

TOWN OF WOODFIN
NORTH CAROLINA

ANNUAL BUDGET FISCAL YEAR 2015-2016



Board of Aldermen

M. Jerry VeHaun, Mayor

Debbie Giezentanner, Mayor Pro-tem

Jim Angel, Alderman

Jackie Pope Bryson, Alderman

Donald Hensley, Alderman

Donald Honeycutt, Alderman

Ronnie Lunsford, Alderman

Town Administrator

JASON YOUNG

Town Clerk

CHERYL MEARS

INTRODUCTION & ORGANIZATIONAL INFORMATION

BUDGET MESSAGE

June 16, 2015

To: Town of Woodfin Mayor and Board of Aldermen

From: Jason Young, Town Administrator

Submitted for your approval is the Town of Woodfin Budget for the 2015-2016 fiscal year in the amount of **\$2,951,209**. The budget process that was conducted this year began with formal and informal discussions with Board Members, Department Heads, and Town Employees. From these discussions, recommended goals and objectives were developed, and funding priorities established.

OVERVIEW

The total recommended budget for fiscal year 2015-2016 is **\$2,951,209** the tax rate necessary to fund this budget is **30.5** cents. The budget is balanced and is prepared in accordance with the Local Government Budget and Fiscal Control Act and in accordance with Local Government Commission guidelines. I believe that the data as presented is accurate in all material aspects and that it is in a manner designed to set forth fairly the financial position and results of the operations of the Town as measured by the financial activity of its various funds. I also believe that all disclosures necessary to enable the reader to gain the maximum understanding of the Town's financial affairs have been included.

This report is divided into four sections: Introduction, Policy Document, Financial Plan, and Operations Guide. The Introduction contains the Budget Message and information about the Town's organization and principal officials. The Policy Document provides a coherent statement of the organization-wide financial and programmatic policies and goals that address long-term concerns and issues. The Financial Plan describes all the funds that are subject to appropriation as well as a summary of revenue sources and expenditures. The Operation Guide describes the activities, services and functions carried out by each department of the Town.

Every effort has been made to balance the need for service delivery with a fiscally conservative approach to revenue and expenditure estimates. It has been deemed necessary to increase some taxes in order to meet basic service needs to reflect the loss of property values that have hit the Town.

The Town of Woodfin experienced income reduction as a result of the elimination of the Privilege License tax and a continued reduced share of Sales Tax due to Buncombe County's policy of redistributing Sales Tax revenue on the ad Valorem basis rather than on a population based basis. This regressive policy continues to have a negative impact on the people of Woodfin.

The TIF District improvements fund the remaining balance on the bonds used to develop the infrastructure on the site. This project was undertaken in 2006 and has not performed as well as envisioned prior to the collapse of the housing bubble and the resulting recession. These problems have been - *in the opinion of municipal management* -metastasized by the gross mismanagement of the Wells Fargo portion of the project managed by Land Tech a South Carolina based property management company which has repeatedly failed to lure development to the site despite numerous market opportunities.

Over the course of the last year as Land Tech has played a less sizable role in the project opportunities for development have increased. At present 3 major projects are either in construction or the permitting phase and confidence is high that the TIF District will begin to meet its revenue expectations for the Town.

Despite the above noted difficulties, however, the property has significantly increased in value over the intervening years and has become a commercial and residential anchor for the Town of Woodfin. While we anticipate additional future development on a larger commercial scale the project has so far created a center for high paying jobs, quality residential development and much needed commercial development for the people of Woodfin and North Buncombe County. While impossible to predict with any level of precision the TIF District will probably continue to be net revenue neutral to the Town of Woodfin for several future budget cycles. It should be noted, however, that once core development goals are reached the project will provide a significant "windfall" boost to the Town's coffers and will continue to produce revenue well above what was funded. Also worthy of note is the fact that the development of the Town center attracts additional business to the Town that often may emerge at the periphery of the TIF District. Such development is not subject to the strictures of the TIF agreement and as such makes a real time impact on municipal revenues.

Inflation will increasingly impact budget matters as the economic recovery continues to solidify, as a result the budget must account for a series of rising costs in several categories including: insurance, and similar fees. Additionally, the Town must continue the replacement of vehicles in the coming year in order to maintain departmental capabilities.

In government the budget is an integral part of the Town's accounting system and daily operations. An annual budget creates a legal limit on spending authorizations. In accordance with North Carolina State Law, the Town's budget is prepared on the modified accrual basis, and its accounting records are also maintained on that basis. Under modified accrual accounting, revenues are recorded when they are measurable and available. Expenditures are recorded when a liability is incurred, except for interest on a long-term debt and accrued vacation benefits. The Town of Woodfin has the following types of Governmental Funds:

Governmental Funds

General Fund – The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The primary revenue sources are Ad Valorem taxes, sales tax, grants and state-shared revenues. The primary expenditures are for administration, public safety, streets and sanitation, parks and recreation, the community outreach program, and other general government services. General Fund revenues budgeted for fiscal year 2015-2016 total \$2,951,209.

To ensure the Town's fiscal stability, it is necessary to maintain a healthy operating fund balance. The fund balance allows the Town to maintain adequate cash flow levels, provides steady investment income, helps absorb revenue shortfalls, and occasionally aids in making recurring purchases. Each year during annual budget preparation, the Board of Aldermen reevaluate the fund balance level needed for the upcoming year. The Aldermen take into account the needs of the community, as well as the fiscal strength of the governmental unit, in making its decision on setting the appropriate fund balance level. The Town will retain a fund balance level of at least eight (8%) percent, in line with what is recommended by the North Carolina Local Government Commission. Given Woodfin's relatively small size it is important to maintain a healthy fund balance. It has been determined that the Board of Aldermen have set aside a sufficient reserve amount in the fund balance to fund the Town for approximately 1 year. This appears to be a very healthy fund balance and efforts to increase it should not be undertaken to the detriment of tackling infrastructure projects and improvements.

