



FY 2026-2027 Proposed Budget

Presented by Emily D. Yopp, Town Manager

May 27, 2026



What Is a Local Government Budget?

- A plan for how the Town funds services and operations each year
- Funded primarily through **property taxes, fees, and service charges**
- Focused on providing **core services residents rely on every day**

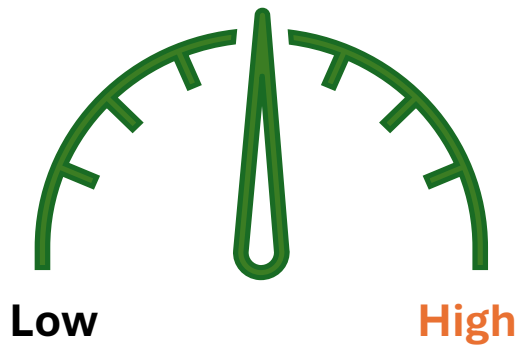




How We Build a Balanced Budget

Creating a budget is about adjusting multiple factors—just like turning dials—until we reach the right balance between service levels and affordability.

Service Levels



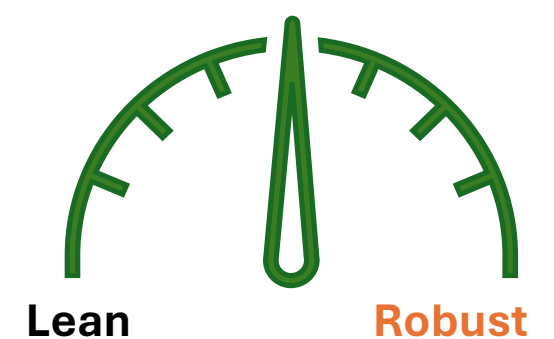
