



FY 2027 Budget and Five-Year Operating Plan Preview

Apr 13, 2026

What we will Cover



- FY 2027 General Fund Overview
- FY 2027 School Current Expense Fund
- FY 2027 Fire District Funds
- FYs 2027-2031 Five-Year Financial Forecasts and Significant Initiatives
- Key Upcoming Dates

FY 2027 General Fund Budget

FY 2027 General Fund Budget Overview



- Calls for \$77.33 million budget; 3.1% above the FY2026 General Fund budget
- Is resourced by a property tax rate of \$0.595 (increase of 1.0 cents compared to FY26), tax rates of \$0.585 and \$0.590 will also be presented for consideration
- Includes \$5.0 million of appropriated fund balance compared to \$6.8 million in the FY 2026 adopted budget
- Expects ending fund balance of 33.0% of budgeted expenditures
- Includes:
 - Completion of the new Animal Shelter (carry-over)
 - Replacement of > 20% of emergency communications radios
 - New, Mountain View Rd greenbox site
 - Replacement of one ambulance and remount of one ambulance
 - 6 new full-time employee positions

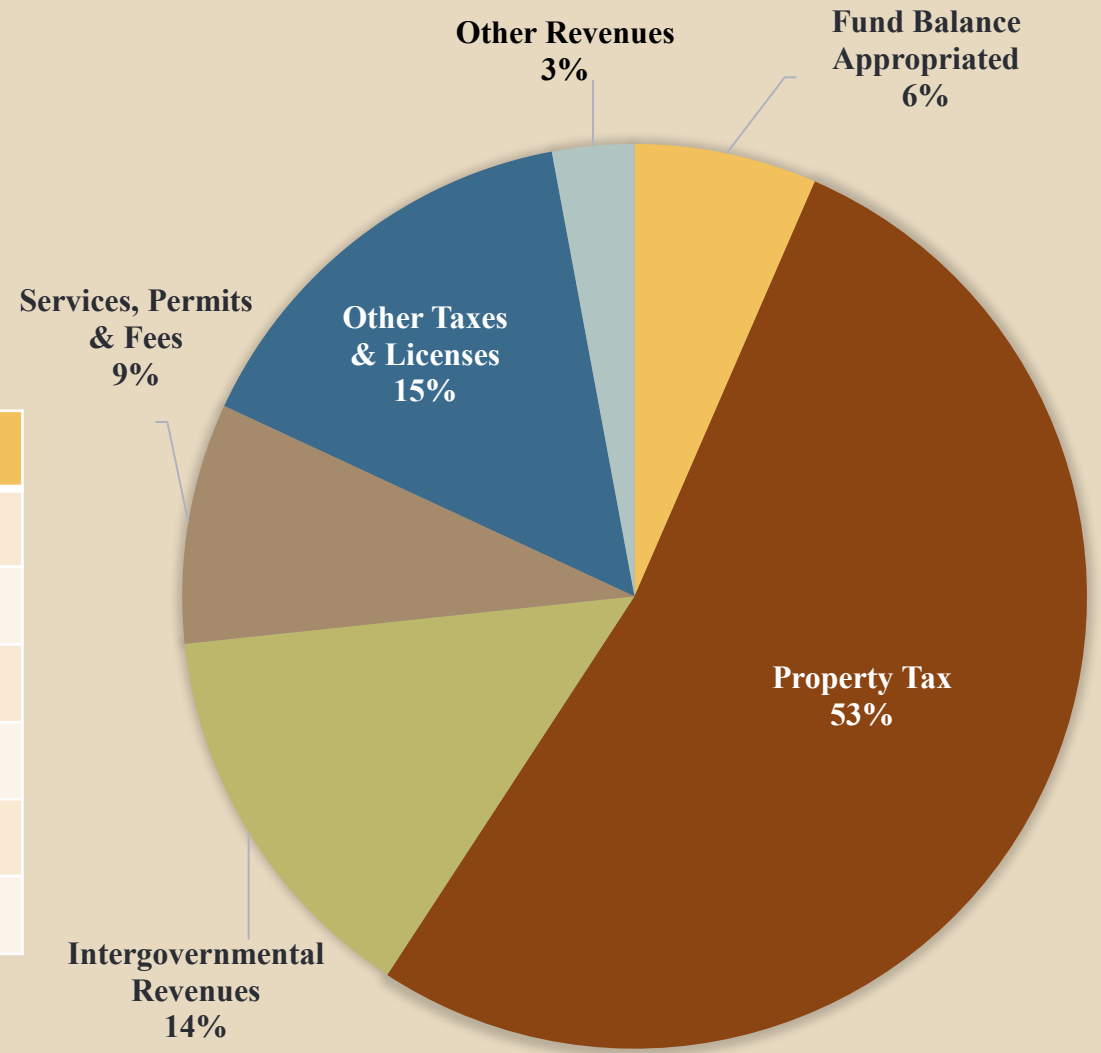
FY 2027 General Fund Revenues



- Assumes 2.0% increase in sales tax revenues over FY 2026 adopted budget
- Includes additional penny and historical average of property valuation growth in tax base

\$77.33 MILLION BUDGETED REVENUES

Revenue Source	FY 2026	FY 2027
Property Taxes	52%	53%
Intergovernmental Revenues	14%	15%
Other Taxes & Licenses	14%	14%
Services, Permits & Fees	8%	8%
Other Revenues	3%	3%
Fund Balance Appropriated	9%	6%

