FY2026 Budget

TOWN COUNCIL BUDGET WORK SESSION

APRIL 8TH, 2025

Agenda

A. **Meeting Call to Order**

B. **Approval of the Agenda**

C. **Consent Agenda**
   1. Approval of Ordinance 2025-02 Budget Amendment to fund Hurricane related expenditures

D. **New Business**
   1. Presentation and discussion regarding FY2026 budget matters.
      a. Discussion Overview - Sheri Powers
      b. Parks Update - Adrienne Isenhower
      c. Street & Stormwater Infrastructure Repair Update - Adrienne Isenhower
      d. Stormwater Utility Update and proposed stormwater fee change - Adrienne Isenhower
      e. 5-year Capital Improvement Plan - Sheri Powers
      f. Disaster Recovery Impact – Sheri Powers

E. **Other Business**

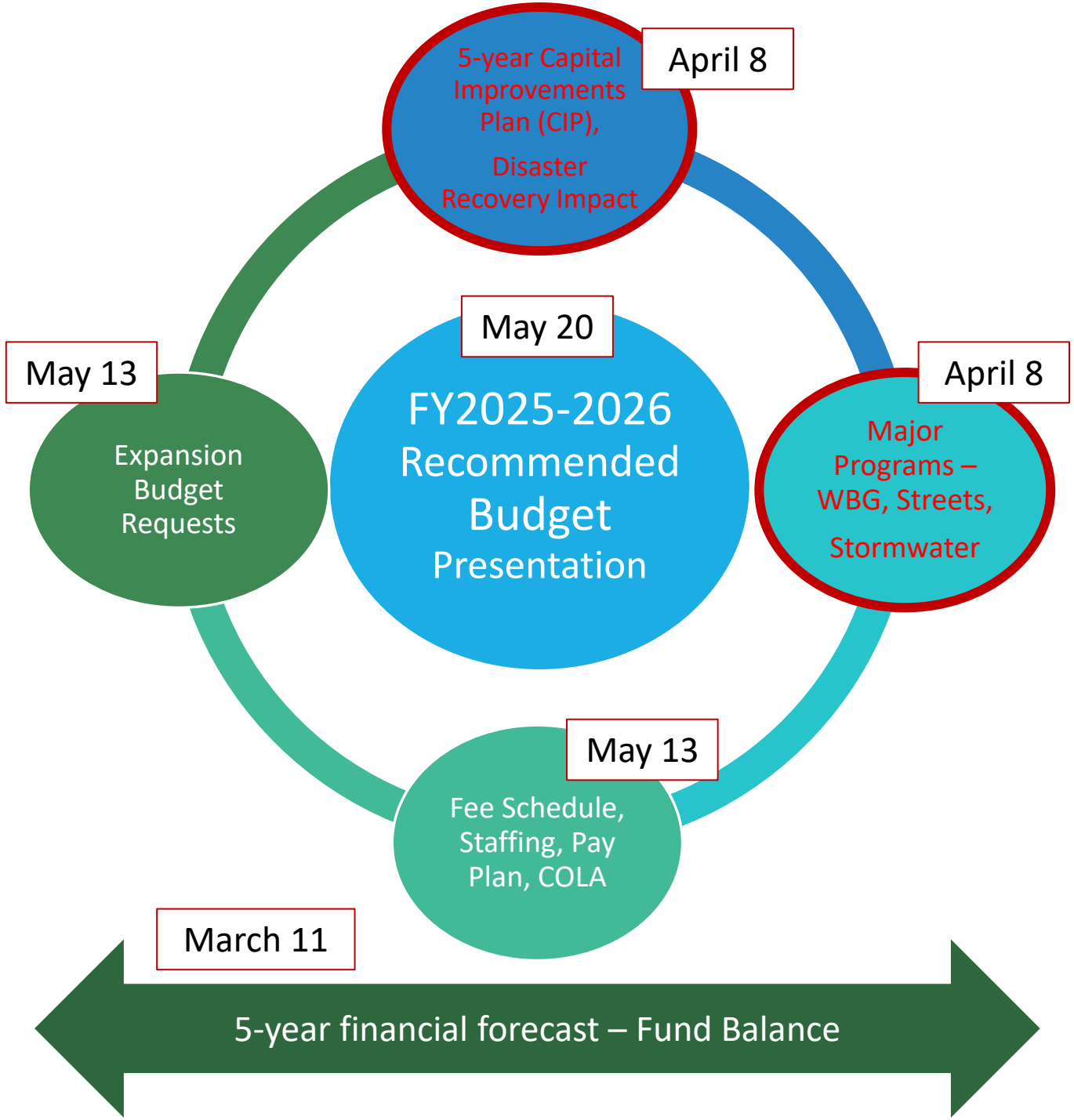
F. **Adjournment**

Consent Agenda

SHANNON TUCH, TOWN MANAGER

New Business FY 2026 Budget

Budget Preparation



TS Helene Impacts on Capital Projects

Silver-Line Park

Storm Damages





REPAIR

Engineered wetland/bioswale

Playground equipment

Playground matting

Riverbank

Utility service

REPLACEMENT

Trash cans

Signage

Grills

Bench swing

Pavilion

Water fountain

Picnic tables

Wheel stops

Cost Estimates

Item	Cost
Site prep	$ 396,939.20
Hardscape	$ 95,703.60
Structures	$ 196,040.80
Amenities	$ 82,561.20
Stormwater	$ 71,539.20
Utilities	$ 83,663.10
Planting	$ 122,583.20
Total	**$ 1,049,030.30**

Tentative Schedule

Currently developing Invitation for Bids for late spring

- Bid also includes specifications for new restrooms

Approve contract late summer/early fall

Construction to begin in fall

Dependent on several factors including:

- FEMA timeline
- Funding
- Permitting
- Any necessary design changes

Riverside Park and Taylor’s Wave

Emergency Repair



BEFORE

Work completed by Baker Grading

340 ft riverbank repair with boulder toe wall

Total cost:$649,518.90



AFTER

Storm Damages





REPAIR	REPLACEMENT
Walking trail	Gazebo
Pavilion	Foot bridge
Restrooms	Grills
Utility service	Picnic tables

Cost Estimates

Item	Cost
Site prep	$ 463,114.20
