine Excise Tax	\$24,000.00
Contributions & Donations – Parade	\$3,000.00
Greensboro-Jamestown Profit Share	\$23,000.00
Investment Earnings	\$85,000.00
Miscellaneous	\$1,000.00
Planning & Zoning Fees	\$20,000.00
Plan Review/Inspection Fee	\$5,000.00
State Collected Revenues (Utilities)	\$295,000.00
Town Hall & Park Facility Rentals	\$3,000.00
Reimbursement from Water Fund	\$172,328.57
Undesignated Funds	\$ -

Total Revenues	\$631,328.57
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Section 3: The following amounts are hereby appropriated in the Restricted Funds, American Rescue Plan Act (ARPA) for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Baseball/Softball Lights at Community Park	\$50,000
(8401 Capri Drive, Stokesdale)	

Section 4: The following amounts are hereby appropriated in the Water Enterprise Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Administrative	\$202,265.95
Repairs & Maintenance	\$31,350.00
Water Capital	\$60,000.00
Meters	\$45,000.00
Contingency Appropriations	\$16,055.49
Cost of Water	\$225,000.00
Reimbursement to General Fund Shared Expenses	\$172,328.56
Total Expenses:	\$752,000.00

Section 5: It is estimated that the following revenue will be available in the Water Enterprise Fund for the fiscal year beginning July 1, 2023, and ending June 30, 2024:

Back Flow Preventer Fees	\$ -
Damage Penalties/Meter Resetting	\$1,000.00
Investment Income	\$30,000.00
Taps & Connection Fees	\$20,000.00
Water Capacity Fees	\$60,000.00
Water Sales	\$640,000.00
Late Fee	\$1,000.00
Total Revenues:	\$752,000.00

Section 6: Copies of this budget ordinance shall be furnished to the Clerk of the Governing Board and to the Budget and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Adopted this 21st day of June 2023.

Michael E. Crawford, Mayor

ATTEST:

Dale F. Martin, Town Clerk

NON-PROFIT BYLAWS OF STOKESDALE PARKS AND RECREATION

PREAMBLE

The following Bylaws shall be subject to, and governed by, the Non-Profit Corporation Act of North Carolina and the Articles of Incorporation of Stokesdale Parks and Recreation. In the event of a direct conflict between the herein contained provisions of these Bylaws and the mandatory provisions of the Non-Profit Corporation Act of North Carolina, said Non-Profit Corporation Act shall be the prevailing controlling law. In the event of a direct conflict between the provisions of these Bylaws and the Articles of Incorporation of Corporation/Organization, it shall then be these Bylaws which shall be controlling.

ARTICLE 1 - NAME

The legal name of the Non-Profit Corporation/Organization shall be known as Stokesdale Parks And Recreation, and shall herein be referred to as the "Corporation/Organization."

ARTICLE 2 - PURPOSE

The general purposes for which this Corporation/Organization has been established are as follows:

The purpose for which the Non-Profit Corporation/Organization is formed is set forth in the attached Articles of Incorporation.

The Corporation/Organization is established within the meaning of IRS Publication 557 Section 501(c)(3) Organization of the Internal Revenue Code of 1986, as amended (the "Code") or the corresponding section of any future federal tax code. The Corporation/Organization shall be operated exclusively for/to Stokesdale parks and recreation inc provides the facilities and administration for community wide youth and adult athletics for the town of Stokesdale and surrounding areas..

In addition, this Corporation/Organization has been formed for the purpose of performing all things incidental to, or appropriate in, the foregoing specific and primary purposes. However, the Corporation/Organization shall not, except to an insubstantial degree, engage in any activity or the exercise of any powers which are not in furtherance of its primary non-profit purposes.

The Corporation/Organization shall hold and may exercise all such powers as may be conferred upon any nonprofit organization by the laws of the State of North Carolina and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the Corporation/Organization. At no time and in no event shall the Corporation/Organization participate in any activities which have not been permitted to be carried out by a Corporation/Organization exempt under Section 501(c) of the Internal Revenue Code of 1986 (the "Code"), such as certain political and legislative activities.

