

Frequently Asked Questions – Town of Rural Hall Informational Meetings

1) Is this effort related to the construction of the new fire department?

No. The construction of the fire department is currently funded by a grant from the North Carolina General Assembly, an interim financing loan, interest income from grant funds, and unrestricted Town of Rural Hall fund balance. We are continuing to pursue other grant funding to offset the cost of the project for the town, and we are confident at this time that by the end of construction in September 2025, the project will be fully funded by legislative allocations, interest revenue and other grant funds.

2) What about tax discounts for Senior Citizens, or exemptions for bona fide farms, churches, or other uses?

Those discounts and exemptions would continue to apply if properties are brought into Rural Hall's corporate limits. The Forsyth County tax office administers all tax valuations and collections, and that would stay the same if your property were to be incorporated into Rural Hall. The Forsyth County Tax Office can answer any specific questions about property values and collections.

3) Is the Town of Rural Hall financially stable, and is this decision being made on the basis of the Town's financial position?

The Town of Rural Hall has a strong financial position and a strong financial outlook. At June 30, 2023, the Town of Rural Hall's net position was \$8,066,124, with total fund balances of \$5,414,619, of which \$4,683,390 is unassigned, or unrestricted. The Town's annual budget is \$4,865,670. The Town has recently been awarded a \$500,000 matching grant from North Carolina's Parks and Recreation Trust Funds for improvements to our park, and is awaiting word on a grant that would allow us to install electric vehicle charging stations with minimal expense to the Town.

Town Staff continue to analyze the financial impact of expanding our Town Limits. The 2023 taxable value within the suburban fire district is \$490,154,689. There are 2,233 residential dwellings. A conservative estimate of 2.5 residents per household would mean approximately 5,583 new residents IF the entire study area is considered. This would result in approximately \$1,176,371 in additional property tax revenue. The Town would also stand to receive approximately \$2.6 million in additional major revenue, such as local option sales taxes and other state collected local revenues including utility franchise taxes, Powell Bill revenues, solid waste taxes and others. Much of this additional revenue would go toward increasing our personnel and equipment, the cost of garbage collection, the cost of law enforcement services, and other expenses as a result associated with gaining new area and additional residents.

4) Why is the Town of Rural Hall considering the surrounding Rural Hall suburban fire district as a study area for annexation?

Residents in this area are already receiving services from the Rural Hall Fire Department. Residents currently pay \$0.105 per \$100 of property value to the Town of Rural Hall in fire taxes, which totals \$586,000 annually. Of the Town's nearly \$4.9 million budget, the Fire Department's budget is \$1,238,900, or 25.46% of the total budget. Hence, residents outside the Town pay for about 47% of the Fire Department's annual budget, but receive the same benefit as citizens paying for all Town services. Taking in part of the area that we are currently already serving would mean that Town Citizens would pay for the majority of the services they are receiving, as opposed to having those services partially subsidized. All residents in the suburban fire district currently also benefit from a reduced insurance rating as a result of the Town's fire department

staffing, equipment, response time, and water availability. This results in lower homeowners' insurance premiums than you might be paying otherwise.

5) When is this going to happen? How is it going to happen?

At this time, this is purely exploratory. I have recommended that the Town Council look at this possibility based on the idea that we have an already established boundary, being our Rural Hall Suburban Fire District, the fact that our neighbors in Winston-Salem, Tobaccoville, and King can also look at this possibility, and we need to protect the Town of Rural Hall's interests by being proactive rather than reactive. Development along the new I-74 Corridor and increased residential development resulting from commercial growth and expansion in the Triad area are expected to drive more development to our Town and surrounding area. At this point, we are only notifying citizens of our intent to seriously consider annexation of all or any portion of the proposed study area.

Annexation can happen in three different ways—voluntary annexation by citizens, the North Carolina General Assembly enacting legislation, or by Town-initiated annexation. We are currently evaluating the entire study area to determine which areas make the most sense for the Town of Rural Hall to consider, and these informational meetings are a first step in that process. Once the Town Council has had the opportunity to consider citizen feedback and make a determination about how it would like to proceed, the Council will determine how we will move forward at that time.

6) Will my address change?

No. If you have a Germanton, Tobaccoville, or Winston-Salem mailing address, that will not change. This is not atypical—for example in King, there are properties that are in the City Limits, but have a Rural Hall mailing address. Mailing addresses are controlled by the USPS, and physical addresses are issued by the County. If an area is annexed, the municipal boundary would change, but not the addresses of individual properties.

7) If my property becomes part of the Town of Rural Hall, can I still shoot and burn on my property?

Outdoor fires for cooking and warmth are allowed throughout the Town of Rural Hall. The Town collects brush and leaves, which should eliminate the need for large scale burning. Discharging firearms is not allowed inside the town limits, however, we may be able to pursue allowing this through the use of zoning, and those activities being allowed in certain zoning districts and on lots of certain sizes. That is a possibility that we are still looking into.

8) How is zoning presently handled in the Town of Rural Hall?

The Town presently does not have its own zoning, and works with the Winston-Salem/Forsyth County Planning and Development Services to administer land use and zoning. Our present Town Council has establishing our own land use plan as one of its goals. That is an expensive and time-consuming process that includes mapping and establishing a land use map, comprehensive plan and related ordinances. We have held initial discussions about this possibility with staff from the Piedmont Triad Regional Council of Governments.