Tax Rate



Capital Investment

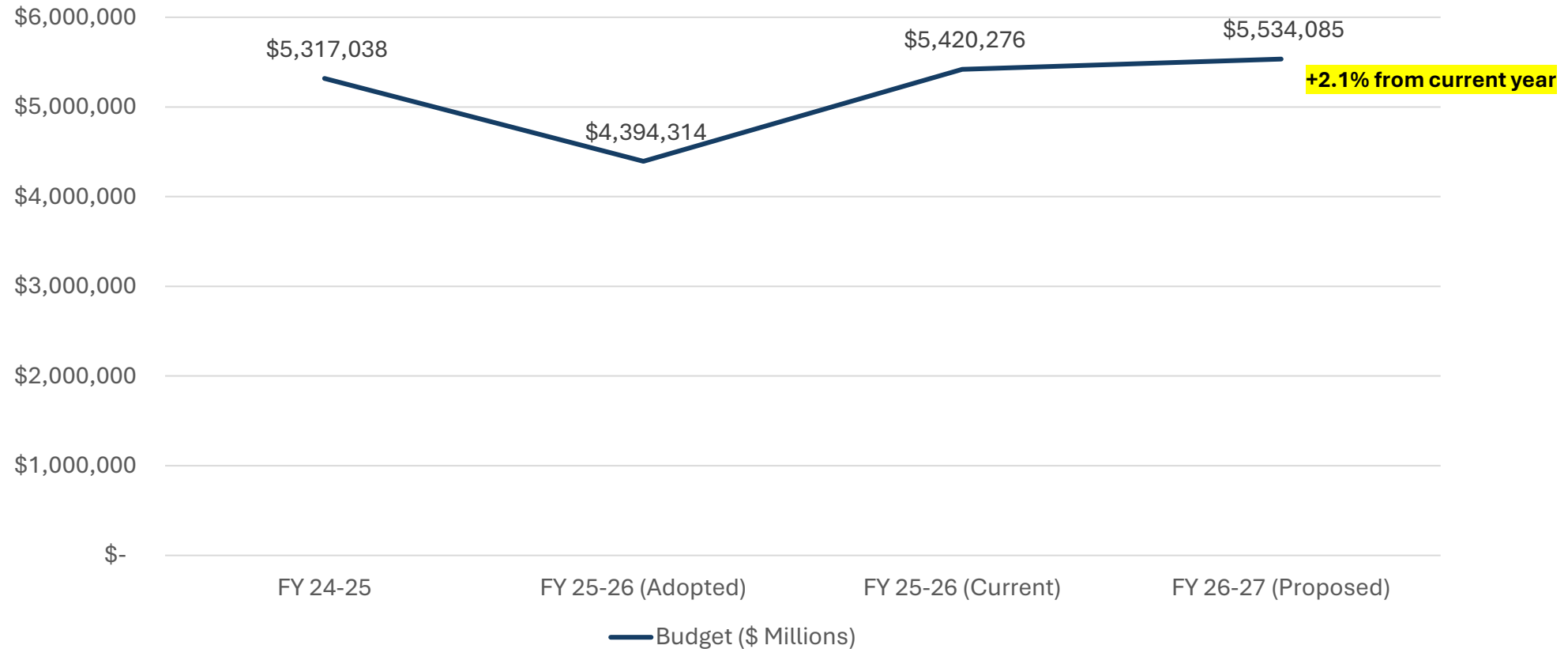


Staffing



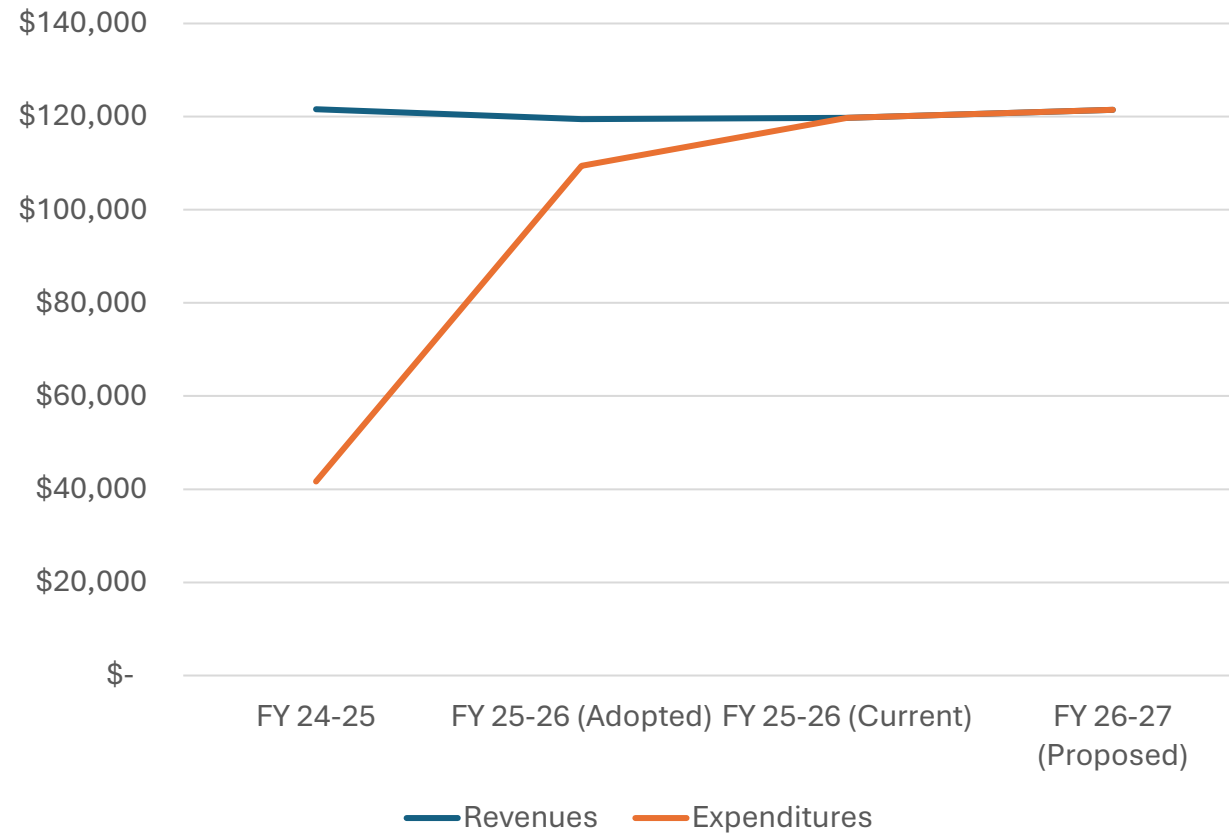


Growth Over Time – General Fund



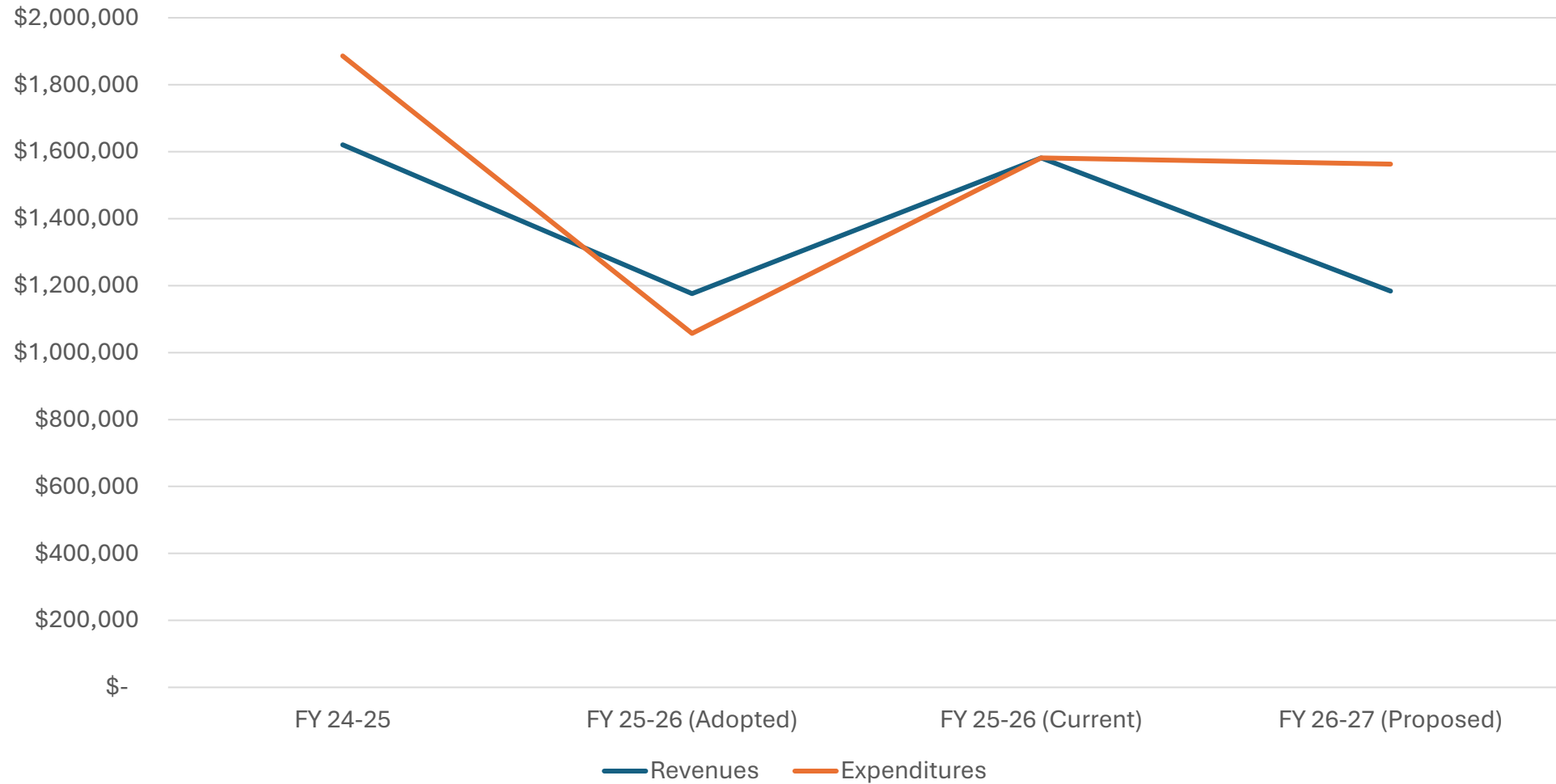


