

Allen Oliver
Mayor

Connie Mearkle
Commissioner

Dennis Panicali
Commissioner



David Heglar
Mayor Pro Tem

John Ellen
Commissioner

Mandy Sanders
Director of Administration

TOWN OF KURE BEACH

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May 19, 2025

**RE: TOWN OF KURE BEACH, NORTH CAROLINA
FISCAL YEAR 2026 BUDGET MESSAGE**

The Honorable Mayor Oliver and Town Council:

In accordance with Section 159-11 of the NC General Statutes (N.C.G.S.), I am pleased to present the proposed fiscal year 2026 budget for the Town of Kure Beach for your review and consideration. The budget is a sound financial plan and has been prepared with the Council's goals, priorities and objectives adopted from their annual retreat and budget work sessions. All sections of the proposed budget are in conformance with the Local Government Budget and Fiscal Control Act as amended. A balanced budget for the next fiscal year, or an interim budget, must be adopted by July 1, 2025. Pursuant to N.C.G.S. 159-12, a public hearing on the proposed budget must be held before adoption. With the submittal of the budget proposal to Council, copies will be available for public inspection on the Town's website and in the Office of the Town Clerk. The public hearing has been scheduled for June 9, 2025 at 6:00 pm.

The proposed fiscal year 2026 Town of Kure Beach budget is balanced and totals \$13,473,559 for all operations. This total budget is comprised of the following seven funds: General Fund \$9,049,160; Water and Sewer Fund \$2,907,060; Storm Water Fund \$1,373,104; Powell Bill Fund \$84,125; Federal Asset Forfeiture Fund \$25,000; Sewer Expansion Reserve Fund (SERF) \$20,610 and Beach Protection Fund \$14,500.

Comparison of the proposed fiscal year 2026 budget for each fund to the fiscal year 2025 budget is as follows:

FUND	REQUESTED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHANGE
General	\$9,049,160	\$9,057,973	(\$8,813)	(0.1%)
Water/Sewer	\$2,907,060	\$2,973,181	(\$66,121)	(2.2%)
Storm Water	\$1,373,104	\$522,000	\$851,104	163.0%
Powell Bill	\$84,125	\$97,150	(\$13,025)	(13.4%)
Federal Asset Forfeiture	\$25,000	\$25,000	\$0	0.0%
Sewer Expansion Reserve	\$20,610	\$23,395	(\$2,785)	(11.9%)
Beach Protection	\$14,500	\$24,000	(\$9,500)	(39.6%)
TOTAL - ALL FUNDS	\$13,473,559	\$12,722,699	\$750,860	5.9%

TOWN COUNCIL GOALS

The proposed budget supports the fiscal year 2026 goals established by Town Council during the budget development process. These goals are:

1. *Work smarter to maintain and improve our quality of life in Kure Beach*
 - Implementation of approved CAMA Land Use Plan
 - Continue to work with Department of Defense Land Use Plan (MOTSU) to retain current town owned assets
 - Implement the Bike/Ped Master Plan
 - Implementation of approved Beach Management Plan
 - Continue to work with leaders of the General Assembly to address the needs of the Town

- Explore the following areas for funding for future capital projects (i.e. Bike/Ped, Sandman Park, Joe Eakes Park, Atlantic Avenue boardwalk, replacement of CAMA beach accesses). Council will prioritize each project based on potential source and community need:
 - i. PARTF (state)
 - ii. CAMA grants (state)
 - iii. New Hanover County Endowment (county)
 - iv. Friends of Kure Beach (private)
- 2. *Ensure the integrity of Town financial data and maintain financial stability in all Town funds*
 - Be fiscally responsible
 - Set tax and water/sewer rates that support the expected level of service by the citizens of the Town
- 3. *Enable an optimum working environment for staff to produce high levels of service to the Town*
 - Ensure policies are fair (morale)
 - Enhance procedures to retain and attract Town personnel
 - Update and adjust the Salary Plan as needed to keep employees fairly compensated
- 4. *Provide all departments with the support to maintain a safe working and living environment*
 - Support camera program
 - Use technology to support Town functions
 - Continue to improve employee safety plan
 - Support K9 program
 - Provide necessary tools for safe working environment

BUDGET HIGHLIGHTS

IMPACT OF PROPERTY REVALUATION AND CALCULATION OF THE REVENUE-NEUTRAL TAX RATE

New Hanover County (NHC) revalues real estate throughout the County every four years. The most recent revaluation has an effective date of January 1, 2025 and therefore has an impact on the proposed fiscal year 2026 budget. The purpose of property revaluation is to re-establish equity among properties that may have appreciated or depreciated in value at different rates since the County's last revaluation. The table below shows the change in real property values, by jurisdiction, within NHC. The impact for the County as a whole was an increase in value of approximately 65.6%, whereas the change for Kure Beach was approximately 73.4%.

REAL PROPERTY (REAL ESTATE)

JURISDICTION	PRIOR TO REVALUATION	AFTER REVALUATION	\$ CHANGE	% CHANGE	% OF TOTAL NHC PROPERTY
Kure Beach	\$1,262,514,000	\$2,189,000,000	\$926,486,000	73.4%	3.0%
Carolina Beach	\$2,963,930,000	\$5,270,000,000	\$2,306,070,000	77.8%	7.1%
Wrightsville Beach	\$3,711,960,000	\$6,483,000,000	\$2,771,040,000	74.7%	8.7%
Wilmington	\$19,995,000,000	\$32,088,000,000	\$12,093,000,000	60.5%	43.3%
Fire District	\$16,846,000,000	\$28,146,000,000	\$11,300,000,000	67.1%	37.9%
Total NHC	\$44,779,404,000	\$74,176,000,000	\$29,396,596,000	65.6%	

In addition to real property (real estate), there are other types of taxable property that comprise the Total Tax Base. For Kure Beach, the various components of the tax base, both before and after revaluation, are presented on the following page and represent the most recent estimates provided by the NHC Tax Department.

TAX BASE COMPONENT	PRIOR TO REVALUATION	AFTER REVALUATION	\$ CHANGE	% CHANGE
Real Property	\$1,262,514,000	\$2,189,000,000	\$926,486,000	73.4%
Personal Property	\$3,833,464	\$4,210,000	\$376,536	9.8%
Business Personal Property	\$2,656,225	\$2,700,000	\$43,775	1.6%
Motor Vehicles	\$38,790,142	\$40,720,000	\$1,929,858	5.0%
State Appraised	\$2,208,109	\$2,200,000	(\$8,109)	(0.4%)
TOTAL TAX BASE	\$1,310,001,940	\$2,238,830,000	\$928,828,060	70.9%

The above Total Tax Base is the amount used in determining the total tax levy for the Town.

North Carolina General Statute Section 159-11 (e) mandates that a statement of the revenue-neutral tax rate must be presented for comparison purposes in the year that a general reappraisal of real property has been conducted. The revenue-neutral tax rate is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no reappraisal had occurred. To calculate the revenue-neutral tax rate, a rate that would produce revenues equal to those produced for the current fiscal year must be determined and then the rate is increased by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal. This growth factor represents the expected percentage increase in the value of the tax base due to improvements during the next fiscal year.

The calculation of the growth factor to be used in determining the revenue-neutral tax rate is as follows:

FISCAL YEAR	ASSESSED VALUATION	VALUATION INCREASE	PERCENTAGE CHANGE
2025/2026	\$2,238,830,000		
Revaluation 1/1/2025			
2024/2025	\$1,310,001,940	\$17,047,993	1.32%
2023/2024	\$1,292,953,947	\$20,141,178	1.58%
2022/2023	\$1,272,812,769	\$15,296,300	1.22%
2021/2022	\$1,257,516,469		
Revaluation 1/1/2021			

The average annual growth in assessed valuation from fiscal year 2022 to 2025 is 1.37%.

The revenue-neutral tax rate for Kure Beach is 17.2 cents (\$0.172) after application of the 1.37% growth factor. The calculation of the revenue-neutral tax rate is as follows:

Average Growth % (FY 2022 – 2025)	1.37%
Current Tax Rate Per \$100 of Valuation	\$0.29
FY 2025 Tax Levy (\$1,310,001,940 / \$100) x \$0.29	\$3,799,006
FY 2026 Tax Levy Without Revaluation Including Average Growth % (((\$1,310,001,940 x 1.0137) / \$100) x \$0.29	\$3,851,145
Revenue-Neutral Tax Rate for FY 2026 Based on Revaluation \$3,851,145 / (\$2,238,830,000 / \$100)	\$0.172

The revenue-neutral tax rate is intended to be revenue-neutral for the Town as a whole, not for individual property owners. Therefore, some taxpayers may receive a higher tax bill even if the revenue-neutral rate is adopted.

PROPOSED TAX RATE FOR FISCAL YEAR 2026

The proposed tax rate for fiscal year 2026 is the revenue neutral tax rate calculated above of 17.2 cents (\$0.172) per \$100 of valuation.

Property taxes are the Town's largest single source of revenue. Fiscal year 2026 property tax revenue is estimated at \$3,825,250. This includes both current tax year and prior tax years' collections and represents 42.3% of the General Fund revenue.

Kure Beach property taxes are billed and collected by the New Hanover County Tax Department and remitted to Kure Beach. Based on historical data, the property tax collection rate is estimated at 99%.

GENERAL FUND FEES

The proposed fiscal year 2026 budget submission does not include any significant General Fund fee increases.

WATER AND SEWER RATES

The water and sewer fees being paid by system users must provide funds for the day-to-day operating costs of the Town's water and sewer systems and provide for some additions to the water and sewer reserve funds for future infrastructure repairs and replacement. The costs necessary to properly operate the Town's water and sewer systems continue to increase, as does the need to increase our reserves for future capital projects as our infrastructure and equipment ages. To continue to provide for sufficient funding for our water and sewer operations, this budget includes proposed changes to the water and sewer rate structure.

The proposed changes to the water and sewer rate structure are to increase the minimum charge and the usage based rate tiers by 5%. This increase applies to all customer types (Residential, Commercial and Out of Jurisdiction).

Residential Customers

The following is the proposed rate structure for Residential customers:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT	PROPOSED	CURRENT	PROPOSED	
Minimum (0 - 2,000 gals.)	\$13.50	\$14.18	\$23.50	\$24.68	5% Increase
2,001 to 7,000 gals. (rate per 100 gals.)	\$0.7187	\$0.7546	\$0.9264	\$0.9727	5% Increase
7,001 to 12,000 gals. (rate per 100 gals.)	\$1.0782	\$1.1321	\$1.3895	\$1.4590	5% Increase
Over 12,000 gals. (rate per 100 gals.)	\$1.6171	\$1.6980	\$2.0844	\$2.1886	5% Increase

The table on the following page demonstrates the impact of the proposed rate changes on a Residential account at four usage levels. These examples show usage levels of 2,000 gallons, 5,000 gallons, 12,000 gallons and 18,000 gallons and indicate the amount and percentage increase that result from the proposed rate changes. Since the 5% increase applies to the minimum and the usage based rate tiers, the percentage increase at all usage levels will be 5%.