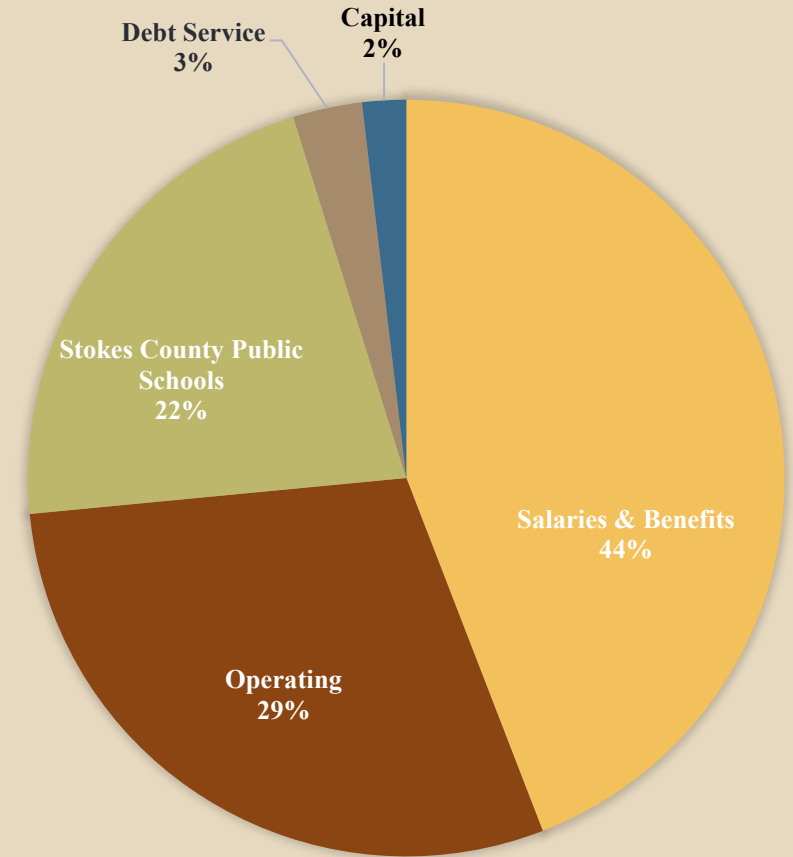


FY 2027 General Fund Expenditures by Type



- Average merit pay increase of 2% plus cost-of-living adjustment of 2.7%
- Six new full-time equivalents (FTEs):
 - Planner I
 - IT Security & Helpdesk Assistant
 - 911 Training/Quality Assurance Officer
 - Social Worker III (Foster Care) x 2
 - Parks & Recreation Coordinator (71% funded by County)