Powell Bill Fund – The Powell Bill Fund is the fund used to account for the North Carolina gasoline tax. This revenue from the State is distributed among cities on a per capita basis and according to the number of miles of non-state streets in each city. The gasoline tax revenue may only be used for maintaining, repairing, and constructing streets or thoroughfares, including bridges, drainage, curb and gutter and other necessary appurtenances to streets. Street maintenance includes street cleaning and snow removal. The Town presently estimates the 2015-2016 Powell Bill allocation to be \$186,812. This figure is in line with the presently available formulas received from the North Carolina League of Municipalities. This formula employs a mixture of revenue based on population as well as street mileage.

Tax Rate – The proposed tax rate for the Town of Woodfin is 30.5 cents per \$100 value. This tax rate holds constant the present tax rate of the Town of Woodfin.

Emerging Issues – As noted in last year's budget actions by the General Assembly to entirely eliminate all municipal revenue derived from the Privilege License tax in budget year 2015-2016 has had a significant impact on municipal revenues. Despite assurances from various legislators last year that some portion of this funding would be restored no such restoration has occurred as of the preparation of this budget. Staff advises that the Board will need to explore other revenue streams in order to offset this loss or consider reductions in services. It is also important to note that the General Assembly is presently considering

modification to the sales tax that could negatively impact municipal revenues. While it is impossible to predict what the long term outcome of these state actions will be at present, it is worth noting that the Town would be in a better financial position in the upcoming budget year had it not been for the continued assistance of the North Carolina General Assembly.

Conclusion

I feel that this recommendation is a responsible budget with priorities receiving funding based upon your input and direction. The budget fulfills obligations that either this Board has made or legal obligations imposed by other levels of government.

As an additional note staff believes that it is important to reiterate that recent actions in regard to the Privilege License Tax are not the only areas of municipal revenue that have become the center of “tax reform” efforts at the General Assembly. Other areas of concern the Town should be aware of are any proposals to modify the Utilities Franchise Tax, the Sales Tax and other revenue streams that the Town of Woodfin depends upon. In the event that some or all of these proposals are adopted by the General Assembly and signed into law by the Governor the Town of Woodfin will have no choice but to cut or eliminate services and or raise the property tax levy. Staff believes it is advisable that the Board of Aldermen exercise whatever means are at their collective disposal to promote policies at the state level that preserve the status quo on municipal tax revenues.

The 2015-2016 recommended budget is hereby respectfully submitted for your review and consideration.

Jason Young

Town Administrator

Executive Budget Summary Section

Revenues

Ad Valorem Property Tax: The primary revenue is based on the current year property tax estimate. The estimate for collections is \$1,840,276 based upon a last year's valid collection rate of 99%. It is believed that this estimate provides a conservative basis for estimating the ad Valorem tax receipts for fiscal year 2015-2016.

Local Government Sales Tax: The estimate of \$655,155 is in line with projections provided by the North Carolina League of Municipalities for approximately 4% growth in this sector and takes into account past performance and local conditions.

Utilities Franchise Tax: The estimate of \$250,000 is being increased slightly from last year's projection due to expectations for a hot summer and cold winter. This revenue stream contains a fair amount of unpredictability due to variations in weather. In the event that there is an especially hot summer or an especially cold winter this revenue stream would be expected to exceed these projections. Likewise a mild summer and winter might result in a slight drop in this figure. It is noteworthy that this revenue stream is *still* being considered for elimination under some of the current state tax reform models. The loss of this revenue would present a major hurdle for crafting a budget for the Town of Woodfin especially in light of the present loss of revenue from the Privilege License.

Fund Balance: The proposed budget for fiscal year 2015-2016 appropriates \$0 from the fund balance. The Town of Woodfin currently maintains a fund balance of 91.04% compared to last year's 66%. This percentage is up due to the Board's willingness to engage in revenue stream expansion outside of traditional forms, such as the sale of unnecessary public property. The North Carolina Local Government Commission requires a fund balance of 8% to be maintained by municipalities.

Beer and Wine Tax: The Town is estimated to receive \$29,000 from the Beer and Wine Tax. This estimate is based upon past performance and estimates for little growth in this sector. This funding is available within 60 days of March 31, 2015.

Grant Revenue: The Town is anticipating significant grant revenue for the 2015-16 Fiscal Year. Grants are anticipated to be received to help offset the cost of purchasing new equipment for the police department. Given the variable nature of these revenue streams and the uncertainty on the timetable for payout they are not included as part of this budget but will be included as budget amendments once these funds are realized.

Community Center Revenues: The Town of Woodfin began managing operations of the Woodfin Community Center in January of 2007. These operations have resulted in significant investment by the Town in the operations and physical infrastructure of the Community Center. Some, but not all, of these expenses are defrayed by rental fees at the Community Center. These rents are variable but are expected to be about \$8,000. This figure is in line with this year's performance for

rentals. Despite this growth in rentals the facility is still anticipated to continue operations at a net loss. At this point it does not seem likely that the Community Center will operate on a profitable basis for some time.

Statewide Tipping Tax: This is still a relatively new revenue stream that the State of North Carolina instituted on July 1, 2008. It is \$2 per-ton statewide “tipping tax” for municipal solid waste and construction/demolition debris. On a per capita basis 18.75% of this revenue will be distributed back to municipalities. Last year we realized \$3,532 in income from this revenue stream we have budgeted \$3,249 for this line item based upon an estimated 8% drop in disposal rates as a result of increased diversion of materials from traditional solid waste disposal. Staff believes this decline better estimates actual income over projecting an increase due to additional consumption during an improving economy.

Woodfin Alcoholic Beverage Control Commission Distribution: In May of 2005 the voters of Woodfin approved the establishment of an ABC System for the Town of Woodfin. The Woodfin ABC System began operating its first store on July 19, 2007. The operation has been negatively impacted by the establishment of the Weaverville ABC system but has rebounded significantly in the last two years. The development of more ABC systems in the wake of Woodfin’s successful entry into this market has in turn negatively affected Weaverville, Woodfin and Asheville’s systems. This additional competition has however been largely offset by increased sales due to a growing population and a general rise in the overall economy. The Town generally receives two types of revenue from the ABC System: Law Enforcement, and Distribution. These amounts are anticipated as follows:

Law Enforcement: Woodfin ABC contracts with the Town of Woodfin for Law Enforcement services as outlined in North Carolina General Statute 18B-805. Based upon the economic environment in which the ABC System operates the Town of Woodfin is budgeting \$0 from this revenue stream.

