

TOWN OF VALDESE
ANNUAL COUNCIL/DEPARTMENT HEAD BUDGET RETREAT
WEDNESDAY, MARCH 23, 2022 & THURSDAY, MARCH 24, 2022

The Valdese Town Council met on Wednesday, March 23, 2022 and Thursday, March 24, 2022, 9:00 a.m., for the Annual Budget Retreat, Old Rock School, Waldensian Room, 400 Main Street West, Valdese, North Carolina. The following members were present: Mayor Charles Watts, Councilwoman Frances Hildebran, Councilman Keith Ogle, Councilwoman Rexanna Lowman, Councilman J. Andrew Thompson, and Councilman Paul Mears. Also present: Town Manager Seth Eckard, Town Clerk Jessica Lail, and all Department Heads.

Absent: None

A quorum was present; however, no action was taken.

DAY 1 – MARCH 23, 2022

CALL TO ORDER At 9:00 a.m., Mayor Watts opened the meeting with an invocation and led in the Pledge of Allegiance to the Flag. Mayor Watts welcomed everyone and thanked the Department Heads for all the hard work they had completed on the Budget Retreat. Mayor Watts shared that we have a high level of service for our citizens, thanks to the Council, Department Heads, and employees. Mayor Watts encouraged everyone to continue their forward-thinking.

FINANCE DEPARTMENT Finance Director Bo Weichel provided an overview of the Town's fund balance, major revenues and projections, debt services, and budget challenges. Mr. Weichel shared that the total fund balance for last year was \$5,286,477. The unassigned fund balance was in the amount of \$4,299,677, with a 93% fund balance percentage. Mr. Weichel shared this was an increase of \$775,240 or 20% of expenditures. Mr. Weichel shared that it jumped up because we shut down some of the facilities due to the COVID pandemic. Mr. Weichel shared that we have a healthy fund balance. Mr. Weichel shared that on the Water & Sewer side, the unrestricted balance was \$1,678,904 with 32% of expenditures. The general fund's operating debt ratio is 4.15%, and the debt is 7.49% in the Utility Fund. Mr. Weichel identified challenges for the upcoming year, with one being the increase of the Town portion of retirement moving from 11.43% to 12.16%, which is state-mandated. Mr. Weichel shared that we are unsure of the health insurance rates yet but should have those numbers soon.

TOWN OF VALDESE
2022-2023
BUDGET OVERVIEW

- **FUND BALANCE**
- **MAJOR REVENUES AND PROJECTIONS**
- **DEBT SERVICE**
- **BUDGET CHALLENGES**

FUND BALANCE

PURPOSE OF FUND BALANCE

- **PREVENT SHORT-TERM BORROWING**
- **RESERVE FOR EMERGENCIES, UNFORESEEN EVENTS, OR UNEXPECTED OPPORTUNITIES**
- **INCREASE AVAILABLE FUNDS FOR INVESTMENT**
- **AVOIDS LGC ATTENTION**
(WARNING WHEN FB IS LESS THAN 50% OF AVERAGE FOR SIMILAR SIZED NC UNITS)

GENERAL FUND

WHERE DID WE END LAST YEAR ON JUNE 30TH?

- TOTAL FUND BALANCE WAS \$ 5,286,477
- UNASSIGNED FUND BALANCE WAS \$ 4,299,677
- FUND BALANCE PERCENTAGE 93% OF EXPENDITURES
- INCREASE FROM PRIOR YEAR OF \$ 775,240 OR 20% OF EXPENDITURES

WHAT WILL IMPACT FUND BALANCE SO FAR THIS YEAR?

- USDA ANNUAL RESERVE INCREASE OF \$8,224 TO \$145,683 (COMMITTED)
- FUND BALANCE APPROPRIATIONS \$122,000

IA BUILDING DEMO | MED. INS PREMIUM ADJUSTMENT | CHARGER NEW ENGINE
REC LOCKER ROOM HVAC | FOUNDATION FORWARD SIDEWALK | TOWN HALL ROCK

WATER & SEWER FUND

WHERE DID WE END LAST YEAR ON JUNE 30TH?

- UNRESTRICTED WAS \$ 1,678,904
- FUND BALANCE PERCENTAGE 32% OF EXPENDITURES
- INCREASE FROM PRIOR YEAR \$ 413,111 OR 8%

WHAT WILL IMPACT FUND BALANCE SO FAR THIS YEAR?

- CAPITAL ITEMS/PROJECTS APPROVED IN CIP MODEL (FEE/MATCHES) \$ 16,987
- FUND BALANCE APPROPRIATIONS \$ 69,723 IA BUILDING DEMO | MED. INS ADJUSTMENT
- SALE OF ASSETS \$ 7,275 TRAILER | RALPH PATTON RD

REVENUES

TOWN OF VALDESE Major Revenue Sources (General Fund)					
	Current Budget	Actuals (67% of Year)	% Collected	FY 22-23 Projection	Projected Increase (Decrease)
Current Ad Valorem Tax	2,040,795	2,000,336	98.0%	2,045,340	0.2%
Motor Vehicle Tax	180,000	138,854	77.1%	192,000	6.7%
Utility Franchise Tax	457,000	219,815	48.1%	457,000	0.0%
Powell Bill	144,500	162,972	112.8%	146,300	1.2%
Sales & Use Tax	1,282,942	1,042,893	81.3%	1,465,039	14.2%
Refuse Collection Fee	202,000	139,076	68.8%	202,000	0.0%
Recycle Fee	44,200	30,364	68.7%	44,200	0.0%
Recreation Memberships	144,000	92,169	64.0%	144,000	0.0%

DEBT

TOWN OF VALDESE General Fund Debt			
	Annual Payment	Balance Remaining	Years Remaining
Fire Engine (USDA)	26,908	53,816	2
Fire Ladder Truck (USDA)	52,761	844,176	16
Trucks & Equip-Street (Truist)	53,743	214,972	4
Town Hall (USDA)	88,878	2,577,462	29
Splash Park (USDA)	19,483	701,388	36
Patrol Vehicles (Truist)	18,471	55,410	3
Total	260,244	4,447,224	
Operating Debt Ratio	4.15%		

TOWN OF VALDESE Utility Fund Debt			
	Annual Payment	Balance Remaining	Years Remaining
Inflow & Infiltration (SRF)	14,779	185,885	14
Settlings - Water & Sewer (USDA)	67,115	1,726,415	26
St Germaine Water Line (SRF)	8,626	146,634	17
Water Meter AMI (SRF)	88,112	1,586,013	19
2018 Water System Improvements (SRF)	23,327	419,893	18
Main St. Waterline Replacement (SRF)	70,703	1,343,365	19
Bleach Conversion-Water Plant (SRF)	35,920	682,478	19
2022 Vehicles/Equipment (Truist)	14,610	58,438	4
Water Plant Upgrades MCC (SRF)	41,961	839,216	20
TOTAL	365,153	4,064,840	
Debt Ratio	7.49%		

BUDGET CHALLENGES

2022 BUDGET CHALLENGES FOR VALDESE:

- STATE MANDATED 0.75% INCREASE TOWN PORTION OF RETIREMENT (WILL BE 12.16%)
- HEALTH INSURANCE?
- STANDARD PRICE INCREASES / CONSUMER PRICE INDEX INCREASES FROM VARIOUS VENDORS SUCH AS TRASH/RECYCLING, SOFTWARE/IT, SERVICES, & MATERIALS.

