

FY2027 Budget Development



# Fiscal Year 2026-2027 Budget Workshop 1

Overview and Introduction  
February 24, 2026





# Mayor Opening Comments



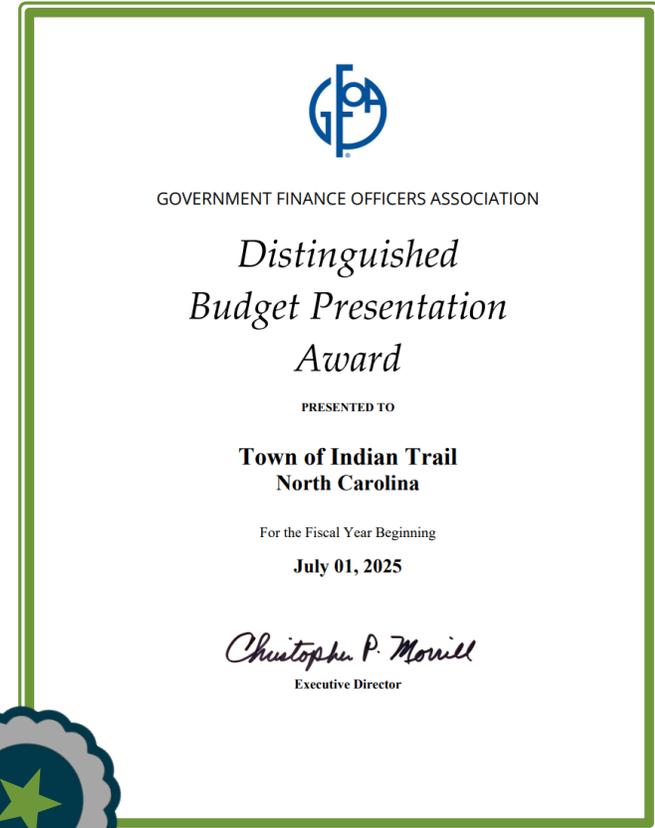


# Town Manager's Opening Remarks



# Agenda

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



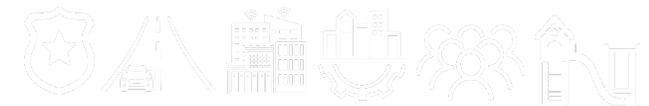


# Town Council Priorities



# 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**



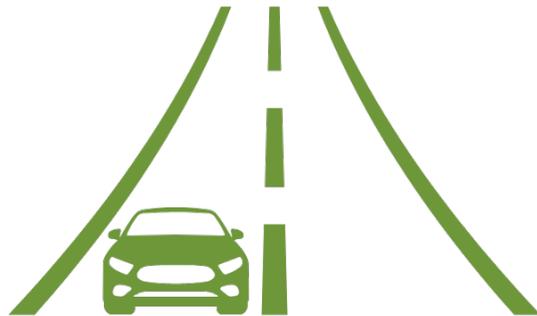