Growth Over Time – Powell Bill Fund



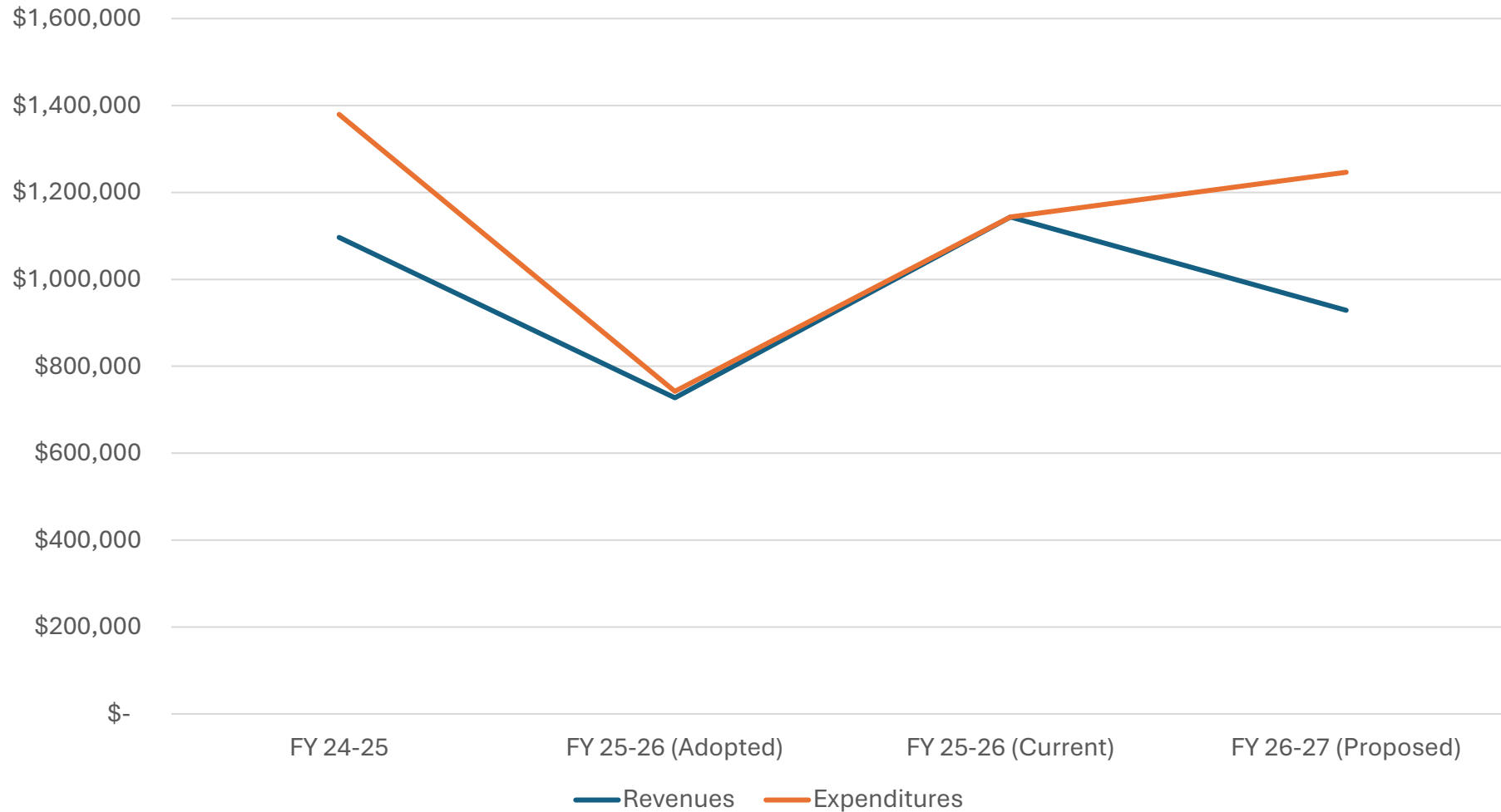


Growth Over Time – Water Fund



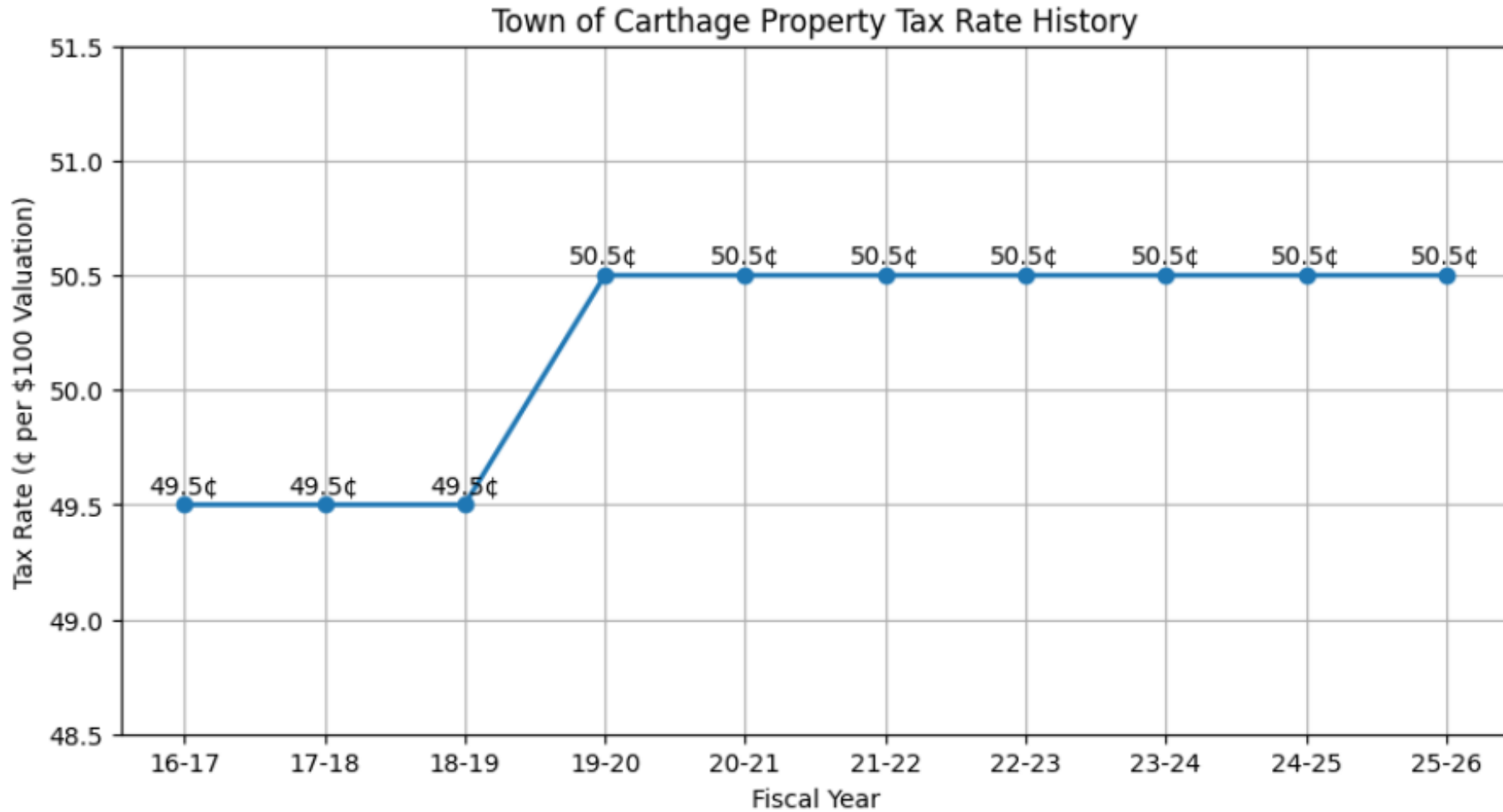


Growth Over Time – Sewer Fund





Tax Rate Adjustment Over Time