\$77.33 MILLION BUDGETED EXPENDITURES

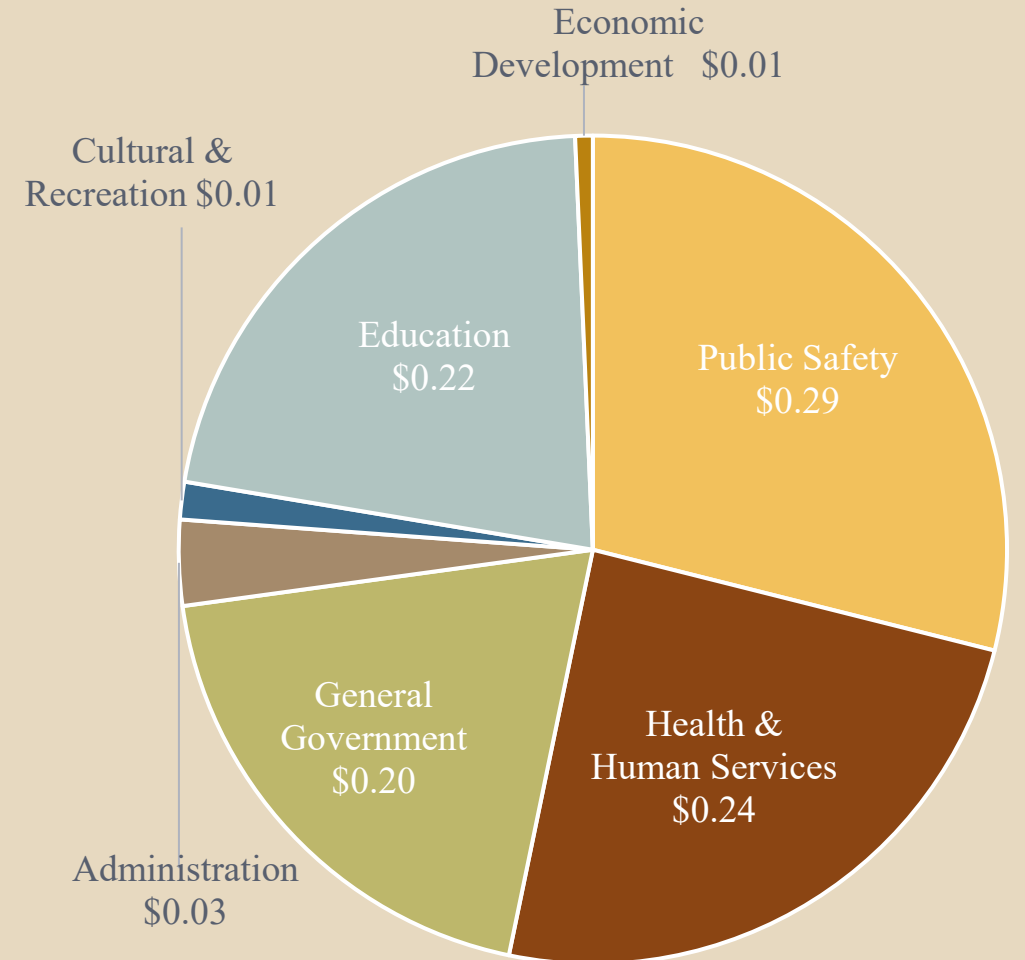


Expenditure Type	FY 2026	FY 2027
Salaries & Benefits	43%	44%
Operating	29%	29%
Stokes County Public Schools	22%	22%
Debt Service	4%	3%
Capital	2%	2%

FY 2027 General Fund Expenditures by Function



Function	FY 2026	FY 2027
Public Safety	28%	29%
Health & Human Services	24%	24%
Education	22%	22%
General Government	21%	20%
Administration	3%	3%
Cultural & Recreational	2%	1%
Economic Development	1%	1%



FY 2027 School Current Expense Fund

FY 2027 School Current Expense Fund Stokes County Schools Request



Management recommendation calls for \$16,768,286 total, \$414,851 less than requested but \$440,841 more than FY26 total appropriation

Revenues	FY26 Final Budget	FY27 Request	Change	Percent Change	FY27 Mgmt Rec
County Appropriation	\$16,051,287	\$16,934,979	\$883,692	5.5%	\$16,528,992
Fines & Forfeitures	\$160,000	\$110,000	(\$50,000)	(31.3)%	\$120,000
Poplar Springs Operating Transfer from 4-cent Fund	\$116,158	\$138,158	\$22,000	18.9%	\$119,294
Other, non-Stokes County Funding	\$135,000	\$130,000	(\$5,000)	(3.7)%	\$134,000
Appropriated Fund Balance	\$362,077	\$0.0	(\$362,077)	(100.0)%	\$410,851
Total	\$16,824,522	\$17,313,137	\$488,615	2.9%	\$17,313,137

Last year, leadership from Stokes County and the school system agreed to work toward budget/funding solutions that would leave the school system with at least \$1.5M in fund balance. FY25 audit shows an end of year fund balance of \$2.9M in fund balance.

Given budget to actual variances it more likely than not that FY26 end of year fund balance will **increase**.

Some fund balance appropriated would be justified.

Slightly higher than CPI

FY 2027 Fire District Funds

FY 2027 Fire District Funds



	FY 2026 rate	Proposed FY 2027 rate	Total 2027 Revenue
Stokes County Service District	\$.09	\$0.09	\$3,766,292
King Fire District	\$.09	\$0.09	\$950,721
Rural Hall Fire District	\$.09	\$0.09	\$203,137
Walnut Cove Fire District	\$.09	\$0.09	\$610,188

- Total Revenues include all ad valorem taxes at the proposed rate and 1.5% sales tax distribution
- Fire Commission’s service district budget request totals \$4,282,297 (\$516,005 **over** anticipated revenues)
- Fire Commission’s service district budget request accommodates:
 - Additional \$40,304 for each county department for augmented paid staffing
 - Payoff of remaining \$271,843 debt on Francisco sub-station
 - One new brush truck for South Stokes (\$143,000) to be paid in cash
 - One new pumper/tanker for Pinnacle (\$700,000) to be paid with financing (12 years @ 4.87%)
 - A back-up generator system for Northeast Stokes (\$100,000)
- While the requested budget includes significant one-time capital expenses, there is significant risk that the appropriated fund balance required to balance the budget **is not sustainable** and will exhaust available fund balance (~\$1.3M) over a multi-year horizon. Options:
 - Raise the tax rate – 1 penny gets \$385,143
 - Instruct Fire Commission to reduce budget request – **recommendation is to cut by \$516,005 - \$271,843 = \$244,162**
- Expect to need debt capacity for new Danbury Fire Station in future years

FYs 2027-2031 Five Year Financial Forecasts and Significant Initiatives

Five-Year General Fund Forecast



- Developed to meet key financial metrics:
 - Fund balance (>30%)
 - Debt Service Ratio (<10%)
- Incorporates:
 - Anticipated/planned staffing changes
 - Planned projects and operating costs changes resulting from projects
 - Capital improvement plan and operating cost changes resulting from projects
- Key financial assumptions:
 - 3.1% annual growth in real & personal property tax base, plus key anticipated projects
 - 2.0% cost of living increase in outyears for salaries & benefits, plus average of 2.0% merit
 - 2.0% annual inflationary increase in operating costs in outyears
 - End of year revenues will be 101% of budgeted revenues
 - End of year expenditures will be 91% of budgeted expenditures

