



# FY2023 Budget

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BOARD OF COMMISSIONERS BUDGET WORK SESSION

APRIL 5<sup>TH</sup>, 2022

# Agenda

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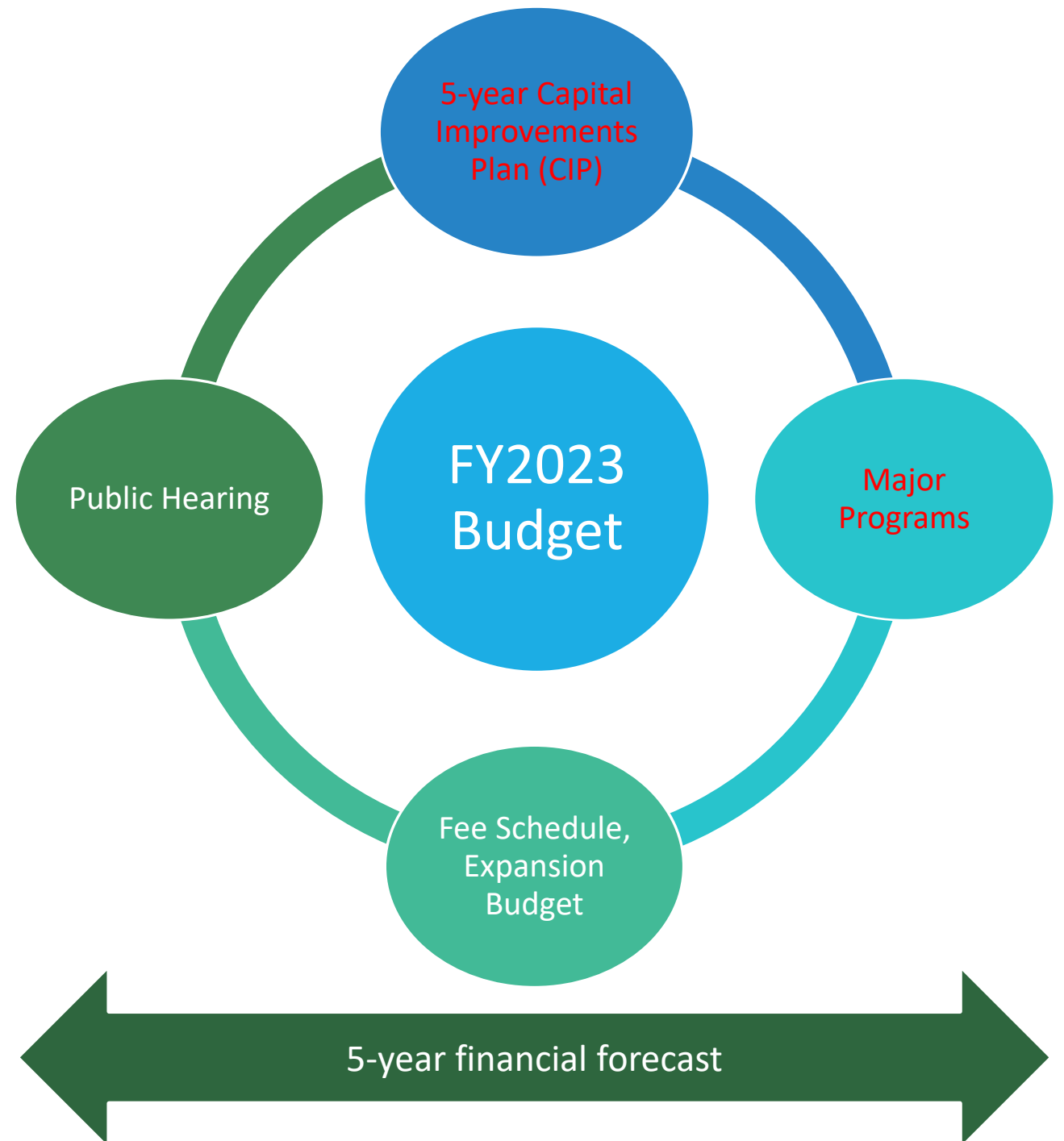
## Consent Agenda

1. Surplus Equipment Authorization
2. Bank Signature Authorization
3. Policy for Allowable Costs and Cost Principles for Expenditure of American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds by North Carolina Governments
4. Project Policy for Expenditure of American Rescue Plan Act of 2021 Coronavirus State and Local Fiscal Recovery Funds