Structures	$ 390,361.92
Amenities	$ 376,060.80
Utilities	$ 72,000.00
Total	**$ 1,301,536.92**

Tentative Schedule

Complete Taylor's Wave construction by end of calendar year

On-shore RSP-Expansion work completed by end of 2026

Goal to have funding secured for Phase II (RSP-Improvement) construction by end of calendar year

Dependent on several factors including:

- FEMA timeline
- Funding
- Permitting
- Any necessary design changes
- Weather

Street Damages









Damages submitted to FEMA included 17 sites

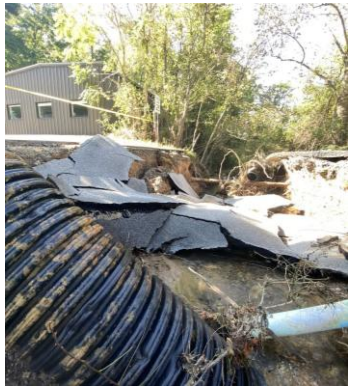
Only minor damages to a portion of each road

Damages due to erosion from heavy rains adjacent to roadway

Estimated cost: Approximately $800,000

Culvert Damages









Damages submitted to FEMA include 28 sites

Minor damages to existing culverts, swales, inlets

Separate application for major damage to Sunny Ridge Drive

Town-wide culverts cost estimate: $700,000
Sunny Ridge cost estimate (emergency): $21,000
Sunny Ridge cost estimate (permanent): TBD

Tentative Schedule

Engineering firm assesses damages and develops construction drawings late spring/early summer

Construction documents completed by late summer/early fall

Solicit bids and enter into contract late fall

Capital Project Update

Parks

Taylor's Wave Expenditures

	Project Budget	Expenditures to Date	Remaining
305 Professional Services	159,496.00	51,430.95	108,065.05
501 Design	416,537.67	416,537.67	0.00
503 Construction	3,867,085.75	686,882.11	3,180,203.64
520 Contingency	386,708.58		386,708.58
TOTAL	**4,829,828.00**	**1,154,850.73**	**3,674,977.27**

*Estimated costs of coffer dam repair from Helene: $202,586

Riverside Park Expenditures

	Project Budget	Expenditures to date	Remaining
305 Professional Services	353,538.02	164,376.08	189,161.94
501 Design	657,703.10	657,703.10	0.00
502 Acquisition	607,693.74	607,693.74	0.00
503 Construction	4,806,351.32	992,633.08	3,813,718.24
520 Contingency	412,433.66	40,390.00	372,043.66
TOTAL	**6,837,719.84**	**2,462,796.00**	**4,374,923.84**