Distribution: By law the profits of the ABC System must be distributed back to the Town of Woodfin, excepting monies reserved for capital improvements and operations of the system. While operating in the black the ABC System needs to retain certain funds to ensure sufficient operating capital. The Woodfin ABC System has been able to restore some benefits to its fulltime employees over the last year and increase volume of sales through creative in store marketing and product placement. Despite the need to replace the system’s point of sale system the Woodfin ABC System anticipates that it will be in a position to distribute \$3,245 to the Town of Woodfin in the upcoming year.

Expenses

The following is a summary of the budget request of each department. For more detailed review, please refer to each department in the Operational Guide Section of this document.

Personnel: –No increase in salaries or benefits has been proposed.

Equipment- This budget provides funding for the purchase of a new garbage truck, a new dump truck, and three new police cars under a loan package similar to the one presently in place on the most recently purchased police cars. The garbage truck would allow us to retire one of our two current packers. Further the larger payload of the newly purchased truck would allow us to reduce the number of trips taken to the landfill saving labor costs and fuel costs over time. The new dump truck proposed for purchase would act as a snow plow as well as a year round vehicle for public works to move items such as dirt, gravel, asphalt and similar items replacing an existing vehicle that is aging out of practical use. While in no means would the cost of purchasing the new public works equipment be offset by the anticipated savings, it is worth noting that a reduction in repair and maintenance costs for these vehicles would be significant.

The replacement of three police cars would allow the Town to continue its policy of replacing high use vehicles within 5 years of deployment. It is inevitable that the purchases described above will need to take place in the near term and staff believes it would be best to undertake these actions while funding levels permit.

Physical Plant: - This budget anticipates that the Town will continue to maintain its present physical plant consisting of several parks, the Community Center, the Town Hall, the Public Works facility as well as 35 miles of roads. No major improvements or renovations are contemplated to existing infrastructure at this time, however staff is developing a proposal to design, fund and construct a new recreational facility along the French Broad River. Further details on this proposal will be presented as a standalone item and are not contained within the framework of this budget as plans have not been finalized.

Departments: *Proposed Changes at a Glance*

Administration

2012-13	\$435,695	2013-14	\$427,921	2014-15	\$486,850	2015-16	\$565,707
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Community Outreach

2012-13	\$40,000	2013-14	\$40,000	2014-15	\$34,120	2015-16	\$24,000
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Police

2012-13	\$1,305,392	2013-14	\$1,306,639	2014-15	\$1,359,240	2015-16	\$1,392,553
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Street

2012-13	\$210,369	2013-14	\$228,027	2014-15	\$265,402	2015-16	\$256,578
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Environmental Services

2012-13	\$465,429	2013-14	\$467,990	2014-15	\$621,220	2015-16	\$619,371
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Parks & Recreation

2012-13	\$34,562	2013-14	\$43,577	2014-15	\$49,500	2015-16	\$58,000
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Powell Bill

2012-13	\$206,233	2013-14	\$236,733	2014-15	\$319,733	2015-16	\$336,733
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Tax Collection

2012-13	\$48,430	2013-14	\$30,000	2014-15	\$34,958	2015-16	\$35,000
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Fund Balance Summary 1999-2015

Year	Fund Balance	Percent
1999	1,120,559	115%
2000	1,103,456	112%
2001	803,614	67.8%
2002	803,614	61.3%
2003	856,325	71.05%
2004	805,886	55.81%
2005	511,659	30%
2006	330,325	19%
2007	1,987,158	108.4%
2008	1,569,613	69%
2009	1,365,364	56.21%
2010	967,074	38%
2011	1,202,474	54%
2012	1,330,722	52.26%
2013	1,870,696	74%
2014	1,859,208	66%
2015	2,686,895	91.04%

Woodfin Tax Rate 1999-2015

Year	Rate
1999	.28
2000	.28
2001	.28
2002	.40
2003	.325
2004	28.5
2005	28.5
2006	28.5
2007	26.5
2008	26.5
2009	26.5
2010	26.5
2011	26.5
2012	26.5
2013	30.5
2014	30.5
2015	30.5

Policy Document

The Board of Aldermen of the Town of Woodfin has identified a number of long-range goals to maximize the potential for improving the Town and the level of services provided to the public. Below are brief outlines for some of the projects identified by the Board at their retreat and in regular meetings, which this budget is designed to facilitate.

Tax Stability

The Board intends to maintain the present tax rate of 30.5 cents per \$100. The loss of privilege tax revenue as well as modifications to the Tax Increment Finance District by Buncombe County and possible modifications to the state sales tax reimbursement have hampered staff's ability to maintain service provision levels without finding alternate revenue streams.

Economic Development

The Board has identified its intention of strategically developing Woodfin in order to increase the Ad Valorem tax base within the present confines of the Town. Ad Valorem tax revenue has fallen significantly as a result of the Great Recession but the present economic recovery has pointed out a number of ways in which the Town can continue the economic development strategy which it outlined three years ago and which remains contained in this document in the following two paragraphs:

The Town continues to identify novel and innovative approaches in order to maintain its footing as a regional economic engine. The primary tool of this strategy is focusing efforts on luring large, medium and small scale commercial and medium scale industrial development to our community. In addition to these measures the Town will continue to focus its primary efforts on cementing its place as one of the preferred bedroom communities in the region, combining low crime rates, lower taxes and a more relaxed life style with easy access to urban amenities.

Effective Pursuit of Grants

As part of the effort to improve service to the community while keeping taxes as low as possible the Town will continue to explore all available grant opportunities in order to strategically leverage all available funds. It is anticipated that the Town will gain significant revenue from grant sources this year; however, as these issues are far from certain as a result this budget does not propose to consider grant revenue as a source of income for the upcoming fiscal year. Instead it is recommended that the Board consider budget amendments to accommodate such revenues once or if available.

Financial Plan

North Carolina General Statutes require that the Budget Officer is responsible for preparation and submission of the annual budget and capital program to the Board of Aldermen.

