

# Balanced Budget Presentation

Presented to Council

April 16, 2026

10:00 Work Session

# Budget Highlights

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- Property Tax Rate reduced to 5 cents
  - 1 cent tax for disaster recovery eliminated
- Fire Department commitment to capital reserves \$500,000
- Commitment to Disaster recovery \$250,000
- Facility capital improvements for Audio Visual restructure and architectural design
- Facility contingency - \$133,550



# St. James Fire Department Funding

First, an update on balances as of June 30, 2026

Balance July 1, 2025	\$ 2,983,000
Purchase – New Pumper Truck	( \$ 832,000)
Balance November 30, 2026	\$ 2,151,000
<b>FY26 resolution **</b>	<b>250,000</b>
Balance in Capital Reserves, June 30, 2026	2,401,000
*** via resolution on May 6 <sup>th</sup>	

# St. James Fire Department Funding

Capital Reserve Trend – Proposal to increase funding in  
FY 27 to \$500,000

		FY25	FY26	FY27	FY28	FY29	FY30
<b>TOSJ Capital Reserve Balances</b>							
T	Beginning Balances - Reserves		2,151,000	2,401,000	2,451,000	501,000	551,000
O	Current Year addition		250,000.00	500,000.00	250,000.00	250,000.00	250,000.00
S	Current Year reductions (expenses)			450,000	2,200,000	200,000	1,225,000
J	Ending Balance - Fiscal Year End		2,401,000	2,451,000	501,000	551,000	(424,000)

Update from Rich Agar, Jim Crum

# St. James Fire Department Funding

Update from Rich Agar, Jim Crum

Previous Request	Additions/ Changes	Notes
\$851,000		Operation
\$63,300		Equipment

# Disaster Recovery – Year ending June 30, 2026

An update on balances as of June 30, 2026

Balance July 1, 2025	\$ 1,468,533
FY26 1 cent tax assigned	336,400
FY26 voluntary assignment, from general fund	195,067
<b>Total Assignments at FY26 Year End, per resolution</b>	<b>531,467</b>
Balance in Disaster recovery, June 30, 2026	\$2,000,000

- After the assignments on May 6<sup>th</sup>, **the balance** in the Disaster Recovery Fund will **total \$2,000,000**

\*\*\* via resolution on May 6<sup>th</sup>

		Fiscal Year 2026-2027
Revenues (Projected)		\$ 5,760,500

		Fiscal Year 2026-2027
Expenses		\$ 5,760,500

There is an overall decrease in revenue 3%  
*1-Cent tax removed*  
*Increase in sales taxes projected*  
*Decrease in grant funding (streetlights)*

There are no changes to projected revenue for zoning, however -  
***Fee schedules are proposed to change***

# Proposed Fee Schedule Changes – Examples

Type of Permit	Current Fee	Proposed Fee
Rezoning Application	none	\$ 600.00
Conditional Rezoning Application	none	\$ 1,000.00
Burning Permit	none	\$ 500.00
Official Zoning Map Amendment	250.00	\$ 300.00
Official Zoning Text Amendment	none	\$ 300.00
Special Use Permit	250.00	\$ 500.00
Special Use Permit Modification	100.00	\$ 500.00
Exempt Subdivision	none	\$ 100.00
Minor/Major Subdivision Preliminary Plat	250.00	\$ 300.00
Major Site Plan	none	\$ 750.00
Major Site Plan Modification	none	\$ 750.00

*For the complete list of proposed changes, see attached schedules*

# Expenditures – Proposed Budget 2026-2027

Department / Category	Notes	Fiscal Year 2026-2027	Increase (Decrease) from FY26
Administration		\$ 939,150	10% increase, professional services, health insurance
Facilities	<i>Includes new project</i>	\$ 1,561,550	Increase for AV reconstruction, facility architect , contingencies
Public Safety	<i>(EM, Streetlights, Animal Control)</i>	\$ 431,500	50% decrease – streetlight grant expenses complete
STJ Fire Department	<i>Operations, small capital</i>	\$ 916,400	9% increase in operations– no major expenses for FY27
Environment, Streets	<i>(Yard waste, stormwater, UNCW)</i>	\$ 299,000	No change
Event Center		\$ 487,900	23% decrease – no major purchases in preparation for renovation
Debt	<i>Final payment July 2026</i>	\$ 375,000	No change
Commitment to Disaster Recovery	<i>Voluntary assignment at year end</i>	\$ 250,000	14% decrease – no longer based on a 1-cent tax, but instead, voluntary assignment from the general fund
Commitment to SJFD capital	<i>Voluntary assignment as per discussions with the SJFD</i>	\$ 500,000	100% increase – based on long term projections
<sup>4-16-26</sup> Total		\$ 5,760,000	9

# Personnel Key Metrics– Total Increase 6% *(same as prior year)*

Pay & Benefits for FY 2027:

*Marginal percentage changes*

Compensation Benefits:

Cola 2.5%

Merit 4.0%

Required Benefits (Employer Contributions):

NC State Retirement 15.10% (up from 14.35%)

401K Contributions 5%

Social Security Contributions 7.65%

Insurance Benefits:

\$10,200 per employee

State Health plan member surcharge 2.4%



	Salary and Benefits	Increase from FY26
Administrative	\$528,000	\$25,250 or 5%
Event Center	\$377,000	\$23,000 or 7%
<b>TOTAL</b>	<b>\$905,000</b>	<b>\$48,750 or 6%</b>

# FY27 Expenditure Increases

- All other operating expenditures include no measurable increase –

- *Including: Telephone & Cable, Electricity, Audit, Legal, IT and AV contracts*

Liability Insurance	8.5%
Landscaping	5%
Animal Control	3%
Janitorial Contract	10%
St James Fire Department <b>Operations</b>	9%
Yard Debris Contract	7%

# New or Continuing Projects / Expenditures

- Fireworks on July 1<sup>st</sup> – A robust show celebrating the 250<sup>th</sup> anniversary
- Veteran's Day Breakfast
- EOC furniture
- Accounting software contract (3-year agreement with NCLM expires in January 2027)
- Professional services to review and update the current UDO
- New ice machine for Event Center
- Snow removal and debris relocation
- Professional service for architectural drawings of Event Center renovations
- AV redesign