Project Revenue

Taylor's Wave		
$	1,098,596.00	GO Bonds
$	2,565,497.00	TDA TPDF
$	265,656.00	Community Contributions
$	900,079.00	FB Allocation
$	**4,829,828.00**	TOTAL
$	-	
Riverside Park		
$	1,024,914.00	GO Bonds
$	4,064,503.00	TDA TPDF
$	1,133,928.00	Other grants
$	258,027.00	General Fund Contribut
$	649,519.00	FEMA Grant
$	**7,130,891.00**	**TOTAL**
$	293,171.16	







Roy Pope Park Repairs

Collecting quotes for various repairs

- Replacement of steps on playground equipment
- Replacement of benches
- Replacement of tire swing
- Replacement of canopy above sandbox

Estimated cost: $15K – 20K









Recent Improvements at Roy Pope Park

Street Infrastructure

Streets

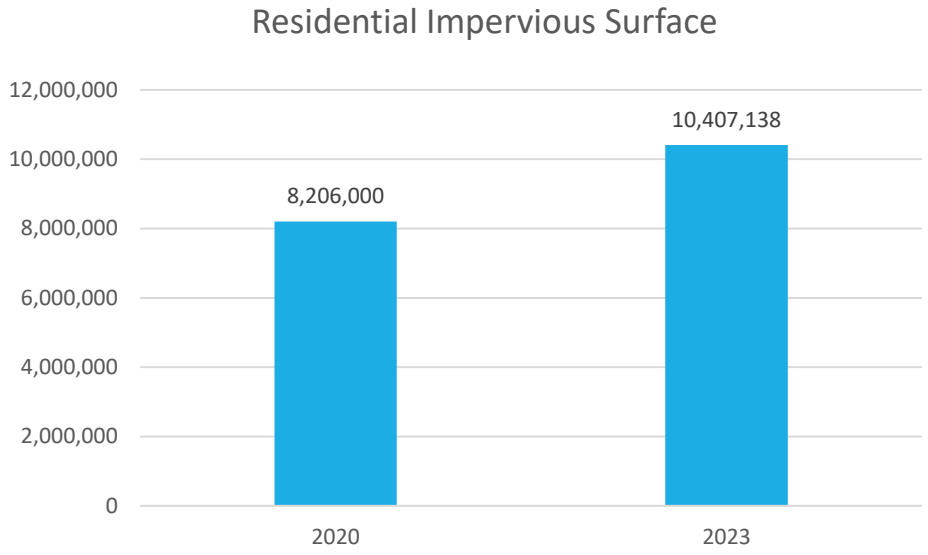
No street projects planned for FY 2026

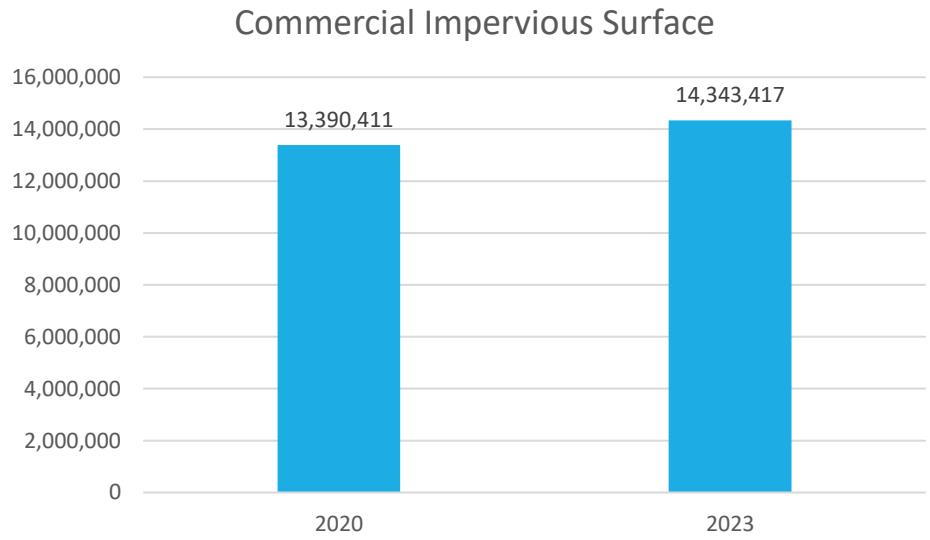
Plan to roll funding to FY 2027 and tackle next set of priority streets next year

Stormwater Utility

Impervious Surface Analysis

- New aerial photography collected with updated parcel dimensions and building footprint data
- Increases to impervious surface total for both residential and commercial properties





