

FY 2026 BUDGET ADOPTION



Town Council Business Meeting
June 18, 2025

BUDGET PROCESS

1.	Dec 2	Work Session
2.	Feb 12	Work Session
3.	Mar 26	Work Session
4.	Apr 16	Work Session
5.	May 7	Recommended Budget
6.	May 21	Public Hearing
7.	Jun 4	Work Session

BUDGET HIGHLIGHTS

- Total budget = \$164,112,486
- 4% increase over prior year
- Property tax rate of 50.0 cents
- 5.8 cents over revenue neutral tax rate
- 5% pay increase
- \$1,517,000 for operating budget focus areas

BUDGET PRIORITIES

- Responding to the current environment.
- Recruiting and retaining excellent employees.
- Providing high quality core service to residents.
- Stewardship of facilities, fleet, and infrastructure.
- Continuing our commitment to affordable housing, climate action, everywhere to everywhere, and other strategic priority areas.

RECOMMENDED: REVENUE NEUTRAL + 5.8 CENTS

Revenue Neutral Rate	44.2	
Reduce fund balance allocation	1.2	\$1,485,658
Mandatory operating expenses	0.9	\$1,093,803
Employee pay & classification	2.2	\$2,946,237
5 Year Budget allocations	1.2	\$1,516,896
Transit pay/capital increase	0.3	\$396,300
Manager's Recommended Rate	50.0	

CHANGES FROM RECOMMENDED BUDGET



Grants Fund – New Grants	513,614
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Downtown Fund – County no longer funding Launch Program	(73,500)
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FINAL BUDGET TOTALS

Fund	FY 2026 Appropriations	Less Transfers	FY 2026 Net Appropriations
General Fund	\$ 94,883,000	\$ 5,114,416	\$89,768,584
Transit Fund	36,481,975	-	36,481,975
Stormwater Fund	3,713,100	-	3,713,100
Parking Fund	6,525,673	-	6,525,673
Housing Fund	2,882,324	-	2,882,324
Debt Service Fund	9,784,100	1,957,868	7,826,232
Capital Projects Fund	2,895,996	26,496	2,869,500
Other Funds	6,946,318	45,000	6,901,318
Total	\$ 164,112,486	\$ 7,143,780	\$ 156,968,706

IN SUMMARY...

This budget:

- Provides resiliency to handle an unpredictable future
- Covers the significant decline in sales tax revenues
- Reduces the Town's reliance on fund balance
- Continues funding the priorities in the 5-year budget strategy & the Complete Community Framework
- Addresses the increased costs to carry out the services provided by Transit
- Maintains our funding commitment to outside agencies.

RECOMMENDATION

Enact Ordinance O-1 establishing the Town budget for the fiscal year beginning July 1, 2025.