**Town Infrastructure**



**Capital Improvements**



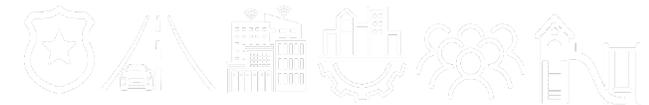
**Economic  
Development**



**Transportation**



**Human Capital**



**Council Discussions**

**Community Engagement**

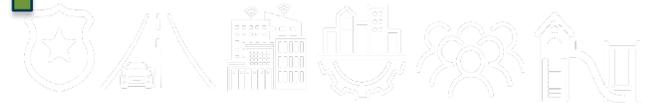
**Grants**

**Transportation**

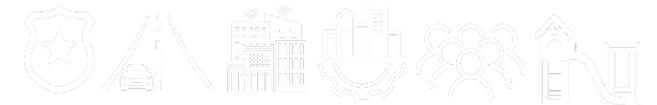
**Staff**

**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**

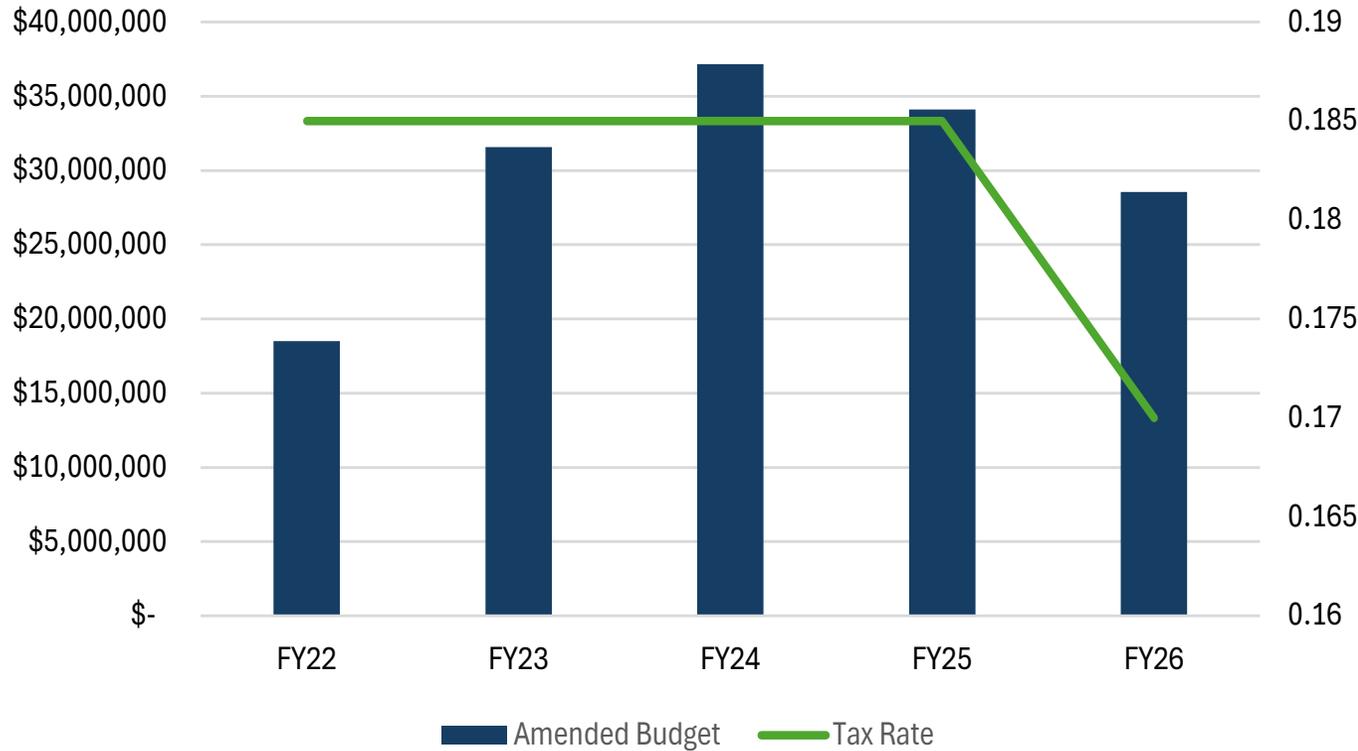
Complete Budget Book

**Monitoring and Evaluation**

Process Improvement



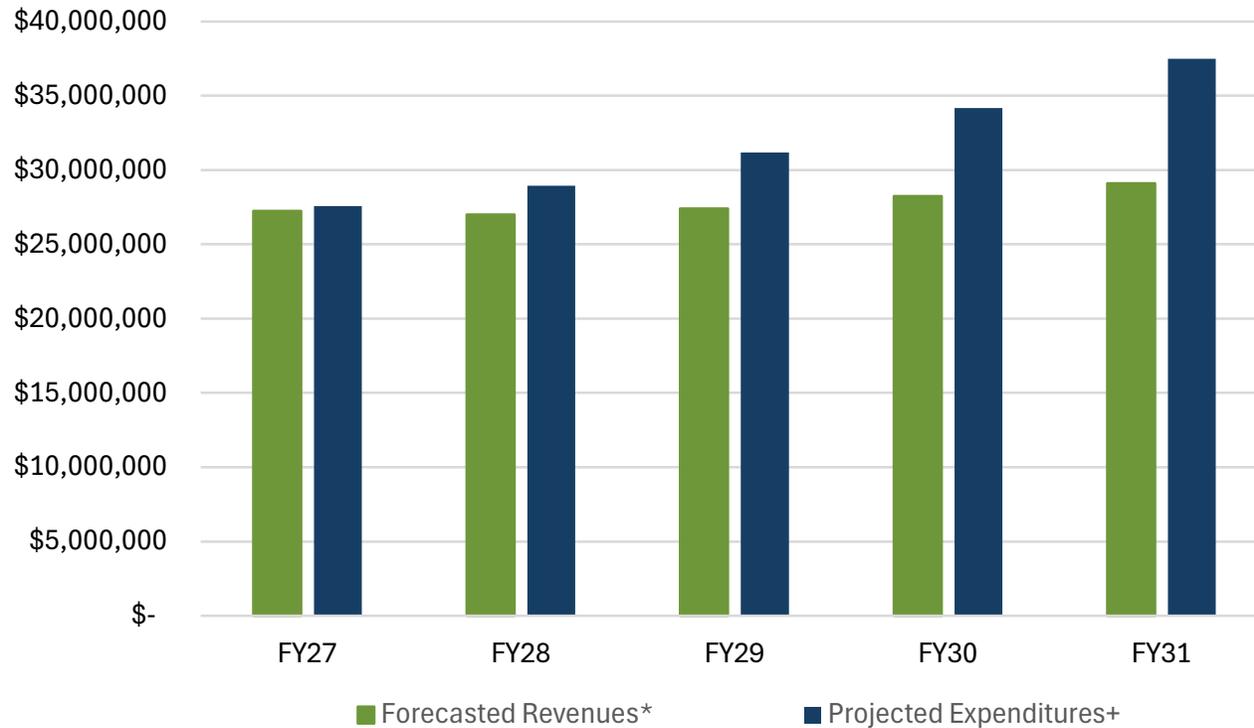
# 5 Year Historical Trends



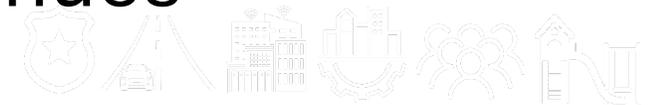
- Outside funds
- Interest rates
- Investment in staff
- Investment in projects
- Sanitation contract
- Sheriff's contract
- Revenues



# 5 Year Forecast



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



# Trends

## National

- Policies
- Tariffs
- Interest Rates
- Grant Funding

## State

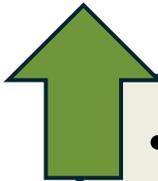
- State Budget
- Grant Funding
- Growing Population
- Property Tax Reform
- Sales Tax

