

FY2027 Budget Development



Fiscal Year 2026-2027 Budget Workshop 1

Overview and Introduction
February 24, 2026





Mayor Opening Comments



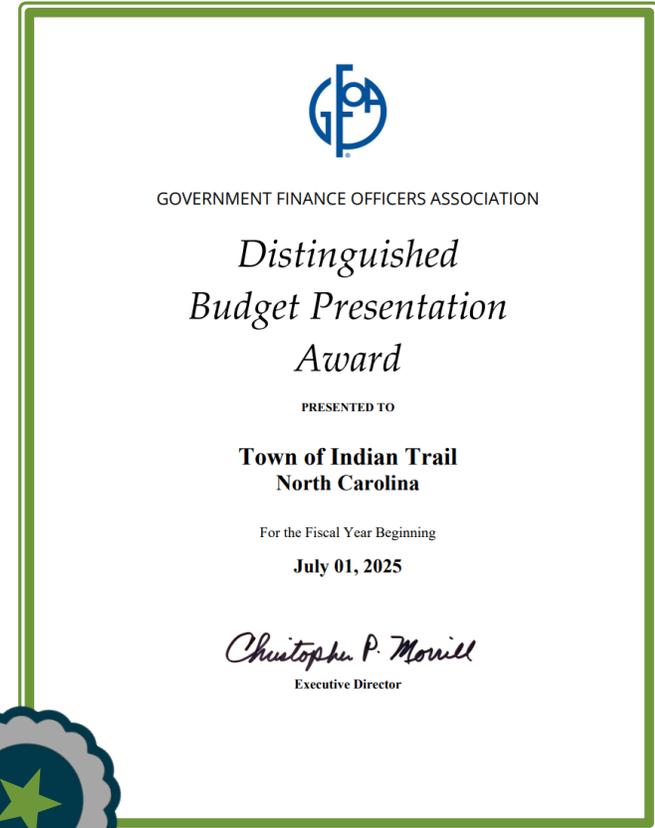


Town Manager's Opening Remarks



Agenda

1. Council Priorities
2. Budget Overview
3. Capital Projects



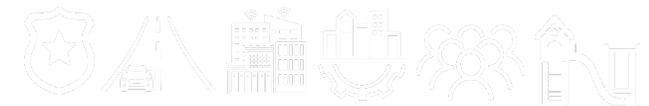


Town Council Priorities



2022 Council Priorities

1. Roads and Infrastructure
2. Public Safety
3. Planning and Growth Management
4. Creating a Downtown
5. High Quality Team
(Pay/Training/Succession Planning)
6. Partnerships
7. Parks and Community Amenities
8. Quality Basic Services
9. Operational Needs
(Technology/Buildings)



2024 – 2027 Council Priorities



Public Safety



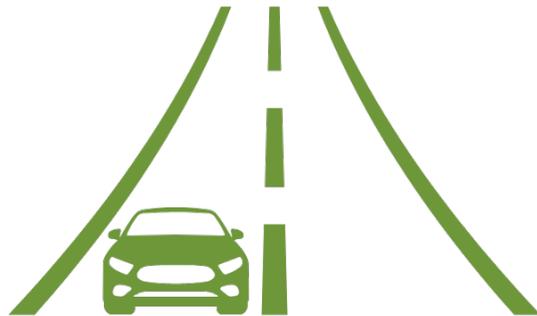
Town Infrastructure



Capital Improvements



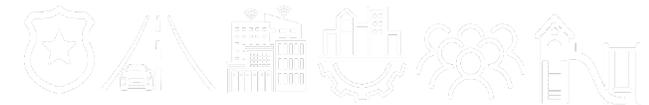
**Economic
Development**



Transportation



Human Capital



Council Discussions

Community Engagement

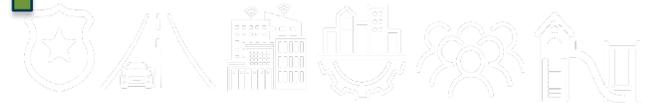
Grants

Transportation

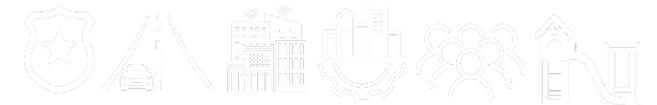
Staff

Economic Development

Capital Projects



2027 Council Priorities





Budget Overview



Budget Process



Internal Review and Process Development

Budget Kickoff (Departments)