Operating Plan OFIs



OFI #	Title/Description	2027	2028	2029	2030	2031
25-04	Update Comprehensive Plan	\$200K				
25-09	Add 3 rd floor to DSS building or build new structure (fund with debt)			\$1.5M		
25-10	Add Mountain View Rd greenbox site	\$530K				
25-12	Renovate plumbing in Jail		\$225K	\$225K	\$450K	
25-15	Demo old Danbury School			\$200K		
25-17	Remodel King health facility	\$100K				
25-19	Replace an elementary school and begin school consolidation (debt service)			\$50M		
26-01	Establish and Implement County Communications Improvement Plan	\$40K				
26-02	Develop SMR Emergency Management Plan			\$35K		
26-03	Update Zoning Ordinance		\$150K			
26-04	Implement Comprehensive Emergency Communications Radio Replacement	\$354K	\$255K	\$255K	\$255K	\$255k
26-05	Build New Emergency Communications Facility (911 Grant Funded)				\$4.5M	
26-06	Build a New Danbury Fire Department Station (Fire District Funded with Debt)		\$3M			

Staffing Changes in Current Plan & Potential Additions



OFI #	Title/Description	2027	2028	2029	2030	2031
25-S6	Animal Shelter Custodian (part time)	\$20K	—————	—————	—————	—————▶
25-S9	Planner I (Planning & Zoning)	\$69K	—————	—————	—————	—————▶
26-S3	IT Security & Helpdesk Specialist	\$69K	—————	—————	—————	—————▶
26-S4	Emergency Telecommunicator x 2 (Emergency Communications)					\$127K
26-S5	Training/Quality Assurance Officer (Emergency Communications)	\$66K	—————	—————	—————	—————▶
26-S6	Social Worker III (Foster Care) x 2 (DSS)	\$70K	—————	—————	—————	—————▶
26-S7	Social Worker III (Investigative Assessments & Treatment) x2 (DSS)				\$75K	—————▶
26-S8	Quality Assurance Specialist x 2 (DSS)			\$68K	—————	—————▶
26-S9	Community Support Supervisor (DSS)		\$31K	—————	—————	—————▶
26-S10	Reclassify Community Social Services Assistants x 4 (DSS)	\$19K	—————	—————	—————	—————▶
26-S11	Sewer & Water Office Assistant (Public Works) 50% funded by SCWSA	\$9K	—————	—————	—————	—————▶
26-S12	Parks and Recreation Coordinator (79% County Funded)	\$51K	—————	—————	—————	—————▶

Major Item Capital Replacement Plan



OFI #	Title/Description	Cost	Year
25-C1	Replace front load solid waste truck (#138, 2016 model, 224,953 miles)	\$415K	28
25-C3	Replace one ambulance	\$316K	27
25-C5	Replace one ambulance	\$330K	28
25-C6	Remount one ambulance	\$240K	29
25-C7	Replace ventilators (EMS)	\$210K	29
25-C8	Replace one ambulance	\$360K	30
25-C9	Replace Lucas CPR devices	\$200K	30
25-C10	Replace one ambulance	\$380K	31
26-C1	Remount one Ambulance	\$200K	27
26-C2	Replace Emergency Communications Consoles (E911/Grant Funding)	\$1.2M	30

Five Year Financial Forecast – General Fund Adding One Penny



Table 1 - Five-Year Financial Forecast FY 2027-2031

	Actual		Budget	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Population	46,036	46,353	45,659	45,825	45,992	46,160	46,328	46,699
Property Tax Rate	0.660	0.670	0.585	0.595	0.595	0.595	0.595	0.595
Operating Revenues								
Property Tax Revenue	\$ 32,963,839	\$ 34,489,458	\$ 38,653,505	\$ 40,740,342	\$ 42,347,622	\$ 44,018,523	\$ 45,873,117	\$ 47,334,462
Intergovernmental Revenues - (Restricted & Unrestricted)	10,569,385	14,660,918	10,738,006	10,915,472	11,096,488	11,281,124	11,469,453	11,661,548
Permits & Fees	683,973	776,511	598,004	807,953	807,953	807,953	807,953	807,953
Sales & Services	4,793,403	4,932,266	5,421,651	5,836,022	5,836,022	5,858,872	5,879,222	5,879,222
Other Operating Revenues	423,079	496,467	1,115,419	1,147,899	1,179,065	1,211,191	1,244,308	1,278,445
Interest Income	2,323,055	1,450,510	989,840	945,368	850,542	837,023	813,111	809,849
Other Taxes & Licenses	11,209,749	11,646,538	10,461,500	11,720,254	11,946,880	12,178,037	12,413,818	12,654,314
Operating Revenues	62,966,483	68,452,668	67,977,925	72,113,310	74,064,572	76,192,723	78,500,981	80,425,793
Other Financing Sources (OFS)	2,416,407	7,860,966	116,158	172,481	348,850	734,267	1,745,733	440,998
Total GF Revenues & OFS	65,382,890	76,313,634	68,094,082	72,285,792	74,413,421	76,926,990	80,246,714	\$ 80,866,791
Operating Expenditures								
Personnel in FTEs	-	362.0	386.0	396.0	397.0	399.0	401.0	403.0
Salaries and Benefits	\$ 24,122,511	\$ 26,300,517	\$ 32,350,892	\$ 34,125,163	\$ 35,729,362	\$ 37,437,294	\$ 39,220,249	\$ 40,918,763
Operating	18,210,501	24,950,710	21,321,145	21,827,717	22,622,452	22,999,251	23,219,403	23,692,247
Stokes County Public Schools	16,831,525	15,638,669	16,327,445	16,768,286	17,103,652	17,445,725	17,794,640	18,150,532
Debt Service	5,384,722	6,212,638	3,038,077	2,286,681	1,842,968	2,037,562	1,753,051	1,715,144
Contingency	-	-	350,000	375,000	382,500	390,150	397,953	405,912
Operating Expenditures	64,549,259	73,102,534	73,387,560	75,382,848	77,680,935	80,309,982	82,385,296	84,882,599
Other Financing Uses (OFU)	679,000	2,893,177	500,663	500,663	500,663	500,663	500,663	500,663
Capital Expenditures	-	-	2,035,550	1,449,718	1,476,000	2,091,000	3,602,500	922,750
Total GF Expenditures & OFU	65,228,259	75,995,711	75,923,773	77,333,229	79,657,598	82,901,645	86,488,459	86,306,012
Revenues Over (Under) Exp	\$ 154,631	\$ 317,923	\$ (7,829,690)	\$ (5,047,436)	\$ (5,244,176)	\$ (5,974,655)	\$ (6,241,745)	\$ (5,439,221)