POLICE DEPARTMENT Police Chief Jack Moss shared the Police Department accomplishments for FY 21-22 and identified objectives for FY 22-23. Chief Moss feels that the new Code Enforcement/Animal Control Officer has been a success and is cleaning up the Town. Chief Moss shared that the Police Department responded to 2,284 calls last year and expect this year to be more due to the pandemic lifting. Chief Moss shared that it is harder to find employees, and Officers are making more money in the private sector.

Valdese Police Department Budget 2022-2023

Budget Accomplishments 21-22:

- New RMS(Records Management System) will be up and running July 1, 2022.
- Upgraded 2 desktops and 5 patrol unit computers.
- Code Enforcement and Animal Control position is successful in eliminating most problem areas.
- We have upgraded our Records Management System security.
- We are replacing the viper radios this budget year.
- The department initiated "Boots on the Ground" to develop better community relations for our new officers and reinforce our senior officers involvement in the community.
- "Coffee with the Chief" has been a success. Several citizens, from the community, attend every meeting.

Accomplishments Continued:

- The department is at full staff and has been working extremely hard to rid our community drugs and crime.
- Our officers responded to 2284 calls for service (2449 for 2020-2021) and initiated 16,703 CAD reported incidents (10,036 for 2020-2021). Traffic accidents as reported from February 15, 2021 to March 07, 2022 were 138. The same time period the previous year, we had 107 traffic accidents reported. Officers issued 38 written warnings (22 last year) and gave 347 verbal warnings (354 last year). They made 362 arrests (176 last year) and issued 549 traffic citations (305 last year).
- This budget year has seen many challenges for our department. Our personnel have taken on more responsibilities and met these challenges head on and will continue to improve the safety of our community.

Budget needs 2022-2023:

- We need to replace one patrol unit this budget year.
- We will move the oldest unit to our reserve fleet to be used during inclement weather and for reserve special assignments.
- We need to purchase a Taser for our Code Enforcement Officer and Reserve Officers.
- We will need to replace 4 Desktop computers and 1 Mobile Laptop to stay on the town upgrade schedule.

Budget needs continued:

- Proactive code enforcement continues to provide a clean city and with proactive animal control enforcement monies need to be added to budget for veterinarian charges.
- We need to continue offering competitive salaries for our area.

Conclusion:

- Our department will continue to stress the benefits of training, to better equip today's officers in facing new challenges that we encounter.
- We will continue to aggressively pursue criminals that commit crimes in our city and follow through with their criminal prosecutions. We will emphasize public awareness and public education to complement the enforcement of motor vehicle laws to make the streets of Valdese safer.
- I will continue to meet with the merchants and community organizations to hear their concerns and keep them informed as to how we may be of service and provide them with information to help protect themselves and their property.
- Our objective is to be a department of more community related officers and make Valdese a safe place to raise a family and operate a business where law enforcement is seen as part of, and respected by, the community.
- Our desires are that the Town will respect its law enforcement officers, as the officers will respect and honor all citizens, by protecting and serving them as we uphold our oaths of office.

PLANNING DEPARTMENT Planning Director Larry Johnson provided an overview of zoning permits, housing development updates, items the Planning Board is currently working on, and budget requests. Mr. Johnson shared that the Planning Department and Planning Board has a big project coming working on re-zoning the Downtown Business Corridor.

VALDESE PLANNING DEPARTMENT

OVERVIEW

- Year 2021 Zoning Permits Overview
- Housing Development Updates
- Planning Board Agenda 2022
- Department Request

ZONING PERMITS SUMMARY CALENDAR YEAR 2021 TO DATE

Zoning Permits issued in 2021

75

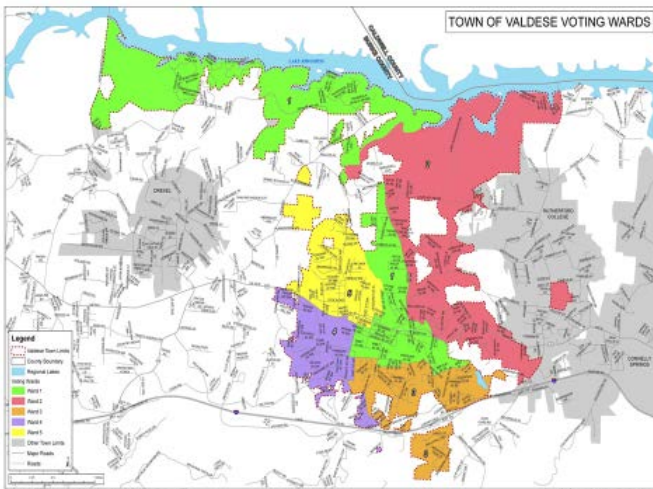
Permits Value

\$21,318,385.00

- New Construction Site-Built
(13) \$5,503,874.00
- Residential Addition
(5) \$299,800.00
- Residential Renovation
(7) \$352,772.00

Zoning Permits issued in 2022
13

Permits Value
\$983,000.00



WARD BREAKDOWN

- Ward 1 (Thompson)
18 Permits \$6,949,425.00
- Ward 2 (Mears)
23 Permits \$2,417,941.00
- Ward 3 (Lowman)
6 Permits \$ 463,092.00
- Ward 4 (Hildebran)
16 Permits \$11,239,932.00
- Ward 5 (Ogle)
10 Permits \$ 226,995.00

HOUSING DEVELOPMENT UPDATES

LAKE FRONT SUBDIVISIONS

- Lake Rhodhiss Estates
- Lake Vistas Phase I and 2
- Waterside
- McGalliard Pointe
- Island Pointe Shores (Phase 3)

**LAKE RHODHISS ESTATES
FORMERLY THE SETTINGS**



**Lake Rhodhiss Estates
(The Settings)
2008**

210 Lots

6 Houses Occupied or under construction

LAKE VISTAS PHASE I & 2



**Lake Vistas Phase I & II
2012**

72 Lots

8 Homes Occupied or under construction

WATERSIDE



**Waterside
2013**

124 Lots

18 Houses Occupied or under construction

MCGALLIARD POINTE



McGalliard Pointe
2015

5 Lots
4 Houses occupied or under construction

ISLAND POINTE SHORES



Island Pointe Shores at Lake Vistas
2018

48 Lots
6 Houses Occupied or under Construction

WATERFRONT SUBDIVISION TOTALS

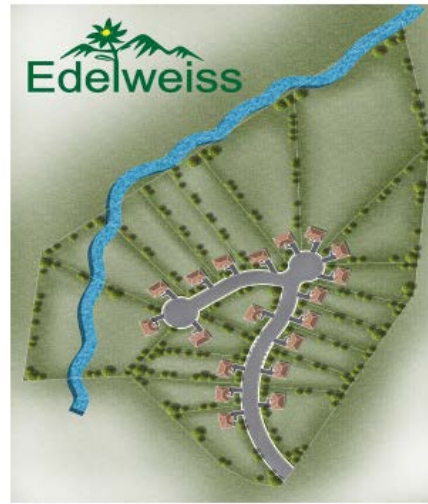
459 Subdivision Lots

42 Houses Occupied or Under Construction

HOUSING DEVELOPMENTS

EDELWEISS

- Edelweiss Subdivision (19 Lots) In final construction phase; Beginning construction of two model homes by June 2022. Expected home prices in \$250,000.00 range depending upon lot and house square footage.