9) Will the Town of Rural Hall maintain my road or street?

Roads that are privately maintained, or that are state-maintained will remain so if they are part of an area taken in by the Town.

10) When will Town services begin for property owners in any annexed area?

Town of Rural Hall officials and staff will ensure that all Town-offered services are available to all property owners immediately—on DAY 1—if any annexation takes place. This includes garbage collection, bulk item pickup, brush and leaf services, fire protection, law enforcement protection, and reduced rates applicable to residents for park usage and rentals, cemetery plots, and any other service or benefit offered to Town residents. The only likely exception to this would be street lighting, as this would take time and planning to determine where (if any) additional lighting is needed, and then move forward with installation. If a neighborhood or subdivision has streetlights that are currently privately funded, it is likely that the Town would assume responsibility for those, so long as the light is in the public right-of-way, facing the street and not on a private property.

11) Who can I contact to discuss this further or to share my views on the possibilities being discussed?

Town Officials' contact information is available on the Town of Rural Hall's website, and is also available on our respective business cards, which are available in the lobby of Town Hall. We are all generally responsive to emails, calls, and in person meetings, and we encourage citizens to reach out via those official means of communication. Social media website comments, commercial email petitions, and other forms of communication certainly have their place, but will generally not result in productive dialogue with Town Officials or be considered an official response.

12) I have a bona fide farm. Am I exempt from annexation? What about my animals? If my property is annexed, will I have to get rid of my horses, cows, goats, etc?

Bona fide farms are exempt from any annexation other than voluntary annexation. The farm must meet the definition of and operate as a bona fide farm. If a property has reduced property taxes because of its status as a farm or is being managed for timber, it would be up to the County tax office as to how those discounts would be applied in the future. We are continuing to investigate the question about animals, however, it appears that these would be treated as a "non-conforming use"—they would continue be allowed on that property. We are continuing to seek a more definitive answer to this question.

13). If my property is taken in by the Town of Rural Hall, will the Town provide water and sewer?

No. The Town of Rural Hall does not provide water and sewer services. Those services are administered by the Winston-Salem/Forsyth County Utilities Commission.

14.) How will the Town provide garbage services to those with long driveways or areas that are hard to reach?

The Town of Rural Hall works with our garbage contractor to address unique situations when it comes to collections. While most homes are served with curbside collection, we have some homes that share a dumpster, and there are cases where back door collection is available due to disability. Each situation would need to be evaluated to determine the best solution for garbage collection.

15.) If we are annexed, could we be annexed by someone else—i.e. Winston-Salem, King, or Tobaccoville?

No. Municipalities cannot annex property that is within another municipality's corporate limits.

16.) Can I vote in municipal elections or run for Town Council if my property is annexed?

If your *residence* is annexed, and you become a resident of Rural Hall, you will be able to vote for your elected leadership, or serve in a municipal elected position if you run successfully. Municipal elections in

Rural Hall have been adjusted to be held on even years beginning in 2026. The Mayor and Council are elected to four year terms. Beginning with the next municipal election, elections will be conducted on a partisan basis.

17.) How many departments and employees does the Town of Rural Hall have?

The Town of Rural Hall has four departments and currently has 21 full-time employees and two vacant positions. The town has four full-time employees in **Finance and Administration**, four full-time employees in **Public Works**, four full-time employees in the **License Plate Agency (LPA)**, and nine full-time employees in the **Fire Department**, as well as 25 part-time firefighters. We anticipate that annexation would result in hiring additional employees, particularly in the Public Works Department.

18.) How are property taxes calculated?

Property values are appraised every four years by the Forsyth County Tax Office; state statutes mandate revaluations every 8 years, but most counties do these every four years due to the fluctuation in market values. County and municipal tax rates are set by the County Commissioners and each individual municipality's governing board—in our case the Rural Hall Town Council. The County has held a series of informational meetings concerning how values are appraised, and the last of these will be on Tuesday, November 26 at 6pm at the Clemmons Branch Library.

The current property tax rate for Forsyth County is 67.78 cents per \$100 in property value, plus a county-wide fire tax of .39 cents per \$100 in property value totaling 68.17 cents per \$100 in property value. The Town of Rural Hall's tax rate is 34 cents per \$100 in property value. Residents outside the Town of Rural Hall currently pay a suburban fire tax of 10.5 cents per \$100 in value, which would no longer apply if a property is annexed by the Town of Rural Hall. Following are sample calculations of property taxes for a property valued at \$150,000, which is the median property value in the suburban fire district.

Property Value	\$150,000
County Tax	\$1,022.55 (.006817*150,000)
Town of Rural Hall Tax	\$510 (.0034*150,000)
TOTAL Taxes	\$1,532.55 (1022.55 + 510)

Taxes for a property of the same value in the suburban fire district are calculated as follows:

Property Value	\$150,000
County Tax	\$1,022.55 (.006817*150,000)
Fire District Tax	\$157.50 (.00105 *150,000)
TOTAL Taxes	\$1,180.55 (1022.55 + 510)

Difference	\$352.50
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Additional information, including historic tax rates for Forsyth County and each municipality can be found online at www.co.forsyth.nc.us/Tax/taxRates.aspx.