ARTICLE 3 - OFFICES

The principal office of the Corporation/Organization shall be located at 8401 Capri Dr, Stokesdale, North Carolina 27284.

The Corporation/Organization may have other such offices as the Board of Directors may determine or deem necessary, or as the affairs of the Corporation/Organization may find a need for from time to time, provided that any permanent change of address for the principal office is properly reported as required by law.

ARTICLE 4 - DEDICATION OF ASSETS

The properties and assets of the Corporation/Organization are irrevocably dedicated to and for non-profit purposes only. No part of the net earnings, properties, or assets of this Corporation/Organization, on dissolution or otherwise, shall inure to the benefit of any person or any member, director, or officer of this Corporation/Organization. On liquidation or dissolution, all remaining properties and assets of the Corporation/Organization shall be distributed and paid over to an organization dedicated to non-profit purposes which has established its tax-exempt status pursuant to Section 501(c) of the Code.

ARTICLE 5 - BOARD OF DIRECTORS

Section I. General Powers and Responsibilities

The Corporation/Organization shall be governed by a Board of Directors (the "Board"), which shall have all the rights, powers, privileges and limitations of liability of directors of a non-profit corporation organized under the Non-Profit Corporation Act of North Carolina. The Board shall establish policies and directives governing business and programs of the Corporation/Organization and shall delegate to the Executive Director and Corporation/Organization staff, subject to the provisions of these Bylaws, authority and responsibility to see that the policies and directives are appropriately followed.

Section II. Number and Qualifications

The Board shall have up to 9 members, but no fewer than one (1) Board members. The number of Board members may be increased beyond 9 members by the affirmative vote of unanimous vote of the then-serving Board of Directors. A Board member need not be a resident of the State of North Carolina.

In addition to the regular membership of the Board, representatives of such other organizations or individuals as the Board may deem advisable to elect shall be *Ex-Officio Board Members*, which will have the same rights and obligations, including voting power, as the other directors.

Section III. Board Compensation

The Board shall receive no compensation other than for reasonable expenses. However, provided the compensation structure complies with Sections relating to "Contracts Involving Board Members and/or Officers" as stipulated under these Bylaws, nothing in these Bylaws shall be construed to preclude any Board member from serving the Corporation/Organization in any other capacity and receiving compensation for services rendered.

Section IV. Board Elections

The Governance Committee, if created, shall present nomination for new and renewing Board members at the board meeting immediately following the resignation or vacancy. Recommendations from the Governance Committee shall be made known to the Board in writing before nominations are made and voted on. New and renewing Board members shall be approved by simple majority of those Board members at a Board meeting at which a quorum is present. If no Governance Committee is created, then this duty shall fall upon another committee created for that purpose or upon the Board of Directors.

Section V. Term of Board

All appointments to the Board shall be for a term of one (1) year. No person shall serve more than 3 consecutive terms unless a majority of the Board, during the course of a Board meeting at which a quorum is present, votes to appoint a Board member to 3 additional year(s). No person shall serve more than 6 consecutive years. After serving the maximum total number of consecutive years on the Board, a member may be eligible for reconsideration as a Board member after 3 years have passed since the conclusion of such Board member's service.

Section VI. Vacancies

A vacancy on the Board of Directors may exist at the occurrence of the following conditions:

- a) The death, resignation, or removal of any director;
- b) The declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by a final order of court, convicted of a felony, found by final order or judgment of any court to have breached a duty pursuant to the Corporation Code and/or Act of the law dealing with the standards of conduct for a director, or has missed 3 consecutive meetings of the Board of Directors, or a total of 4 meetings of the Board during any one calendar year;
- c) An increase in the authorized number of directors; or
- d) The failure of the directors, at any annual or other meeting of directors at which director(s) are to be elected, to elect the full authorized number of directors.