Department Request Submissions

Budget Kickoff Meeting (Council)

Budget Presentations

Follow-up Meetings with Departments

Finalize Recommended Budget

Managers Recommended Budget Presentation

Public Hearing

Budget Adoption

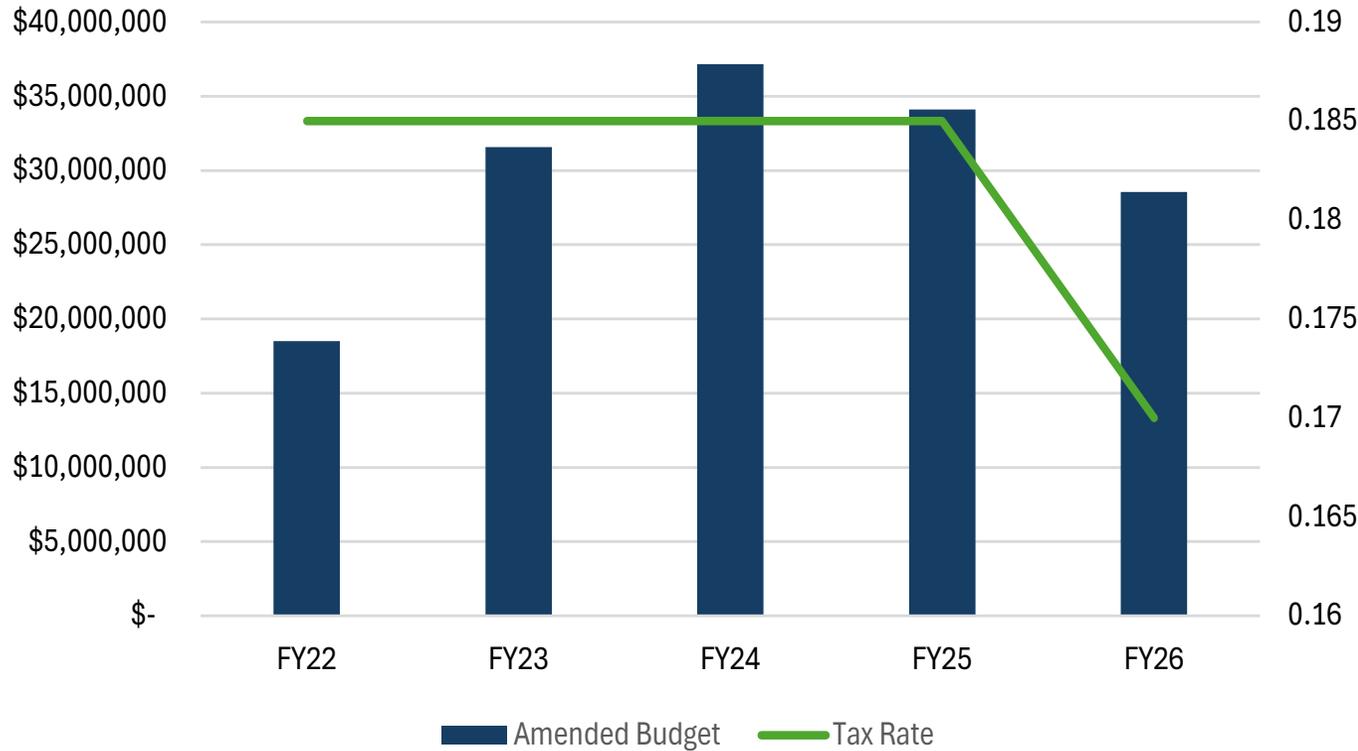
Complete Budget Book

Monitoring and Evaluation

Process Improvement



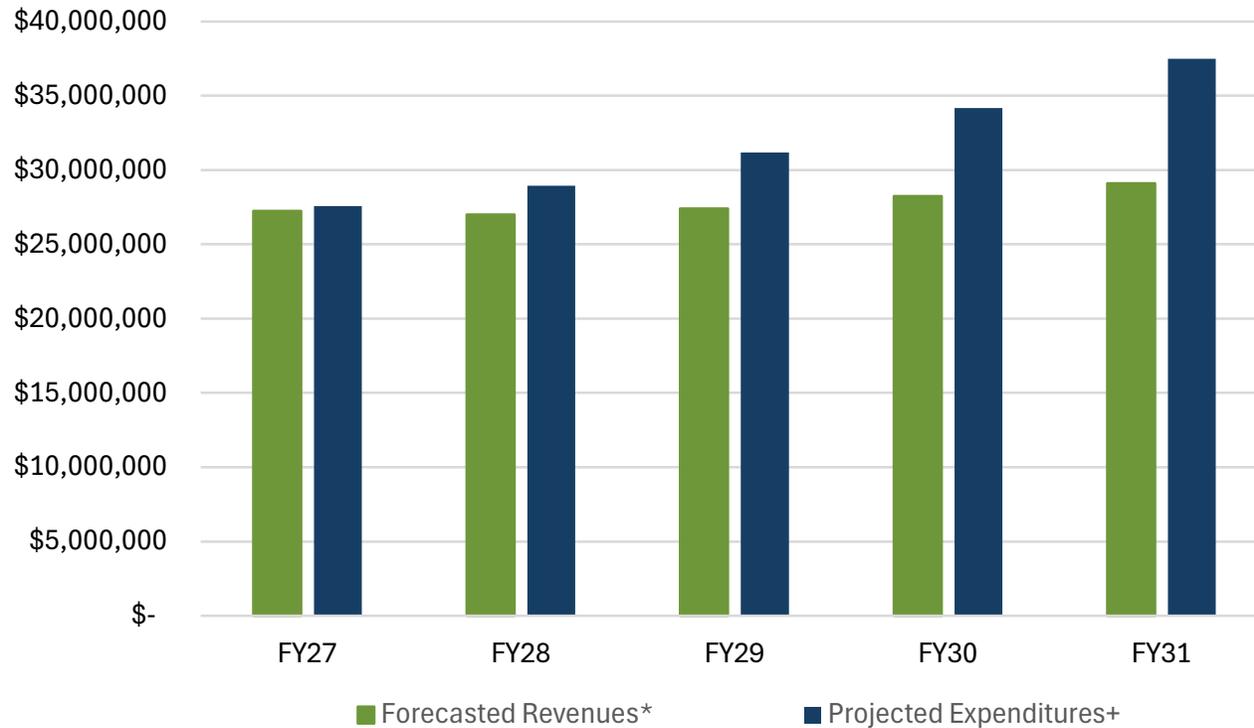
5 Year Historical Trends



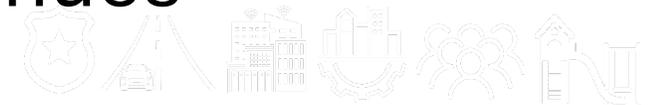
- Outside funds
- Interest rates
- Investment in staff
- Investment in projects
- Sanitation contract
- Sheriff's contract
- Revenues



5 Year Forecast



- Historical Growth Rates
- Tax Rate/Valuation held steady
- CPI
- Alternative Revenues



Trends

National

- Policies
- Tariffs
- Interest Rates
- Grant Funding

State

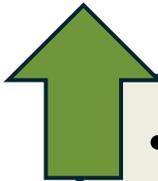
- State Budget
- Grant Funding
- Growing Population
- Property Tax Reform
- Sales Tax

Local