Monthly Usage of 2,000 Gallons		
Minimum up to 2,000 gallons (Water & Sewer)	<u>\$37.00</u>	<u>\$38.86</u>
Increase Amount		\$1.86
% Change		5.0%
Monthly Usage of 5,000 Gallons		
Minimum up to 2,000 gallons (Water & Sewer)	\$37.00	\$38.86
2,001 to 5,000 gallons	<u>\$49.35</u>	<u>\$51.82</u>
Total	<u>\$86.35</u>	<u>\$90.68</u>
Increase Amount		\$4.33
% Change		5.0%
Monthly Usage of 12,000 Gallons		
Minimum up to 2,000 gallons (Water & Sewer)	\$37.00	\$38.86
2,001 to 7,000 gallons	\$82.26	\$86.37
7,001 to 12,000 gallons	<u>\$123.39</u>	<u>\$129.56</u>
Total	<u>\$242.65</u>	<u>\$254.79</u>
Increase Amount		\$12.14
% Change		5.0%
Monthly Usage of 18,000 Gallons		
Minimum up to 2,000 gallons (Water & Sewer)	\$37.00	\$38.86
2,001 to 7,000 gallons	\$82.26	\$86.37
7,001 to 12,000 gallons	\$123.39	\$129.56
Over 12,000 gallons	<u>\$222.09</u>	<u>\$233.20</u>
Total	<u>\$464.74</u>	<u>\$487.99</u>
Increase Amount		\$23.25
% Change		5.0%

Commercial Customers

The following is the proposed rate structure for Commercial customers:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT	PROPOSED	CURRENT	PROPOSED	
Minimum (0 - 2,000 gals.)	\$18.50	\$19.43	\$25.50	\$26.78	5% Increase
2,001 to 70,000 gals. (rate per 100 gals.)	\$1.1084	\$1.1638	\$1.1380	\$1.1949	5% Increase
Over 70,000 gals. (rate per 100 gals.)	\$1.3856	\$1.4549	\$1.4225	\$1.4936	5% Increase

The table below shows the impact of the rate changes on a Commercial account at two usage levels:

Monthly Usage of 20,000 Gallons		
Minimum up to 2,000 gallons (Water & Sewer)	\$44.00	\$46.21
2,001 to 20,000 gallons	<u>\$404.35</u>	<u>\$424.56</u>
Total	<u>\$448.35</u>	<u>\$470.77</u>
Increase Amount		\$22.42
% Change		5.0%
Monthly Usage of 100,000 Gallons		
Minimum up to 2,000 gallons (Water & Sewer)	\$44.00	\$46.21
2,001 to 70,000 gallons	\$1,527.55	\$1,603.91
Over 70,000 gallons	<u>\$842.43</u>	<u>\$884.55</u>
Total	<u>\$2,413.98</u>	<u>\$2,534.67</u>
Increase Amount		\$120.69
% Change		5.0%

Out of Jurisdiction Customers

The following is the proposed rate structure for Out of Jurisdiction customers:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT	PROPOSED	CURRENT	PROPOSED	
Minimum (0 - 2,000 gals.)	\$23.00	\$24.15	\$40.50	\$42.53	5% Increase
2,001 to 70,000 gals. (rate per 100 gals.)	\$1.2579	\$1.3208	\$1.6171	\$1.6980	5% Increase
Over 70,000 gals. (rate per 100 gals.)	\$1.5722	\$1.6508	\$2.0215	\$2.1226	5% Increase

The table on the following page shows the impact of the rate changes on an Out of Jurisdiction account at two usage levels:

	EXISTING RATES	PROPOSED RATES
Monthly Usage of 20,000 Gallons		
Minimum up to 2,000 gallons (Water & Sewer)	\$63.50	\$66.68
2,001 to 20,000 gallons	<u>\$517.50</u>	<u>\$543.38</u>
Total	<u>\$581.00</u>	<u>\$610.06</u>
Increase Amount		\$29.06
% Change		5.0%
Monthly Usage of 250,000 Gallons		
Minimum up to 2,000 gallons (Water & Sewer)	\$63.50	\$66.68
2,001 to 70,000 gallons	\$1,954.93	\$2,052.78
Over 70,000 gallons	<u>\$6,468.66</u>	<u>\$6,792.12</u>
Total	<u>\$8,487.09</u>	<u>\$8,911.58</u>
Increase Amount		\$424.49
% Change		5.0%

An added benefit to the rate structure changes for Residential, Commercial and Out of Jurisdiction customers is that it hopefully will encourage further water conservation.

STORM WATER FEES

The proposed fiscal year 2026 Storm Water Fund budget includes a 25% increase in monthly storm water fees. This fee increase is necessary to provide funds for current and future storm water system infrastructure projects. The proposed changes are as follows:

DESCRIPTION	CURRENT MONTHLY RATE	PROPOSED MONTHLY RATE	MONTHLY INCREASE	% INCREASE
Residential Unit	\$15.00	\$18.75	\$3.75	25%
Commercial (a)	\$9.33 to \$151.73	\$11.66 to \$189.66	\$2.33 to \$37.93	25%
(a) - Commercial rates vary based on size of property.				

STAFFING AND COMPENSATION

There are no changes to the number of full-time employees in the proposed fiscal year 2026 budget. This maintains the number of full-time personnel at 54. The full-time personnel are allocated to Town funds based on the type of work performed, as follows:

FUND	NO. OF FULL-TIME EMPLOYEES
General	42
Water and Sewer	10
Storm Water	2
Total	54

The proposed fiscal year 2026 budget includes a merit increase of 2% to reward those employees who are performing above expectations. Also, a 2.5% cost of living adjustment (COLA) for all full-time employees is included in the fiscal year 2026 budget. The COLA is consistent with the COLA implemented by the Social Security Administration in January 2025 and addresses concerns relating to retention of current employees, the impacts of current inflation rates on Town employees, and to remain competitive with neighboring towns. Finally, the employee benefit programs are consistent with prior years.

GOVERNING BODY

The budget for Town Council related expenses includes compensation and allowances for Council members as follows:

POSITION	COMPENSATION			ANNUAL VEHICLE ALLOWANCE	ANNUAL PHONE ALLOWANCE
	7/1/25 – 12/31/25	1/1/26 – 6/30/26	TOTAL		
Mayor	\$2,400	\$3,000	\$5,400	\$1,200	\$600
Mayor Pro Tem	\$1,950	\$2,500	\$4,450	\$1,200	\$600
Commissioner (3)	\$1,800	\$1,800	\$3,600	\$1,200	\$600
Total of 5 Positions			\$20,650	\$6,000	\$3,000

60% of the compensation and allowances listed above are allocated to the General Fund and 40% to the Water and Sewer Fund. Also, the following expenses are allocated 60% to the General Fund and 40% to the Water and Sewer Fund: travel/training of \$5,000 and dues/subscriptions of \$8,000.

In addition, the General Fund Governing Body budget includes funding for the Pleasure Island Chamber of Commerce concert series and kite festival (\$30,000), Federal Point Historic Preservation Society (\$5,000), Katie B. Hines Senior Center (\$5,000), The Help Center of Federal Point (\$1,800) and the Island of Lights (\$1,200). Finally, the General Fund Governing Body budget also includes \$3,228 for the Town’s estimated portion of the Carolina Beach Inlet dredging project as requested by New Hanover County.

DEBT SERVICE

General Fund

General Fund debt service totals \$670,600 and includes payments on existing loans for the following:

Equipment & Vehicles	\$225,164
Ocean Front Park	97,234
Fire Station & Town Hall	<u>348,202</u>
General Fund Total	<u>\$670,600</u>

This is a decrease of \$30,650 (4.4%) over fiscal year 2025.

Water and Sewer Fund

The Water and Sewer Fund debt service totals \$305,310 and includes payments on existing loans for the following:

Equipment & Vehicles	\$ 47,935
Water/Sewer Infrastructure	209,893
Town Hall	<u>47,482</u>
Water/Sewer Fund Total	<u>\$305,310</u>

This is a decrease of \$17,690 (5.5%) over fiscal year 2025.

Storm Water Fund

Finally, the Storm Water Fund debt service totals \$47,935 relating to the financing of equipment. This is a decrease of \$65 (0.1%) over fiscal year 2025.

Debt service for each fund, as a percentage of the applicable fund’s proposed fiscal year 2026 total budget is as follows:

General Fund	7.4%
Water and Sewer Fund	10.5%
Storm Water Fund	3.5%

The Town's total outstanding debt (all funds) is estimated to be \$4,522,420 on July 1, 2025. The Local Government Commission (LGC) uses 8% of the assessed value of property subject to taxation as the maximum debt level. The Town's outstanding debt on July 1 will be approximately 0.20% of the assessed value of property, well within LGC guidelines.

OPERATING EXPENSES

General Fund

The budget for General Fund operating expenses (excluding capital outlay and debt service) is 2.2% greater than the fiscal year 2025 budget for operating expenses. The primary factors contributing to the increase in relation to the fiscal year 2025 budget include:

- Price increases for purchased services, materials, supplies, fuel, etc.
- Previously mentioned employee compensation actions.

Water and Sewer Fund

The fiscal year 2026 operating budget (excluding capital outlay and debt service) for the Water and Sewer Fund is 1.7% greater than the fiscal year 2025 budget. The primary reasons for the increase in normal operating costs in relation to the 2025 budget are an increase in material and services costs and the previously discussed employee compensation actions.

Storm Water Fund

The fiscal year 2026 Storm Water Fund operating budget (excluding capital outlay and debt service) is 15.1% less than the fiscal year 2025 budget. The decrease is primarily due to a decrease in projected storm water system maintenance costs.

CAPITAL OUTLAY

General Fund

The General Fund capital outlay for fiscal year 2026 totals \$488,500 and is comprised of the following:

- \$135,000 – Replacement of Police vehicles (will be purchased using financing)
- \$30,000 – Police Dept. radar signs
- \$100,000 – Street paving

- \$60,000 – Replacement of a Fire Dept. truck (will be purchased using financing)
- \$13,500 – Replacement of Ocean Rescue equipment
- \$150,000 – Replacement of Ocean Front Park playground equipment

The fiscal year 2026 budgeted capital outlay for the General Fund is \$149,669 (23.5%) less than the fiscal year 2025 budget. The amount of capital outlay varies from year-to-year and is contingent on the useful life of previously purchased capital items.

Water and Sewer Fund

The fiscal year 2026 Water and Sewer Fund capital outlay includes \$360,000 for potential and emergency capital projects that may arise during the course of the fiscal year and \$15,000 for replacement of water meter reading equipment. The fiscal year 2026 budgeted capital outlay is \$85,000 (18.5%) less than the fiscal year 2025 budget.

Storm Water Fund

The fiscal year 2026 Storm Water Fund capital outlay totals \$1,050,000 for upgrade or replacement of nine beachfront storm water outfalls. The fiscal year 2026 budgeted capital outlay is \$900,000 (600%) greater than the fiscal year 2025 budget.

FUND TRANSFERS

There are no transfers between Town operating funds proposed as part of the fiscal year 2026 budget.

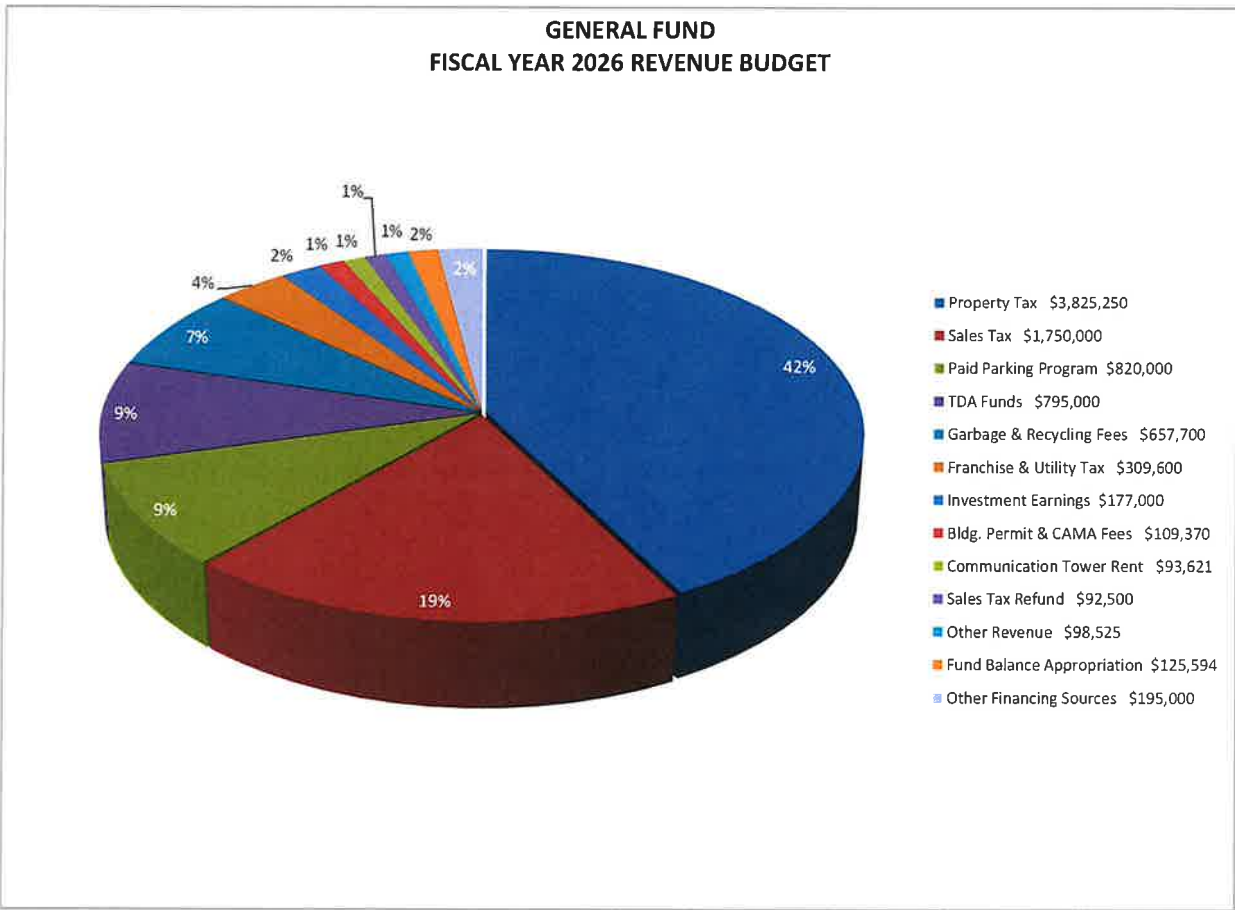
GENERAL FUND SUMMARY

The number of non-utility services provided by the Town, as well as the general expenses of operating the government, makes the process of developing and balancing the General Fund budget challenging. Issues, including, but not limited to the following have made the allocation of finite General Fund resources difficult:

- 1) The desire to maintain the types and levels of service provided to Town residents and property owners as both the year-round population and number of tourists increase.
- 2) The significant price increases for purchased services and materials resulting from supply chain issues and the high rate of inflation.
- 3) The need for improvements and maintenance of Town infrastructure and facilities.

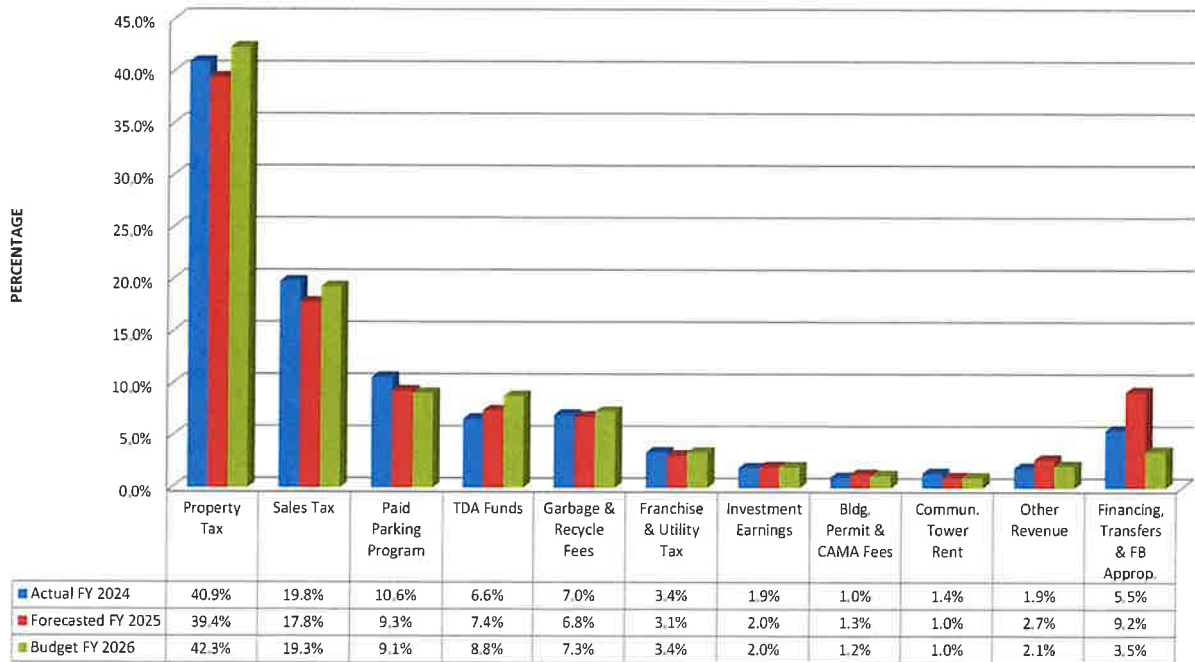
When comparing the total proposed fiscal year 2026 General Fund budget to the fiscal year 2025 original budget, the total 2026 budget has decreased by 0.1%. In comparison to the fiscal year 2025 budget, operating expenses have increased 2.2%, capital outlay decreased 23.5% and debt service decreased 4.4%.

The breakdown of budgeted revenue, by major source, for fiscal year 2026 is presented below. The top seven revenue sources are property taxes (\$3,825,250), sales tax (\$1,750,000), parking program revenue (\$820,000), TDA funds (\$795,000), garbage/recycle fees (\$657,700), franchise/utility taxes (\$309,600) and investment earnings (\$177,000). These seven revenue sources account for approximately 92% (\$8,334,550) of the total General Fund revenue.

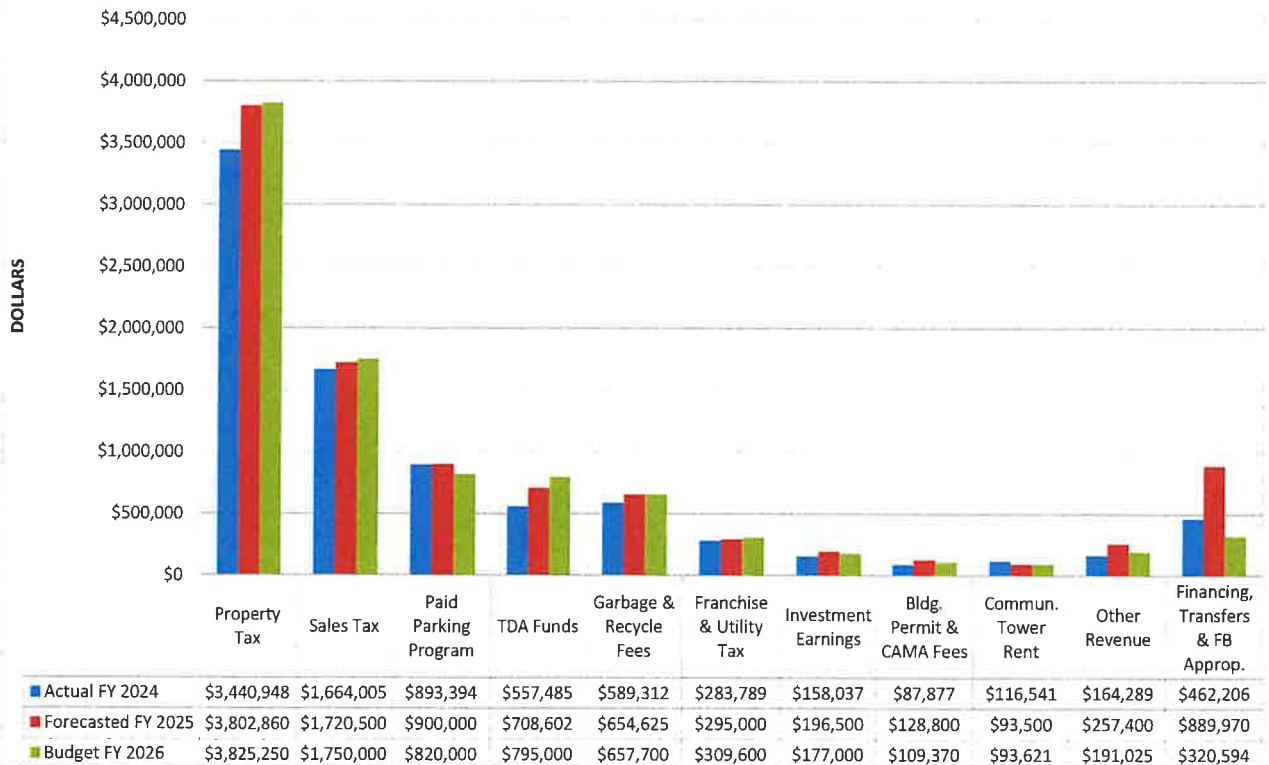


For comparative purposes, the charts on the next page present the percentage of revenue by source and revenue by source budgeted for fiscal year 2026 in relation to the forecasted revenue for fiscal year 2025 and the actual revenue for fiscal year 2024.

**GENERAL FUND
PERCENTAGE OF REVENUE BY SOURCE
FISCAL YEAR 2024 TO 2026**



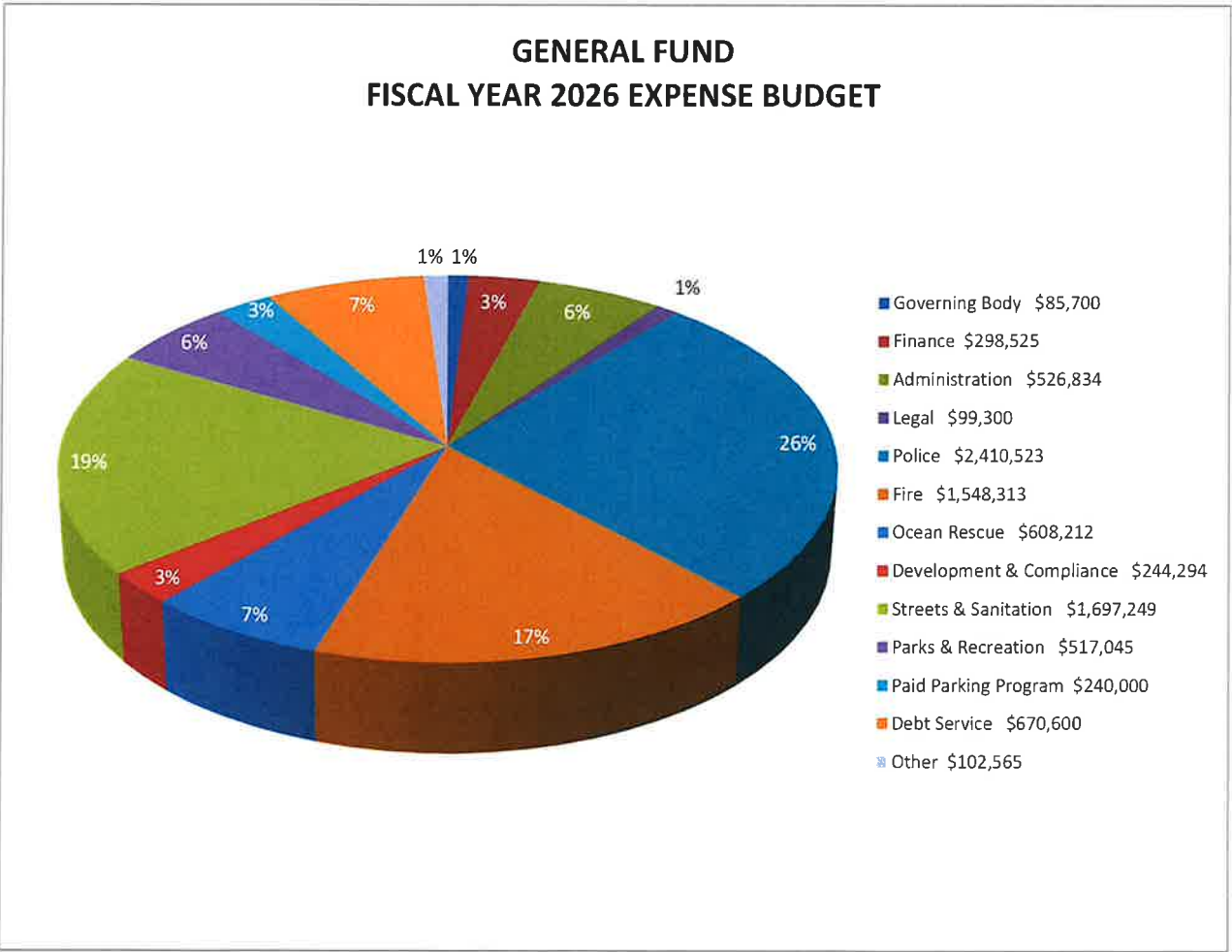
**GENERAL FUND
REVENUE BY SOURCE
FISCAL YEAR 2024 TO 2026**



As the charts on the previous page depict, revenue from property taxes is consistently 39% or more of the General Fund’s total revenue. The other categories have remained relatively consistent from year-to-year with the exception of “Financing, Transfers & Fund Balance Appropriation”. Fluctuations in “Financing, Transfers & Fund Balance Appropriation” primarily relate to the amount of installment loans which vary based on the level of capital outlay and in fiscal year 2025 the use of fund balance to transfer funds to the Public Works Building Capital Project Fund.