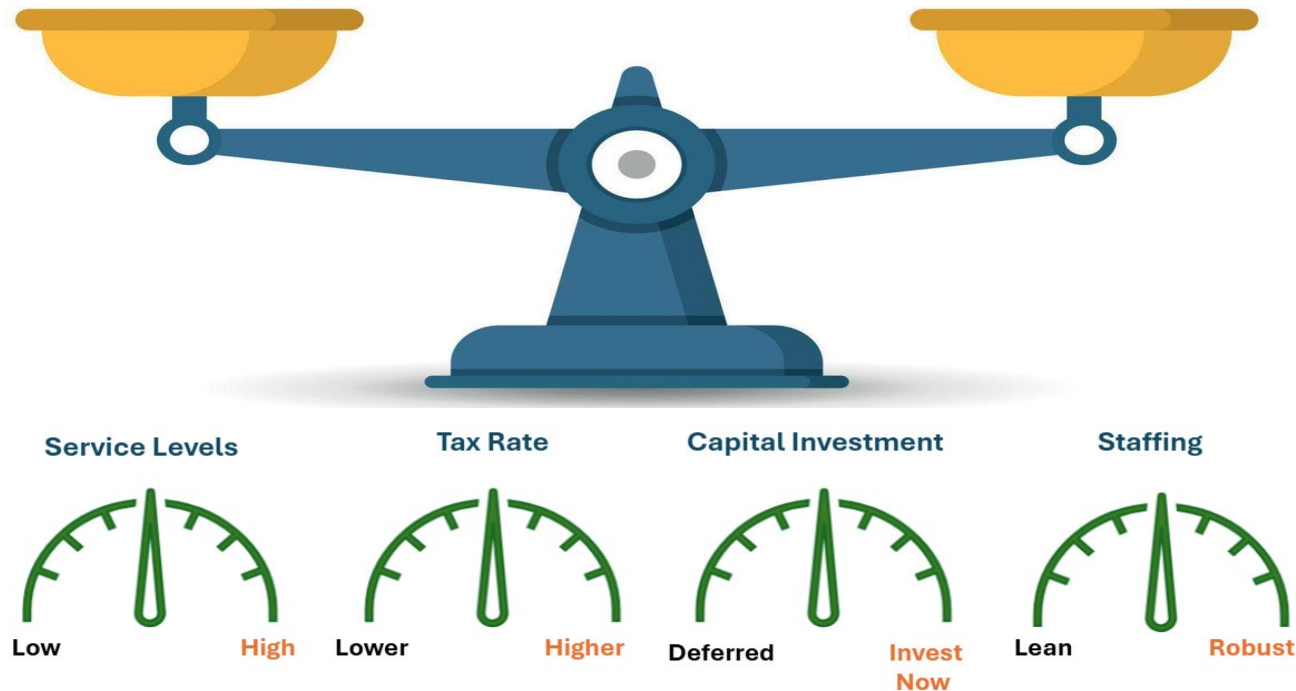


Today

- Maintain service levels
- 3% employee COLA for retention
- Minor staffing adjustments
- Minimize Fund Balance use
- Tax and Fee Adjustments