Budget Preparation Calendar

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|-------------------|---|
| Prior to April 30 | Work plan for the budget process developed. Information necessary to develop the budget should be made available to department heads and the budget officer. This data includes: actual revenues and expenditures through February 28 or later if available, of the current year; the estimated revenues and expenditures for the entire current year; and the current year salaries and wages for each employee. |
| By April 30 | Requests from departments for budget year are due. |
| By May 1 | Estimated revenues and appropriations reviewed and adjusted. Decision made whether to request appropriated fund balance and/or reduce appropriations to balance the budget. The budget may not balance at this point. |
| By May 15 | Estimated revenues, fund balance, and appropriations requests for the coming year should be reviewed and adjusted. The budget should be in balance at this point. |
| By June 17 | Budget document, along with the budget message, printed and presented to the Board for its consideration. The public hearing on the budget should be scheduled at this time. A copy of the budget must be filed with the Board's clerk at the time it is presented to the Board. The clerk shall make a copy of the budget available to all news media in the county. |
| By July 1 | The budget ordinance should be approved by the Board. The public budget hearing should be held prior to the adoption of the budget ordinance. The Board should make any necessary changes to the budget as presented. This hearing cannot be held earlier than 10 days after the budget is presented to the Board. |

In the event that the Board cannot approve a final budget prior to July 1, then the Board shall make provision for an

interim budget as outlined under G.S. 159-16. See statute below:

Budget Amendments

G. S. 159-15 authorizes the governing board to amend the budget ordinance at any time after the ordinance is adopted, so long as the amended ordinance continues to meet the requirements of G. S. 159-8 and 159-13. Budget amendments may not increase or decrease the tax levy or alter a taxpayer's liability unless the Board is ordered to do so by the courts or an authorized State agency. Budget amendments may not increase the amount of tax revenue from the current levy to an amount that exceeds the percentage of taxes collected in the previous year, even if the revenue has actually been received.

Budget amendments must be made prior to obligating funds in excess of budgeted appropriations at the level at which the budget has been adopted. G. S. 159-13 (a) states that the budget ordinance may be in any form that the Board considers most efficient in enabling it to make fiscal policy decisions embodied therein, but it should make appropriations by department, function or project and show revenues by major source. The staff of the Local Government Commission recommends that local governments do not adopt line item budget ordinances, as the budget must then be amended at that level of detail. If revenues are less than estimated amounts, an amendment should be adopted to make these adjustments as well. Revenues should be budgeted only for amounts the unit can realistically expect to receive. Each fund in the budget must remain balanced; therefore, when there is a change in an estimated revenue or appropriation, there must be an offsetting adjustment to some other revenue or appropriation account(s) in order to keep the fund balanced.

An amendment should contain certain information, depending on its purpose. If the amendment is increasing an appropriation based on an increased revenue, the amendment should specify the appropriation and its increase, as well as the revenue and its increase. Likewise, if the amendment is reducing one appropriation and increasing another, with no new revenue source, each appropriation should be listed along with the amount of increase or decrease. Each amendment should balance. Total increases in appropriations should equal total decreases if no new revenues are involved. Total increases in appropriations should equal total increases in revenues if new revenues are involved. In all situations, a brief description of the circumstances surrounding the amendment should be on the face of the amendment or in the minutes where the amendment was approved. Board approval or review should be indicated on each amendment, either by signature of the clerk to the Board attesting to Board approval or by including the actual amendment itself in the Board meeting minutes.

The amendments include the account numbers to which the changes are to be posted on the amendment form for ease regarding the changes. As discussed below, the Board has the option of allowing the budget officer to make minor changes to

the budget without obtaining prior Board approval by formal budget amendments. Such changes must be within a fund and not between two or more funds.

The Town of Woodfin Budget Ordinance states the following:

The Budget and Finance Officer are hereby authorized to distribute department funds upon the line item budget and make expenditures therefrom, in accordance with the Local Government Budget and Fiscal Control Act.

The Budget Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He/she may transfer amounts between line items, expenditures and revenues within a department without limitation and without a report being required.
- b. He/she may transfer amounts up to \$2,500 between departments within any one division, including contingency appropriations, within the same fund during any month. For the purpose of this ordinance, the Town of Woodfin has the following divisions: Public Works (Streets and Sanitation), Police, and Administration. The Budget Officer must make an official report on such transfers at the next regular meeting of the Governing Board. Transfers between divisions would require action of the Governing Board.
- c. He/she may not transfer any amounts between funds, except as approved by the Governing Board in the Budget Ordinance as amended.

The most important thing to remember about budget amendments affecting expenditure accounts is that they are to be made prior to funds being obligated. The finance officer, or person acting in that capacity, can be held personally liable for any obligations made that are not in accordance with the budget ordinance as it stands at the time the obligation is incurred. Therefore, if an obligation is made in excess of the budgeted appropriation, a violation of G. S. 159-181 (a) has occurred, even if the ordinance is later amended to authorize the obligation and the resulting expenditure.

Budget amendments may be made after June 30 to the budget ordinance for the previous year to cover obligations or expenditures that the unit legally must pay in excess of appropriations. However, such items are still a statutory violation, and the budget must be presented in the audited financial statements as it stood on June 30. If these amounts are material, a note disclosure in the audited financial statements may be needed to indicate statutory noncompliance.