## Local

- Growing Population
- Growing Businesses
- Sales Tax

# FY 27 Early Budget Trends

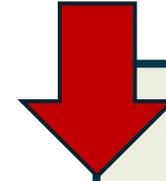
## Revenues



- 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

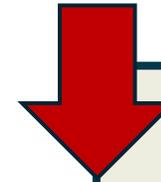
## Expenditures



- Sanitation
- Personnel
- Law Enforcement
- Postage



- Operating Expenses

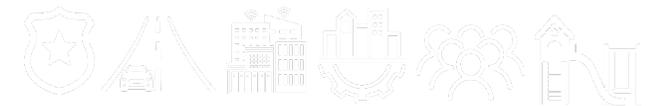


- Equipment Purchases
- Vehicle Purchases

# 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

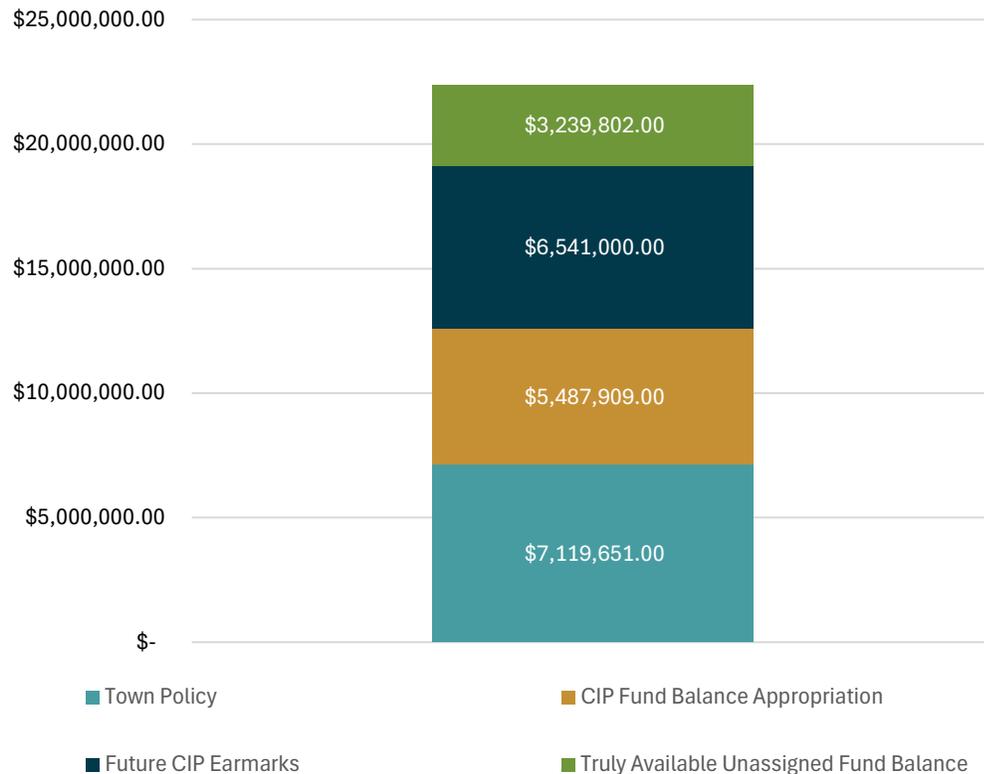
- Indian Trail Road Complete Street Phase II
- Public Works Facility
- Community Center
- EV Chargers at Parks
- Stinson Hartis/Younts/IT Fairview Intersection
- Old Monroe Road Betterments
- Indian Trail Road Waterline