- Growing Population
- Growing Businesses
- Sales Tax

FY 27 Early Budget Trends

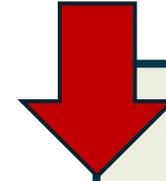
Revenues



- Tax Base Growth
- Motor Vehicle Tax
- Sales Tax
- Utility Sales
- Gross Vehicle Rental



- Park Revenue
- Heavy Equipment Tax
- ABC Distributions
- Alarm Revenue
- Planning Revenue



- Video Programming
- Beer and Wine
- Investment Earnings
- Solid Waste Distribution

FY 27 Early Budget Trends

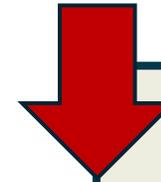
Expenditures



- Sanitation
- Personnel
- Law Enforcement
- Postage



- Operating Expenses

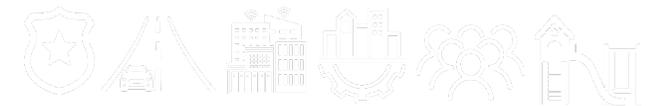


- Equipment Purchases
- Vehicle Purchases

FY 27 Early Budget Trends

Personnel

- 2.5% COLA with a \$1,500 minimum
- 20% Health insurance estimate increase (hope it's less)
- 0.75% State Retirement increase
- 5% to 401k
- 0-3% Merit Pool
- New position requests
- Position reclass requests
- Compensation Study