VALDESE BLUFF

- Valdese Bluff (Planning Stage) Planned Unit Development that will include office/institutional opportunities, single family housing, apartments, and a marina. Town received grant (\$800,000) for extension of sewer to the site.
- First phase will consist of a 44 lot subdivision



RENTAL HOUSING PROJECTS

- Pine Crossing (66 Unit Affordable-work force) Housing Plan Unit Development); Construction slated for 2022. 9.8 million dollar project
- Tron Place (60 unit apartments for rent to Elderly 55 years and older); Total investment of 8.5 million dollars; Site Development slated for Fall 2022
- Historic Valdese Weavers Mill - 12 Million dollar 60 unit apartment (work force housing with no age restrictions); Rent ranges \$600 and \$850 for 1br & 2br. Construction schedule for Fall 2022.

PLANNING BOARD 2022 AGENDA

Commercial Districts Expansion

- Rewrite of permitted uses and standards in the B-1 Central Business and B-2 General Business commercial zoning districts
- Create new district, DBC-Downtown Business Corridor
- Expand the B-1 Central Business, and
- Expand the B-2 General Business District

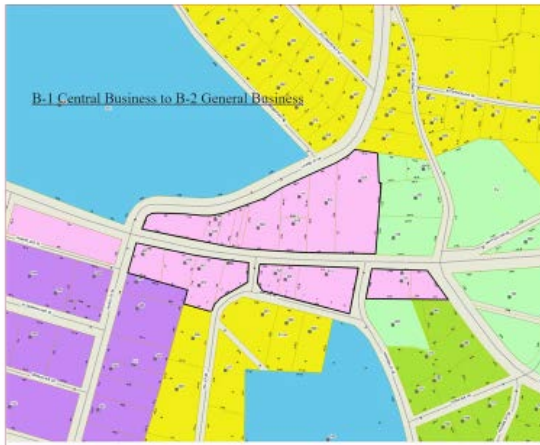
Planning priority in The Valdese Vision: Land Use Action Plan

REZONING BOUNDARY



DOWNTOWN BUSINESS CORRIDOR





PLANNING DEPARTMENT 2022-2023 BUDGET

UPDATE ZONING ORDINANCE AND SUBDIVISION REGULATIONS

- Create opportunities to improve the readability and usability of the ordinances.
- Create a Unified Development Ordinance (single more usable document) that would bring together the zoning and subdivision standards
- integrate the various definitions from the two documents, harmonize potentially conflicting language and requirements, and
- move key standards into easy-to-read tables

COST/FUNDING

- Staff has requested \$15,000.00 to fund this project.
- Town Manager has agreed to support project with fiscal year 2021-2022 or 2022-2023 General Fund appropriations

WARD REDISDISTRICTING

2020 Census Population 4,689

2010 Census Population 4,490

- Ward Boundaries adjusted due to 2020 Census
- By State Statute all Wards in the must be within plus or minus 5% of the Town's Census 2020 population
- If the 2020 census shows that the existing districts already are within this plus or minus five percent overall deviation range, there is no need to redistrict".

County or Municipality	Population 2010 Census	Housing Units 2010 Census	Population 2020 Census	Housing Units 2020 Census	Population Change 2010-2020
Alexander County	27,198	16,189	36,444	35,962	744
Burke County	80,912	40,479	87,625	39,625	7,447
Caldwell County	31,678	17,439	30,472	36,311	-2,171
Catawba County	154,378	67,888	165,632	70,744	6,252
Highway Service Management BSA	96,497	18,813	95,774	18,848	273
Brookford town	392	214	441	218	60
Clay's Mountain town	2,821	1,217	3,722	1,396	101
Catawba town	693	294	701	301	9
Cedar Rock village	300	137	301	134	1
Claytonville city	3,373	644	4,020	774	345
Community Springs town	1,669	733	1,629	832	140
Conover city	2,105	1,054	3,421	1,605	250
Davies town	1,044	613	1,744	811	700
Claytonville town	4,051	1,786	3,702	1,681	-349
Green Ridge town	1,312	678	1,426	872	110
Granite Falls town	4,722	2,077	4,945	2,195	243
Hickory city	40,016	18,129	43,446	20,064	3,430
Hickory town	2,023	668	1,679	773	-344
Hudson town	3,774	1,694	3,785	1,717	4
Lenoir city	18,224	8,548	18,152	8,901	124
Long View town	4,873	2,335	5,088	2,553	212
Madison town	3,316	1,583	3,744	1,925	429
Morganton city	16,918	7,418	17,474	7,652	554
Newtown city	12,964	5,495	13,140	5,770	180
Northwest town	1,476	468	1,977	872	396
Northwood Cottage town	1,343	614	1,244	582	-111
Summit town	3,244	1,512	3,022	1,276	-222
Taylorsville town	2,094	1,026	2,320	1,110	223
Valdese town	4,490	1,927	4,689	2,129	199

COST/FUNDING

- Identified in 2022-2023 Department Budget
- Estimated contract cost \$1,500.00.

THE VALDESE VISION: A LAND USE PLAN FOR THE FUTURE

- Land-Use Plan adopted by Valdese Town Council, January 2014
- However, general guidance from the UNC School of Government suggests that planning best practice is to update a community plan at least every five years in fast-growing communities, and every ten years or so in slower-growth or no growth communities.
- Town of Valdese grew by about 199 or so between 2010 and 2020, or about 4 percent, which might be considered as moderate.

COST/FUNDING

- Staff has requested \$65,000.00 to fund this project.
- Planning Department requesting that the project will be placed in General Fund CIP for implementation FY 2024-2025 Budget Year.

FIRE DEPARTMENT Fire Chief Greg Stafford shared departmental accomplishments. Chief Stafford also provided an overview of calls and activities throughout FY 21-22 at the Fire Department. Chief Stafford discussed the upcoming purchase of Viper Radios and explained how the radios are one of the most important pieces of equipment they carry. In addition, Chief Stafford informed Council of all the existing programs the Fire Department is involved in.