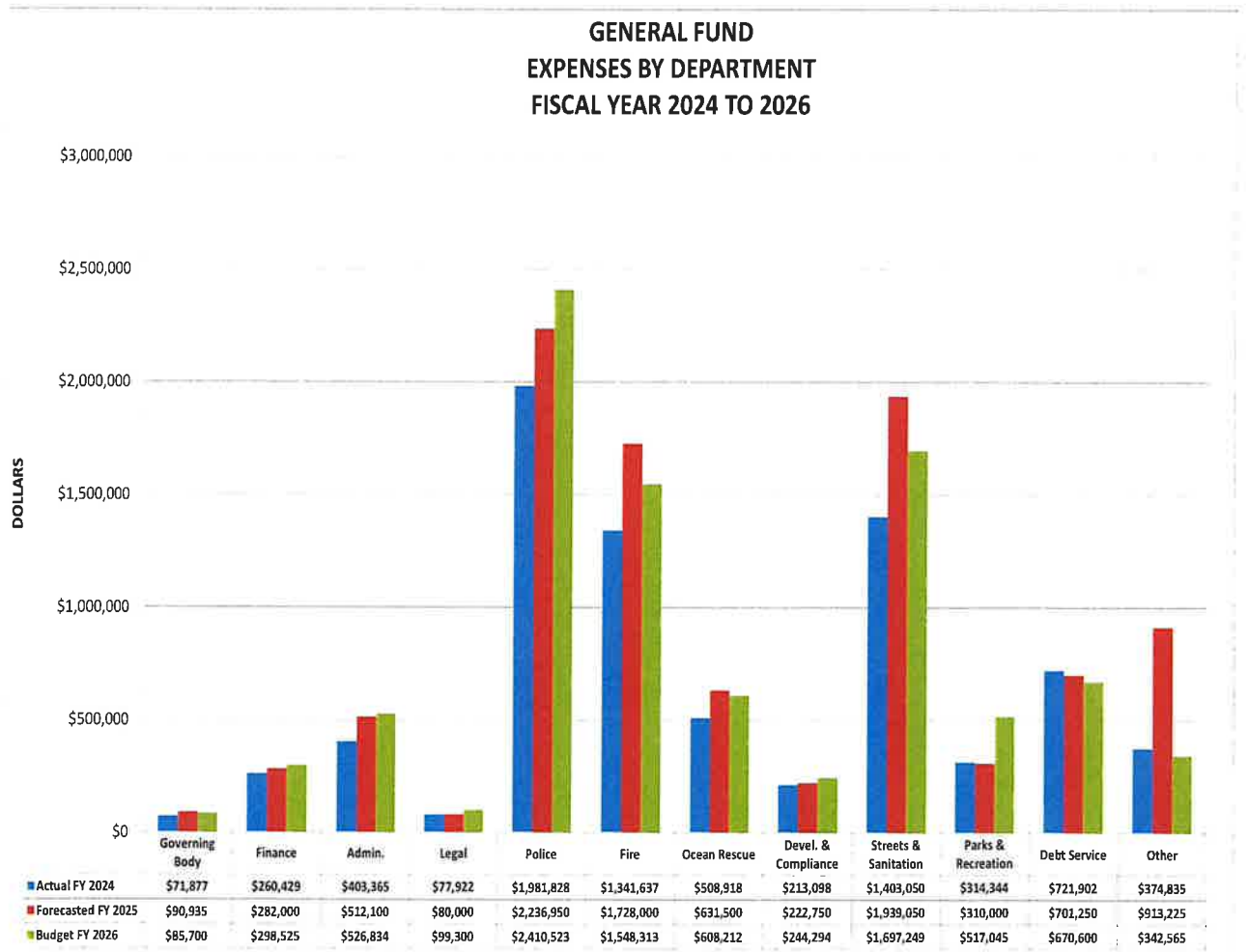
Refer to Exhibit A (on pages 27 to 29) for a summary of the changes, by General Fund revenue source, between the budgets for fiscal year 2026 and 2025.

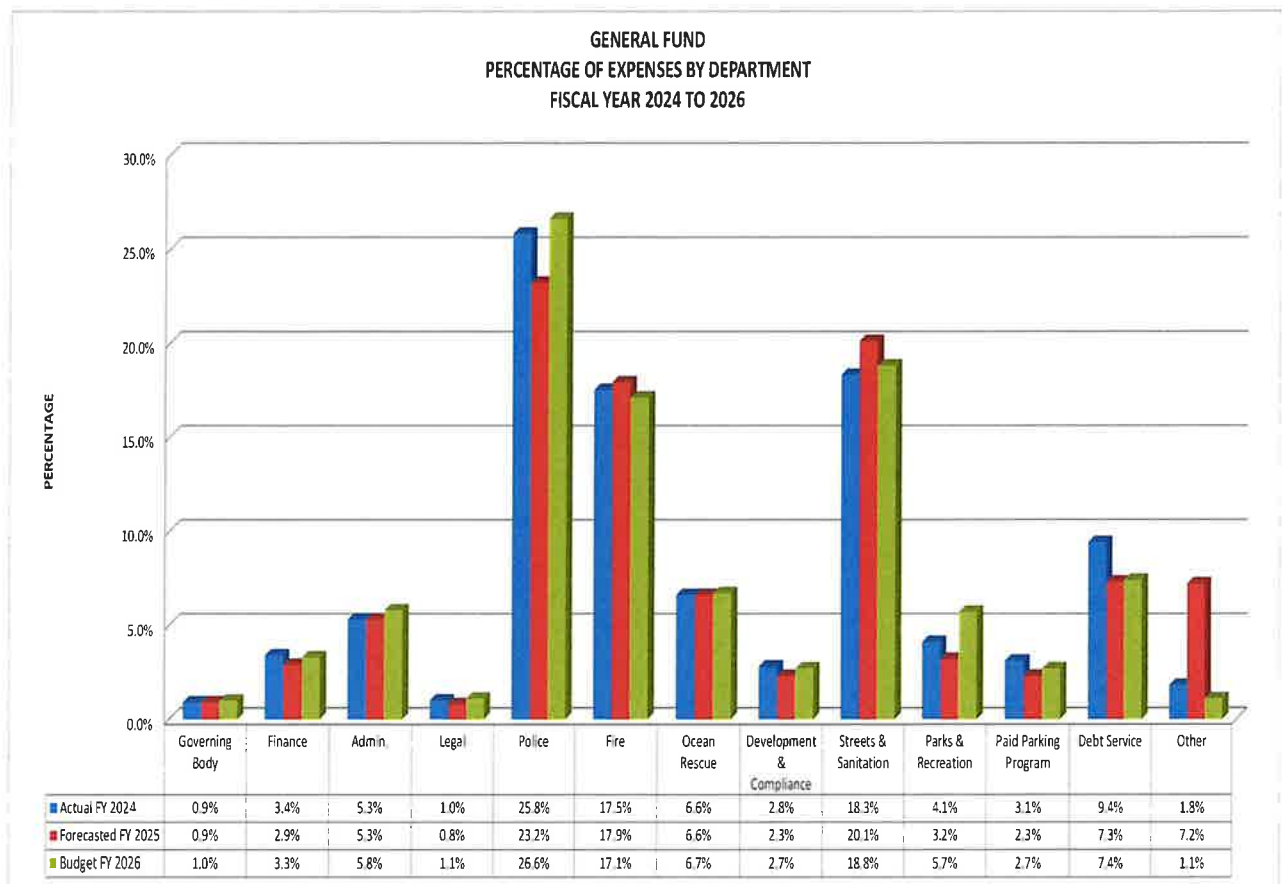
The breakdown of budgeted General Fund expenses, by department/function, for fiscal year 2026 is presented below. The seven largest components of the General Fund expense budget are Police (\$2,410,523), Public Works – Streets & Sanitation (\$1,697,249), Fire (\$1,548,313), Debt Service (\$670,600), Ocean Rescue (\$608,212), Administration (\$526,834) and Parks and Recreation (\$517,045). These seven departments/functions account for \$7,978,776, or 88.2%, of the General Fund budget.



The following two charts present the expenses by department/function and the percentage of expenses by department/function budgeted for fiscal year 2026 in relation to the forecasted expenses for fiscal year 2025 and the actual expenses for fiscal 2024.

As indicated below, the General Fund expenses by department/function can vary significantly from year-to-year. The variation results from the level of capital expenditures for the year, while the percentage of operating expenses for each department remain relatively consistent. For example, fiscal year 2025 includes capital expenditures for “Fire” of \$256,946 (air packs and generator), \$247,476 for “Streets & Sanitation” (garbage truck) and \$106,159 for “Police” (2 vehicles). Also, the fiscal year 2025 forecasted “Other” expenses includes estimated transfers to the Public Works Building Capital Project Fund of \$620,000.



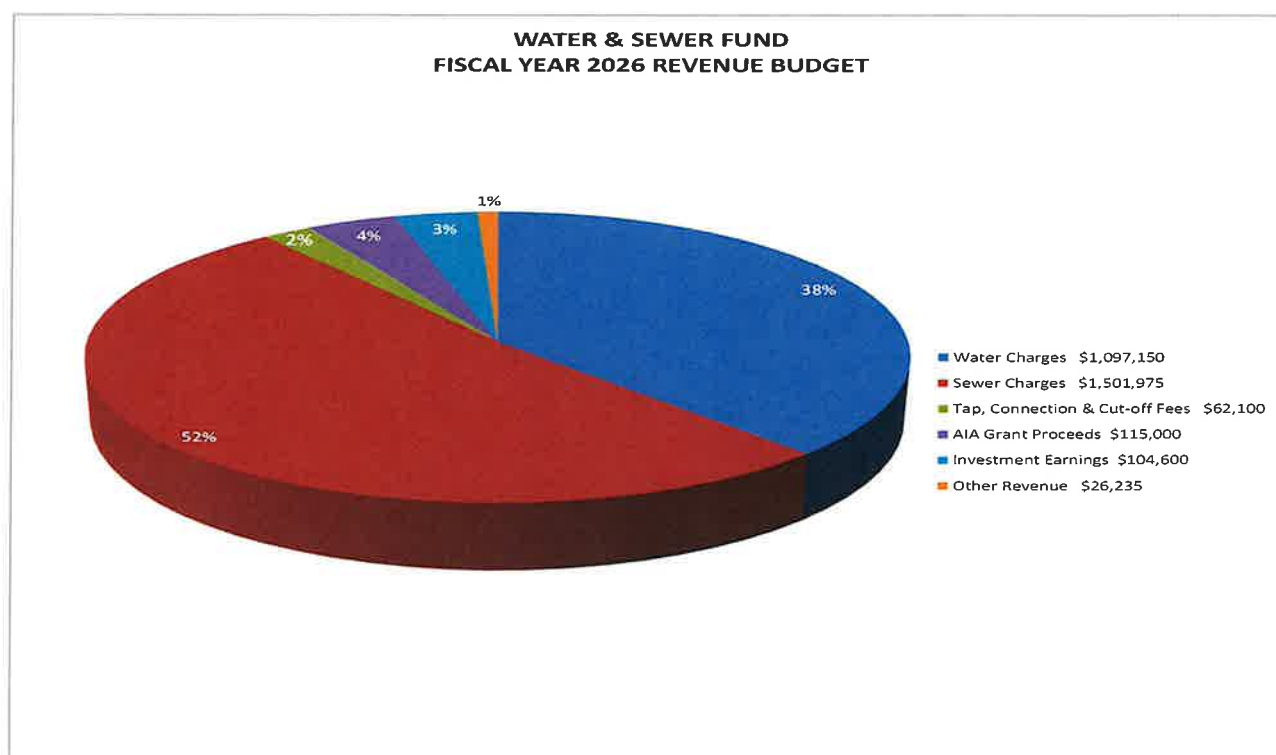


Refer to Exhibit B (on pages 30 to 36) for a summary of the changes, by General Fund department/function, between the budgets for fiscal year 2026 and 2025. Also, Appendix 1 (on pages 44 to 55) contains the line item budgets for each General Fund department/function.