Capital Improvement Projects



Capital Improvement Projects

Funded

- Chestnut Parkway Phase III
- Chestnut Square Park Phase II
- Indian Trail Road Complete Street Phase I
- Hwy 74 Multi-Use Path and Southfork Greenway
- CSP Access Road
- ARPA Stormwater Projects
- Bow Brook/Pioneer Lane Culvert Replacements
- Moore Farm Waterline

Partially Funded

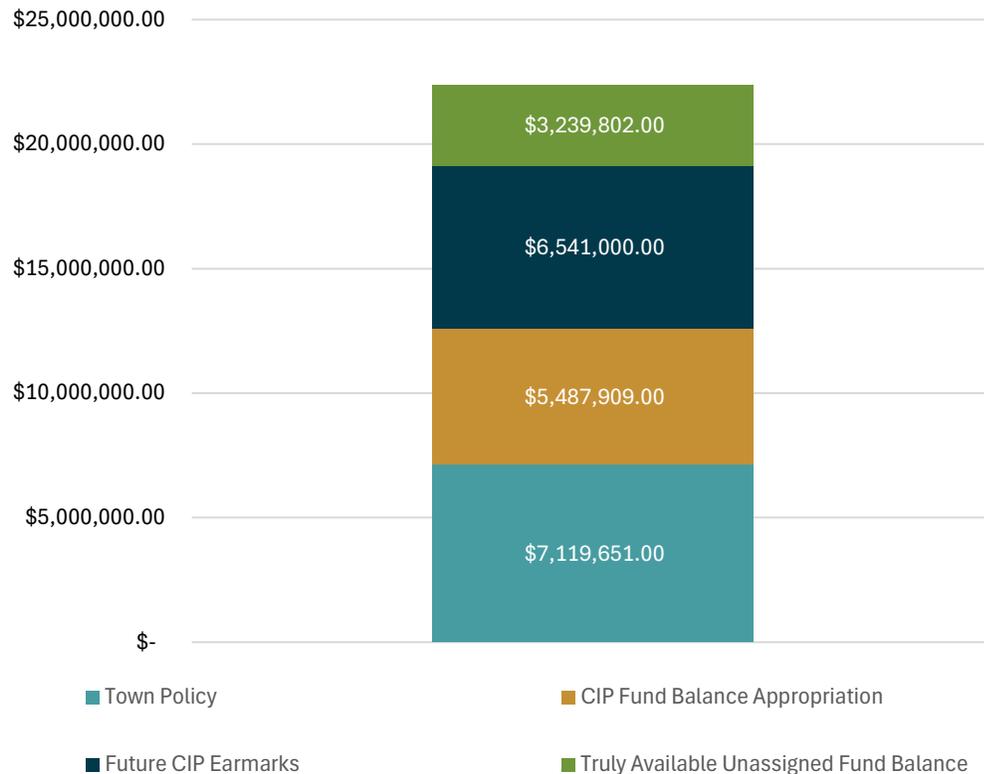
- Indian Trail Road Complete Street Phase II
- Public Works Facility
- Community Center
- EV Chargers at Parks
- Stinson Hartis/Younts/IT Fairview Intersection
- Old Monroe Road Betterments
- Indian Trail Road Waterline

Unfunded

- Multiple Stormwater Projects
- Multiple Intersection Projects
- Multiple Sidewalk Projects
- Future Park Projects