Assumes property tax base growth in accordance with recent historical trends
 Includes the estimated impact of future inflation
 Includes expenses related to the FY27-31 Operating Plan
 Assumes inflation of operating expenses at 2%
 Assumes inflation of salaries & benefits in accordance with policy
 Includes anticipated Carrollwood Farms tax revenue

Revaluation year

Estimated fund balance appropriated to balance the budget

Five Year Financial Forecast – General Fund Adding One Penny (Cont)



Table 1 - Five-Year Financial Forecast FY 2027-2031

	Actual		Budget	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Projected Impact on Fund Balance in the General Fund:								
Beginning Fund Balance	\$ 25,650,066	\$ 25,804,697	\$ 25,642,311	\$ 24,806,329	\$ 25,515,786	\$ 26,263,919	\$ 26,490,480	\$ 26,653,314
Budgeted Revenues Over (Under)								
Exp	154,631	317,923	(7,829,690)	(5,047,436)	(5,244,176)	(5,974,655)	(6,241,745)	(5,439,221)
Budget to Actual Variance ¹		(480,310)	6,993,710	5,756,892	5,992,309	6,201,216	6,404,578	6,619,249
Projected Revenues Over (Under)								
Expenditures	154,631	(162,387)	(835,981)	709,456	748,133	226,561	162,834	1,180,028
Projected Ending GF Bal	\$ 25,804,697	\$ 25,642,311	\$ 24,806,329	\$ 25,515,786	\$ 26,263,919	\$ 26,490,480	\$ 26,653,314	\$ 27,833,342
% of Total Budget	39.6%	33.7%	32.7%	33.0%	33.0%	32.0%	30.8%	32.2%
¹ Assumes actual operating revenues of 101% of budget and actual operating and salary expenditures of 91% of budget								
Revenue per Penny of Property Tax								
Rate	500,229.16	517,176.80	663,319.18	687,782.17	715,274.44	743,854.23	775,580.18	800,559.72
Tax Rate Needed to Balance Forecast			1.26	(1.03)	(1.05)	(0.30)	(0.21)	(1.47)
Operating Revenues	\$ 65,382,890	\$ 76,313,634	\$ 68,094,082	\$ 72,285,792	\$ 74,413,421	\$ 76,926,990	\$ 80,246,714	\$ 80,866,791
Operating Expenditures	65,228,259	75,995,711	75,923,773	77,333,229	79,657,598	82,901,645	86,488,459	86,306,012
Debt Service as % of total exp	8.26%	8.17%	4.00%	2.96%	2.31%	2.46%	2.03%	1.99%
Policy Minimum for FB graph	30%	30%	30%	30%	30%	30%	30%	30%

Based on 91% of budgeted expenditures and 101% of budgeted revenues in line with historical performance

Slightly above policy minimums thru FY 2031

Revaluation year

Other Options:
[\\$0.585 \(Current Rate\)](#)
[\\$0.590 \(Adding ½ Penny\)](#)

Forecast does not include anticipated tax revenue increases associated with Duke Power Plant renovation work (~FY2030) or potential data center tax revenue (~FY2030)

