

The Honorable Michael Crawford, Mayor & Town Council Members

Town of Stokesdale

P. O. Box 465 Stokesdale, North Carolina 27357

2022-2023 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 21.4 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 2022-2023 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 2022-2023 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.

The previous three years have been unprecedented due to the challenges brought on by the Coronavirus. 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. The Town received \$362,737.50 in August 2021 and will receive the second disbursement no sooner than one year after the first disbursement in 2022. Those funds must be encumbered no later than December 31, 2024, and spent no later than December 31, 2026.

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 volleyball court, a 1-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 plans for developing this land will be considered in the near future.

The Town of Stokesdale operates under a limited staff including a Part-time Town Clerk, 2 Full-time Deputy Clerks, a Part-time Finance Officer/Budget Officer, and Part-time Water Technician. Funds have been appropriated for the Town to join the North Carolina Local Government Retirement System and for a health insurance plan for eligible full-time employees.

TOWN OF STOKESDALE BUDGET: The proposed Operating Budget for the 2022-2023 Fiscal Year totals \$2,233,581.75.

REVENUES: General Fund Revenues for Fiscal Year (FY) 2022-2023 are estimated at \$794,737.50. The town receives \$158,690.11 from the Water Enterprise Fund as a reimbursement for shared expenses paid from the Town's General Fund. The largest source of income, the State Collected Revenues, previously called Utilities Franchise Tax is estimated at \$295,000. Beer & Wine Excise Tax \$21,000. Greensboro-Jamestown ABC Profit Shares at \$20,000. Investment earnings are estimated at \$5,000. Interest rates on our CDAR investments will range at an estimate of 0.08% - 0.10%. The town has been awarded funds from a federal grant from the State and Local Fiscal Recovery Fund also, known as the American Rescue Plan (ARP) in the amount of \$362,737.50.

Planning Fee Revenues are estimated to be \$35,000. Revenues from Contribution/Donations and Parade revenues are estimated at \$2,000. The fees from the Rental of Town Hall & Park Facilities are estimated at \$3,000; we are predicting lower fees due again to the lost revenue from the social distancing order.

EXPENDITURES: General Fund Expenditures for the Fiscal Year (FY) 2022/2023 are budgeted to be \$953,427.61. General Fund revenue of \$794,737.50 coupled with the reimbursement of \$158,690.11 from the Water Enterprise Fund for shared expenses paid in full for the General Fund represent a balanced General Fund budget for FY 22/23.

WATER ENTERPRISE FUND: The proposed Operating Budget for the Water Enterprise Fund totals \$1,801,581.75.

REVENUES: Water Sales \$525,000.00. Tap & Connection Fees \$55,000, Water Capacity Use Fees for the year \$60,000. Investment Income \$2,000. Late Fees \$2,500 and Miscellaneous Income from Backflow fees, and damage fees \$1,500, and Transfer from Fund Balance \$0. The Town of Stokesdale expects to receive grant funds under House Bill 1136 in the amount of \$1,154,081.75.

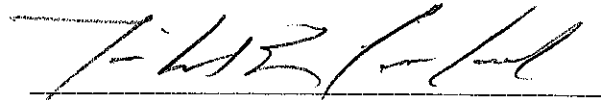
EXPENDITURES: Expenditures for the Water Enterprise Account are expected to be \$1,801,581.75.

The Proposed Budget for 2022-2023 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 9th day of June 2022.



Kimberly Thacker, Finance Budget/Officer



Michael E. Crawford, Mayor

Revised by The Honorable Michael Crawford, Mayor & Town Council Members of the Town of Stokesdale, North Carolina on the 11th day of August 2022.