Capital Improvement Projects Unassigned Fund Balance

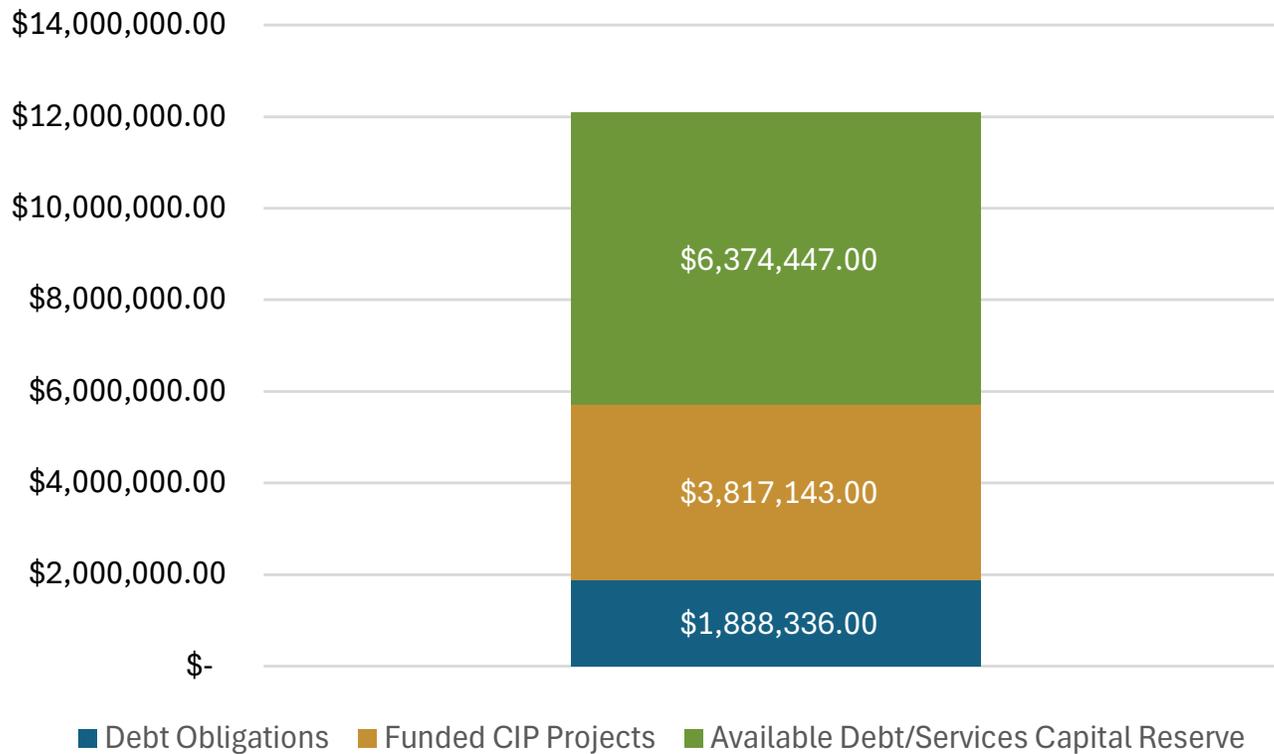


- Fund Balance Policy
- CIP Appropriations
- CIP Earmarks

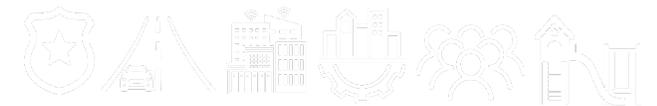


Capital Improvement Projects

Debt Service/Capital Reserve Fund

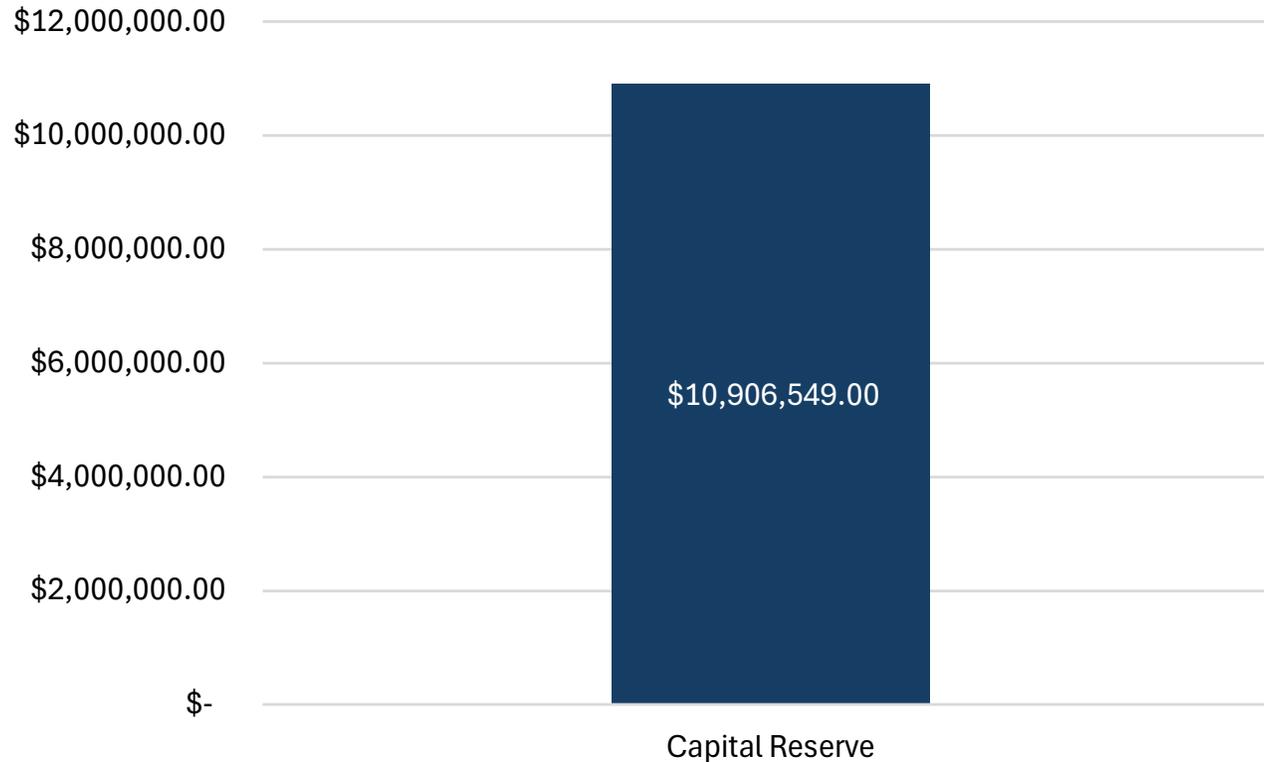


- Town Policy
 - FY12 – 4 cent
 - FY13-FY25 – 5 cent
 - FY26 – 5.5 cent
- Recommendation
- Funds CIP Project