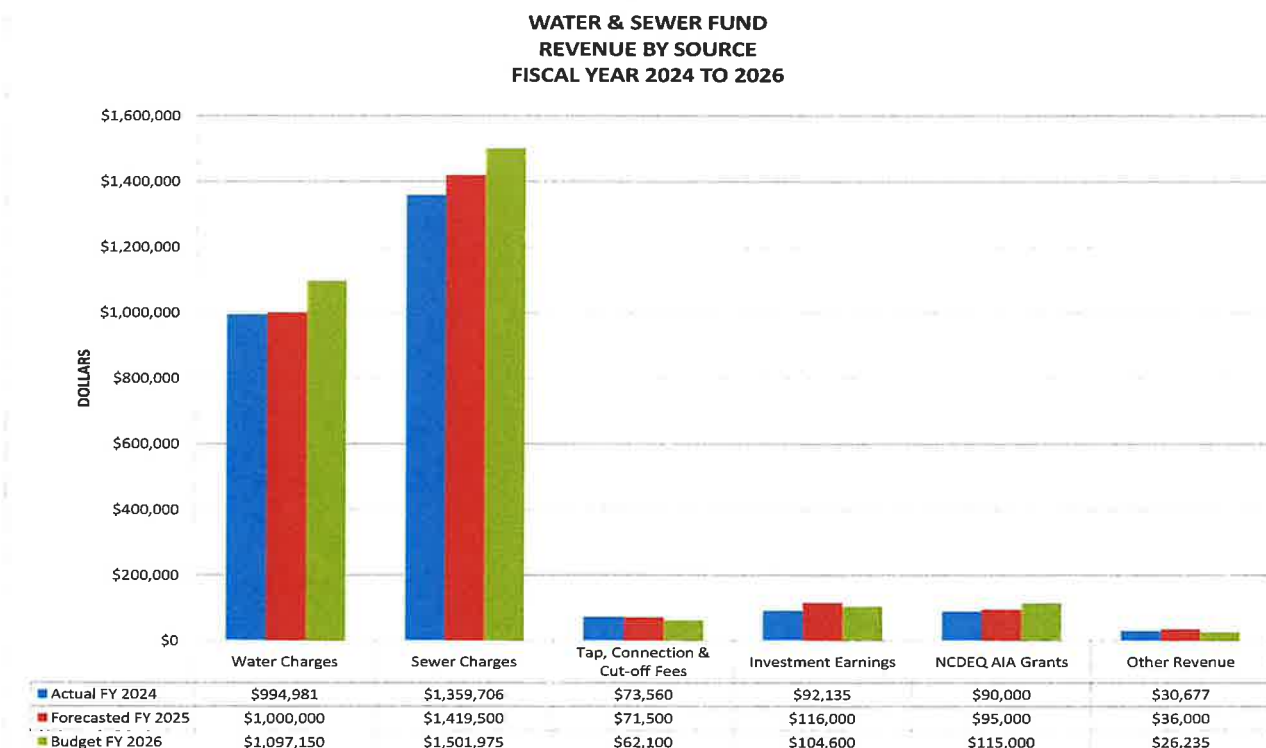
WATER AND SEWER FUND SUMMARY

Overall, the proposed fiscal year 2026 Water and Sewer Fund budget is 2.2% less than the original fiscal year 2025 budget. In relation to the fiscal year 2025 budget, operating expenses have increased 1.7%, capital outlay has decreased by 18.5% and debt service has decreased by 5.5%.

The breakdown of Water and Sewer Fund budgeted revenue, by major source, for fiscal year 2026 is shown on the next page. The budgeted water and sewer charges revenue categories reflect the previously discussed 5% minimum charge and usage-based rate tier increases and represent 90% of the Fund's total revenue.



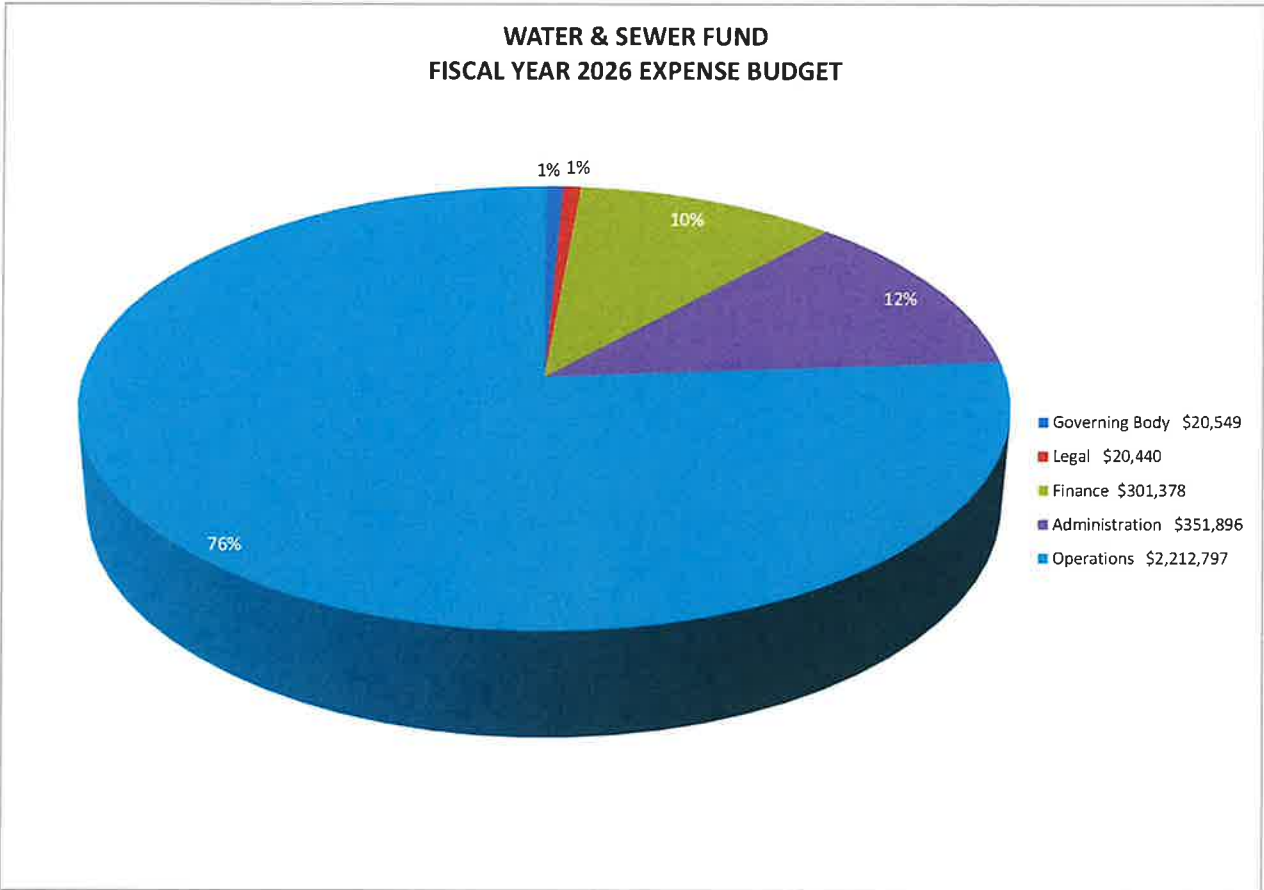
The chart below shows the Water and Sewer Fund revenue by source budgeted for fiscal year 2026 compared to the forecasted revenue for fiscal year 2025 and the actual revenue for fiscal year 2024.



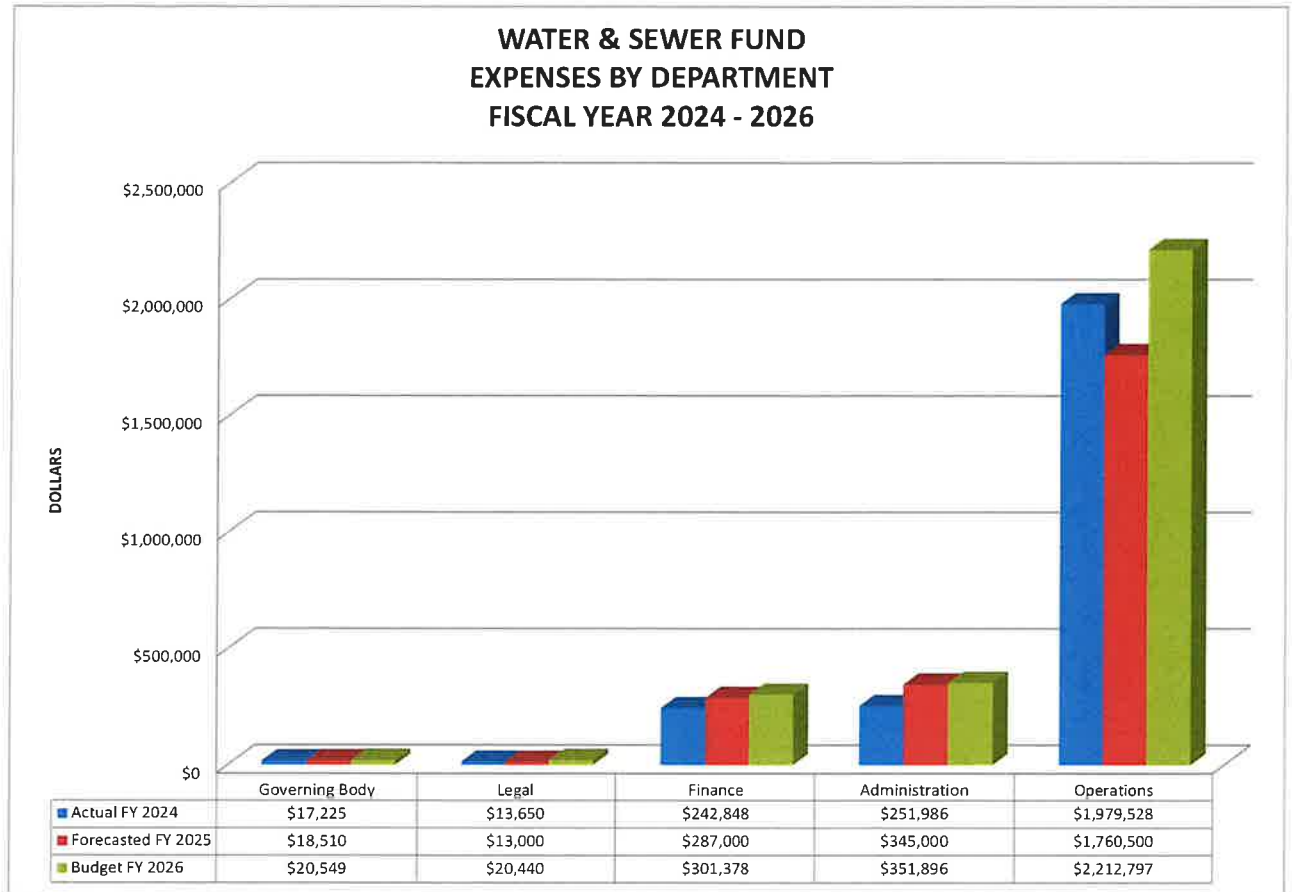
As demonstrated by the chart on the previous page, the most significant revenue sources are “Water and Sewer Charges”. These two revenue sources are projected to increase in fiscal year 2026 as a result of the previously discussed changes to the water and sewer rate structure.