Town of Woodfin

2015-2016 Budget Ordinance

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE TOWN OF WOODFIN, NORTH CAROLINA:

Section 1. The following amounts are hereby appropriated in the General Fund for the operation of the Town Government and its activities for the fiscal year beginning July 1, 2015 and ending June 30, 2016 in accordance with the chart of accounts heretofore established for this Town:

Administration	\$ 565,707
Community Outreach	\$ 24,000
Parks & Recreation	\$ 58,000
Police	\$ 1,392,553
Environmental Services	\$ 619,371
Street	\$ 256,578
Tax Collection Fee	\$ 35,000
Total Expenditures	\$ 2,951,209

Section 2. It is estimated that the following revenues will be available to the General Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Ad Valorem Taxes-Current Year	\$ 1,840,276
Prior Years	\$0
Tax Penalties & Interest	\$0
Privilege License	\$0*
Interest on Investments	\$50
Picnic Shelter Reservations	\$7,000
Miscellaneous Income	\$15,000
Utilities Franchise Tax	\$250,000
Beer & Wine Tax	\$29,000
Statewide Tipping Tax	\$3,500
Local Government Sales Tax	\$655,155
Court Costs & Fees	\$1,500
Administrative Impound Fee	\$1,200
Zoning Permits	\$20,000
State Sales Tax Refund	\$1,973
County Sales Tax Refund	\$1,039
Federal Gas Tax Refund	\$2,388
Community Outreach Donations	\$18,000
Sale of Recyclables	\$1,000
Sale of Fixed Assets	\$10,000
Transfer from Powell Bill	\$82,733
Transfer from Fund Balance	\$0
Unauthorized Substances Tax	\$150
“Hold Harmless” Funds	\$0
Rental Income – Com. Ctr.	\$8,000
ABC Disbursement	\$3,245
ABC Officer Contract	\$0
Total Revenues	\$2,951,209

Section 3. The following amounts are hereby appropriated in the Powell Bill Fund for the fiscal year beginning July 1, 2015, and ending June 30, 2016, in accordance with the chart of accounts heretofore approved for the Town:

Powell Bill	\$ 336,733
Total Expenditures	\$ 336,733

Section 4. It is estimated that the following reserves will be available in the Powell Bill Fund for the fiscal year beginning July 1, 2015, and ending June 30, 2016:

NC State Highway Commission	\$ 186,812
Interest on Investments	\$ 50
Powell Bill Reserve Allocation	\$ 149,871
Total Revenue	\$ 336,733

Section 5. The Budget Officer/Finance Officer is hereby authorized to distribute department funds upon the line item budget and make expenditures therefrom, in accordance with the Local Government Budget and Fiscal Control Act.

Section 6. The Budget Officer/Finance Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

- A. He/she may transfer amounts between line items, expenditures and revenues within a department without limitation and without a report being required.
- B. He/she may transfer amounts up to \$2,500 between departments within any one division, including contingency appropriations, within the same fund during any month. For the purpose of this ordinance, the Town of Woodfin has the following divisions: Public Works (Streets and Sanitation), Police, and Administration. The Budget Officer must make an official report on such transfers at the next regular meeting of the Governing Board. Transfers between divisions would require action of the Governing Board.
- C. He/she may not transfer any amounts between funds, except as approved by the Governing Board in the Budget Ordinance as amended.

Section 7. There is hereby levied a tax at the rate thirty and one half cent (.305) per one hundred dollars (\$100) calculation of property as listed for taxes as of January 1, 2015 for the purpose of raising the revenue listed as “Taxes Ad Valorem-Current Year” in the General

Fund in Section 2 of this Ordinance. This rate is based upon an estimated valuation of \$609,463,835 and an estimated rate of collection of 99%.

Section 8. Copies of the Budget Ordinance shall be furnished to the Mayor, to the Board of Aldermen, and to the Clerk of the Town to be kept on file for their direction in the disbursement of funds.

- * The North Carolina General Assembly eliminated this revenue stream effective July 1, 2015. This represents a substantial loss of revenue that will eventually need to be made up in either revenue source increases or service reductions.
- ** The North Carolina General Assembly is presently considering significant modifications to the distribution of sales tax. It is possible that the budget will need to be revised between the date of presentation and the date of adoption to incorporate said changes.

ADOPTED AND APPROVED THIS, THE 30th DAY OF JUNE, 2015.

M. JERRY VEHAUN
MAYOR

ATTEST:

CHERYL MEARS
TOWN CLERK

Town of Woodfin

Budget Summary

Department: Administration

Department Head: Jason Young

Function/Intent: The purpose of this department is to provide a support role to the Board of Aldermen as well as to manage the day-to-day activities of the Town government, Planning and Zoning, Economic Development, Code Enforcement, Permitting, Storm Water Management, Personnel Records Management and other tasks.

Overview of the 2015-2016 Budget Request:

No major modifications to the budget are requested. The proposed budget includes funding for the administrative staff as well as the municipal mechanic who answers directly to the Town Administrator.

Long –Term Goals/Plans:

The long-term goals of the department include:

1. Maintaining the Town's economic health by careful stewardship of resources.
2. Maintaining core services and improving quality of life within the Community.
3. Achieving a better return on revenue streams.
4. Fostering a climate that is attractive to economic development.
5. Continue to improve code and housing enforcement.
6. Ensuring that the Town is well represented at the Federal, State and County level when important legislation is being considered.
7. Identifying areas for partnership with private developers and other governments.

**Administration Department
2015-2016 Budget Estimates**

104200.

Account	2011-12	2012-13	2013-14	2014-15	2015-16
Salaries	200,218	200,218	200,218	227,500	280,316
Professional Services	40,000	35,000	44,500	44,500	45,000
FICA	15,317	15,317	15,317	17,063	17,380
Health Insurance	33,277	36,000	24,520	24,311	37,639
Retirement-Local Gvt.	9,610	9,610	9,610	18,559	19,818
Workers Comp.	5,000	5,398	2,838	----	5,664
401K Contribution	12,013	12,013	12,013	15,317	16,819
Telephone	8,300	5,128	7,464	10,500	12,000
Postage	3,600	2,500	2,800	2,200	2,900
Printing	3,000	3,000	3,000	2,000	3,000
Utilities	10,000	10,000	10,100	10,200	10,000
Travel	---	----	1,000	1,000	----
Maint. /Repair Bldg.	3,200	6,000	5,000	5,500	6,000
Maint. /Repair Equip.	2,000	3,000	500	500	500
Maint. /Repair Vehic.	500	500	500	500	1,000
Advertising	3,000	4,000	3,000	4,500	6,000
Vehicle Supplies	7,000	8,000	8,500	9,200	12,000
Dept. Supplies	15,000	20,000	21,000	21,000	22,000
Janitorial Service	---	----	----	----	----
Dues & Subscriptions	10,000	12,500	13,200	10,000	7,900
Insurance & Bonds	35,300	14,511	9,841	21,500	27,508
Capital Outlay	-----	----	----	10,000	----
Election Expense	8,000	8,000	8,000	8,000	9,263
Miscellaneous	7,000	7,000	7,000	5,000	5,000
Aldermen Comp.	18,000	18,000	18,000	18,000	18,000
Totals	449,335	435,695,	427,921	486,850	565,707

Community Outreach

Department: Community Outreach

Department Head: Mayor Jerry VeHaun

Function/Intent: The Community Outreach Program strives to assist Woodfin families in need of assistance related to food, fuel, medical, transportation, housing and other needs.