2022-2023 Fire Department Operational Budget



2021-2022 Accomplishments

- Rescue Cutter: \$7,500



- Rescue Spreader: \$8,500



- Rescue Ram: \$6,200



Rescue



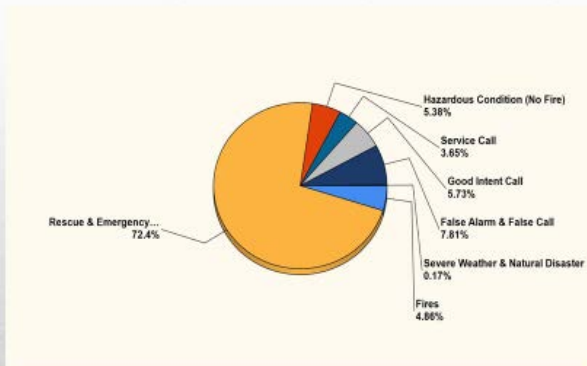
Thermal Imaging Camera: \$5,000



Junior Firefighter Program

- Total training hours: 3,082
- Fire Inspections: 211 Violations: 810
- Maintenance of all fire hydrants in the service district
- Total Fire Department Responses: 576
 - Fire – 173
 - Medical - 386
 - Fire and Medical – 17
- Completed Insurance Rating Inspection

Miscellaneous Accomplishments



- 14 requests to check detectors
- 24 detectors checked. 17 non-functional (71%)
- 25 new detectors installed



Smoke Detector Program

- 14 requests to check detectors
- 24 detectors checked. 17 non-functional (71%)
- 25 new detectors installed

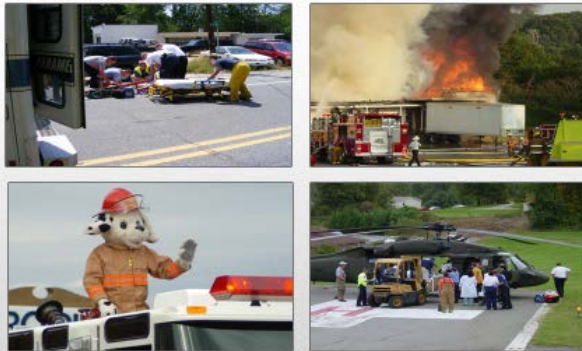


Smoke Detector Program

- Registered Permanent Checking Station
- 36 child restraints checked at VFD in 2021
- Part of Safe Kids Burke County Coalition
- Assisted with 2 seat check events.
- 80 total hours



Safe Kids Program



2022-2023 Objectives

- Previously in 2023-2024 CIP
- \$175,000
- Critical part of personal protective equipment
- Current radios are legacy models and are not factory supported
- Current radios are approaching 10 years old
- Must meet new VIPER system requirements



VIPER PORTABLE RADIOS

- Implementation of policies and guidelines to help prevent cancer
 - Increased risk of numerous types of cancer in firefighters
 - NC Firefighter Cancer Benefit Pilot Program
 - Will be purchasing additional PPE and supplies
- Currently exploring CPR/First Aid classes for the general public

Miscellaneous Objectives



Mingle with
Kris Kringle
Presented by Valdese Fire Department

EXISTING PROGRAMS

- Assisting with DHS Fire Academy Program
- Junior Firefighter Program
- Maintenance of fire hydrants
- Safe Kids Program
- Smoke Detector Program
- Emergency Management/Hazard Mitigation
- Burke Co. Homeland Security Task Force
- Town of Valdese Workplace Safety Program

PARKS & RECREATION Parks and Recreation Director David Andersen shared with Council that the COVID pandemic hit the Recreation Department hard, and they are working on returning to normal. Mr. Andersen gave an overview of the services available and a few events that the Recreation Center is bringing back. Mr. Andersen reviewed some successes this year, from the swim team to Lakeside Park additions. In addition, Mr. Andersen shared budget highlights and CIP projects for FY 22-23, including improvements to the Community Center locker room and purchasing a new lawnmower.

**Town of Valdese
Parks and Recreation**
Budget Retreat March 23, 2022



Returning to "Normal"

- + Fitness Programming Increasing in Attendance
 - + SilverSneakers every weekday
 - + Aquacise classes 4 days a week
 - + Line Dancing three days a week
- + Swim Lessons
- + Birthday Parties and Facility Rentals
- + Bowling Leagues

Big Events Making A COVID Comeback

- + April 11-15:
 - + 2nd Grade Water Safety Program with Valdese Elementary
- + May 14:
 - + Granville Morrow Fun Fish Day
- + September 9:
 - + Dive-In Movie Night

Excellence at Any Age



Valdeese Lakeside Park



Moving Forward and Improving




Departmental Challenges

- + Part-Time Staffing
 - + Concessions Staff
 - + Lifeguard Staff
- + Infrastructure
 - + Aging Facilities
 - + Aging Equipment




Expanding Revenue

- + Suggest Modest Increases in the following areas:
 - + Facility Rentals
 - + Swim Lessons
 - + Aquatics/Fitness Memberships
- + Offer New Programming
 - + Youth Volleyball
 - + Recreational Therapy Programming



Looking Forward

- + Gymnasium/Locker Room Renovation
 - + Gymnasium, Lobby, and Restrooms
 - + Locker Rooms and Pool/Fitness Lobby
- + Pool Boiler Replacement



COMMUNITY AFFAIRS Community Affairs Director Morrissa Angi shared the annual statistics, showing an increase since 2019. Ms. Angi informed Council of the many projects and renovations that Community Affairs completed this year. Ms. Angi updated Council on Community Affairs CIP. Ms. Angi shared new ideas on improving downtown, including a front lawn at the Old Rock School for future events, an outdoor patio seating area, and new welcome to Valdese signs. Ms. Angi said these were just ideas for the future. Councilwoman Hildebran suggested buying new flags on the light poles with more color. The Town Council discussed improving the Town's Christmas lights that added more color.

Community Affairs

ANNUAL BUDGET RETREAT 2022

Annual Statistics

Community Engagement & Outreach

Outreach & Engagement

14,067

Social Media
Average Engagement = 108,000 per month
Post Reach = Avg. 30,000

94,037

townofvaldese.com
Avg. # of visits per month = 7,844
+20,000 since 2019
**Marganton, Charlotte, Nashville TN, Ashburn VA*

16,000

visitvaldese.com
Site launched in September 2021
5 staff created content saving \$3,500
**Marganton, Charlotte, Nashville TN, Ashburn VA*

5,778

E-Newsletter
33% Open Rate
+700 subscribers since 2019

Old Rock School Statistics

613

❖ **Event
s**

1,385

❖ **Visitor
s**

4

❖ **Businesse
s**

10,356

❖ **Attendee
s**

132

❖ **Free
Events**

4

❖ **Organizations**

Old Rock School is home to the following organizations & businesses:

Tenants who pay lease rates:

- Dream Connections, Inc. = 3,350 sq. ft. = \$12,540
- David Harmon Studios = 800 sq. ft. = \$4,200
- Tranquility Day Spa = 700 sq. ft. = \$4,200
- Modern Treatment HealthCare = 120 sq. ft. = \$600
- Piedmont & Western Railroad Club = 2,677 sq. ft. = \$2,760
- Meals on Wheels = Teachers Cottage 1,600 sq. ft. (shared space) = \$2,400

Tenants who occupy ORS free of charge:

- Rock School Arts Foundation = 2,280 sq. ft.
- Old Colony Players = 1,400 sq. ft. + Amphitheatre Facility
- Free use of auditorium, class & dressing rooms - Waldensian Room is blocked during ticketed events
- Valdese Lions Club = Teachers Cottage (2x per month)
- Valdese Rotary Club (Rotary Room) = 382 sq. ft.