Refer to Exhibit C (on pages 37 and 38) for a summary of the changes, by Water and Sewer Fund revenue source, between the budgets for fiscal year 2026 and 2025.

The breakdown of budgeted Water and Sewer Fund expenses, by department/function, for fiscal year 2026 is presented below. As expected, the Water/Sewer Operations Department accounts for the majority of the Water and Sewer Fund expense budget at 76% of the total.



The chart on the following page shows the expenses by department/function for the Water and Sewer Fund budgeted for fiscal year 2026 in comparison to the forecasted expenses for fiscal year 2025 and the actual expenses for fiscal year 2024.



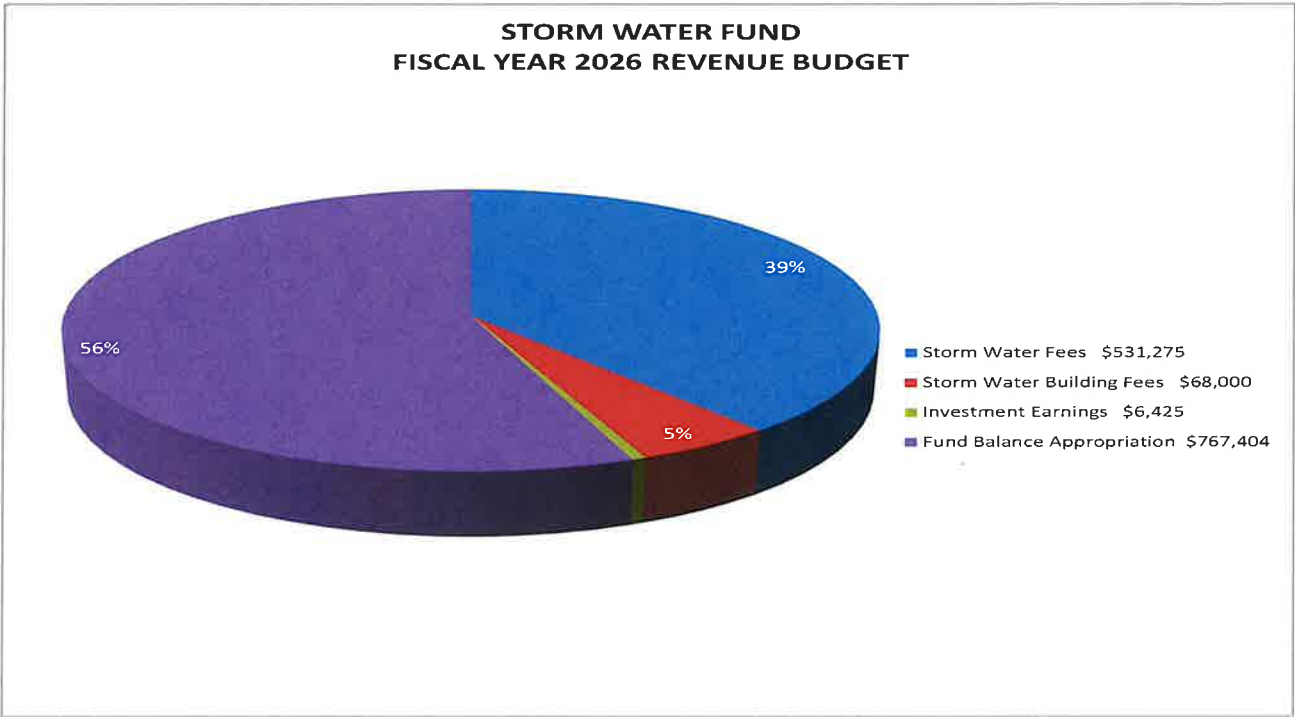
In regard to the chart above, the variations in “Operations” expenses primarily relate to the amount of capital outlay for the given year and the increase in costs to operate and maintain the water and sewer systems.

Refer to [Exhibit D](#) (on pages 39 to 41) for a summary of the changes, by Water and Sewer Fund department/function, between the budgets for fiscal year 2026 and 2025. Also, [Appendix 2](#) (on pages 56 to 60) contains the line item budgets for each Water and Sewer Fund department/function.

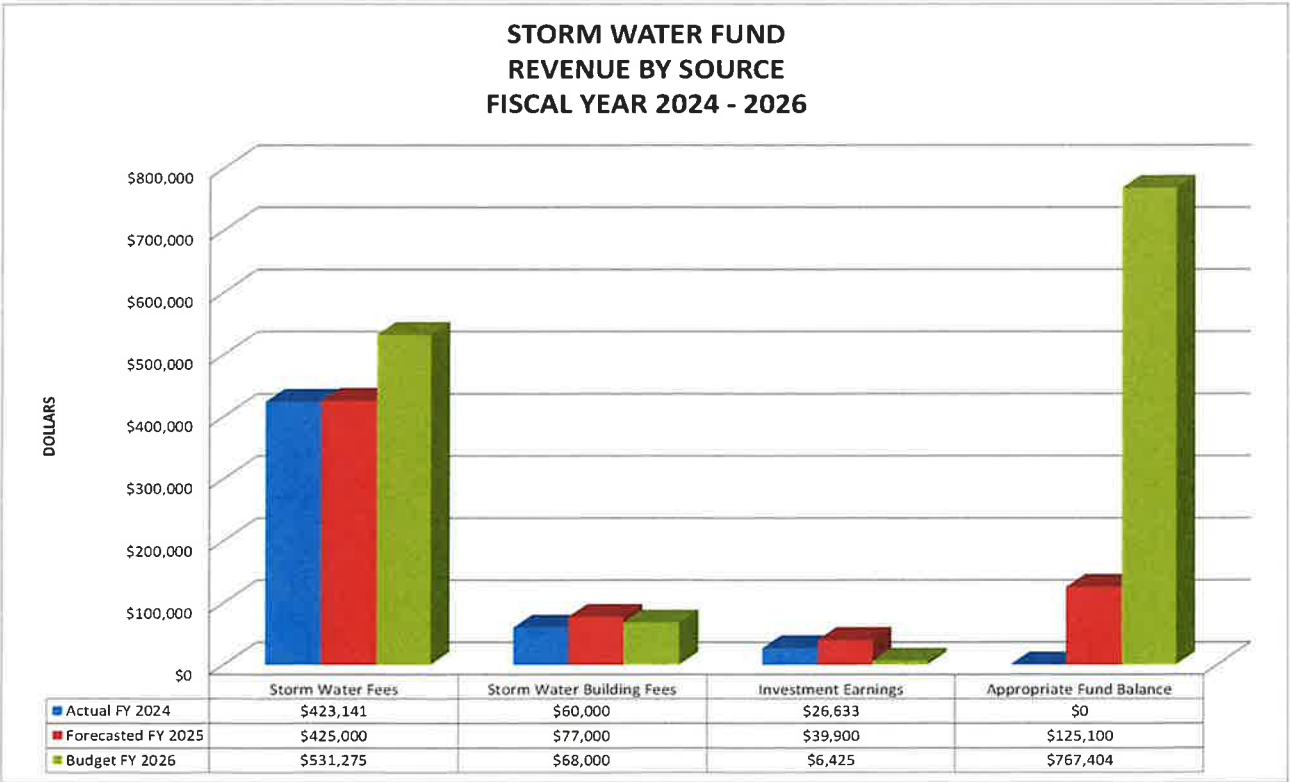
STORM WATER FUND SUMMARY

When comparing the total fiscal year 2026 Storm Water Fund budget to the original fiscal year 2025 budget, the total 2026 budget has increased by 163%. In comparison to the fiscal year 2025 budget, operating expenses have decreased 15.1%, capital outlay increased 600% and debt service decreased 0.1%. The significant increase in capital outlay is for replacement of nine of the beach front storm water system outfalls.

The breakdown of Storm Water Fund budgeted revenue, by major source, for fiscal year 2026 is shown on the next page.

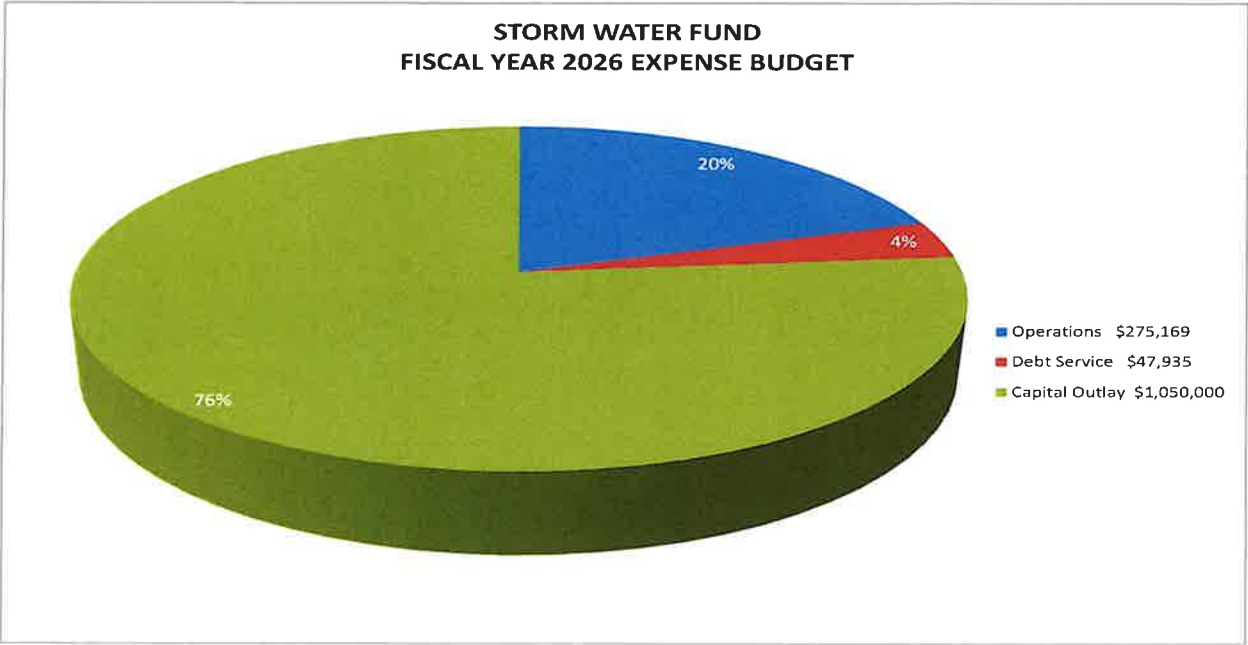


The chart below compares the budgeted fiscal year 2026 revenue to the forecasted revenue for fiscal year 2025 and the actual revenue for 2024. The major revenue source, “Storm Water Fees”, is projected to increase as a result of the 25% fee increase discussed earlier. Also, a fund balance appropriation will be used for capital projects in fiscal year 2026.