Impervious Surface Data for Woodfin

Total impervious surface coverage: 24.7 million square feet

2,841 individual parcels (2,675 residential; 412 commercial)

Total residential parcel coverage: 42%

Total commercial parcel coverage: 58%

Stormwater Management Budget

	Program administration and Six Control Measures	Items	FY2026 budget impact
1.	Stormwater Program Costs	<u>Stormwater Plan Minimum Measures</u> • Public Education and Involvement • Public Involvement and Participation • Illicit Discharge Detection & Elimination (IDDE) • Post Construction Site Runoff Controls • Pollution Prevention and Good Housekeeping	$20,000
2.	Administrative	• Stormwater Administrator salary • P/T Administrative Clerk salary • Tax collection fees	$126,077
3.	Capital Improvement Costs	Infrastructure repair/replacement, engineer costs	$240,000
			$ 386,077

Single-Family Residential Rate Structure

- Tiered-flat fee
- Per ERU above 21,000 square feet
- Based on 93% collection rate
- Revenue Projection: $174,630.73 (42% total budget)

Tiers	# of Parcels	% Coverage	Monthly Fee	Annual Fee
0-3350	1578	32%	$ 2.93	$ 35.11
3351-6000	725	31%	$ 6.25	$ 75.02
6001-21000	359	30%	$ 12.21	$ 146.55
Above 21000	13	7%	$ 78.37	

Average fee reduction of 21.8%

Commercial Rate Structure

Per ERU (equivalent residential unit) fee

Equivalent residential unit = 3,891 square feet impervious surface

- residential impervious surface (10,407,138) ÷ total residential parcels (2675)

ERU rate: $5.44

- revenue projection ($240,681) ÷ total number of ERUs (3687)



Stormwater Program Updates

Stormwater plan under review by NCDEQ

- New five-year goals slated to begin July 2025

Solicited quotes for town-wide inlet/catch basin vacuuming to begin soon

Advertised for engineering services for five-year capital improvement plan for infrastructure repair and replacement

- Due date was the same day Tropical Storm Helene hit and RFQ was postponed
- Plan to readvertise in late spring/early summer w/ capital costs expected to come in FY 2027.

Other Capital Needs

SHERI POWERS, FINANCE DIRECTOR

CIP

Capital Improvement Plan Summary

Parks and Greenways – (discussed previously)

- Storm delay and related funding gap (?)
- Silver-Line Park Restrooms - $192,572 planned FY 2026

Facilities and Grounds

- Town Hall renovation/replacement – Reserve established, $300,000 FY 2024
  Plus $600,000 in FY 2025
- Community Center – Lease extension/Upfit cost (?)
- Taylor Street culvert replacement/removal – On hold
  Paving of drive and salt shed area - $173,725 FY 2026
- Community Garden Improvements - $15,000 FY 2025
- Roy Pope Park - $15,000-20,000 FY 2026

Vehicles & Equipment

- 3 new patrol vehicles – Installment financing (leases) Lease cost estimated @ $236,467 for FY 2026 includes 3 new leased vehicles. (20 leased vehicles since inception of lease program)
- 2005 F350 flatbed truck – replaced with small trash truck $159,929 FY2025
- Trash and Recycling Carts – adequate inventory for a year or two

Infrastructure – (discussed previously)

- Street Improvements - $3.2m project Complete, ongoing costs limited to Powell Bill Revenue plus $100,000 GF contribution beginning FY28.
- Stormwater –Utility established; collections met budget projection, self supporting utility fund. Rate reduction proposed next year.

Proposed New CIP Costs for FY2026

Parks and Greenways

- Silver-Line Park Restrooms $192,572

Facilities and Grounds

- Paving of drive and salt shed area $173,725
- Roy Pope Park repairs $15,000

Vehicles & Equipment

- PD patrol vehicles lease $236,467

$617,764

5 Year Capital Improvement Plan Summary

CIP By Type

Type	Project to date	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	Totals
Parks & Greenways	5,614,203	1,745,012	8,281,074	3,245,250	-	-	-	18,885,539
Facilities & Grounds	143,153	15,000	188,725	900,000	4,000,000	4,100,000	375,000	9,721,878
Vehicles	-	311,047	236,467	246,350	299,647	239,233	274,707	1,607,450
Equipment	388,515	-	-	20,000	82,000	24,200	42,713	557,428
Infrastructure	3,034,250	307,910	937,476	200,000	859,428	100,000	759,428	6,198,492
Totals	9,180,121	2,378,968	9,643,742	4,611,600	5,241,075	4,463,433	1,451,848	36,970,787