Challenges

- Generating Additional Revenues
 - Old Rock School Rentals - "agreements" limit paid event rentals
 - Loss of big event renters - HEARTS & Carolina Broadway Theatre Group
 - Long ago agreements with organizations - Changes could generate over \$50,000

Good News

- County Tourism Dollars are on the rise
 - Estimated increase of over \$20,000 in occupancy tax revenues for 2022-2023
 - OCP - \$7,500 FTD Advertising Grant -
- Old Rock School Rentals are rebounding after COVID
- Outdoor Event numbers are on the rise

Communication

Advertisements | Promotions | Announcements | Notifications

How do we communicate with citizens?

- Websites
- CodeRED
- Social Media
- Email
- Mailed Newsletters
- Radio
- Flyers
- Media Ads
- Waterbills
- Waterbill Inserts
- New Resident Packets
- Visitor Packets
- Relocation Packets
- Press Releases
- Marquee Listings



New Addition!

On townofvaldese.com -

Any important announcement from PS, PW, TC, etc.

- CodeRED**
- Events
 - Road Closures
 - Hydrant Flushing
 - Water Line Break



How can you be better informed?

- All webpages on townofvaldese.com have this! With Facebook feed!
Newsletter Directory | Bill Pay | Citizens Request | Meetings | Code Enforcement



2021 Events & Celebrations

Virtual | Downtown | Contests

Events

- Bluegrass at the Rock - 6 shows - 102 Season Ticket Holders - Avg. 300 per show
- Lucky Leprechaun Hunt - 250 participants
- Moms with Moxie & Rad Dad photo contest - 100 submissions - 800 approximate votes
- Family Friday Nights - Average 500+ attendees per Friday
- Hunt for Stars & Stripes - 200 participants
- Spring Craft Market - with HVF & RSAF - 50 vendors & 1000 attendees
- Independence Day Celebration - estimated 20,000 attendees
- Waldensian Festival - estimated 10,000 attendees
- Treats in the Streets - estimated 2,000 attendees



- Old Rock School - BOO's - 100 Participants
- Ferocious Pet Costume Contest - w/ Barksid Pet Grooming - 30 submissions
- Christmas in November Craft Show - w/HFV & RSAF - Over 60 vendors Over 1,500 attendees
- Great Gobbler Photo Contest - w/ Farris Insurance - 24 family submissions
- Christmas Parade - estimated 1,000 in attendance
- Christmas in Valdese - Tree Lighting - Carol Singing with OCP - 100 participants
- Christmas Home Decorating Contest - 20 submissions
- Merchant Window Decorating Contest - Over 400 public votes
- Christmas Shop Hop - 100 participants



Valdese Events brought in over 45,000 attendees

NEW EVENTS & IDEAS

- SUPRISE EASTER EGG HUNT
 - 3,000 Eggs hidden at Old Rock School and Parks
 - Plan NOT TO ADVERTISE! Secret Surprise!
 - Surprise event to eliminate issues from 2021
- STAIRS OF HONOR - MEMORIAL DAY & VETERANS DAY
 - The Old Rock School steps will be lit with red/white/blue luminaries
- ART IN THE PARK - SEPTEMBER 2022
 - Partnership with FOVR, RSAF and Rec. Dept. to provide art competition at VLP
- FOUNDERS FESTIVAL - MAY 2023
 - Combine Spring Craft Market, Fun Fish Day and FFN Kickoff to create "new" festival
- OLD ROCK SCHOOL 100TH BIRTHDAY!
 - 20's themed events
- PARADE OF TREES - DECEMBER 2022 - Revenue Generator
 - Possible partnership with Pilot Club to create ticketed tour

Building Improvements

Old Rock School | Teachers Cottage

Tranquility Day Spa - Room #35



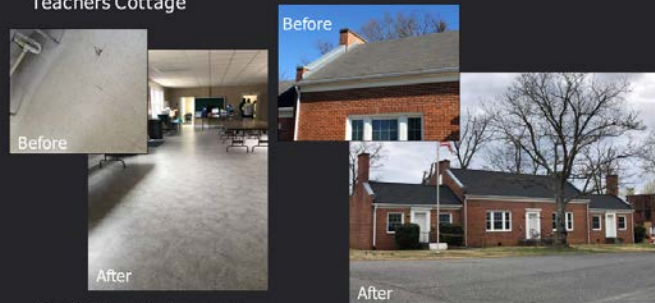
Carpet Removal | Hardwood Floor Refinishing | Ceiling Tiles Replaced | Paint

Small Improvement Projects Completed

Old Rock School | Teachers Cottage | Downtown

- Flood Lights added to the rear of ORS for security - older fixtures replaced
- Chiller Pump - to be repaired by staff - saving approximately \$18,000
- Electrical Upgrades for Old Rock School - Additional outlets, lighting - etc.
- Re-keyed to new master key system - RFF Donation
- Replacement of side entrance door with ADA opener - RFF Donation
- Additional Security Cameras Installed - RFF Donation
- Downtown Landscaping Overhaul - Public Works - Main Street Funds
- Purchased Town Christmas Tree - 20 year life - 18' tall to be installed at ORS

Teachers Cottage



Roof & Floor Replacement

Capital Improvement Plan

Old Rock School | Teachers Cottage

REPLACE STAGE LIGHTING PT. 2	\$80,000.00	2022-2023	Install New LED Stage Lighting System
CLOCK TOWER REPAIR	\$25,000.00	2023-2024	Replace Digital Components, Clock Faces, Chimes, Stucco & Paint
FRONT STEPS & FRONT FAÇADE	\$30,000.00	2023-2024	Tuck & Point Rock Work, Clean, Seal, Resurface Front Steps
PARKING LOTS	\$65,000.00	2024-2025	Resurface, Stripe - Parking Lots
REPLACE AUDITORIUM CARPET & TILE	\$35,000.00	2025-2026	
STAGE WOODWORK REPLACED	\$15,000.00	2025-2026	Repair & Replace facade of auditorium stage

Downtown Improvement Ideas

Streetscape | New Downtown Residents | Gathering Spaces

CREATE "THIRD PLACE"

In community building, the third place is the social surroundings separate from the two usual social environments of home ("first place") and the workplace ("second place").

DOWNTOWN IMPROVEMENT IDEAS

- REMOVE PARKING AREA IN FRONT OF ROCK SCHOOL - REPLACE WITH GRASS LAWN
 - 25 Parking Spaces would be removed (20 spaces added in 2019 with new west lot)
 - Paving \$ vs. increased mowing
 - Restore original design
 - Create gathering place for local residents - GREEN SPACE on Main Street!