The Board of Directors, by way of affirmative vote of a majority of the directors then currently in office, may remove any director without cause at any regular or special meeting, provided that the director to be removed has been notified in writing in the manner set forth in Article 5 – Meetings that such action would be considered at the meeting.

Except as provided in this paragraph, any director may resign effective upon giving written notice to the chair of the Board, the president of Corporation/Organization, the secretary of Corporation/Organization, or the Board of Directors, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be designated to take office when the resignation becomes effective. Unless the Attorney General of North Carolina is first notified, no director may resign when the Corporation/Organization would then be left without a duly elected director in charge of its affairs.

Any vacancy on the Board may be filled by simple majority of the directors then in office, whether or not the number of directors then in office is less than a quorum, or by vote of a sole remaining director. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires. A Board member elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Section VII. Resignation

Each Board member shall have the right to resign at any time upon written notice thereof to the Chair of the Board, Secretary of the Board, or the Executive Director. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.

Section VIII. Removal

A Board member may be removed, with or without cause, at any duly constituted meeting of the Board, by the affirmative vote of a simple majority of then-serving Board members.

Section IX. Meetings

The Board's regular meetings may be held at such time and place as shall be determined by the Board. The Chair of the Board or any 5 regular Board members may call a special meeting of the Board with 3 days' written notice provided to each member of the Board. The notice shall be served upon each Board member via hand delivery, regular mail, email, or fax. The person(s) authorized to call such special meetings of the Board may also establish the place the meeting is to be conducted, so long as it is a reasonable place to hold any special meeting of the Board.

Section X. Minutes

The Secretary shall be responsible for the recording of all minutes of each and every meeting of the Board in which business shall be transacted in such order as the Board may determine from time to time. However, in the event that the Secretary is unavailable, the Chair of the Board shall appoint an individual to act as Secretary at the meeting. The Secretary, or the individual appointed to act as Secretary, shall prepare the minutes of the meetings, which shall be delivered to the Corporation/Organization to be placed in the minute books. A copy of the minutes shall be delivered to each Board member via either regular mail, hand delivered, emailed, or faxed within 7 business days after the close of each Board meeting.

Section XI. Action by Written Consent

Any action required by law to be taken at a meeting of the Board, or any action that may be taken at a meeting of the Board, may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all Board members. The number of directors in office must constitute a quorum for an action taken by written consent. Such consent shall be placed in the minute book of the Corporation/Organization and shall have the same force and effect as a vote of the Board taken at an actual meeting. The Board members' written consent may be executed in multiple counterparts or copies, each of which shall be deemed an original for all purposes. In addition, facsimile signatures and electronic signatures or other electronic "consent click" acknowledgments shall be effective as original signatures.

Section XII. Quorum

At each meeting of the Board of Directors or Board Committees, the presence of 5 persons shall constitute a quorum for the transaction of business. If at any time the Board consists of an even number of members and a vote results in a tie, then the vote of the Chair of the Board shall be the deciding vote. The act of the majority of the Board members serving on the Board or Board Committees and present at a meeting in which there is a quorum shall be the act of the Board or Board Committees, unless otherwise provided by the Articles of Incorporation, these Bylaws, or a law specifically requiring otherwise. If a quorum is not present at a meeting, the Board members present may adjourn the meeting from time to time without further notice until a quorum shall be present. However, a Board member shall be considered present at any meeting of the Board or Board Committees if during the meeting he or she is present via telephone or web conferencing with the other Board members participating in the meeting.

Section XIII. Voting

Each Board member shall only have one vote.

Section XVI. Proxy

Members of the Board shall not be allowed to vote by written proxy.

Section XV. Board Member Attendance

An elected Board Member who is absent from 3 consecutive regular meetings of the Board during a fiscal year shall be encouraged to reevaluate with the Chair of the Board his/her commitment to the Corporation/Organization. The Board may deem a Board member who has missed 3 consecutive meetings without such a reevaluation with the Chair, to have resigned from the Board.