Long Term Goals/ Plans:

The long-term goals of the Community Outreach Department include:

1. Operating the Christmas Program for families in need.
2. The distribution of heating and electrical assistance to certain persons.
3. Raising funds towards the operation of the program from private and non-profit sources.
4. The distribution of intermittent food assistance to families in need.
5. The distribution of intermittent special needs assistance to certain persons.
6. Communicating with and assisting certain persons in need in finding outside assistance and care.

**Community Outreach Department
2015-2016 Budget Estimates**

Account	2011-12	2012-13	2013-14	2014-15	2015-16
Salaries	22,000	19,000	19,000	10,000	----
Reimbursable Expenses	1,742	----	----	----	1,000
Heating Assistance	4,383	----	----	5,000	5,000
Christmas Program	19,120	----	----	19,120	18,000
Community Program	----	21,000	21,000	----	----
Total	47,245	40,000	40,000	34,120	24,000

Police Department

Department: Police

Department Head: Chief John Brett Holloman

Function/Intent: The Woodfin Police Department endeavors to provide competent, efficient, diligent and personalized law enforcement services to residents and visitors of the Town of Woodfin.

Overview of the 2015-2016 Budget Request:

The most significant request is for the replacement of major equipment in the form of three new patrol cars to replace 3 of the 4 2007 model chargers currently on the road.

Long Term Goals/ Plans:

The long-term goals of the Police Department include:

1. Enhanced training of officers to improve the quality of service available to Woodfin.
2. Maximizing the use of emerging technologies in a way that enhances safety and efficiency.
3. Continuing to ensure the safety of Woodfin resident and visitors.
4. Helping to foster a climate that is conducive to strong economic development by creating an atmosphere that is welcoming to non-residents.
5. Networking within the community to reduce the potential for criminal activity.
6. Fostering a positive relationship with local media.

Police Department

2015-2016 Budget Estimates

104200.

Account	2011-12	2012-13	2013-14	2014-15	2015-16
Salaries	788,806	785,397	785,397	818,959	818,000
FICA	56,399	56,399	56,399	58,091	50,842
Health Insurance	71,768	97,366	114,429	113,456	131,736
Retirement-Local Govt.	45,101	50,779	50,779	52,302	60,792
Workers Comp.	50,476	25,191	49,190	----	19,824
Telephone	12,000	12,000	10,000	13,200	12,000
Postage	100	100	100	125	125
Printing	1,000	1,000	500	500	500
Travel	4,000	4,000	4,000	5,000	5,000
Maint. /Repair Equip.	1,000	1,500	1,500	3,000	2,000
Maint. /Repair Vehic.	30,000	54,300	30,000	30,000	23,000
Vehicle Supplies	50,000	57,000	50,000	45,000	45,000
Dept. Supplies	21,000	15,000	10,000	22,000	25,000
Uniforms	9,000	6,000	10,000	10,000	10,000
Dues & Subscriptions	41,000	43,500	47,200	47,200	47,200
Insurance & Bonds	19,000	20,315	12,900	45,325	41,000
Personnel Testing	1,000	1,000	500	500	1,500
401 K	47,328	47,328	47,328	48,748	49,200
Miscellaneous	1,000	1,000	1,000	1,000	1,000
Invst. /Crime Prevent	3,500	3,800	3,000	2,000	2,000
Capital Outlay	----	----	----	----	2,000
Debt Service	11,209	22,417	22,417	44,834	44,834
Community Prog.	----	----	----	----	----
Totals	1,264,687	1,305,392	1,306,639	1,359,240	1,392,553

Public Works

The Woodfin Public Works Department is divided into two entities for the purposes of accounting and planning: Environmental Services and the Street Department.

Environmental Services Department: The Environmental Services Department is responsible for collecting household garbage from residents as well as many businesses. In addition this department is tasked with maintaining the Woodfin Park System, enforcing the Animal Ordinances of the Town of Woodfin, and overseeing the Woodfin Recycling Program.

Street Department: The Woodfin Street Department is tasked with maintaining the municipality's 35 miles of roads as well as overseeing street lighting and the Town's Stormwater System. The Street Department receives some of its funding from the Powell Bill Program and duties related to this program are strictly segregated from other expenditures in order to comply with state statute governing these activities.

Overview of the 2015-2016 Budget Request:

The most significant request is for the replacement of major equipment in the form of a new garbage truck and a new dump truck. These items are projected to cost approximately \$260,000 but the items are inevitably going to have been replaced and have exceeded their expected life span.

Environmental Services Department

Department: Environmental Services

Department Head: Superintendent Johnny Brooks

Function/Intent: The purpose of this department is to provide sanitation services to the residents of Woodfin. The Environmental Services Department –formerly known as Sanitation - is responsible for providing safe and sanitary refuse collection to residents, businesses and industries.

Long-term Goals/ Plans:

1. To continue to provide exceptional trash removal services to our growing population.
2. To find ways to better re-coup costs to the Town for extra or special services provided by the Environmental Services Department.
3. To continue the phased replacement of outdated equipment within the department.

Environmental Services Department

2015-2016 Budget Estimates

105450.

