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SOUTHERN PINES RECOGNIZED FOR 31 YEARS OF EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Southern Pines for its annual comprehensive financial report for the fiscal year which ended on June 30, 2021. The GFOA Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

The GFOA Certificate program was established in 1945 to encourage and recognize state and local governments that exceed the minimum accepted accounting principles by preparing an annual financial report. Southern Pines has received this distinction for the past 31 years.

The FY 20-21 annual report prepared by Southern Pines was judged by an impartial panel that agreed it met the high standards to merit a Certificate of Achievement. GFOA notes that the Town's report was prepared with a "spirit of full disclosure" by clearly communicating Southern Pines' financial story and motivating individuals to read it.

Southern Pines was one of only 216 municipalities across the United States and Canada to be recognized with the Certificate of Achievement for the fiscal year ending in 2021. Within North Carolina, a total of 26 municipalities received the distinction.

"Southern Pines is so fortunate to have staff members who demonstrate this level of expertise and a commitment to exceed expectations," states Mayor Carol Haney. "We are among a small, but elite, group of municipalities who understand that our citizens deserve full disclosure and transparency so they can easily determine how the Town manages the taxpayers' assets. I want to express my sincere appreciation especially to Finance Director Tess Brubaker-Speis and Town Manager Reagan Parsons, who work tirelessly in preparing and then managing the Town's annual budget. They are public servants who sincerely respect the role they have been entrusted with in managing the Town's resources."

Councilmember and Town Treasurer, Bill Pate, adds, "We all know that these recent years have been challenging from a financial perspective due to the uncertainty with the COVID-19 pandemic and all the cascading effects. Despite this, Southern Pines remains financially strong, which this annual report confirms. We collected 99.75% of our budgeted property taxes, which highlights the role that our citizens serve in the Town's financial performance, by making timely tax payments. The Town's net position increased by \$7.8 million through that fiscal year, which means we finished the year in a better position than we started by collecting higher than expected revenues and spending less money than was authorized. This level of performance cannot be achieved unless there is a commitment at all levels of the organization to be responsible stewards of the Town's resources."

Southern Pines began its FY 2022-2023 fiscal year on July 1, with the general fund budget balanced at \$24,764,819. The current budget was prepared in a manner to build upon the Town's financial strength, partly by including over \$6 million in undesignated fund balance, which represents three months of operating

expenditures in a “rainy day fund.” The Town Council also voted to hold the property tax rate at \$0.40 for the sixth consecutive year and worked with staff to cash flow multiple capital projects, including street resurfacing, vehicle replacements for police and fire, continued sidewalk projects, and needs at various Town facilities.

“I want to thank my fellow Councilmembers for making some tough decisions in the FY 2022-2023 budget,” adds Haney. “While not always easy, the choices that Council made together further our goals of financial stewardship and safeguarding the assets of the Town and our citizens. Decisions like this are why Southern Pines is among a small group of municipalities who have received recognition like this from GFOA.”

Town staff is finalizing the financial statements for FY 2021-2022, which ended on June 30. Auditors will review the statements and staff will then prepare an annual report to detail last year’s activities. The FY 2021-2022 report is expected to be available at the end of 2022 and both staff and the auditors will present it to the Town Council.