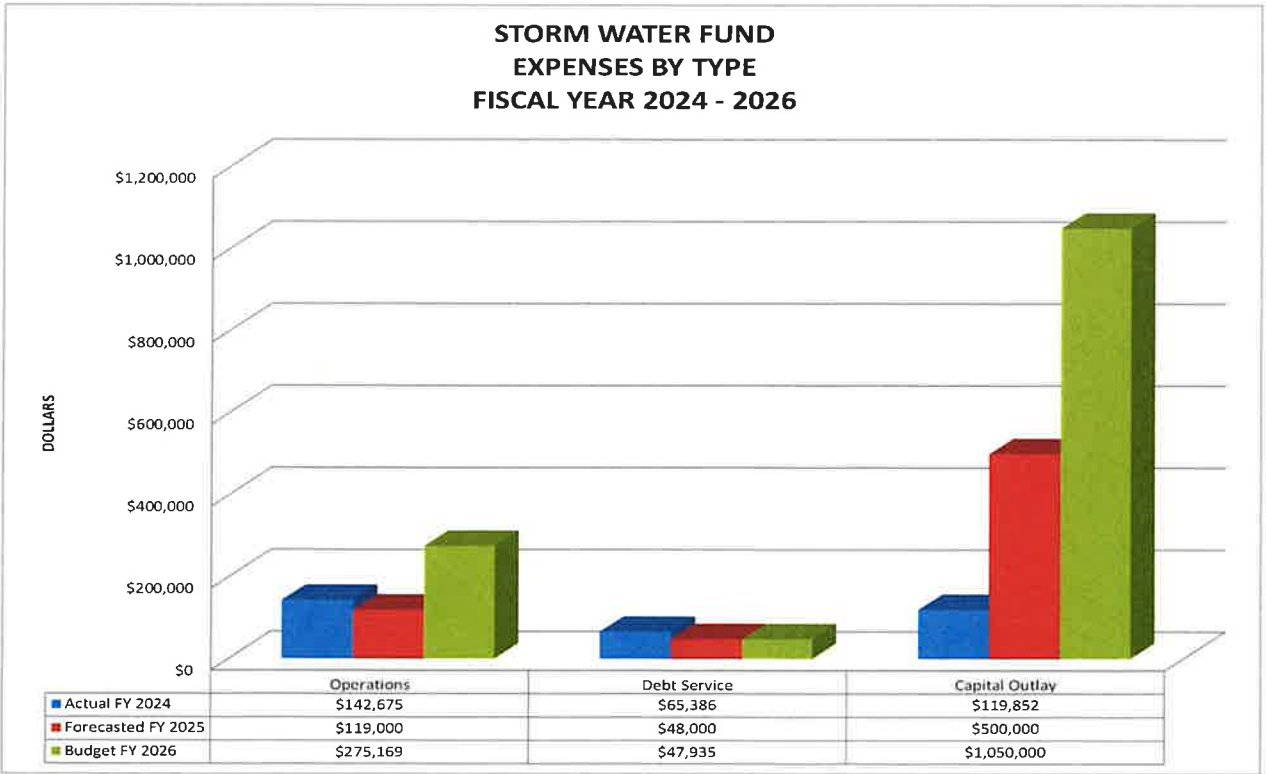


Refer to Exhibit E (on page 42) for a summary of the changes, by Storm Water Fund revenue source, between the budgets for fiscal year 2026 and 2025.

The breakdown of budgeted Storm Water Fund expenses, by type, for fiscal year 2026 is as follows:



The following chart shows the budgeted fiscal year 2026 expenses by type in relation to the forecasted fiscal year 2025 and actual 2024 Storm Water Fund expenses.



As indicated by the chart on the previous page, the budgeted expenses for fiscal year 2026 relating to “Operations” are expected to increase due to increases in the cost of materials and services. Fluctuations in “Capital Outlay” relate to the number and size of projects to be performed in a given year. “Capital Outlay” for both fiscal year 2025 and 2026 include significant expenditures relating to the beach front storm water system outfalls.

Refer to Exhibit F (on page 43) for a summary of the changes, by Storm Water Fund expense type, between the budgets for fiscal year 2026 and 2025. Also, Appendix 3 (on page 61) contains the line item budget for the Storm Water Fund.

POWELL BILL FUND SUMMARY

Funds received through the Powell Bill may only be used for the purpose of maintaining, repairing, constructing, reconstructing or widening of any street or public thoroughfare including bridges, drainage, curbs and gutters and other necessary appurtenances within the corporate limits. The total amount allocated by the NC Department of Transportation to each qualifying municipality is based on a formula (75% on the basis of relative population and 25% on the basis of relative non-State System local street mileage). The total budgeted allocation to Kure Beach for fiscal year 2026 is estimated at \$84,000 and investment earnings is estimated at \$125. Finally, budgeted Powell Bill eligible expenditures (street maintenance and paving) total \$84,125.

FEDERAL ASSET FORFEITURE FUND SUMMARY

On an as needed basis, the Kure Beach Police Department participates in investigations conducted by several federal agencies. The Police Department shares in the assets that are forfeited based on the outcome of the investigations and the level of resources provided. The funds received may only be used for Police related activities that are beyond the Police Department operating budget (which is a portion of the total General Fund budget). Under no circumstances, can the Police Department operating budget be funded with forfeiture proceeds. For fiscal year 2026, the use of asset forfeiture funds will be appropriated from the fund’s balance and is estimated at \$25,000.

SEWER EXPANSION RESERVE FUND (SERF) SUMMARY

The Sewer Expansion Reserve Fund (SERF) is for future expansion, construction, repairs or alterations to the sewer system. For fiscal year 2026, revenue from system development fees is estimated at \$10,795 and investment earnings from Fund investments is budgeted at \$9,815. The primary revenue source for this fund, system development fees, are dependent on the level of construction activity within the Town.

BEACH PROTECTION FUND SUMMARY

The Beach Protection Fund was established in fiscal year 2014 as a reserve fund for future beach nourishment expenses, as well as other beach related expenditures including, but not limited to, beach access improvements/repairs, dune maintenance, dune plantings, beach protection signage, dune infiltration systems, etc. For fiscal year 2026, the revenue source for this Fund will be investment earnings from Fund investments of \$14,500.

SUMMARY

The fiscal year 2026 Town of Kure Beach budget reflects a thorough review of Town expenditures and conservative, but reasonable, estimation of revenues.

The continued increase in tourism and full-time population growth places increased demands on Town personnel and the corresponding Town-provided services. These trends are expected to continue thereby creating an ongoing challenge to manage and control the costs to provide these services, while ensuring sufficient revenue sources exist to fund the services. Additionally, the cost of supplies and materials used for Town operations continue to increase. Also, the level of compensation for Town employees must be periodically evaluated to ensure that compensation remains consistent with neighboring towns in order to retain and attract employees.

Finally, investment in Town infrastructure, including, but not limited to water, sewer, storm water, streets and facilities, continues as needed to ensure Town systems function properly and efficiently. The proposed fiscal year 2026 budget addresses these challenges.

In conclusion, I believe the proposed fiscal year 2026 Kure Beach budget supports the priorities established by Town Council and Department Heads, reflects the Council's commitment to providing exceptional services to residents and visitors and is responsive to the overall needs of the Town.

I would like to express my appreciation to all Department Heads, as well as all Town employees, who participated in the development of the fiscal year 2026 budget.

Respectfully submitted,

Arlen Copenhaver

Arlen Copenhaver
Finance and Budget Officer

EXHIBIT A**GENERAL FUND REVENUE BUDGET
FY 2026 VS. FY 2025
(as of 5/19/2025)**

REVENUE TYPE	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Property Taxes	\$3,825,250	\$3,768,000	\$57,250	1.5%	Assumes a tax rate of 17.2 cents (revenue neutral rate) and estimated tax base provided by NHC Tax Dept.
Sales Tax	\$1,750,000	\$1,696,000	\$54,000	3.2%	Based on forecasts of state-wide sales tax proceeds.
Parking Program Revenue	\$820,000	\$820,000	\$0	0.0%	Based on historical parking revenue and current forecasts.
TDA	\$795,000	\$777,585	\$17,415	2.2%	FY 2025 budget is for Ocean Rescue, OFP & Joe Eakes Park maintenance & improvements, OFP entertainment and Pleasure Island Chamber of Commerce request.
Garbage & Recycle Fees	\$657,700	\$651,650	\$6,050	0.9%	
Franchise & Utility Taxes	\$309,600	\$264,500	\$45,100	17.1%	Estimated increase in electricity sales tax.
Interest/Investment Earnings	\$177,000	\$175,000	\$2,000	1.1%	Increased investment in the North Carolina Capital Management Trust.

**GENERAL FUND REVENUE BUDGET
FY 2026 VS. FY 2025
(as of 5/19/2025)**

REVENUE TYPE	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Building Permits, CAMA, Fire Inspections	\$109,370	\$109,470	(\$100)	(0.1%)	FY 2026 based on FY 2025 forecast and expected level of construction activity.
Communication Tower Rent	\$93,621	\$91,097	\$2,524	2.8%	FY 2026 includes annual increase for existing leases.
Sales Tax Refund	\$92,500	\$57,000	\$35,500	62.3%	Estimated sales tax refund based on sales tax paid in prior fiscal year.
Community Center/ Parks & Rec/ Street Festival	\$27,000	\$36,000	(\$9,000)	(25.0%)	Decrease due to discontinuing the sale of boardwalk bluefish.
ABC Revenue	\$23,800	\$23,300	\$500	2.1%	FY 2026 based on FY 2025 revenue forecast.
Town Facility Rentals	\$18,000	\$19,000	(\$1,000)	(5.3%)	
Motor Vehicle License Tax	\$10,875	\$10,500	\$375	3.6%	

EXHIBIT A

GENERAL FUND REVENUE BUDGET
FY 2026 VS. FY 2025
(as of 5/19/2025)

REVENUE TYPE	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET		DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Beer & Wine Tax	\$10,750	\$10,000		\$750	7.5%	
Parking Fines/ Civil Citations/ Court Fees	\$1,650	\$1,750		(\$100)	(5.7%)	
All Other Revenue	\$6,450	\$5,850		\$600	10.3%	Largest components are surplus property sales (\$3,500), re-entry decal sales (\$800), purchase card program rebate (\$750) and special events (\$500).
Appropriation of Fund Balance	\$125,594	\$161,271		(\$35,677)	(22.1%)	
Other Financing Sources	\$195,000	\$380,000		(\$185,000)	(48.7%)	Proposed financing for Police Dept. vehicles (\$135,000) and Fire Dept. truck (\$60,000).
TOTAL GENERAL FUND	\$9,049,160	\$9,057,973		(\$8,813)	(0.1%)	

**GENERAL FUND BUDGET BY DEPARTMENT
FY 2026 VS. FY 2025
(as of 5/19/2025)**

DEPARTMENT	DEPT. NO.	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Governing Body	410	\$85,700	\$93,461	(\$7,761)	(8.3%)	<u>Increases:</u> Gov. & Volunteer Relations: \$1,500 / 12% Compensation & FICA Taxes: \$743 / 4% <u>Decreases:</u> Contributions: \$10,000 / 19% <u>Summary:</u> Operating Costs: (\$7,761) / (8.3%)
Committees	412	\$20,625	\$20,425	\$200	1.0%	<u>Shoreline Access & Beach Protection (\$10,625):</u> Replace lost/damaged signs - \$6,000 SLABP Brochure - \$800 Sea Oats (2,750 @ \$0.80) - \$2,200 Education Giveaway Items - \$1,625 <u>Bike/Ped (\$10,000):</u> Education for Members - \$2,000 Public Education Information - \$2,800 Education Events - \$3,500 Bike Rack/Service Stand/Parking Pads - \$1,200 Spot Lane Connector Beautification - \$500 <u>Summary:</u> Operating Costs: \$200 / 1.0%
Elections	430	\$7,340	\$0	\$7,340		Local election in FY 2026.