Tomorrow

- Fire truck financing
- New Town Hall financing
- Protect Fund Balance for emergencies and capital outlay
- Efficient and responsive services
- Meet long-term infrastructure needs





FY 2026-2027 Budget Recommendations:

General Fund:

- Is balanced at **\$5,534,085***
- Proposes a **+3-cent tax adjustment**
- Proposes an adjustment in the Motor Vehicle Tag fee from **\$5 to \$20.**
- Proposes a **+\$2 dollar** adjustment in solid waste collection fees.
- **Using \$280,800** from Fund Balance
- Proposes a **3% COLA** for employees

**The budget is balanced when expenditures = revenues exactly*



FY 2026-2027 Budget Recommendations:

Water & Sewer Funds:

- Is balanced using transfers from Retained Earnings
 - Water RE Transfer = **\$379,083**
 - Sewer RE Transfer = **\$307,248**
- Like the General Fund, **reliance on transfers from Retained Earnings for recurring operations is not sustainable.**
- Will need to **do a water and sewer rate study in FY 26-27** and adjust rates as needed to ensure long-term sustainability.



Property Tax Impact

Estimated impact of the proposed +3¢ tax adjustment

Home Value	Annual Increase	Monthly Impact
\$250,000	\$75 / year	\$6.25 / month
\$500,000	\$ 150 / year	\$12.50 / month
\$750,000	\$225 / year	\$18.75 / month
\$1,000,000	\$300 / year	\$25.00 / month

For many households, this represents a modest monthly increase.



Total Household Impact

Component	Monthly Impact
Ad Valorem (Avg. Home)	Approx. \$6 - \$12
Solid Waste Fee	+ \$2.00
Vehicle Tag Fee*	Approx. + \$1.25
Total Estimated Impact	Approx. \$9 - \$15 / month

Combined impact of property taxes and Town service fees.



Putting the Cost in Perspective

\$9 - \$15/ month

About \$2 to \$3 per week

What That Looks Like in Everyday Terms



1-2
cups of
coffee



A basic
streaming
subscription



A fast-food
meal



Tradeoffs Made

Before proposing revenue adjustments, staff proposes the following revenues deferrals:

Reductions / Deferrals

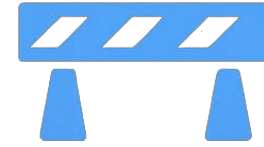
- **Position reductions/vacancies frozen**
 - (2) vacant positions in Police Dept
 - (1) part-time seasonal position in Public Works
 - (1) part-time Administrative Assistant position in Admin Dept
- **Deferred or delayed capital projects**
 - Computer replacements, recurring water tower maintenance contract
- **Deferral of Police fleet rotation (approx. 8-9 vehicles)**
- **Freeze on career development salary increases, training and travel budgets**
- **Reduce budgets for radio replacements in public safety**



Public Safety

Funding for fire services and new fire truck

- Police and emergency response readiness



Infrastructure & Operations

- Street maintenance and public works
- Solid waste collection and daily operations



People & Service Delivery

- Retaining employees (3% COLA)
- Maintaining current service levels
- Responsive customer service



Town Facilities & Long-Term Planning

- New Town Hall construction
- Preparing for future infrastructure needs

What Your Investment Supports



Conclusion

This Budget:

- Maintains services residents rely on
- Addresses rising costs responsibly
- Prepare for future investments
- Keeps impact manageable

The FY 26-27 proposed budget balances today's needs with tomorrow's priorities.



Thank You

Special thanks and recognition to the following for assisting in budget preparation this year:

Board of Commissioners

Kesha Matthews, Finance Officer

Allen Smith, Public Works Director

Bart Davis, Police Chief

Brian Tyner, Fire Chief