Forecast does include impact of anticipated increase in Animal Shelter cost

Updated School Capital (4 cent) Fund Five-Year Financial Forecast



Table 1 - Five-Year Financial Forecast FY 2026-2031

	Actual	Actual	Budget	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Population	46,036	46,353	46,659	45,825	45,992	46,160	46,328	46,699
Property Tax Rate	0.040	0.040	0.040	0.040	0.040	0.040	0.040	0.040
Operating Revenues								
Property Tax Revenue	\$ 1,993,763	\$ 2,061,580	\$ 2,605,368	\$ 2,683,785	\$ 2,790,933	\$ 2,902,313	\$ 3,025,994	\$ 3,154,555
IRS Interest Refund-QSCAB/QZAB & Lottery	-	-	1,248,000	1,248,000	1,248,000	1,248,000	450,000	450,000
Permits & Fees	-	-	-	-	-	-	-	-
Sales & Services	-	-	-	-	-	-	-	-
Other Operating Revenues	-	-	-	-	-	-	-	-
Interest Income	137,138	124,194	101,185	104,474	107,869	111,105	114,438	117,871
Other Taxes & Licenses	-	-	-	-	-	-	-	-
Operating Revenues	2,130,901	2,185,774	3,954,553	4,036,258	4,146,802	4,261,418	3,590,432	3,722,427
Other Financing Sources (OFS)	911,820	911,820	911,820	911,820	911,820	911,820	911,820	911,820
Total Dedicated Debt Revenues & OFS	\$ 3,042,721	\$ 3,097,594	\$ 4,866,373	\$ 4,948,078	\$ 5,058,622	\$ 5,173,238	\$ 4,502,252	\$ 4,634,247
Operating Expenditures								
Debt Service	-	2,748,951	3,600,315	3,571,957	3,543,598	6,687,698	6,180,970	4,750,000
Operating Expenditures	-	2,748,951	3,600,315	3,571,957	3,543,598	6,687,698	6,180,970	4,750,000
Other Financing Uses (OFU)	2,911,800	113,880	117,183	119,526	121,917	124,355	126,842	129,379
Total Dedicated Debt Expenditures & OFU	2,911,800	2,862,831	3,717,497	3,691,483	3,665,515	6,812,053	6,307,812	4,879,379
Revenues Over (Under) Exp	\$ 130,921	\$ 234,763	\$ 1,148,876	\$ 1,256,595	\$ 1,393,107	\$ (1,638,815)	\$ (1,805,560)	\$ (245,132)
Projected Impact on Fund Balance in the Dedicated Debt Fund:								
Beginning Fund Balance	\$ 2,300,419	\$ 2,431,320	\$ 2,666,083	\$ 3,814,959	\$ 5,071,554	\$ 6,464,661	\$ 4,825,845	\$ 3,020,286
Budgeted Revenues Over (Under)								
Exp	130,921	234,763	1,148,876	1,256,595	1,393,107	(1,638,815)	(1,805,560)	(245,132)
Budget to Actual Variance ¹								
Projected Revenues Over (Under)								
Expenditures	130,921	234,763	1,148,876	1,256,595	1,393,107	(1,638,815)	(1,805,560)	(245,132)
Projected Ending Dedicated Debt Bal	\$ 2,431,320	\$ 2,666,083	\$ 3,814,959	\$ 5,071,554	\$ 6,464,661	\$ 4,825,845	\$ 3,020,286	\$ 2,775,153
% of Total Budget	83.5%	93.1%	102.6%	137.4%	176.4%	76.8%	47.9%	56.9%

Maintained 4 cents

Revaluation year

Impact of \$50M School Construction (20 years, 5% interest)

\$50M may not be sustainable

\$45M probably is; can get to \$50 (or more) with some combination of:

- Maintaining \$0.04 rate thru next revaluation
- Grant(s)
- Increase annual funding
- Use of fund balance from General Fund
- Longer term

Key Dates

Key Upcoming Dates



- May 11: Manager will present the proposed budget
- May 21-22(T): Half day budget work sessions
- May 26: Public Hearing on the budget (afternoon vs evening?)
- Jun 8: Adopt budget

Questions/Comments



Five Year Financial Forecast – General Fund

Current Tax Rate (\$0.585)



Table 1 - Five-Year Financial Forecast FY 2027-2031

	Actual		Budget	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Population	46,036	46,353	45,659	45,825	45,992	46,160	46,328	46,699
Property Tax Rate	0.660	0.670	0.585	0.585	0.585	0.585	0.585	0.585
Operating Revenues								
Property Tax Revenue	\$ 32,963,839	\$ 34,489,458	\$ 38,653,505	\$ 40,064,874	\$ 41,645,141	\$ 43,287,959	\$ 45,111,384	\$ 46,548,168
Intergovernmental Revenues - (Restricted & Unrestricted)	10,569,385	14,660,918	10,738,006	10,915,472	11,096,488	11,281,124	11,469,453	11,661,548
Permits & Fees	683,973	776,511	598,004	807,953	807,953	807,953	807,953	807,953
Sales & Services	4,793,403	4,932,266	5,421,651	5,836,022	5,836,022	5,858,872	5,879,222	5,879,222
Other Operating Revenues	423,079	496,467	1,115,419	1,147,899	1,179,065	1,211,191	1,244,308	1,278,445
Interest Income	2,323,055	1,450,510	989,840	945,368	850,542	837,023	813,111	722,881
Other Taxes & Licenses	11,209,749	11,646,538	10,461,500	11,720,254	11,946,880	12,178,037	12,413,818	12,654,314
Operating Revenues	62,966,483	68,452,668	67,977,925	71,437,843	73,362,091	75,462,160	77,739,248	79,552,531
Other Financing Sources (OFS)	2,416,407	7,860,966	116,158	172,481	348,850	734,267	1,745,733	440,998
Total GF Revenues & OFS	65,382,890	76,313,634	68,094,082	71,610,324	73,710,940	76,196,427	79,484,981	\$ 79,993,529
Operating Expenditures								
Personnel in FTEs	-	362.0	386.0	396.0	397.0	399.0	401.0	403.0
Salaries and Benefits	\$ 24,122,511	\$ 26,300,517	\$ 32,350,892	\$ 34,125,163	\$ 35,729,362	\$ 37,437,294	\$ 39,220,249	\$ 40,918,763
Operating	18,210,501	24,950,710	21,321,145	21,827,717	22,622,452	22,999,251	23,219,403	23,692,247
Stokes County Public Schools	16,831,525	15,638,669	16,327,445	16,768,286	17,103,652	17,445,725	17,794,640	18,150,532
Debt Service	5,384,722	6,212,638	3,038,077	2,286,681	1,842,968	2,037,562	1,753,051	1,715,144
Contingency	-	-	350,000	375,000	382,500	390,150	397,953	405,912
Operating Expenditures	64,549,259	73,102,534	73,387,560	75,382,848	77,680,935	80,309,982	82,385,296	84,882,599
Other Financing Uses (OFU)	679,000	2,893,177	500,663	500,663	500,663	500,663	500,663	500,663
Capital Expenditures	-	-	2,035,550	1,449,718	1,476,000	2,091,000	3,602,500	922,750
Total GF Expenditures & OFU	65,228,259	75,995,711	75,923,773	77,333,229	79,657,598	82,901,645	86,488,459	86,306,012
Revenues Over (Under) Exp	\$ 154,631	\$ 317,923	\$ (7,829,690)	\$ (5,722,904)	\$ (5,946,657)	\$ (6,705,218)	\$ (7,003,478)	\$ (6,312,483)