## Unfunded

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



# Capital Improvement Projects Unassigned Fund Balance

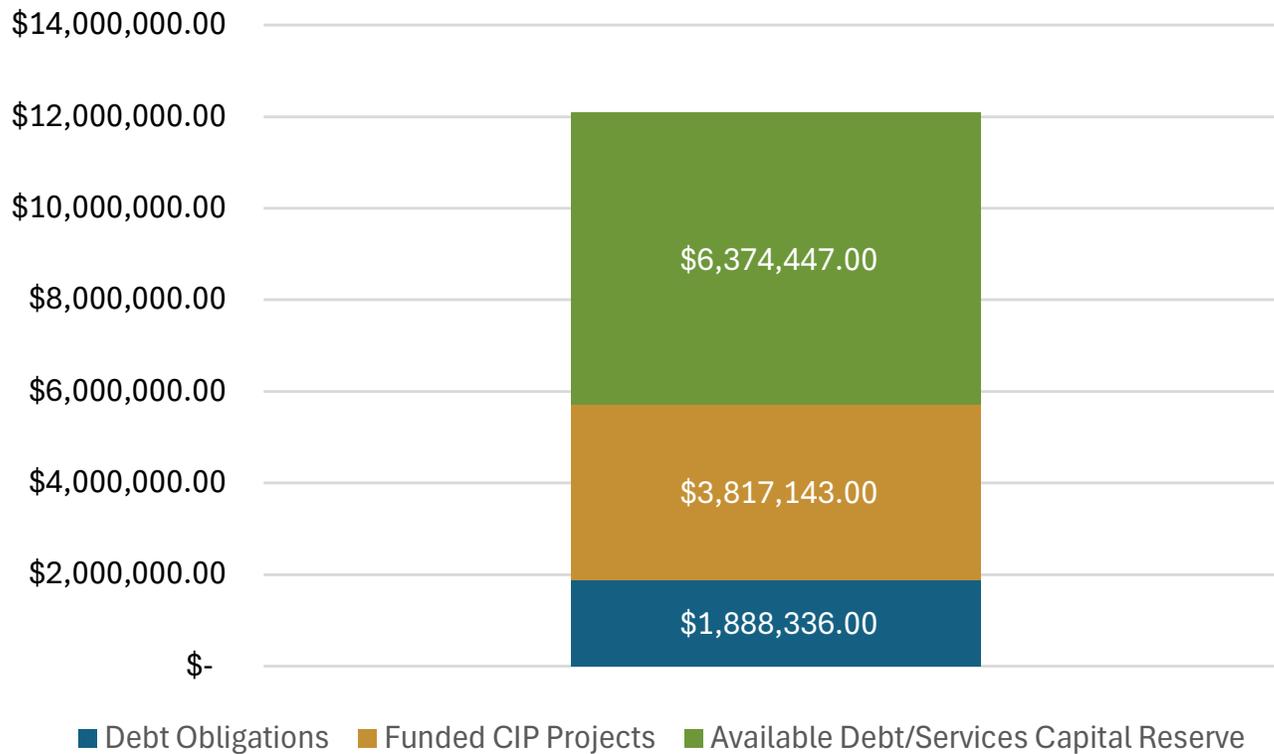


- Fund Balance Policy
- CIP Appropriations
- CIP Earmarks

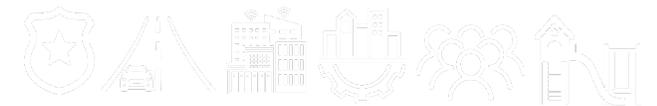


# Capital Improvement Projects

## Debt Service/Capital Reserve Fund

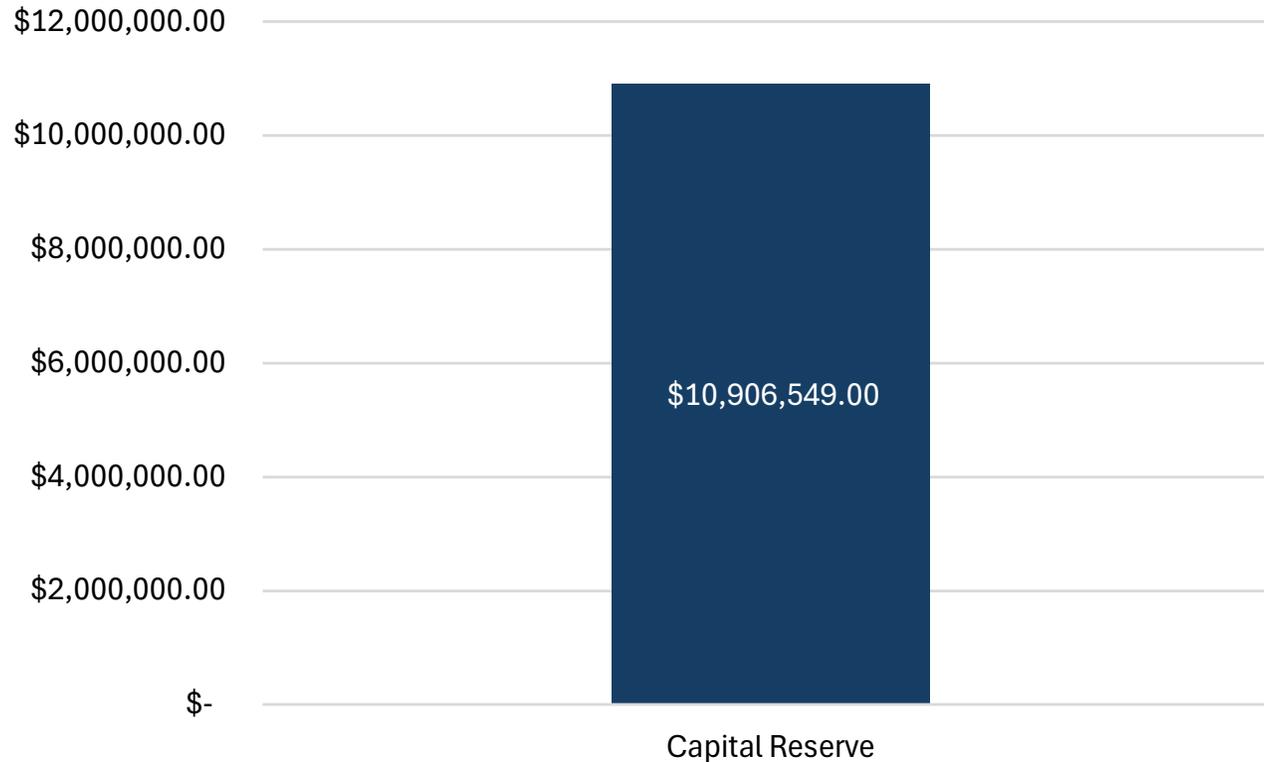


- Town Policy
  - FY12 – 4 cent
  - FY13-FY25 – 5 cent
  - FY26 – 5.5 cent