ARTICLE 6 - OFFICERS

Section I. Officers and Duties

The Board shall elect officers of the Corporation/Organization as defined in these Bylaws or designated by Board resolution. The same person may hold any number of offices, with the exception that the same person may only sign instruments in one capacity when the signature of two officers are required. In addition to the duties in accordance with this Article, officers shall conduct all other duties typically pertaining to their offices and other such duties which may be required by law, Articles of Incorporation, or by these bylaws, subject to control of the Board of Directors, and they shall perform any other such additional duties which the Board of Directors may assign to them at their discretion.

The officers will be selected by the Board at its annual meeting, and shall serve the needs of the Board, subject to all the rights, if any, of any officer who may be under a contract of employment. Therefore, without any bias or predisposition to the rights of any officer that may be under any contract of employment, any officer may be removed with or without cause by the Board. All officers have the right to resign at any time by providing notice in writing to the Chair of the Board, President, and/or Secretary of the Corporation/Organization, without bias or predisposition to all rights, if any, of the Corporation/Organization under any contract to which said officer is a part thereof. All resignations shall become effective upon the date on which the written notice of resignation is received or at any time later as may be specified within the resignation; and unless otherwise indicated within the written notice, a stated acceptance of the resignation shall not be required to make the resignation effective.

Any and all vacancies in any office because of death, resignation, disqualification, removal, or for any other cause, shall be filled in accordance with the herein prescribed Bylaws for regular appointments to such office. The compensation, if any, of the officers shall be fixed or determined by resolution of the Board of Directors.

Section II. Chair of the Board (Chief Executive Officer)

It shall be the responsibility of the Chair of the Board, when present, to preside over all meetings of the Board of Directors and Executive Committee. The Chair of the Board is authorized to execute, in the name of the Corporation/Organization, any and all contracts or other documents which may be authorized, either generally or specifically, by the Board to be executed by the Corporation/Organization, except when required by law that the President's signature must be provided.

Section III. President (Executive Director)

It shall be the responsibility of the President, in general, to supervise and conduct all activities and operations of the Corporation/Organization, subject to the control, advice and consent of the Board of Directors. The President shall keep the Board of Directors completely informed, shall freely consult with them in relation to all activities of the Corporation/Organization, and shall see that all orders and/or resolutions of the Board are carried out to the effect intended. The Board of Directors may place the President under a contract of employment where appropriate. The President shall be empowered to act, speak for, or otherwise represent the Corporation/Organization between meetings of the Board. The President shall be responsible for the hiring and firing of all personnel and shall be responsible for keeping the Board informed at all times of staff performance and for implementing any personnel policies which may be adopted and implemented by the Board. The President, at all times, is authorized to contract, receive, deposit, disburse and account for all funds of the Corporation/Organization, to execute in the name of the Corporation/Organization all contracts and other documents authorized either generally or specifically by the Board to be executed by the Corporation/Organization, and to negotiate any and all material business transactions of the Corporation/Organization.

Section IV. Vice President

In the absence of the President, or in the event of his/her inability or refusal to act, it shall then be the responsibility of the Vice President to perform all the duties of the President, and in doing so shall have all authority and powers of, and shall be subject to all of the restrictions on, the President.

ARTICLE 7 - COMMITTEES

Section I. Committees of Directors

The Board of Directors may, from time to time, and by resolution adopted by a majority of the directors then in office provided that a quorum is present, designate one or more committees to exercise all or a portion of the authority of the Board, to the extent of the powers specifically delegated in the resolution of the Board or in these Bylaws. Each such committee shall consist of at least two (2) members, and may also include persons who are not on the Board but whom the directors believe to be reliable and competent to serve at the specific committee. However, committees exercising any authority of the Board of Directors may not have any non-director members. The Board may designate one or more alternative members of any committee who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the directors then in office, provided that a quorum is present. The Board of Directors may also designate one or more advisory committees that do not have the authority of the Board. However, no committee, regardless of Board resolution, may:

- a) Approve of any action that, pursuant to applicable Law, would also require the affirmative vote of the members of the Board if this were a membership vote.
- b) Fill vacancies on, or remove the members of, the Board of Directors or any committee that has the authority of the Board.
- c) Fix compensation of the directors serving on the Board or on any committee.
- d) Amend or repeal the Articles of Incorporation or Bylaws or adopt new bylaws.
- e) Amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable.
- f) Appoint any other committees of the Board of Directors or their members.
- g) Approve a plan of merger, consolidation, voluntary dissolution, bankruptcy, or reorganization; or a plan for the sale, lease, or exchange of all or considerably all of the property and assets of the Corporation/Organization otherwise than in the usual and regular course of its business; or revoke any such plan.
- h) Approve any self-dealing transaction, except as provided pursuant to Law.

Unless otherwise authorized by the Board of Directors, no committee shall bind the Corporation/Organization in a contract or agreement or expend Corporation/Organization funds.

Section II. Meetings and Actions of Committees

Meetings and actions of all committees shall be governed by, and held and taken in accordance with, the provisions of Article 7 - Committees of these Bylaws, concerning meetings and actions of the directors with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept for each meeting of any committee and shall be filed with the Corporation/Organization records. The Board of Directors may adopt rules not consistent with the provisions of these Bylaws for the governance of any committee.

If a director relies on information prepared by a committee of the Board on which the director does not serve, the committee must be composed exclusively of any or any combination of (a) directors, (b) directors or employees of the Corporation/Organization whom the director believes to be reliable and competent in the matters presented, or (c) counsel, independent accountants, or other persons as to matters which the director believes to be within that person's professional or expert competence.

Section III. Audit Committee

The Board, at its sole discretion, may create an Audit Committee, which may review any other committee's operations, and may be composed of one or more persons including persons other than directors of the Corporation/Organization. The Audit Committee shall make recommendations to the Board of Directors regarding the hiring and termination of an auditor, who shall be an independent certified public accountant, and may be authorized by the Board to negotiate the auditor's salary. The Audit Committee shall consult with the auditor to assure its members that the financial affairs of the Corporation/Organization are in order, and after review shall determine whether to accept the audit. It shall also be the responsibility of the Audit Committee to ensure that the auditor's firm adheres to the standards for auditor independence, as set forth in the latest version of the Government Auditing Standards, which have been published by the Comptroller General of the United States, or any standards established and published by the Attorney General of North Carolina. The membership of the Audit Committee, if created, shall not include the following persons:

- a) The Chair of the Board of Directors;
- b) The Treasurer of the Corporation/Organization;
- c) Any employee of the Corporation/Organization; or
- d) Any person with a material financial interest in any entity doing business with the Corporation/Organization.

Section IV. Finance Committee

The Finance Committee, if created, shall be responsible for making sure the Company/Organization's financial reports are accurate. It shall also oversee the budget and perform other duties like establishing reserve funds, lines of credit and investments. In the event that the Board should create a Finance Committee, the members of said Finance Committee must comprise less than one-half (1/2) of the membership of the Audit Committee, and the Chair of the Finance Committee shall not serve on the Audit Committee.

Section V. Governance Committee

The Governance Committee, if created, shall be responsible for the health and functioning of the Board. It shall be in charge of recruiting new members, conducting orientations, producing board materials, and evaluating the performance of the Board itself. The Governance Committee shall also be responsible for ensuring the effectiveness of the current Board, establishing priorities for Board composition, plan for Board of Director recruitment and succession, oversee Board development and take the lead in performing Board evaluations.

Section VI. Communications and Public Relations Committee

If created, a Communications Committee shall handle all matters that relate to communicating with donors, stakeholders and others. This Committee shall also oversee all newsletters, official communications, social media platforms, online presence and contacts with the media.

Section VII. Fundraising Committee

The Board, at its sole discretion, may create a Fundraising Committee which shall ensure and contribute well-planned fundraising initiatives for the Company/Organization. In addition this Committee shall identify potential sources of funds, take an active role in enhancing the Board's awareness of fundraising opportunities, explore opportunities for enhanced public relations and fundraising, and provide an annual review of the performance of the Organization's fundraising plan.