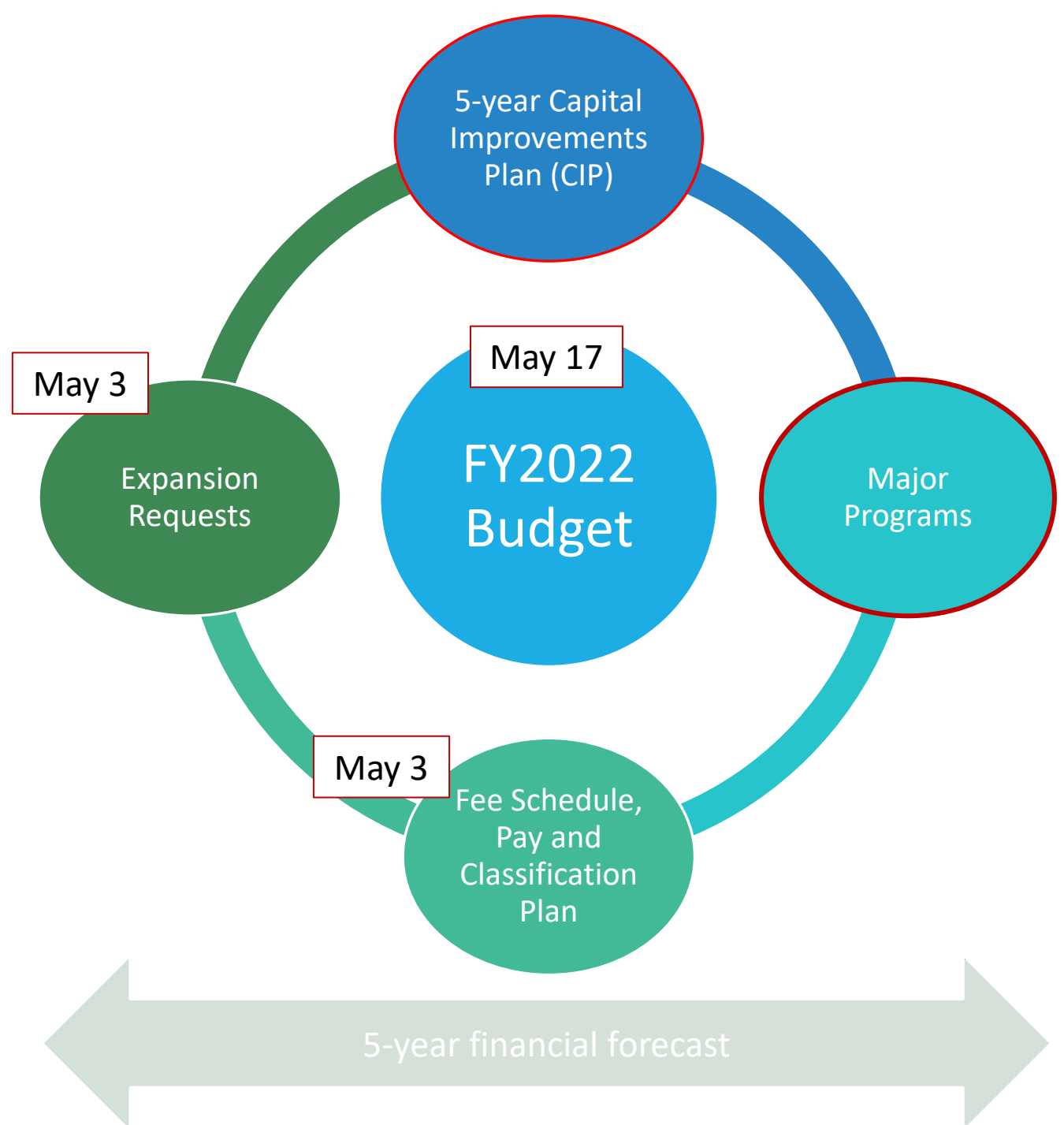
## FY2023 Budget

1. Process overview
2. ARPA and related Budget Amendment Ordinances
3. Stormwater management
4. Other capital projects

# Budget preparation



# Budget preparation

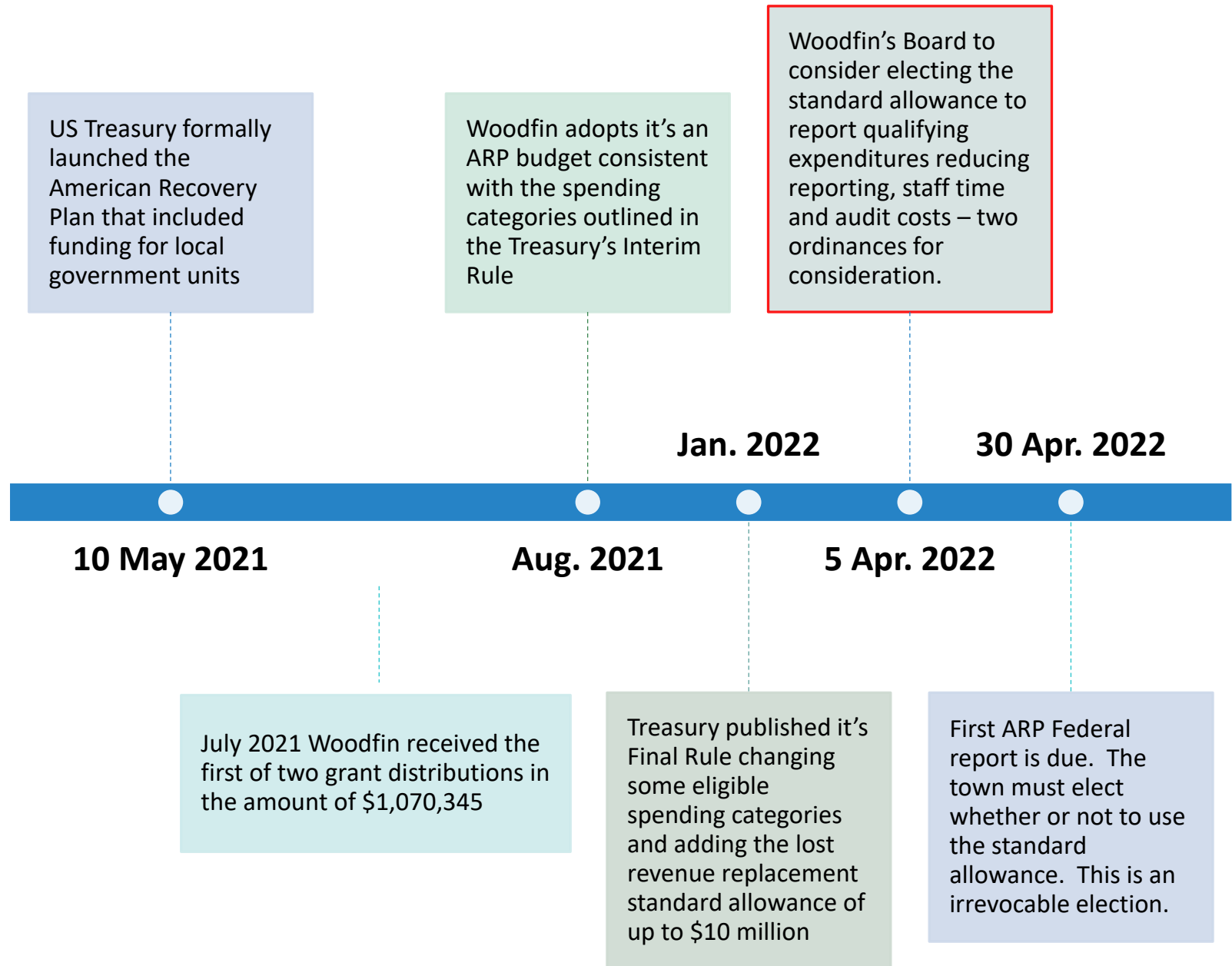


# ARPA – American Recovery Plan Act

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SHERI POWERS

# ARPA History...



# ARPA/CSLFRF Allowable Expenditures

## Address COVID Public Health & Negative Economic Impact

Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;

Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;

Support disproportionately impacted communities

## Replace Lost Revenue

Replace lost public sector revenue, using this funding to **provide government services** to the extent of the reduction in revenue experienced due to the pandemic;

\$10 million standard allowance, OR formula approach, whichever is higher

## Premium Pay

Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors;

Target low-and moderate- income employees or employees who face(d) added risks during pandemic

## Infrastructure Investments

Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

# Original Budget Ordinance for ARPA Grant

Account	Department	Object	Description	Revenue	Expenditure
349001			American Rescue Plan Act Grant Revenue	\$ 2,140,690.73	
510000	Police	140	WPD Policy Updates		\$ 35,000.00
420000	Admin	745	Victory Garden - Elem School		\$ 10,000.00
490000	Planning	140	Comprehensive plan contract and Staff report		\$ 75,000.00
620000	Parks	740	Broadband Wi-Fi in all public parks		\$ 200,000.00
420000	Admin	740	Town Hall Sign and Air Quality/handling		\$ 130,000.00
620002	SL Park	740	SL Park Cofferdam		\$ 280,000.00
545000	Sanitation	740	Trash Roll Out Cart		\$ 175,000.00
			Stormwater program, improvements		
543000	Stormwater	740	Park Infrastructure		\$ 151,600.00
541000	Parks		Project Management		\$ 86,587.00
543000	Stormwater	305	Plan Development & Enforcement		\$ 60,000.00
543000	Stormwater	740	General Infrastructure		\$ 937,503.73
Total Expenditures				\$ 2,140,690.73 -	\$ 2,140,690.73