Account	2011-12	2012-13	2013-14	2014-15	2015-16
Salaries	179,142	167,239	167,239	179,220	153,251
FICA	13,704	12,794	9,465	12,360	9,502
Health Insurance	28,668	32,108	40,867	56,728	56,458
Retirement-Local Gvt.	8,599	11,272	7,780	11,845	10,835
Workers Comp.	13,351	10,796	11,428	----	8,496
401K Contribution	10,749	10,034	10,034	10,753	9,195
Telephone	1,200	1,500	2,000	2,000	2,000
Utilities	3,100	2,500	2,500	3,500	4,500
Maint. /Repair Bldg.	500	1,000	1,000	5,000	5,000
Maint. /Repair Equip.	500	500	500	500	1,200
Maint. /Repair Vehic.	18,000	21,000	21,000	35,000	35,000
Vehicle Supplies	20,000	25,564	21,000	25,000	25,000
Dept. Supplies	2,000	2,000	2,000	4,000	8,000
Uniforms	5,000	2,000	2,000	2,500	6,100
Insurance & Bonds	7,459	9,529	6,106	16,400	13,500
Miscellaneous	1,000	500	500	500	500
Landfill Tipping Fee	69,000	72,000	72,000	70,000	80,000
Capital Outlay	-----	----	----	----	----
Debt Service	39,123	13,957	16,365	107,914	107,914
Animal Control	4,000	4,000	4,000	4,000	4,000
Spay/Neuter Prog.	5,000	----	----	----	----
Recycling	61,364	65,136	70,206	74,000	80,000
Totals	491,459	465,429	467,990	621,220	619,371

Street Department

Department: Public Works

Department Head: Johnny Brooks

Function/Intent: The purpose of this department is to provide for the proper upkeep of the Town's transportation routes. The Street Department is responsible for Stormwater management, road repair and resurfacing, snow removal, mowing and right-of-way maintenance.

Long-term Goals/Plans:

1. To investigate the possibility of widening certain streets within the Town to ensure that all roads maintained by the Town of Woodfin meet or exceed the NC DOT standard width of 16 feet or more.
2. To assist in the implementation of the Town's Stormwater Ordinance and action plan.
3. To look for opportunities to improve the appearance and livability of Woodfin within the general purview of the Town's street system.
4. To ensure the prompt removal of snow and ice to maintain the safety of the motoring public of the Town and to promote commerce within the Town.

Street Department

2015-2016 Budget Estimates

105400.

Account	2011-12	2012-13	2013-14	2014-15	2015-16
Salaries	83,656	83,656	83,656	86,166	81,760
FICA	6,400	6,400	6,400	6,600	5,069
Health Insurance	9,730	9,648	16,347	16,208	18,819
Retirement	5,312	5,638	5,638	5,807	5,781
Workers Comp.	6,326	3,599	4,363	----	2,832
401K	5,019	5,019	5,019	5,170	4,906
Telephone	300	539	539	540	----
Utilities	2,000	2,500	1,000	----	----
Maint. Building	500	500	500	500	500
Maint. Equip.	2,700	2,200	5,000	10,000	8,000
Maint. Vehic.	5,000	2,500	2,500	5,000	5,000
Vehicle Supplies	12,300	10,000	14,000	24,000	18,000
Dept. Supplies	1,300	2,000	4,000	7,000	5,000
Uniforms	1,500	500	500	500	1,000
Street Lighting	46,791	51,684	55,000	55,000	60,000
Insurance/Bonds	1,954	9,529	6,200	12,000	9,000
Miscellaneous	500	500	1,000	500	500
Capital Outlay	----	----	----	----	----
Debt Service	14,085	13,957	16,365	30,411	30,411
Totals	205,373	210,369	228,027	265,402	256,578

Parks and Recreation Department

Department: Parks and Recreation Department

Department Head: Jason Young, Town Administrator

Function/Intent: The purpose of this department is to provide for the upkeep and maintenance of the Town's park system as well as identify ways to provide cost effective ways to build a sense of community within the Town. This department is responsible for orchestrating annual events such as the popular Labor Day Picnic.

Long-term Goals/Plans

1. Identify opportunities to expand the Woodfin Park System
2. Identify ways to enhance pedestrian and bicycle pathways throughout the community in order to improve access to recreational facilities and improve the health and wellness of the citizens of Woodfin.
3. Identify ways to beautify Woodfin and enhance its park system.
4. Operate and manage the Woodfin Community Center.
5. Identify partnerships that can enhance the appearance and use of community parks.
6. Identify methods and strategies to make the park system more cost effective.

Parks & Recreation Department

2015-2016 Budget Estimates

106200.

Account	2011-12	2012-13	2013-14	2014-15	2015-16
Operational	6,500	4,000	5,500	8,000	14,000
Repairs	1,000	1,000	----	----	1,000
Elem. School Allo.	----	----	----	----	----
Labor Day Picnic	11,000	6,500	8,000	6,500	8,000
Christmas Festival	----	----	----	----	----
Golden Age Club	6,000	6,000	6,000	6,000	6,000
Youth League	6,000	4,000	4,000	4,000	4,000
Comm. Ctr. Oper.	10,000	8,312	8,349	15,000	15,000
Comm. Ctr. Bldg.	5,000	4,750	11,728	10,000	10,000
Summer Program	----	----	----	----	----
Total	45,500	34,562	43,577	49,500	58,000

Powell Bill Fund Expenditures

Powell Bill Fund Expenditures represent the explanation of how the Town will spend money it receives from the state for road maintenance. These expenditures do not constitute a separate department, and should be considered, in many ways, an addendum to the Street department budget.

2015-2016 Budget Estimates

104300.