ARTICLE 8 - STANDARD OF CARE

Section I. General

A director shall perform all the duties of a director, including, but not limited to, duties as a member of any committee of the Board on which the director may serve, in such a manner as the director deems to be in the best interest of the Corporation/Organization and with such care, including reasonable inquiry, as an ordinary, prudent, and reasonable person in a similar situation may exercise under similar circumstances.

In the performance of the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- a) One or more officers or employees of the Corporation/Organization whom the director deems to be reliable and competent in the matters presented;
- b) Counsel, independent accountants, or other persons, as to the matters which the director deems to be within such person's professional or expert competence; or

- c) A committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director deems to merit confidence, so long as in any such case the director acts in good faith, after reasonable inquiry when the need may be indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

Except as herein provided in Article 8 - Standard of Care, any person who performs the duties of a director in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a director, including, without limitation of the following, any actions or omissions which exceed or defeat a public or charitable purpose to which the Corporation/Organization, or assets held by it, are dedicated.

Section II. Loans

The Corporation/Organization shall not make any loan of money or property to, or guarantee the obligation of, any director or officer, unless approved by the North Carolina Attorney General; provided, however, that the Corporation/Organization may advance money to a director or officer of the Corporation/Organization or any subsidiary for expenses reasonably anticipated to be incurred in the performance of the duties of such officer or director so long as such individual would be entitled to be reimbursed for such expenses absent that advance.

Section III. Conflict of Interest

The purpose of the Conflict of Interest policy is to protect the Corporation/Organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of one of its officers or directors, or that might otherwise result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable corporations/organizations and is not intended as an exclusive statement of responsibilities.

Section IV. Restriction on Interested Directors

Not more than 0% (percent) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (1) any person currently being compensated by the Corporation/Organization for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director; and (2) any brother, sister, parent, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the interested person.

Section V. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors who are considering the proposed transaction or arrangement.

Section VI. Establishing a Conflict of Interest

After the disclosure of the financial interest and all material facts, and after any discussion with the interested person, the interested person shall leave the Board meeting while the potential conflict of interest is discussed and voted upon. The remaining Board members shall decide if a conflict of interest exists.

Section VII. Addressing a Conflict of Interest

In the event that the Board should establish that a proposed transaction or arrangement establishes a conflict of interest, the Board shall then proceed with the following actions:

- a) Any interested person may render a request or report at the Board meeting, but upon completion of said request or report the individual shall be excused while the Board discusses the information and/or material presented and then votes on the transaction or arrangement proposed involving the possible conflict of interest.
- b) The Chair of the Board shall, if deemed necessary and appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c) After exercising due diligence, the Board shall determine whether the Corporation/Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

- d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the best interest of the Corporation/Organization, for its own benefit, and whether it is fair and reasonable. It shall make its decision as to whether to enter into the transaction arrangement in conformity with this determination.

Section VIII. Violations of Conflict of Interest Policy

Should the Board have reasonable cause to believe an interested person has failed to disclose actual or possible conflicts of interest, the Board shall then inform the interested person of the basis for such belief and afford the interested person an opportunity to explain the alleged failure to disclose.

If, after hearing the interested person's explanation, and after making further investigation as may be warranted in consideration of the circumstances, the Board determines the interested person intentionally failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section IX. Procedures and Records

All minutes of the Board Meetings, when applicable, shall contain the following information:

- a) The names of all the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed.
- b) The names of the persons who were present for discussions and any votes relating to the transaction or arrangement, the content of the discussions, including any alternatives to the proposed transaction or arrangement, and a record of any vote taken in connection with the proceedings.