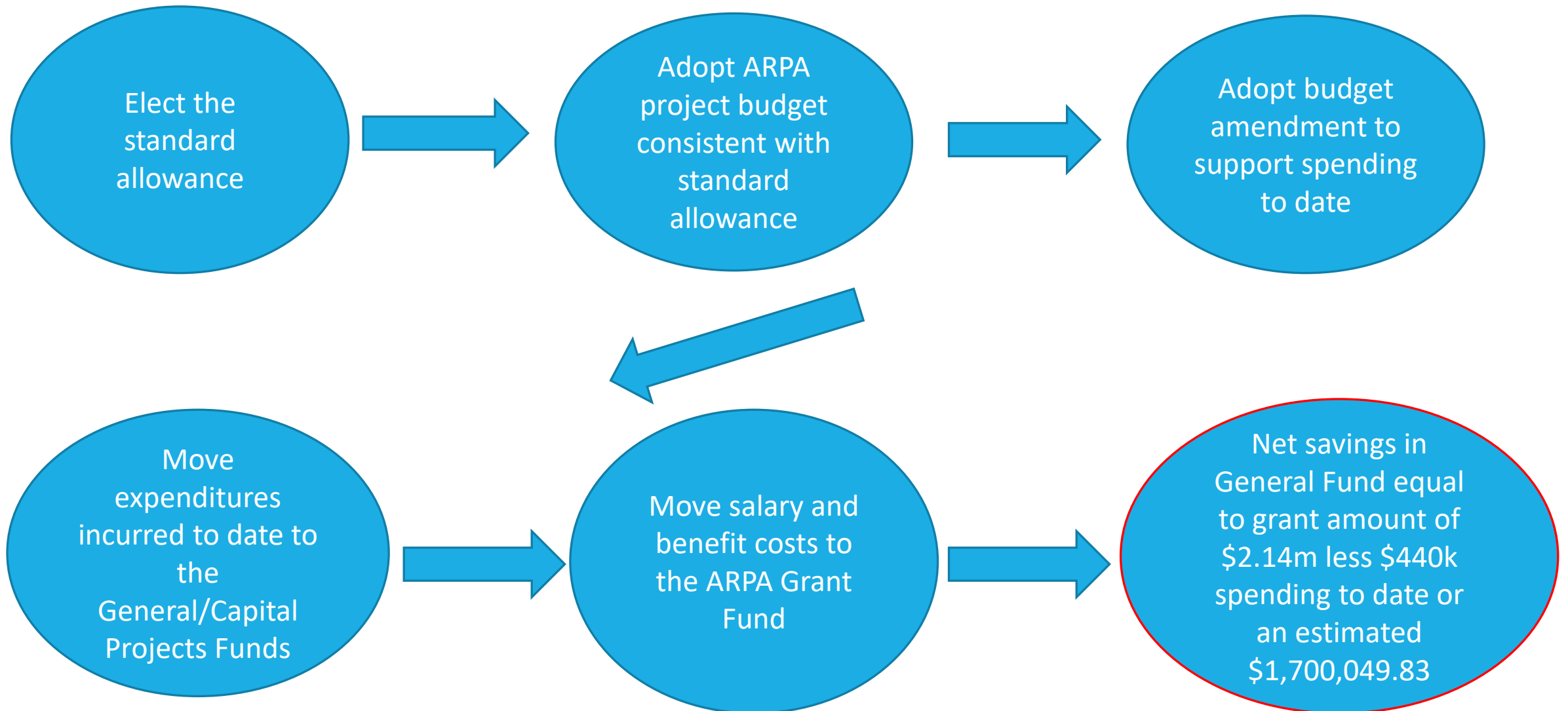


# ARPA Spending to Date

As of March 31, 2022

	Estimated Cost	Expenditures to Date
<b>Sign - Town Hall</b>	\$ 26,528.00	\$ 23,528.00
<b>2022 Comprehensive Plan</b>	\$ 54,074.00	\$ 23,462.00
<b>Stormwater Management Program</b>		
<b>- Professional Services</b>	\$ 52,870.57	\$ 6,656.57
<b>Police</b>		
<b>- Professional Services</b>	\$ 35,000.00	\$ 33,824.90
<b>Parks and Recreation</b>	\$ 280,000.00	\$ 280,000.00
<b>- Silver-Line Park Coffe Dam Capital Outlay</b>		
<b>- Project Manager (25% Salary and Benefits)</b>	\$ 28,014.00	\$ 5,183.00
	<b>\$ 440,640.90</b>	<b>\$ 367,471.47</b>

# Required Steps and End Result...



# **Board Consideration of Ordinance 2022-050401**

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**GRANT PROJECT ORDINANCE FOR THE TOWN OF WOODFIN'S AMERICAN  
RESCUE PLAN ACT OF 2021: CORONAVIRUS STATE AND LOCAL FISCAL  
RECOVERY FUNDS**

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# **Board Consideration of Ordinance 2022-050402**

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**AMENDMENT TO THE GENERAL FUND and CAPITAL PROJECTS FUND FY2021-2022  
BUDGET ORDINANCE**

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Discussion: \$1,700,049.83 Balance

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Stormwater



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graph TD; A[Stormwater] --> B[Town Hall Renovation/Replacement]; B --> C[Parks and Greenways]; C --> D[Sanitation – Rollout Carts]; D --> E[Street Improvements]
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Town Hall Renovation/Replacement