DOWNTOWN IMPROVEMENT IDEAS

- CLOSE RODORET STREET BETWEEN 100 MAIN & BOUTIQUE
 - Create outdoor patio space for dining, gathering & art in heart of downtown
 - Connect future businesses on Bobo Street with Main Street



DOWNTOWN IMPROVEMENT IDEAS

REDESIGN WELCOME SIGNS

- Refresh first impression & welcome
- Improve Landscaping
- Keep existing - back-lite with new logo



Carolina Street



DOWNTOWN IMPROVEMENT IDEAS

REDESIGN GATEWAY SIGNS

- Refresh first impression
- Add landscaping



Carolina Street



- Replace with new colorful graphic of Valdeese
- Enhance with landscaping
- Utilize existing frame

DOWNTOWN IMPROVEMENT IDEAS

Improve the look of the downtown district with new street signs - enhance "charm"



Community Affairs

ANNUAL BUDGET RETREAT 2022

Questions?

PUBLIC WORKS Public Services Director Greg Padgett and Assistant Public Works Director Allen Hudson gave an overview of the services provided by Public Works. Mr. Hudson shared plans of repairing the previous wash bay, which is larger and would prevent washing vehicles inside the shop. Mr. Hudson and Mr. Padgett discussed the extra trash they have to pick up around town. The excess trash is due to citizens overflowing their trash bins. Council discussed ways to improve the process. Mr. Padgett recommended a \$50.00 charge to citizens who have construction debris to be picked up and a \$2.00 increase to the recycling fee. Mr. Padgett also shared that staff would be having a paving assessment completed this year. Mr. Padgett would like to see the sidewalks assessed in the near future to meet ADA compliance and complete repairs.

VALDESE PUBLIC WORKS



WHAT DEPARTMENTS ARE UNDER THE PUBLIC WORKS UMBRELLA

- Administration
- Maintenance of Building and Grounds
- Sanitation
- Street
- Powell Bill

What drives public works

- Preventative maintenance
- Short term or long term planning
- Budget
- Personnel
- Utilize a work order system to track everything
 - Citizen
 - Internal customer

COMPLETED WORK ORDER

Administration

- Central hub for all public services, including utilities
- Initial public contact for: Trash, Streets, Utilities and all manner of questions.
- Gas and diesel depot for all town equipment/vehicles
- Includes garage.
- Preventative maintenance on town equipment/vehicles
- Minor repairs for town equipment

Scheduled Service



Current Wash Bay

Where staff currently washes vehicles
Doesn't work well for larger equipment
Adjacent to break area



Planned Future Wash Bay

Previously used as wash bay
Did not spend money to maintain equipment
Will allow more room to wash large equipment



Maintenance of Building & Grounds

- Town plantings (mostly main street)
- Cemetery
- Right of way (ROW) mowing where there are sidewalks
- Minor facility maintenance

Centennial Park

Contracted sandblasting of metal part. Staff repaired concrete, painted concrete and painted metal and put back in service.



Sanitation

- Main street trash cans
- Back door service??
- Extra trash pickup?? Why did we start doing this?
- Replacement garbage truck near future.

Trash Issues

This is considered an overflowing trash can by Republic Services. Republic will typically not empty cans like this and it left for public works to go pick it up after the resident calls public works to complain.



March 23 & 24, 2022, MB#31

(b) Construction debris:

(1) The town will not collect construction debris resulting from work performed by a contractor. The contractor and the property owner shall be responsible for promptly disposing of all such construction debris.

(2) Construction debris resulting from work performed by the property owner, individually, (not through a contractor) will be collected by the town provided that the property owner pays the town in advance a fee as determined by the Public Works Director to cover the cost of the collection and disposal of the construction debris.

Staff is recommending a \$50 fee to use the truck for construction debris.

(c) Furniture and white goods: The town will collect only furniture and white goods (appliances) that result from the residential use of the property at which they are to be collected. Such furniture and white goods will be collected at curbside at such times and subject to such other requirements as established by the Public Works Director.

Extra Trash

- Extra trash equaled **387.6 tons** of trash picked up in **2021**
- That is an average of **32.3 tons per month**
- This does include town cans

Extra Trash Pickup

(amount of trash picked up)

According to the town's solid waste ordinance

(h) Clean cardboard that is broken down and stacked beside a mobile container will be collected by the town at the time it collects the waste in the mobile containers. With the exception of such cardboard, the town will not collect solid waste not located inside the mobile containers.



Republic Services

- Trash
 - 1366.78 tons for 2021
 - Average 113.90 tons per month compared to 112.77 tons/month 2020
- Recycle
 - 282.16 tons for 2021
 - Average 23.51 tons per month compare to 26.65 tons/month 2020
- Propose \$2 increase (discussion)
 - What is our goal? Revenue neutral??

Street

- Street signage
- Patching and pothole repair
- Gravel road maintenance
- Brush pickup
- Leaf pickup
- Storm water

Right of Way Maintenance

Clearing a storm drain along Micol.



Right of Way Maintenance

Regrading of side of road to better control storm water. Laurel Street.



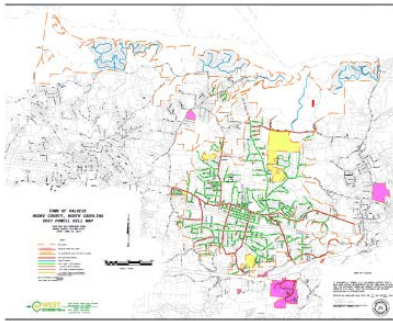
Powell Bill

Stormwater

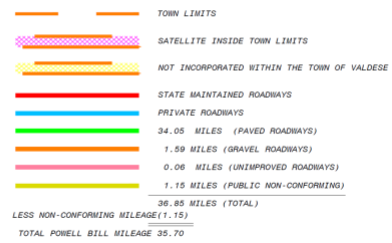
- Western Piedmont Council of Governments (WPCOG)
- 2 year contract, renew July 1, 2023
- Annual report

- Pass thru department – funded by the state
- No control of the amount funded
- Can only be used for town roads or sidewalks and their maintenance
- This is the money we use to pave our roads

Powell Bill Map (Town Streets)



Powell Map Legend



Paving Assessment

Proposals for new paving assessment 2022

Solicited proposals from 4 different companies
 April council agenda
 A tool for planned paving
 Money is the only thing that can bridge the gap in paving



Sidewalk Condition

Side walk needs to extended to street
 ADA compliance is an issue throughout town

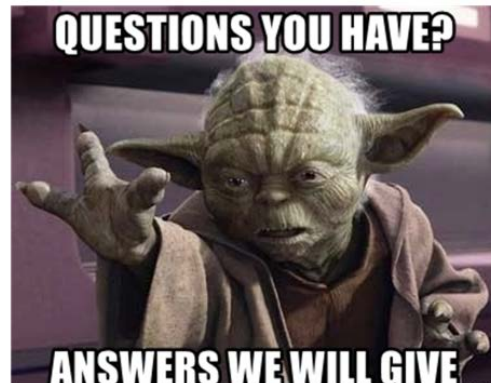
Sidewalk has since been edged



Sidewalk Condition

Needs to be replaced

Council input



At 4:30 p.m., Mayor Watts closed the meeting and continued it to Day 2.