Account	2011-12	2012-13	2013-14	2014-15	2015-16
Street Labor Transf.	82,733	82,733	82,733	82,733	82,733
Snow Removal	28,000	12,000	12,000	25,000	25,000
Paving New Streets	103,000	100,000	----	----	----
Patching & Resurf.	1,000	3,000	130,000	200,000	200,000
Culverts	5,000	5,000	5,000	5,000	12,000
Road Maint.	6,000	1,500	5,000	5,000	12,000
Engineering Serv.	2,000	2,000	2,000	2,000	5,000
Capital Outlay	----	----	----	----	----
Total	227,733	206,233	236,733	319,733	336,733

How Your Money Is Spent:

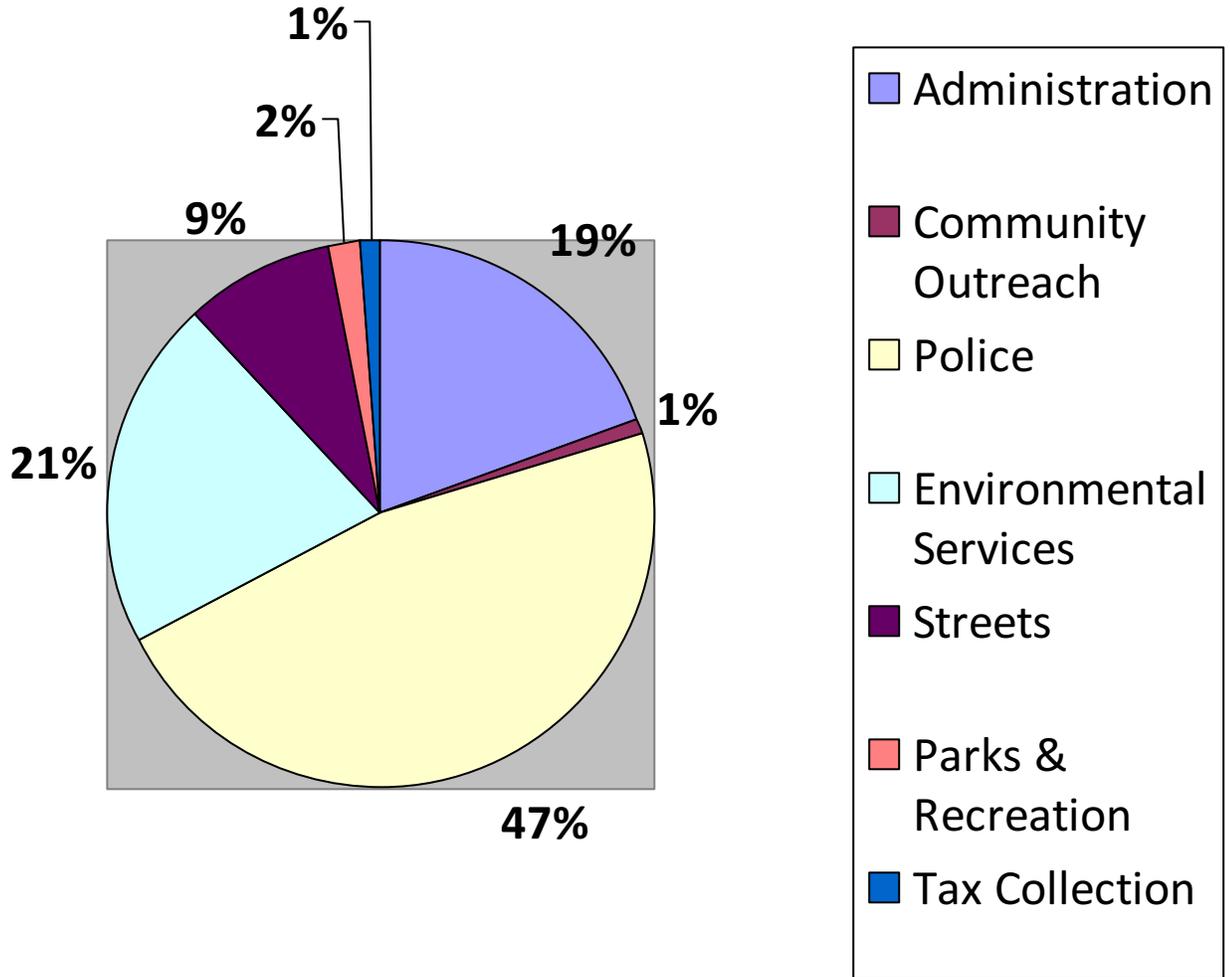
The exercise below indicates what portion of each tax dollar goes to which Town service or obligation.

Of each dollar spent this budget allocates funding as follows:

Administration	19 cents
Community Outreach	1 cent
Parks & Recreation	2 cents
Police	47 cents
Environmental Services	21 cents
Streets	9 cents
Tax Collection	1 cent



How Your Money Is Spent



Schedule of Fees 2015-2016

Administrative Department/ Police Department

Copies	.25 per page
Police Report Copies	\$5
Vehicle Release	\$35

Parks and Recreation

Reservation of Picnic Shelters	\$30 per 3 hour block
Reservation of Community Center	\$200 a day, \$200 Security Deposit Required
Reservation of Community Center with alcohol	\$300 a day, \$200 Security Deposit Required

Public Works Department

Extra/Special Pick-Ups	\$200, plus Tipping Fee
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Planning & Zoning Department

Copies	.25 per page
Driveway Permits	\$100
Zoning Compliance Permits – Storage Building/Utility Shed	\$50
Single Family Dwelling	\$150
Residential Multi-Family	\$200 + 50 per unit
Single Wide Mobile Home	\$300
Commercial/Industrial Facility	\$500
Hotel/Motel/Inn	\$100 + 25 per unit
Zoning Verification Letter	\$25
Appeal of Zoning Enforcement	\$150
Application for Variance	\$300
Application for Conditional Use	\$500
Application for Noxious Use	\$10,000 or 5% of Construction Cost (whichever is greater)
Application for Rezoning	\$500, plus \$50 for every acre or portion thereof over 5 acres
Subdivision Review	
Minor	\$50 per plat
Major	\$500, plus \$50 per lot or dwelling in the subdivision
Grading Permit	\$100
Application for Flood Plain Permit	\$100
Copies of Zoning Map	\$10

Copies of Zoning Ordinance & Subdivision Regulations	\$25
Sign Permits	
\$1-\$100	\$50
\$101-\$200	\$75
\$201-\$300	\$150
\$301-\$400	\$200
\$401-\$500	\$300
\$501-\$700	\$400
\$701-\$999	\$500
\$1000-\$1500	\$600
\$1501-\$2000	\$800
\$2001-\$5000	\$1000
\$5001-\$10,000	\$1500
\$10,001 +	\$2,000
Street Review for Municipal Takeover by Board of Aldermen	\$300 + 25 per linear foot unless waived
Telecommunications Tower	\$10,000