Parks and Greenways

Sanitation – Rollout Carts

Street Improvements

# Discussion: Funding levels for previous priorities

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Stormwater - \$937,504



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graph TD; A[Stormwater - $937,504] --> B[Town Hall Renovation/Replacement - $100,000]; B --> C[Parks and Greenways - $351,600]; C --> D[Sanitation – Rollout Carts - $175,000]; D --> E[Street Improvements – Funded outside of ARPA $];
```

Town Hall Renovation/Replacement - \$100,000

Parks and Greenways - \$351,600

Sanitation – Rollout Carts - \$175,000

Street Improvements – Funded outside of ARPA \$

**Total = \$1,564,104 which leaves \$135,946 unallocated**

# CIP

## Capital

## Improvement

## Plan

### Parks and Greenways

- Silver-Line Building – Recommendation pending

### Facilities and Grounds

- Town Hall renovation/replacement
- Salt storage bin
- Taylor Street culvert replacement/removal

### Vehicles & Equipment

- 4 new patrol vehicles – Installment financing (leases) to begin in FY2023
- F350 flatbed truck – replace in FY2023
- F350 flatbed truck - move from FY2023 to FY2024 for replacement
- Zero-turn mower – add to FY2023 for replacement
- 2 new sanitation trucks - Installment financing to begin FY2023

### Sanitation – Rollout garbage and recycling bins

### Infrastructure

- Street Improvements - \$3m project approved, ongoing costs
- Stormwater

# Stormwater Budget Recommendations

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ADRIENNE ISENHOWER



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BACKGROUND



# MS4 PERMIT

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## WHAT IS AN MS4?

- Municipal Separate Storm Sewer System
- A system of conveyances to collect and transport stormwater runoff

## WHAT DOES THE PERMIT REGULATE?

- Discharges of stormwater to surface waters from a publicly owned/operated stormwater collection system

## HOW WAS THE PROGRAM INITIATED?

- Clean water act – EPA delegation to NC Dept. of Environmental Quality
- Urbanized area designation requires permit

# MS4 Permit Requirements

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## Permit Coverage

- Control, limit and monitor stormwater runoff from MS4 to French Broad River and Beaverdam Creek

## Program Implementation Requirements

- Implementation of stormwater management plan (SWMP) and annual performance evaluation
- Adequate legal mechanisms
- Maintain written procedures for implementing stormwater plan
- Maintain adequate funding and staffing to implement and manage the provisions of the SWMP and meet all the requirements of the permit.

# Six Minimum Control Measures

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#1 Public Education and Outreach

#2 Public Involvement and Participation

#3 Illicit Discharge Detection and Elimination

#4 Construction Site Runoff Controls

#5 Post Construction Site Runoff Controls

#6 Pollution Prevention and Good Housekeeping for Municipal Operations

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# COMPLIANCE AND LIABILITY