CIP By Source of Funds

Source	Project to date	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	Totals
Pay-go from GF revenues	(2,724,827)	(774,929)	(381,297)	(820,603)	(1,068,875)	(24,200)	(501,620)	(6,296,351)
Pay-go from sale of assets		(10,100)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(110,100)
Pay-go from Powell Bill revenue	(616,120)	(534,220)	(279,714)	(279,714)	(279,714)	(279,714)	(279,714)	(2,548,909)
Pay-go from Stormwater Fund revenues	(37,150)	(50,000)	(381,452)	(200,000)	(100,000)	(100,000)	(100,000)	(968,602)
Contributions to be secured		-	(9,484)	-	-			(9,484)
Grants secured	(1,078,890)	(649,519)	(7,621,378)	-	-	-	-	(9,349,787)
Operating lease	-	(141,018)	(216,467)	(226,350)	(254,647)	(219,233)	(254,707)	(1,312,421)
Installment financing	(2,354,053)	-	-	-	(2,581,875)	(3,978,125)	-	(8,914,053)
Series 2020 GO bonds	(3,000,000)	-	-	-	-	-	-	(3,000,000)
Series 2022 GO bonds	(572,150)	(789,750)	(138,100)	-	-	-	-	(1,500,000)
Unfunded	(902,945)	299,235	319,540	3,245,250	-	-	-	(2,961,080)
Totals	(9,480,245)	(3,248,771)	(9,367,432)	(4,791,916)	(4,305,110)	(4,621,272)	(1,156,041)	**(36,970,787)**

Description	2022 Actuals	2023 Actuals	2024 Actuals	2025 Amended Budget	2025 Projection	2026 Projection	2027 Projection	2028 Projection	2029 Projection	2030 Projection	2031 Projection
Total Revenue	**6,544,850**	**8,244,217**	**7,657,085**	**10,778,982**	**10,009,406**	**7,881,792**	**8,019,012**	**8,200,636**	**8,495,214**	**8,733,796**	**8,979,484**
Total Expenditure	**5,299,985**	**7,514,156**	**7,807,802**	**10,778,982**	**9,764,564**	**7,621,974**	**7,804,241**	**8,014,408**	**8,128,707**	**8,420,000**	**8,695,779**
Revenue Over (under) Expenditures	**1,244,866**	**730,060**	**(150,817)**		**244,842**	**259,818**	**214,771**	**186,228**	**366,507**	**313,796**	**283,705**
Ending Fund Balance Projected		6,759,983	6,609,167		6,854,009	7,113,827	7,328,598	7,514,827	7,881,334	8,195,130	8,478,835
Less Estimated Restricted Fund Balance		1,630,014	1,556,801		537,370	537,370	537,370	526,370	515,370	504,370	493,370
Unrestricted Fund Balance Projected		5,129,969	5,052,366		6,316,639	6,576,457	6,791,229	6,988,457	7,365,964	7,690,760	7,985,465
Unrestricted Fund Balance as a % of Exp.			64.71%		64.69%	86.28%	87.02%	87.20%	90.62%	91.34%	91.83%
Amount of Unrestricted FB Required to Maintain a level 60% of Expenditures					5,858,739	4,573,184	4,682,545	4,808,645	4,877,224	5,052,000	5,217,467
Amount of Unrestricted FB in Excess of 60% of Exp					457,900	2,003,273	2,108,684	2,179,812	2,488,740	2,638,760	2,767,998
Town Hall Debt Service								121,875	715,000	695,500	676,000
Town Hall Capital Outlay - Self Pay			300,000		600,000		800,000	800,000			
Cumulative Fund Balance Impact			(300,000)		(900,000)	(900,000)	(1,700,000)	(2,621,875)	(3,336,875)	(4,032,375)	(4,708,375)
Amount of Unrestricted FB in Excess of 60% of Exp after factorin in Town Hall Proj					(442,100)	1,103,273	408,684	(442,063)	(848,135)	(1,393,615)	(1,940,377)
Fund Balance With reserve for Town Hall											
Ending Fund Balance Projected			6,609,167		6,854,009	7,113,827	7,328,598	**4,892,952**	**4,544,459**	**4,162,755**	**3,770,460**
Less Estimated Restricted Fund Balance			1,856,801		1,437,370	1,437,370	1,337,370	526,370	515,370	504,370	493,370
Unrestricted Fund Balance Projected			4,752,366		5,416,639	5,676,457	5,991,229	4,366,582	4,029,089	3,658,385	3,277,090
Unrestricted Fund Balance as a % of Exp.			60.87%		55.47%	74.47%	76.77%	54.48%	49.57%	43.45%	37.69%
Town Hall Reserve/Town Self Pay					**900,000**	900,000	**1,700,000**	**2,500,000**			