DAY 2 CONTINUED – MARCH 24, 2022

Finance Director Bo Weichel shared the proposed ten-year General Fund Capital Improvement Plan.

March 23 & 24, 2022, MB#31

UTILITY DEPARTMENTS Public Services Director Greg Padgett provided a presentation on recent accomplishments and challenges at the Wastewater and Water Treatment Plants. Mr. Padgett identified various projects that have been completed.

VALDESE PUBLIC UTILITIES

2022-2023

Town of Valdese Water Plant



Water Plant

- Regulations
- Maintaining existing assets
- Increase in demand
 - Population
 - Expansion
 - New industry

Water Plant

- Bleach Conversion completed
- Motor Control Center (MCC) replacement at raw and finished water pump stations

New Liquid Bleach Feed System



Water Usage

	Water Sales					
	2020		2021		2022 (projected)	
	# meters	Gallons	# meters	Gallons	# meters	Gallons (projected)
Residential	4929	209,765,221	4,964	209,825,183	4986	205,970,370
Commercial	341	53,214,800	334	65,773,700	336	56,320,200
Industrial	28	257,106,800	26	295,555,400	26	281,659,800
Wholesale	12	201,362,540	9	210,033,200	9	175,117,560

Lake Rhodhiss Wastewater Plant



Wastewater Plant

- Regulations
- Maintaining existing assets

Wastewater

Loader to be replaced
 Wood chips – both purchased and generated
 Town brush – collected by public works and ground for wood chips



Water Distribution System

After hours repair on Praley St.

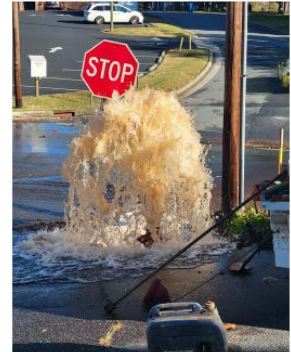


Distribution System

- Future needs / projects
- Hydraulics
- Improvement of pressure
- Expansion
- Quality improvements
- Maintaining existing lines

Sometimes you just have to stop what you are doing and take care of problems

Water leak on Eldred



Collections System

- Future needs / projects
 - Expansion – not likely
- Maintaining current assets
- Active project – cline pump station improvements
- Repair identified problem areas
 - Approximately 600 lf across from town hall

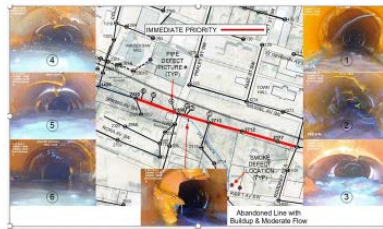
Wastewater Collection System

Sewer stoppage



Sewer Issue

Discovered during I&I project
 Emergency Repair
 April Agenda



CAPITAL IMPROVEMENTS PLAN WATER & SEWER RATE STUDY R.J. Mozeley with McGill Associates provided updates on recent accomplishments, current projects, upcoming projects and presented the Water and Sewer Utility Fund Capital Improvement Plan. Mr. Mozeley explained to Council that the CIP list items are either for a regulatory requirement, viability as if the equipment will stay running, efficiency, and is their growth needing to expand. These are the four categories that everything on the CIP list has to fit in. Mr. Mozeley discussed a few highlights over the next ten years.

March 23 & 24, 2022, MB#31

Dale Schepers with McGill Associates provided an overview of the Water and Sewer Utility Fund Summary Financial Analysis and Funding Awards Summary. Mr. Schepers noted a graph that shows projected debt services and cash financed CIP over the next several years, and the amounts continue to climb. Mr. Schepers explained that an increase in water and sewer rates would need to occur. Mr. Schepers reminded Council that the numbers are made on assumptions and adjustments would be made in the 10-year plan.

Mr. Mozeley shared the current and proposed water and sewer rates based on the projected numbers. Mr. Mozeley recommends a 4% residential increase, 4% for wholesale, and a 5% increase for commercial and industrial increase for this coming year. The sewer increase would be 4% across the board.



Projects in Progress

- WTP Electrical Upgrades
 - Raw Water PS
 - High Service PS
- Water Asset Inventory & Assessment Grant
- Cline Avenue Basin Improvements



Upcoming/Continuing Projects

- WTP Electrical Sub-Station Upgrades
- Water Asset Inventory & Assessment Grant
- Cline Avenue Basin Improvements
- WTP Treatment Process Replacements
- Failing Sewer Line Replacement
- Water Line Replacement
- Valdeese Bluffs Water & Sewer Grant

Why Develop a CIP

- Planned Infrastructure Replacement
- System Renewal, Reliability & Regulatory Readiness
- System Stability
 - Financial & Operational
- Advantageous Position for Funding
- Manage Future Financial Condition

Why Develop a CIP



Failed Ductile Iron Pipe – 9 years old.

Why Develop a CIP



Water Treatment Plant – Finished Water Clearwell

Why Develop a CIP



Water Treatment Plant – Backup Generator

What Projects Make Up The CIP?

- Assure Infrastructure Viability
- Improve Infrastructure Efficiency
- Satisfy Regulatory Requirements
- System Growth (i.e. new development = new revenue)

Market Considerations

- Energy Sector Inflation 27% increase from 12/2020 – 12/2021
- Consumer Price Index Up 7%
- Construction Bid Market Impacted by COVID
- Supply Chain Strained – Pricing Risk for Contractors
- System Growth is Flat but Costs Escalate