# Compliance Concerns

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Non-compliance constitutes violation of Clean Water Act

Subject to civil penalty of not more than \$25,000 per violation

May result in permit termination, revocation or denial of permit renewal

Relinquish authority to discharge runoff without permit

# Current Status – Efforts Toward Compliance

## Stormwater Management Plan (SWMP)

- Draft provided to DEQ; awaiting response

## Inventory Mapping

- Completed by Land of Sky Regional Council
- Reviewing options to prioritize for Capital Improvement Plan

## Review of Regulatory Mechanisms

- Post construction stormwater ordinance
- Illicit discharge ordinance

## Implementation of SWMP (Year 1)

- Developing implementation plan

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# YEAR ONE GOALS

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# Implement the SWMP

Minimum Measure	SWMP Year 1 Goals
#1 Public Education and Outreach	<ul style="list-style-type: none"><li>• Create literature/brochures for public inspection</li><li>• Provide hotline and document activity</li><li>• Create and maintain website page</li></ul>
#2 Public Involvement and Participation	
#3 Illicit Discharge Detection and Elimination (IDDE)	<ul style="list-style-type: none"><li>• Create IDDE plan and standard operating procedures (SOPs) for inspections</li></ul>
#4 Construction Site Runoff Controls	<b>**Buncombe County Sedimentation and Erosion Control**</b>
#5 Post Construction Site Runoff Controls	<ul style="list-style-type: none"><li>• Adopt stormwater management ordinance</li><li>• Create/implement standardized tracking and documentation system</li></ul>
#6 Pollution Prevention and Good Housekeeping	<ul style="list-style-type: none"><li>• Create inventory of all municipal facilities</li><li>• Create SOPs for inspections and maintenance</li></ul>

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# BUDGET IMPACTS

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# Annual Recurring Costs - SWMP

	Program administration and Six Control Measures	Items	FY2023 budget impact
1.	Public Education & Outreach	Postage and materials	3,000
2.	Public Involvement & Participation	Materials and advertisement costs	3,000
3.	Illicit Discharge Detection & Elimination (IDDE)	Training materials, GIS license	7,500
4. & 5.	Construction and Post Construction Site Runoff Controls	Staff training, inspection materials	5,000
6.	Pollution Prevention & Good Housekeeping	Staff training, inspection materials	5,000
	Administrative	Stormwater Administrator (Salary + Benefits)	83,000
			<b>\$ 106,500</b>

# CIP and Start-up Program Costs

Budget Item	Cost
Prioritization of inventory	\$25,000
Consultant Costs for Ordinance Development	\$20,000
Rate Study	\$10,000
Infrastructure Improvements	Unknown

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# OPTIONS FOR FUNDING

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# FUNDING OPTIONS - SWMP

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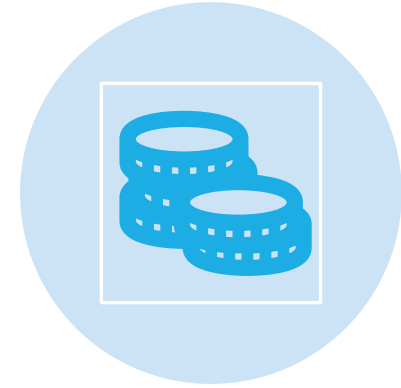


1. ABSORB ANNUAL RECURRING  
COSTS INTO GENERAL FUND

**(NOT RECOMMENDED)**



2. ESTABLISH A PUBLIC ENTERPRISE  