Capital Improvement Projects

Capital Reserve Fund

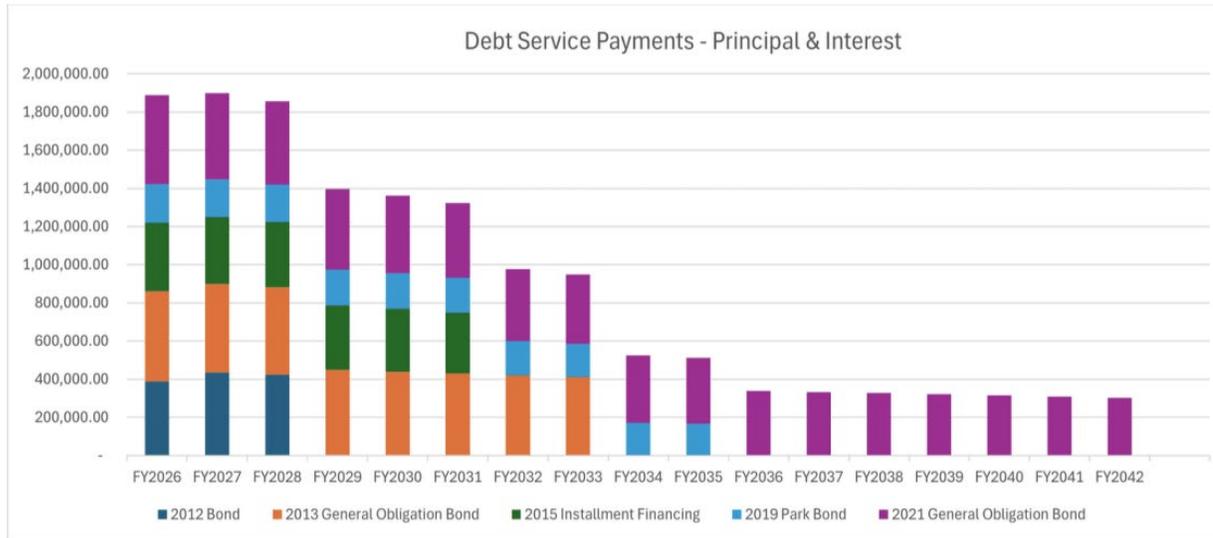


- Specific Projects
 - Public Works Facility
 - Community Center



Capital Improvement Projects Big Picture

Debt Service Payments - Principal & Interest



- Council appetite for new debt
 - Bonds
 - Installment Financing
 - Pay-go
- Interest rates
- Start/Stop Effect





Next Steps





Questions





Adjourn