- Recommendation
- Funds CIP Project



# Capital Improvement Projects

## Capital Reserve Fund

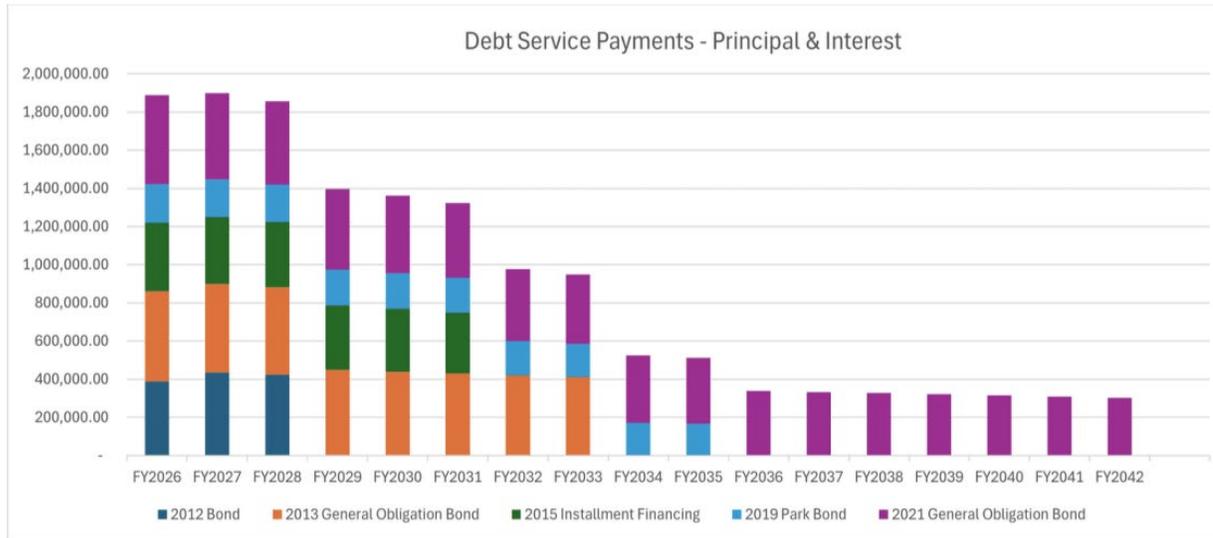


- Specific Projects
  - Public Works Facility
  - Community Center

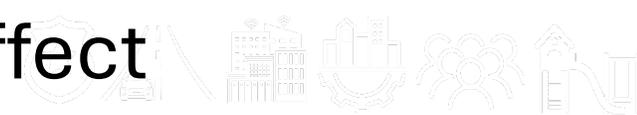


# Capital Improvement Projects Big Picture

Debt Service Payments - Principal & Interest



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





# Next Steps





# Questions





# Adjourn