FUND FOR RECURRING PROGRAM  
COSTS



3. UTILIZE ARPA FUNDS TO OFFSET  
RECURRING/YEAR ONE CAPITAL COSTS

# Public Enterprise Fund Authority

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## NCGS 160A Article 16

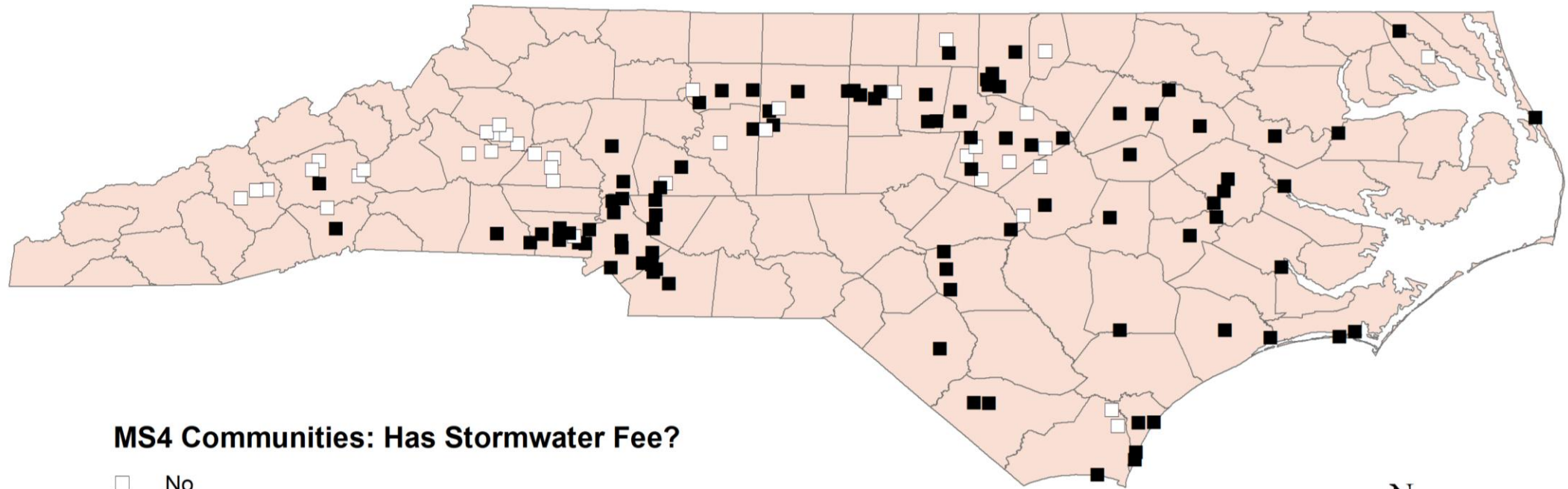
- §160A-311 through 314

## Authority to Fix and Enforce Rates

## Rate and Charge Limitations

- 160A-314(a1)(2) Rates and charges can not exceed cost of providing service.
  - Revenue projections cannot be arbitrary

# Municipal MS4 permit holders



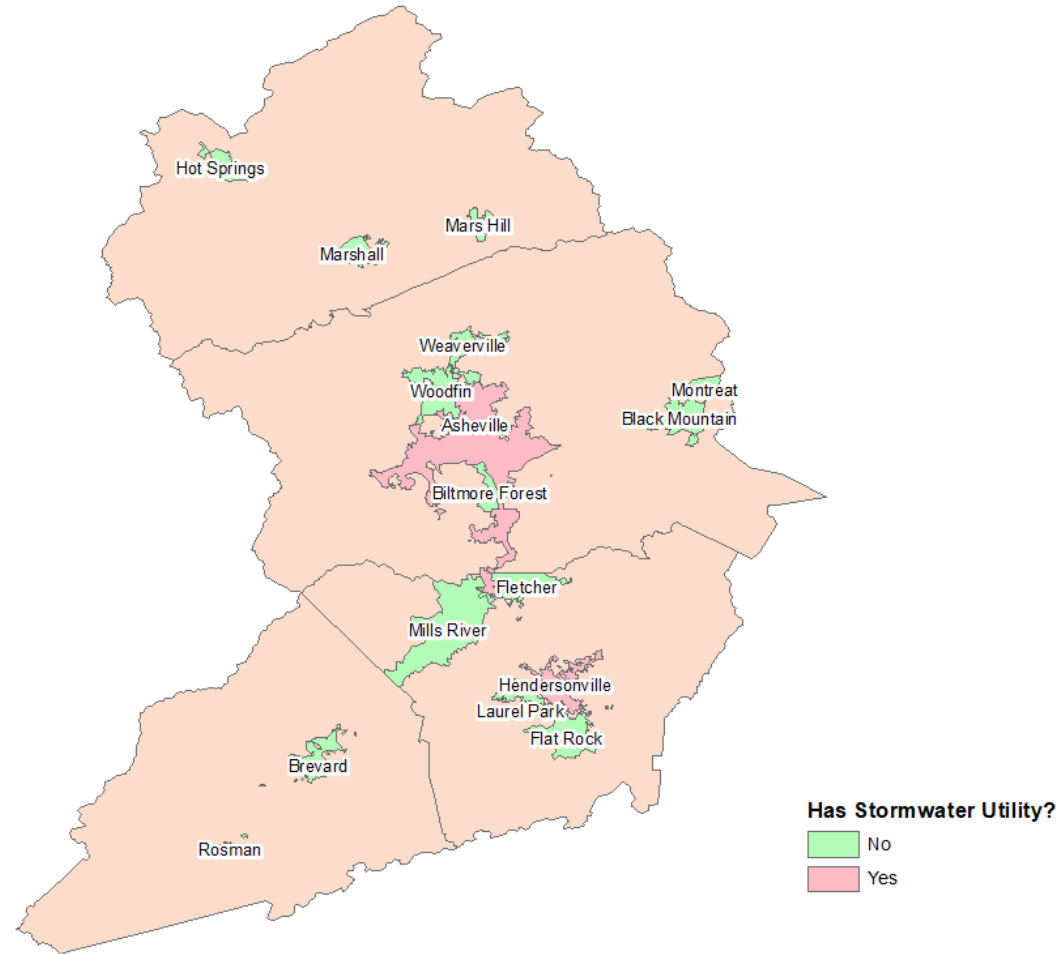
## MS4 Communities: Has Stormwater Fee?

- No
- Yes





# Land of Sky Council Members



# Staff Recommendations

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1. Add stormwater administrator position and recurring program costs in FY 2023
2. Fund year one admin + one-time program start-up expenditures with ARPA funds
3. Allocate additional ARPA funds for stormwater capital improvements
4. Establish a public enterprise fund to pay for ongoing program costs with a target start date of January 2024

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# OTHER CAPITAL NEEDS

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# Silver-Line Building

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1. Budget placeholder – pending more information:
  - Architectural assessment
  - P&RAC recommendations
  - Opportunities for public private partnerships
  - Comprehensive Plan
2. Limitations of flood regulations
  - Assessed value: \$424K
  - Spending limited to 50%: \$212K



# Town Hall – Estimated Cost Fall 2022

Project Costs (Uses)		Estimates
	Acquisition Costs	
	<i>Design Costs @ 12% of construction</i>	<i>840,000</i>
	Construction costs @ \$500/sq ft	7,000,000
	<b>Total Project Costs</b>	<b>7,840,000</b>
Project Funding (Sources)		
	Sale of Property	765,000
	General Fund Revenues	537,600
	Debt financing	6,537,400
	<b>Total Project Sources</b>	<b>7,840,000</b>

\* Maximum annual debt service \$623,000

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## BOND DEBT SERVICE

Town of Woodfin, North Carolina  
Town Hall Financing  
Preliminary; Subject to Change

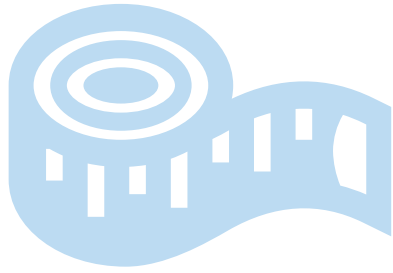
Dated Date                      11/01/2022  
Delivery Date                11/01/2022

- \$7 Million (not including land acquisition)
- Installment financing – 20 years
- Yearly debt service from \$623K to \$357K

<b><i>Period Ending</i></b>	<b><i>Principal</i></b>	<b><i>Coupon</i></b>	<b><i>Interest</i></b>	<b><i>Debt Service</i></b>
06/30/2023			140,000	140,000
06/30/2024	350,000	4.000%	273,000	623,000
06/30/2025	350,000	4.000%	259,000	609,000
06/30/2026	350,000	4.000%	245,000	595,000
06/30/2027	350,000	4.000%	231,000	581,000
06/30/2028	350,000	4.000%	217,000	567,000
06/30/2029	350,000	4.000%	203,000	553,000
06/30/2030	350,000	4.000%	189,000	539,000
06/30/2031	350,000	4.000%	175,000	525,000
06/30/2032	350,000	4.000%	161,000	511,000
06/30/2033	350,000	4.000%	147,000	497,000
06/30/2034	350,000	4.000%	133,000	483,000
06/30/2035	350,000	4.000%	119,000	469,000
06/30/2036	350,000	4.000%	105,000	455,000
06/30/2037	350,000	4.000%	91,000	441,000