2022 Example Budget Expense Growth:
 $\$4.738M \times 2.5\% = \$4.856M$ in 2023 (\$118K Increase)

**Town of Valdese Water and Sewer Utility Fund
 Capital Improvements Plan**

Water Distribution / Sewer Collection		10-yr CIP Cost	Test Year	FY 1	FY 2	FY 3	FY 4	FY 5	FY 6	FY 7	FY 8	FY 9	FY 10	Years 11+
Project Number	Project Description	Cost	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Vehicles and Equipment														
1	2022 Chevy 3500 Diesel 4x4	-	55,000											76,130
2	2014 Cat Mini Tractor	87,300			87,300									
3	2009 Pipe Hunter Jet M 35418	45,800					45,800							
4	2018 Ford F150 Meter Truck	40,000							40,000					
5	Trailer	16,700						16,700						
6	2021 Chevy 4x4	40,000									40,000			
7	2011 Ford 4x4 F350	33,400			33,400									
8	2006 Chevy Dump Truck 1.5 Ton	52,200			52,200									
9	2017 Ford F250 4x4	60,200						60,200						
10	2016 Ford F150 4x4	30,800					30,800							
Subtotal Vehicles and Equipment		408,100	66,000		172,800		78,800	78,800	40,000			40,000		76,130
Infrastructure Improvements														
11	Advent St. Tank and Booster Station	-												3,850,500
12	Meter Replacements	154,100			15,700	16,000	16,400	16,700	17,100	17,500	17,900	18,200	18,600	
13	Renew Arc-Flash Study	7,200				3,400			3,800					2,091,470
14	Jagins Avenue P3 Gravity Sewer Extension	-												4,403,660
15	Holly Hills Sewer System Extension	-												
16	Ridgewood-180 Loop	907,200			907,200									
17	Mt. Home - Hawkins Loop	1,764,100							1,764,100					
18	Jacquin Rd. Loop	-												3,837,750
19	Water Main Replacement	760,000									760,000			
20	Sewer Main Rehabilitation	3,250,000					1,500,000				1,750,000			
Subtotal - Infrastructure Improvements		8,832,800			16,700	828,800	1,618,400	18,700	1,786,600	17,600	1,787,900	788,200	18,800	14,183,360
Subtotal: Water Distribution / Sewer Collection		7,338,700	66,000		188,800	828,800	1,687,200	83,800	1,826,500	17,600	1,787,800	808,200	18,800	14,269,480
Test Year (FY23) CIP: Water Distribution / Sewer Collection			66,000											
10-yr CIP: Water Distribution / Sewer Collection		7,338,700		0	188,800	828,800	1,687,200	83,800	1,826,500	17,600	1,787,800	808,200	18,800	14,269,480

**Town of Valdese Water and Sewer Utility Fund
 Capital Improvements Plan**

Water Treatment Division		10-yr CIP Cost	Test Year	FY 1	FY 2	FY 3	FY 4	FY 5	FY 6	FY 7	FY 8	FY 9	FY 10	Years 11+
Project Number	Project Description	Cost	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Vehicles and Equipment														
1	2018 Escalade	32,700						32,700						
2	2017 Ford F-250	34,600							34,600					
3	2004 Ford F-150	28,200			28,200									
4	New 4-Wheel Drive Lawnmower	17,600						17,600						
Subtotal Vehicles and Equipment		113,000			28,200			60,200	34,600					
Plant Upgrades and Improvements														
6	Roof Replacement - Main Building	-	65,000											
6	Roof Replacement - Finished Water P3	20,900			20,900									
7	Roof Replacement - Raw Water P3	25,000		25,000										
8	Water Treatment Plant Upgrades	4,783,900			4,783,900									
9	Raw Water Pumps, Piping & Valve Replacement	4,321,630											4,321,630	4,451,280
10	Pave Raw Water P3 Access Road	-											166,100	
11	Renew Arc-Flash Study	36,600												
12	SCADA Upgrades (add #2 and #3 FWP)	48,000	20,000			16,600			20,000					
13	Move #2 and #3 Tap mic to roof (upstairs)	-												180,000
14	Tank Maintenance	88,000	20,000			8,000		80,000						
15	WTP Equipment Rehab & Replacement	132,000									125,000			
16	Electrical Substation	378,000		378,000										
Subtotal - Plant Upgrades and Improvements		8,801,630	86,000	400,000	4,784,800	24,600	126,000		20,000		126,000		4,321,630	4,787,380
Total - Water Treatment Division		8,914,630	86,000	400,000	4,813,000	24,600	176,200	34,600	20,000		126,000		4,321,630	4,787,380
Test Year (FY23) CIP: Water Treatment Division			86,000											
10-yr CIP: Water Treatment Division FY23-32		8,914,630		400,000	4,813,000	24,600	176,200	34,600	20,000	0	126,000	0	4,321,630	4,787,380

FY2023 Rate Recommendations

Water

- 4% Residential
- 5% Commercial & Industrial
- 4% Wholesale

Sewer

- 4% All Classes

Percentage Increase	Monthly Residential Increase (3,000 gal)	Resulting 2023 Enterprise Fund Revenue
4%	\$1.70	\$202,000

Wisdom in Affordability & Balance

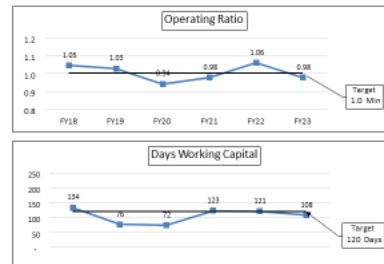
- Manage the Enterprise Fund's Health
- Avoid Deferrals, Costs Always Escalate
- Accomplish Projects
 - Spend Cash / Borrow / Manage Rate Increases
- Manage Debt Load
- Town's Regional Presence & Longevity
- Viability & the Utility Industry

Financial Benchmarks

Metric	2022 Value	Proposed 2023 Value	Benchmark
Operating Ratio	1.06	0.98	1.0 or greater
Days Working Capital	121 days	108 days	120 days or greater
Debt Service Coverage Ratio	3.85	2.17	1.2 or greater
Sufficiency of Revenue above Debt	6%	7%	25% or less

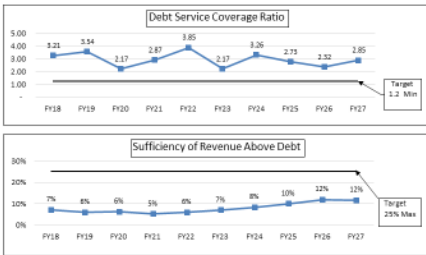
Note: All benchmark values are projections from P21 Audit values.

Financial Benchmark Trend Projections



Note: All benchmark values are projections using P21 Audit values.

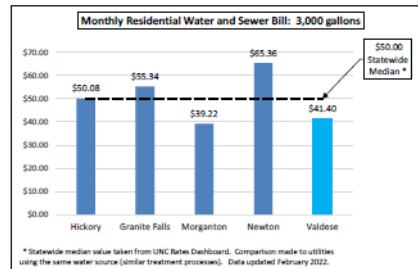
Financial Benchmark Trend Projections



Note: All benchmark values are projections using P21 Audit values.

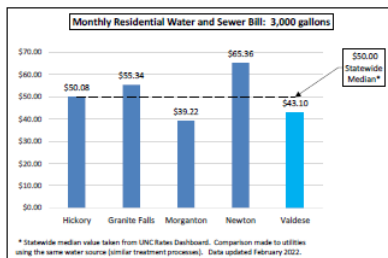
Residential Water Bill Comparison

Monthly Residential Bill: Existing Rates



Residential Water Bill Comparison

Monthly Residential Bill: Proposed Rates



Recap / Conclusions

- 7th Year of CIP & Financial Model Planning Process
- CIP Guides Decision Making, Budgeting & Operations
- Balance Cash vs Debt vs Rate Increases
- Future Capital Needs
- Healthy and Sustainable Enterprise Fund

Percentage Increase	Monthly Residential Increase (3,000 gal)	Resulting 2023 Enterprise Fund Revenue
4%	\$1.70	\$202,000

ADJOURNMENT: At 12:17 p.m., there being no further business to come before Council, Councilwoman Lowman made a motion to adjourn, seconded by Councilwoman Hildebran. The vote was unanimous.

The next meeting is a regularly scheduled meeting on Monday, April 4, 2022, 6:00 p.m., Valdese Town Hall.

Town Clerk

Mayor

jl