Section X. Acknowledgement of Conflict of Interest Policy

Each director, principal officer, and member of a committee with Board delegated powers shall be required to sign a statement which affirms that such person:

- a) Has received a copy of the conflict of interest policy;
- b) Has read and understands the policy;
- c) Has agreed to comply with the policy; and
- d) Understands that the Corporation/Organization is charitable, and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section XI. Violation of Loyalty - Self-Dealing Contracts

A self-dealing contract is any contract or transaction (i) between this Corporation/Organization and one or more of its Directors, or between this Corporation/Organization and any corporation, firm, or association in which one or more of the Directors has a material financial interest ("Interested Director"), or (ii) between this Corporation/Organization and a corporation, firm, or association of which one or more of its directors are Directors of this Corporation/Organization. Said self-dealing shall not be void or voidable because such Director(s) of corporation, firm, or association are parties or because said Director(s) are present at the meeting of the Board of Directors or committee which authorizes, approves or ratifies the self-dealing contract, if:

- a) All material facts are fully disclosed to or otherwise known by the members of the Board and the self-dealing contract is approved by the Interested Director in good faith (without including the vote of any membership owned by said Interested Director(s));
- b) All material facts are fully disclosed to or otherwise known by the Board of Directors or committee, and the Board of Directors or committee authorizes, approves, or ratifies the self-dealing contract in good faith—without counting the vote of the Interested Director(s)—and the contract is just and reasonable as to the Corporation/Organization at the time it is authorized, approved, or ratified; or
- c) As to contracts not approved as provided in above sections (a) and/or (b), the person asserting the validity of the self-dealing contract sustains the burden of proving that the contract was just and reasonable as to the Corporation/Organization at the time it was authorized, approved, or ratified.

Interested Director(s) may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof, which authorizes, approves, or ratifies a contract or transaction as provided for and contained in this section.

Section XII. Indemnification

To the fullest extent permitted by law, the Corporation/Organization shall indemnify its "agents," as described by law, including its directors, officers, employees and volunteers, and including persons formerly occupying any such position, and their heirs, executors and administrators, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," and including any action by or in the right of the Corporation/Organization, by reason of the fact that the person is or was a person as described in the Non-Profit Corporation Act. Such right of indemnification shall not be deemed exclusive of any other right to which such persons may be entitled apart from this Article.

The Corporation/Organization shall have the power to purchase and maintain insurance on behalf of any agent of the Corporation/Organization, to the fullest extent permitted by law, against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, or to give other indemnification to the extent permitted by law.

ARTICLE 9 - EXECUTION OF CORPORATE INSTRUMENTS

Section I. Execution of Corporate Instruments

The Board of Directors may, at its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except when otherwise provided by law, and such execution or signature shall be binding upon the Corporation/Organization.

Unless otherwise specifically determined by the Board of Directors or otherwise required by law, formal contracts of the Corporation/Organization, promissory notes, deeds of trust, mortgages, other evidences of indebtedness of the Corporation/Organization, other corporate/organization instruments or documents, memberships in other corporations/organizations, and certificates of shares of stock owned by the Corporation/Organization shall be executed, signed, and/or endorsed by the President.

All checks and drafts drawn on banks or other depositories on funds to the credit of the Corporation/Organization, or in special accounts of the Corporation/Organization, shall be signed by such person or persons as the Board of Directors shall authorize to do so.

Section II. Loans and Contracts

No loans or advances shall be contracted on behalf of the Corporation/Organization and no note or other evidence of indebtedness shall be issued in its name unless and except as the specific transaction is authorized by the Board of Directors. Without the express and specific authorization of the Board, no officer or other agent of the Corporation/Organization may enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation/Organization.

Section III. Property

No property owned or contracted by the Corporation/Organization, whether in part, parcel or full, shall be diverted or sold from its purpose by any transaction to private, non-profit, for profit, residential or commercial entity, excepting in the interest of full Corporation/Organization acquisition or merger with the town of Stokesdale by unanimous vote of the directors in office.

ARTICLE 10 - RECORDS AND REPORTS

Section I. Maintenance and Inspection of Articles and Bylaws

The Corporation/Organization shall keep at its principal office the original or a copy of its Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the directors at all reasonable times during office hours.