Fund Balance Projecton Scenario with a Target of 60% of Expenditures

Estimated Town Hall Project Timeline

FY2026

- Begin work on design RFQ
- Issue RFQ in Late FY 2026

Budget Impact $0

FY2027

- Selected firm completes project design process
- RFP to select Construction Contractor

Estimated GF Budget Impact $800,000

FY2028

- Construction Begins — Estimated GF Budget Impact $800,000
- Installment financing — Estimated GF Budget Impact $121,875

**additional cost associated with relocation and upfit for temp town hall anticipated, not included at this time

Town Hall Project Estimate $9.1 million ($500/sf for a 16K sf building) with $2.76M General Fund and Issuing Debt for $ 6.5m

Town Hall – Estimated Cost

Project Costs (Uses)		**Estimates**
	Site Work/ Demolition	200,000
	Design Costs @ 10% of construction	800,000
	Construction costs @ $500/sq ft	8,000,000
	Total Project Costs	**$ 9,000,000**
Project Funding (Sources)		
	General Fund Revenues	2,500,000
	Debt financing	6,500,000
	Total Project Sources	**$ 9,000,000**

General Fund Contributions

FY2024	$300,000
FY2025	$600,000
FY2027	$800,000
FY2028	$800,000

Salt Storage Bin – 5 Taylor Street

Cost to Complete $264,792







Paving of entrance and salt shed area at Public Works facility $173,725

Vehicles and Equipment





New Small Sanitation trucks replaced 2005 truck



Five new Police vehicles arrived in FY2025 from previous year for a total of 15 leased vehicles. Two on order for FY2025 three planned for FY2026

5 Year Capital Improvement Plan Summary

CIP By Type

Type	Project to date	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	Totals
Parks & Greenways	5,614,203	1,745,012	8,281,074	3,245,250	-	-	-	18,885,539
Facilities & Grounds	143,153	15,000	188,725	900,000	4,000,000	4,100,000	375,000	9,721,878
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Pay-go from Powell Bill revenue	(616,120)	(534,220)	(279,714)	(279,714)	(279,714)	(279,714)	(279,714)	(2,548,909)
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Contributions to be secured		-	(9,484)	-	-			(9,484)
Grants secured	(1,078,890)	(649,519)	(7,621,378)	-	-	-	-	(9,349,787)
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Series 2022 GO bonds	(572,150)	(789,750)	(138,100)	-	-	-	-	(1,500,000)
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Disaster Recovery Impact/FEMA funding

SHERI POWERS, FINANCE DIRECTOR

SHANNON TUCH, TOWN MANAGER

Summary of TS Helene Costs

Type of Loss	Estimated Cost	FEMA	Town Responsibility
Emergency Response	$210,638	$210,638	$0
Parks:			
Silverline	Estimated $1,049,030	?	?
Riverside	Estimated $1,301,537	?	?
Wave	$202,587		$202,587
Streets	?		$0
Culverts/Stormwater	?		$0
Loss in Tax Base	?	$0	?
Debris Removal	$7,800,000		$0

Discussion?

FY2026 budget calendar

Town of Woodfin Fiscal Year 2025-2026 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 3	5:00 PM	Dept budget requests due
March 11	3:00 PM	TC work session:
		FY 2026 Budget Overview
		5-year Financial Forecast
		Fund Balance & Debt Capacity
March 18	5:00 PM	TC regular meeting
April 8	11:30 AM	TC work session
		Capital improvements
		Streets and Stormwater
		Woodfin Blueway/Greenway
April 15	5:00 PM	TC regular meeting
May 13	11:30 AM	TC work session
		WGB funding update
		Expansion Budget - Fee Schedule
		COLA, Other Needs
May 20	5:00 PM	TC regular meeting
		Recommended budget
		Schedule public hearing
June 3	3:00 PM	TC work session
		(Tentative)
June 17	5:00 PM	TC regular meeting
		Public hearing/Budget Adoption
NLT June 30		TC adopts FY2026 budget

Holiday Closings