Assumes property tax base growth in accordance with recent historical trends
 Includes the estimated impact of future inflation
 Includes expenses related to the FY27-31 Operating Plan
 Assumes inflation of operating expenses at 2%
 Assumes inflation of salaries & benefits in accordance with policy
 Includes anticipated Carrollwood Farms tax revenue

Revaluation year

Estimated fund balance appropriated to balance the budget

Five Year Financial Forecast – General Fund Current Tax Rate (\$0.585) (Cont)



Table 1 - Five-Year Financial Forecast FY 2027-2031

	Actual		Budget	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Projected Impact on Fund Balance in the General Fund:								
Beginning Fund Balance	\$ 25,650,066	\$ 25,804,697	\$ 25,642,311	\$ 24,806,329	\$ 24,833,563	\$ 24,872,190	\$ 24,360,882	\$ 23,754,366
Budgeted Revenues Over (Under)								
Exp	154,631	317,923	(7,829,690)	(5,722,904)	(5,946,657)	(6,705,218)	(7,003,478)	(6,312,483)
Budget to Actual Variance ¹		(480,310)	6,993,710	5,750,138	5,985,284	6,193,911	6,396,961	6,610,516
Projected Revenues Over (Under)								
Expenditures	154,631	(162,387)	(835,981)	27,234	38,627	(511,308)	(606,516)	298,033
Projected Ending GF Bal	\$ 25,804,697	\$ 25,642,311	\$ 24,806,329	\$ 24,833,563	\$ 24,872,190	\$ 24,360,882	\$ 23,754,366	\$ 24,052,399
% of Total Budget	39.6%	33.7%	32.7%	32.1%	31.2%	29.4%	27.5%	27.9%
<i>¹ Assumes actual operating revenues of 101% of budget and actual operating and salary expenditures of 91% of budget</i>								
Revenue per Penny of Property Tax								
Rate	500,229.16	517,176.80	663,319.18	687,782.17	715,274.44	743,854.23	775,580.18	800,559.72
Tax Rate Needed to Balance Forecast			1.26	(0.04)	(0.05)	0.69	0.78	(0.37)
Operating Revenues	\$ 65,382,890	\$ 76,313,634	\$ 68,094,082	\$ 71,610,324	\$ 73,710,940	\$ 76,196,427	\$ 79,484,981	\$ 79,993,529
Operating Expenditures	65,228,259	75,995,711	75,923,773	77,333,229	79,657,598	82,901,645	86,488,459	86,306,012
Debt Service as % of total exp	8.26%	8.17%	4.00%	2.96%	2.31%	2.46%	2.03%	1.99%
Policy Minimum for FB graph	30%	30%	30%	30%	30%	30%	30%	30%

Based on 91% of budgeted expenditures and 101% of budgeted revenues in line with historical performance

Slightly above policy minimums until FY2029

Revaluation year

Forecast does not include anticipated tax revenue increases associated with Duke Power Plant renovation work (~FY2030) or potential data center tax revenue (~FY2030)

Forecast does include impact of anticipated increase in Animal Shelter cost

Five Year Financial Forecast – General Fund Adding ½ Penny (\$0.590)