Section II. Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

The Corporation/Organization shall keep at its principal office a copy of its federal tax exemption application and its annual information returns for three years from their date of filing, which shall be open to public inspection and copying to the extent required by law.

Section III. Maintenance and Inspection of Other Corporate Records

The Corporation/Organization shall keep adequate and correct books and records of accounts and written minutes of the proceedings of the Board and committees of the Board. All such records shall be kept at a place or places as designated by the Board and committees of the Board, or in the absence of such designation, at the principal office of the Corporation/Organization. The minutes shall be kept in written or typed form, and other books and records shall be kept either in written or typed form or in any form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the Corporation/Organization shall turn over to his or her successor or the Chair of the Board or President, in good order, such corporate/organization monies, books, records, minutes, lists, documents, contracts or other property of the Corporation/Organization as have been in the custody of such officer, employee, or agent during his or her term of office.

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Corporation/Organization and each of its subsidiary corporations/organizations. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts of documents.

Section VI. Preparation of Annual Financial Statements

The Corporation/Organization shall prepare annual financial statements using generally accepted accounting principles. Such statements shall be audited by an independent certified public accountant, in conformity with generally accepted accounting standards. The Corporation/Organization shall make these financial statements available to the North Carolina Attorney General and members of the public for inspection no later than 90 days after the close of the fiscal year to which the statements relate.

Section V. Reports

The Board shall ensure an annual report is sent to all directors within 90 days after the end of the fiscal year of the Corporation/Organization, which shall contain the following information:

- a) The assets and liabilities, including trust funds, of this corporation at the end of the fiscal year.
- b) The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- c) The expenses or disbursements of the Corporation/Organization for both general and restricted purposes during the fiscal year.
- d) The information required by the Non-Profit Corporation Act concerning certain self-dealing transactions involving more than \$50,000.00 or indemnifications involving more than \$10,000.00 which took place during the fiscal year.

The report shall be accompanied by any pertinent report from an independent accountant or, if there is no such report, the certificate of an authorized officer of the Corporation/Organization that such statements were prepared without audit from the books and records of the Corporation/Organization.

ARTICLE 11 - FISCAL YEAR

The fiscal year for this Corporation/Organization shall end on December 31.

ARTICLE 12 - AMENDMENTS AND REVISIONS

These Bylaws may be adopted, amended, or repealed by unanimous vote of the directors then in office, except for Article 9 - Section III and Article 10 - Section 5 which exist in perpetuity without votable revocation. Such action for amendable sections are authorized only at a duly called and held meeting of the Board of Directors for which written notice of such meeting, setting forth the proposed bylaw revisions with explanations therefore, is given in accordance with these Bylaws. If any provision of these Bylaws requires the vote of a larger portion of the Board than is otherwise required by law, that provision may not be altered, amended or repealed by that greater vote.

ARTICLE 13 - CORPORATE/ORGANIZATION SEAL

The Board of Directors may adopt, use, and alter a corporate/organization seal. The seal shall be kept at the principal office of the Corporation/Organization. Failure to affix the seal to any corporate/organization instrument, however, shall not affect the validity of that instrument.

ARTICLE 14 - CONSTRUCTION AND DEFINITIONS

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the Non-Profit Corporation Act as amended from time to time shall govern the construction of these Bylaws excepting Article 9-Section III and Article 10-Section 5 as herewith stipulated in Article 12. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes a Corporation/Organization as well as a natural person. If any competent court of law shall deem any portion of these Bylaws invalid or inoperative, then so far as is reasonable and possible (i) the remainder of these Bylaws shall be considered valid and operative, and (ii) effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

CERTIFICATE OF PRESIDENT

I, Stokesdale Parks And Recreation President, certify that I am the current elected and acting Secretary of the Corporation/Organization, and the above Bylaws are the bylaws of this Corporation/Organization as adopted by the Board of Directors on June 13, 2023, and that they have not been amended or modified since the date above.

EXECUTED on this _____ day of _____, in the County of _____ in the State of North Carolina.

(Duly Elected President)