06/30/2038	350,000	4.000%	77,000	427,000
06/30/2039	350,000	4.000%	63,000	413,000
06/30/2040	350,000	4.000%	49,000	399,000
06/30/2041	350,000	4.000%	35,000	385,000
06/30/2042	350,000	4.000%	21,000	371,000
06/30/2043	350,000	4.000%	7,000	357,000
	7,000,000		2,940,000	9,940,000

# Town Hall Project

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## Needs Assessment

- Space
- Uses

## Feasibility

- Locations
- Budget

## Architecture

- Building design
- Site plans

2% or ~\$140,000



BOC decision  
10% or ~\$700,000



# Salt Storage Bin – 5 Taylor Street

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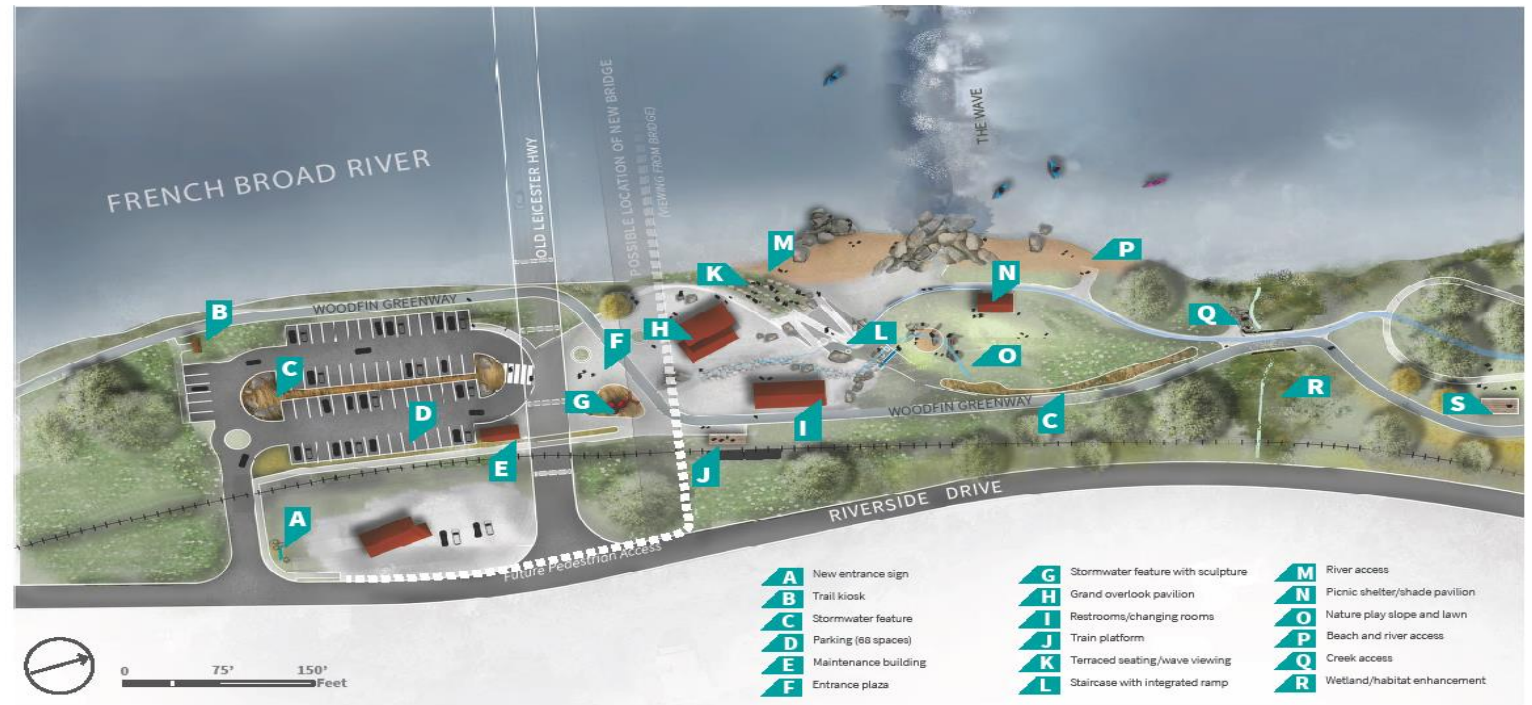
Estimated cost  
2021 was  
\$60,000



Estimated cost  
2022/2023 is  
\$180,000

# Parks and Greenways

- \$151,600 previously budgeted for Riverside Park stormwater infrastructure
- \$200,000 previously budgeted for broadband WiFi service in parks



# Sanitation – Garbage & Recycling Carts

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\$175,000 previously budgeted for a phased roll-out



Possible grant  
funding \$30 -  
\$60k

Approx. 3100 trash customers @ \$65/can = \$201,500  
Approx. 2200 recycling customers @ \$65/can = \$143,000  
**Total estimated start up cost = \$ 344,500**

# 2022 Woodfin Streets Paving Project

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## Completed:

- Pavement Inventory & Assessment
- Field Work (roadway marking, street coring, etc.)
- Complete Contracts Documents & Post RFP for Bids
- Complete Second Round of Bids

## Upcoming:

- April 19: Recommendation to Board on RFP results and selection of contractor for Board consideration
- Installment financing beginning FY2023

# Identified Decision Points

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1. SWMP (recurring costs)
2. SW Infrastructure (one-time capital expenditures)
3. Town Hall – Needs Assessment & Feasibility Study
4. Park Facilities – WiFi or SL Building Renovation
5. Sanitation Facilities – Salt Bin
6. Sanitation Services – Garbage & Recycling Carts
7. Other?

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# Discussion

# Budget calendar

## Town of Woodfin Fiscal Year 2023 Budget Calendar

March						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

April						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

May						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

June						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

Date	Time	Topic
March 1	5:00 PM	Dept budget requests due
March 8	3:00 PM	BOC work session:
		5-year financial forecast
		Fund Balance & Debt
		Woodfin Blueway/Greenway
March 15	6:30 PM	BOC regular meeting

April 5	11:30 AM	BOC work session
		Capital improvements
		ARPA
		Streets and Stormwater
April 19	6:30 PM	BOC regular meeting

May 3	11:30 AM	BOC work session:
		Expansion budget
		Fee schedule
	Tentative	Park Operations/Business Plan
May 17	6:30 PM	BOC regular meeting
		Recommended budget
		Schedule public hearing

June 7	12:00 PM	BOC work session: (Tentative)
		Open discussion, as needed
June 21	6:30 PM	BOC regular meeting
		Public hearing
NLT June 30		BOC adopts FY2022 budget