

RECOMMENDED
FY27 ANNUAL BUDGET



FY27 Recommended Budget

Work Session
May 26th, 2026



FY 2027 Overview

Our Town, Our People

Strengthening the foundation of our community by investing in the people, infrastructure and services that allow Garner to thrive.

- Maintain a safe and resilient community
- Invest in inclusive and high-quality services where all residents benefit
- Support and retain a talented workforce
- Strengthen operational and community infrastructure
- Plan responsibly for future needs and challenges



FY27 Working Budget: Guiding Principles



Limit property tax increase as a solution



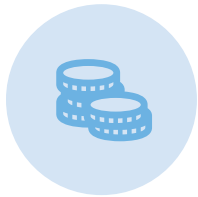
Address required expenses



Fulfill on-going project commitments



Leverage partner resources



Maintain compensation strategy





Recommended Budget - \$97.9m

- A proposed **54.5-cent** tax rate per \$100 in valuation
- The Recommended tax rate includes:
 - **45¢** Town operations
 - **9.5¢** for the Debt Service Fund
- Utilizes \$2.2 million in fund balance for one-time costs

1¢ = \$1,045,508





Manager's Recommended Budget

- The FY27 Recommended Budget includes the use of \$2.2 million in one-time funds to support the following initiatives:
 - PD Information Center (One-time Equipment Costs)
 - Stormwater Utility Study
 - Yeargan Homestead
 - Town Share of Fire Equipment and Upgrades (County Cost-share)
 - Peacock Dam Remediation
 - Yeargan Operating Equipment
 - Town Vacant Building Demolition
 - Public Art



Manager's Recommended Budget

- The FY27 Recommended Budget includes a recommended 2.5¢ tax increase for:

- **1¢: Operational Expectations and Obligations**

- Health insurance increases
- Workers' comp and Town insurance
- On-going operating impacts for Yeargan and White Deer Splash Pad
- Training increases
- Youth Council and Civic Academy Support

- **0.5¢: New Positions**

- Police Real Time Information Center and Crime Analyst
- Fire Analyst
- Stormwater Supervisor
- Executive Assistant
- Paralegal
- Grants Administrator

- **1¢: Debt Service Fund**

- Capital Projects



Scenarios to Reallocate 0.5¢ for Debt Service



Council has directed staff to reallocate 0.5¢ from the tax rate for Operations

- Option 1:
 - Increase Interest Revenue (\$200k)
 - Utilize Fund Balance (\$322k)
- Option 2:
 - Increase Interest Revenue (\$200k)
 - Reduce VERT(\$322k) for FY27
- Option 3:
 - Increase Interest Revenue (\$200k)
 - Remove one-time funding from PRFM(\$225k)
 - Reduce IT Revolving Funding (\$97k)

Manager's Recommendation





Reallocated Expenses

- **0.5¢: Operational Expectations and Obligations**

- Includes health insurance increases; workers comp and Town insurance; operating impacts for Yeargan and White Deer Splash Pad; training needs; Youth Council and Civic Academy
- **Recommended Changes:**
 - Increase Interest Income by \$200k
 - Reduce PFRM by \$225k
 - Reduce IT Capital by \$97k

- **0.5¢: New Positions**

- Police Real Time Crime Center and Crime Analyst
- Fire Analyst
- Stormwater Supervisor
- Executive Assistant
- Paralegal
- Grants Administrator

- **1.5¢: Debt Service Fund**

- Capital Projects Including:
 - Fire Station 2 Relocation
 - Public Works Center
 - Fire Training/EOC and Station 6

Important Dates



FY27 BUDGET SCHEDULE

March 31, 2026	Budget Check-in Work Session
April 28, 2026	CIP Work Session
April 30, 2026	Manager's Recommended Book Delivered to Council & Posted
May 5, 2026	Recommended Budget
May 15, 2026	Council Budget Work Session
May 19, 2026	FY27 Recommended Budget Public Hearing
May 26, 2026	Continued Budget Discussion at Work Session
June 2026	Council adopts Budget



Council Guidance

- Support of Option 3 to reallocate 0.5¢ towards debt service
- Additional Council Discussion
- Guidance on preparation of budget ordinance for June meeting