Table 1 - Five-Year Financial Forecast FY 2027-2031

	Actual		Budget	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Population	46,036	46,353	45,659	45,825	45,992	46,160	46,328	46,699
Property Tax Rate	0.660	0.670	0.585	0.590	0.590	0.590	0.590	0.590
Operating Revenues								
Property Tax Revenue	\$ 32,963,839	\$ 34,489,458	\$ 38,653,505	\$ 40,402,608	\$ 41,996,382	\$ 43,653,241	\$ 45,492,251	\$ 46,941,315
Intergovernmental Revenues - (Restricted & Unrestricted)								
Permits & Fees	10,569,385	14,660,918	10,738,006	10,915,472	11,096,488	11,281,124	11,469,453	11,661,548
Sales & Services	683,973	776,511	598,004	807,953	807,953	807,953	807,953	807,953
Other Operating Revenues	4,793,403	4,932,266	5,421,651	5,836,022	5,836,022	5,858,872	5,879,222	5,879,222
Interest Income	423,079	496,467	1,115,419	1,147,899	1,179,065	1,211,191	1,244,308	1,278,445
Other Taxes & Licenses	2,323,055	1,450,510	989,840	945,368	850,542	837,023	813,111	766,365
Operating Revenues	11,209,749	11,646,538	10,461,500	11,720,254	11,946,880	12,178,037	12,413,818	12,654,314
Other Financing Sources (OFS)	62,966,483	68,452,668	67,977,925	71,775,577	73,713,331	75,827,441	78,120,115	79,989,162
Total GF Revenues & OFS	2,416,407	7,860,966	116,158	172,481	348,850	734,267	1,745,733	440,998
Operating Expenditures	65,382,890	76,313,634	68,094,082	71,948,058	74,062,181	76,561,708	79,865,848	\$ 80,430,160
Personnel in FTEs	-	362.0	386.0	396.0	397.0	399.0	401.0	403.0
Salaries and Benefits	\$ 24,122,511	\$ 26,300,517	\$ 32,350,892	\$ 34,125,163	\$ 35,729,362	\$ 37,437,294	\$ 39,220,249	\$ 40,918,763
Operating	18,210,501	24,950,710	21,321,145	21,827,717	22,622,452	22,999,251	23,219,403	23,692,247
Stokes County Public Schools	16,831,525	15,638,669	16,327,445	16,768,286	17,103,652	17,445,725	17,794,640	18,150,532
Debt Service	5,384,722	6,212,638	3,038,077	2,286,681	1,842,968	2,037,562	1,753,051	1,715,144
Contingency	-	-	350,000	375,000	382,500	390,150	397,953	405,912
Operating Expenditures	64,549,259	73,102,534	73,387,560	75,382,848	77,680,935	80,309,982	82,385,296	84,882,599
Other Financing Uses (OFU)	679,000	2,893,177	500,663	500,663	500,663	500,663	500,663	500,663
Capital Expenditures	-	-	2,035,550	1,449,718	1,476,000	2,091,000	3,602,500	922,750
Total GF Expenditures & OFU	65,228,259	75,995,711	75,923,773	77,333,229	79,657,598	82,901,645	86,488,459	86,306,012
Revenues Over (Under) Exp	\$ 154,631	\$ 317,923	\$ (7,829,690)	\$ (5,385,170)	\$ (5,595,417)	\$ (6,339,937)	\$ (6,622,611)	\$ (5,875,852)

Assumes property tax base growth in accordance with recent historical trends
 Includes the estimated impact of future inflation
 Includes expenses related to the FY27-31 Operating Plan
 Assumes inflation of operating expenses at 2%
 Assumes inflation of salaries & benefits in accordance with policy
 Includes anticipated Carrollwood Farms tax revenue

Revaluation year

Estimated fund balance appropriated to balance the budget

Five Year Financial Forecast – General Fund Adding ½ Penny (\$0.590) (Cont)



Table 1 - Five-Year Financial Forecast FY 2027-2031

	Actual		Budget	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Projected Impact on Fund Balance in the General Fund:								
Beginning Fund Balance	\$ 25,650,066	\$ 25,804,697	\$ 25,642,311	\$ 24,806,329	\$ 25,174,674	\$ 25,568,054	\$ 25,425,681	\$ 25,203,840
Budgeted Revenues Over (Under)								
Exp	154,631	317,923	(7,829,690)	(5,385,170)	(5,595,417)	(6,339,937)	(6,622,611)	(5,875,852)
Budget to Actual Variance ¹		(480,310)	6,993,710	5,753,515	5,988,797	6,197,563	6,400,770	6,614,883
Projected Revenues Over (Under)								
Expenditures	154,631	(162,387)	(835,981)	368,345	393,380	(142,373)	(221,841)	739,031
Projected Ending GF Bal	\$ 25,804,697	\$ 25,642,311	\$ 24,806,329	\$ 25,174,674	\$ 25,568,054	\$ 25,425,681	\$ 25,203,840	\$ 25,942,870
% of Total Budget	39.6%	33.7%	32.7%	32.6%	32.1%	30.7%	29.1%	30.1%
<i>¹ Assumes actual operating revenues of 101% of budget and actual operating and salary expenditures of 91% of budget</i>								
Revenue per Penny of Property Tax								
Rate	500,229.16	517,176.80	663,319.18	687,782.17	715,274.44	743,854.23	775,580.18	800,559.72
Tax Rate Needed to Balance Forecast			1.26	(0.54)	(0.55)	0.19	0.29	(0.92)
Operating Revenues	\$ 65,382,890	\$ 76,313,634	\$ 68,094,082	\$ 71,948,058	\$ 74,062,181	\$ 76,561,708	\$ 79,865,848	\$ 80,430,160
Operating Expenditures	65,228,259	75,995,711	75,923,773	77,333,229	79,657,598	82,901,645	86,488,459	86,306,012
Debt Service as % of total exp	8.26%	8.17%	4.00%	2.96%	2.31%	2.46%	2.03%	1.99%
Policy Minimum for FB graph	30%	30%	30%	30%	30%	30%	30%	30%

Based on 91% of budgeted expenditures and 101% of budgeted revenues in line with historical performance

Slightly above policy minimums until revaluation year and after revaluation year

Revaluation year

Forecast does not include anticipated tax revenue increases associated with Duke Power Plant renovation work (~FY2030) or potential data center tax revenue (~FY2030)

Forecast does include impact of anticipated increase in Animal Shelter cost