**GENERAL FUND BUDGET BY DEPARTMENT
FY 2026 VS. FY 2025
(as of 5/19/2025)**

DEPARTMENT	DEPT. NO.	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Finance	415	\$298,525	\$282,009	\$16,516	5.9%	<u>Increases:</u> F/T Personnel-related Costs: \$7,734 / 4.7% Bank/Payroll/Credit Card Fees: \$7,540 / 25% Equipment Rental: \$650 / 13% <u>Decreases:</u> None <u>Summary:</u> Operating Costs: \$16,516 / 5.9%
Administration	420	\$526,834	\$487,548	\$39,286	8.1%	<u>Increases:</u> F/T Personnel-related Costs: \$8,933 / 4.6% Retiree Medical Insurance: \$10,415 / 47% P&L Insurance: \$8,550 / 10% Building Maintenance: \$6,800 / 24% Supplies: \$2,000 / 13% Computer Service: \$1,419 / 3% Employee Recognition: \$1,000 / 17% Meetings/Events: \$1,000 / 15% <u>Decreases:</u> P/T Personnel-Related Costs: \$1,077 / 33% <u>Summary:</u> Operating Costs: \$39,286 / 8.1%

GENERAL FUND BUDGET BY DEPARTMENT
FY 2026 VS. FY 2025
(as of 5/19/2025)

DEPARTMENT	DEPT. NO.	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Community Center	421	\$37,000	\$32,000	\$5,000	15.6%	<u>Increases:</u> Maintenance: \$5,000 / 25% <u>Decreases:</u> None <u>Summary:</u> Operating Costs: \$5,000 / 15.6%
Emergency Management	446	\$2,500	\$2,500	\$0	0.0%	<u>Increases & Decreases:</u> None <u>Summary:</u> Operating Costs: \$0 / 0%
Tax Collection	460	\$35,100	\$34,600	\$500	1.4%	<u>Increases:</u> NHC Tax Collection Fees: \$500 / 2% <u>Decreases:</u> None <u>Summary:</u> Operating Costs: \$500 / 1.4%
Legal	470	\$99,300	\$90,400	\$8,900	9.8%	<u>Increases:</u> Legal Service – Town Attorney: \$6,400 / 10% Professional Legal Service: \$2,500 / 10% <u>Decreases:</u> None <u>Summary:</u> Operating Costs: \$8,900 / 9.8%

**GENERAL FUND BUDGET BY DEPARTMENT
FY 2026 VS. FY 2025
(as of 5/19/2025)**

DEPARTMENT	DEPT. NO.	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Police	510	\$2,410,523	\$2,231,966	\$178,557	8.0%	<p><u>Increases:</u> F/T Personnel-related Costs: \$29,842 / 1.6% Capital Outlay - Vehicles: \$65,000 / 93% Capital Outlay - Equipment: \$30,000 / New LEO Separation Allowance-Related: \$32,029 / New Dues & Subscriptions: \$5,100 / 510% Minor Equipment: \$5,000 / 33% Building Maintenance: \$5,000 / 24% Travel & Training: \$3,000 / 18% Contracts: \$2,500 / 4% Utilities: \$2,000 / 17%</p> <p><u>Decreases:</u> Workers Comp. Insurance: \$914 / 4%</p> <p><u>Summary:</u> Operating Costs: \$83,557 / 3.9% Capital Outlay: \$95,000 / 135.7%</p>
Ocean Rescue	531	\$608,212	\$637,810	(\$29,598)	(4.6%)	<p><u>Increases:</u> F/T Personnel-related Costs: \$9,902 / 4.4% Seasonal Personnel-related Costs: \$22,595 / 7.4% Capital Outlay – Equipment/Vehicle: \$60,000 / 444% Workers Comp. Insurance: \$964 / 14%</p> <p><u>Decreases:</u> Capital Outlay – Equipment/Vehicle: \$60,000 / 82% Workers Comp. Insurance: \$2,095 / 26%</p> <p><u>Summary:</u> Operating Costs: \$30,402 / 5.4% Capital Outlay: (\$60,000) / (81.6%)</p>

**GENERAL FUND BUDGET BY DEPARTMENT
FY 2026 VS. FY 2025
(as of 5/19/2025)**

DEPARTMENT	DEPT. NO.	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Fire Dept.	530	\$1,548,313	\$1,570,504	(\$22,191)	(1.4%)	<p><u>Increases:</u> F/T Personnel-Related Costs: \$60,447 / 5.5% P/T Personnel-Related Costs: \$3,650 / 5.1% Drill Fee-Related Costs: \$5,948 / 10.9% Capital Outlay: - Truck: \$60,000 / New Medical Exams: \$2,200 / 44% Workers Comp. Insurance: \$733 / 4% Uniforms: \$500 / 7% Utilities: \$500 / 4% Supplies: \$500 / 4%</p> <p><u>Decreases:</u> Minor Equipment: \$87,500 / 64% Capital Outlay – Equipment: \$69,669 / 100%</p> <p><u>Summary:</u> Operating Costs: (\$12,522) / (0.8%) Capital Outlay: (\$9,669) / (13.9%)</p>
Development & Compliance	540	\$244,294	\$285,889	(\$41,595)	(14.5%)	<p><u>Increases:</u> Vehicle Supplies-Gas, Oil, Tires: \$1,800 / New Computer Software/Support: \$1,100 / 15% Vehicle Maintenance: \$1,000 / New</p> <p><u>Decreases:</u> F/T Personnel-Related Costs: \$16,733 / 7.6% Contract – Lawn Maintenance: \$19,500 / 98% Vehicle Allowance: \$8,800 / 100%</p> <p><u>Summary:</u> Operating Costs: (\$41,595) / (14.5%)</p>

**GENERAL FUND BUDGET BY DEPARTMENT
FY 2026 VS. FY 2025
(as of 5/19/2025)**

DEPARTMENT	DEPT. NO.	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Parks & Recreation	532	\$517,045	\$325,928	\$191,117	58.6%	<u>Increases:</u> F/T Personnel-Related Costs: \$10,122 / 4.6% Capital Outlay - Equipment: \$150,000 / New Professional/Consulting Fees: \$35,000 / 233% Boogie In The Park: \$3,000 / 20% <u>Decreases:</u> Boardwalk Fish: \$4,000 / 67% Other Town Events: \$2,000 / 17% Sponsorship Maintenance: \$1,000 / 17% <u>Summary:</u> Operating Costs: \$41,117 / 12.6% Capital Outlay: \$150,000 / 100%
Debt Service	560	\$670,600	\$701,250	(\$30,650)	(4.4%)	Pay down of existing loans.
Paid Parking Program	570	\$240,000	\$220,200	\$19,800	9.0%	Increase based on budget and forecast provided by Premium Parking.

GENERAL FUND BUDGET BY DEPARTMENT

FY 2026 VS. FY 2025

(as of 5/19/2025)

DEPARTMENT	DEPT. NO.	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Streets & Sanitation	550	\$1,697,249	\$2,041,483	(\$344,234)	(16.9%)	<p><u>Increases:</u></p> <p>F/T Personnel-Related Costs: \$28,400 / 4.0%</p> <p>Professional & Consulting Fees: \$46,000 / NEW</p> <p>Building Maintenance: \$16,000 / 400%</p> <p>Utilities: \$7,000 / 15%</p> <p>Equipment Rental: \$4,000 / 114%</p> <p>Recycling: \$5,000 / 2%</p> <p>Uniforms: \$2,000 / 20%</p> <p>Telephone: \$500 / 9%</p> <p><u>Decreases:</u></p> <p>Capital Outlay – Equipment: \$250,000 / 100%</p> <p>Capital Outlay – Improvements: \$75,000 / 43%</p> <p>Ocean Front Park Maintenance: \$30,000 / 55%</p> <p>Minor Equipment: \$26,500 / 88%</p> <p>Engineering Fees: \$20,000 / 40%</p> <p>Beach Access/Boardwalk Repairs: \$15,000 / 38%</p> <p>Materials & Supplies: \$15,000 / 30%</p> <p>Landscaping: \$12,000 / 38%</p> <p>Computer Services: \$5,000 / 25%</p> <p>Travel & Training: \$2,000 / 33%</p> <p>Workers Comp. Ins.: \$1,634 / 15%</p> <p>Safety Program: \$1,000 / 33%</p> <p><u>Summary:</u></p> <p>Operating Costs: (\$19,234) / (1.2%)</p> <p>Capital Outlay: (\$325,000) / (76.5%)</p>
TOTAL GENERAL FUND		\$9,049,160	\$9,057,973	(\$8,813)	(0.1%)	

WATER/SEWER FUND REVENUE BUDGET
FY 2026 VS. FY 2025
(as of 5/19/2025)

REVENUE TYPE	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Water Charges	\$1,097,150	\$1,066,321	\$30,829	2.9%	Includes a 5% increase to the minimum charge and the usage-based rate tiers. Also, estimated decrease in consumption.
Sewer Charges	\$1,501,975	\$1,570,500	(\$68,525)	(4.4%)	Includes a 5% increase to the minimum charge and the usage-based rate tiers. Also, estimated decrease in consumption.
Water & Sewer Tap Fees	\$55,500	\$51,000	\$4,500	8.8%	Based on estimated building activity.
Cutoff & Reconnection Fees	\$6,600	\$6,000	\$600	10.0%	Based on FY 2025 forecast.
Account Past Due Charges	\$21,500	\$20,000	\$1,500	7.5%	Based on FY 2025 forecast.
New Account Setup Fees	\$4,000	\$4,000	\$0	0.0%	Based on FY 2025 forecast.

**WATER/SEWER FUND REVENUE BUDGET
FY 2026 VS. FY 2025
(as of 5/19/2025)**

REVENUE TYPE	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Interest/Investment Earnings	\$104,600	\$105,000	(\$400)	(0.4%)	
NCDEQ AIA Grants: Water and Sewer Systems	\$115,000	\$150,000	(\$35,000)	(23.3%)	Remaining grant revenue for water and sewer systems inventory and assessment.
Other Revenue/Fees	\$735	\$360	\$375	104.2%	
TOTAL WATER/SEWER FUND	\$2,907,060	\$2,973,181	(\$66,121)	(2.2%)	

WATER/SEWER FUND BUDGET BY DEPARTMENT
FY 2026 VS. FY 2025
(as of 5/19/2025)

DEPARTMENT	DEPT. NO.	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Governing Body	710	\$20,549	\$19,056	\$1,493	7.8%	<u>Increases:</u> Gov. & Volunteer Relations: \$1,000 / 133% Compensation & FICA Taxes: \$495 / 3.8% <u>Decreases:</u> None <u>Summary:</u> Operating Costs: \$1,493 / 7.8%
Finance	715	\$301,378	\$282,894	\$18,484	6.5%	<u>Increases:</u> F/T Personnel-Related Costs: \$9,453 / 4.7% Bank/Payroll/Credit Card Fees: \$7,200 / 37% Postage: \$700 / 5% Equipment Rental: \$650 / 13% <u>Decreases:</u> None <u>Summary:</u> Operating Costs: \$18,484 / 6.5%

WATER/SEWER FUND BUDGET BY DEPARTMENT
FY 2026 VS. FY 2025
(as of 5/19/2025)

DEPARTMENT	DEPT. NO.	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Administration	720	\$351,896	\$327,966	\$23,930	7.3%	<u>Increases:</u> F/T Personnel-Related Costs: \$5,955 / 4.6% P&L Insurance: \$8,550 / 10% Building Maintenance: \$3,950 / 21% Supplies: \$2,000 / 20% Retiree Medical: \$1,275 / 28% Employee Recognition: \$1,000 / 25% Computer Service: \$777 / 3% <u>Decreases:</u> None <u>Summary:</u> Operating Costs: \$23,930 / 7.3%
Legal	770	\$20,440	\$18,600	\$1,840	9.9%	<u>Increases:</u> Legal Service – Town Attorney : \$1,840 / 10% <u>Decreases:</u> None <u>Summary:</u> Operating Costs: \$1,840 / 9.9%

WATER/SEWER FUND BUDGET BY DEPARTMENT
FY 2026 VS. FY 2025
(as of 5/19/2025)

DEPARTMENT	DEPT. NO.	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
W/S Operations	810	\$2,212,797	\$2,324,665	(\$111,868)	(4.8%)	<p><u>Increases:</u></p> <p>F/T Personnel-Related Costs: \$17,998 / 3.3%</p> <p>Supplies & Materials: \$24,500 / 19%</p> <p>Utilities: \$11,000 / 20%</p> <p><u>Decreases:</u></p> <p>Capital Outlay - Equipment: \$45,000 / 75%</p> <p>Capital Outlay - Improvements: \$40,000 / 11%</p> <p>Engineering Fees: \$20,000 / 13%</p> <p>Debt Service: \$17,690 / 6%</p> <p>CB Treatment Charges: \$15,000 / 5%</p> <p>Minor Equipment: \$13,500 / 84%</p> <p>Equipment/Building Maintenance: \$5,000 / 20%</p> <p>Travel & Training: \$4,000 / 50%</p> <p>Contract Services – Water Tests: \$4,000 / 17%</p> <p>Workers Comp. Ins.: \$1,176 / 17%</p> <p><u>Summary:</u></p> <p>Operating Costs: (\$9,178) / (0.6%)</p> <p>Capital Outlay: (\$85,000) / (18.5%)</p>
TOTAL WATER/ SEWER FUND		\$2,907,060	\$2,973,181	(\$66,121)	(2.2%)	

EXHIBIT E**STORM WATER FUND REVENUE BUDGET
FY 2026 VS. FY 2025
(as of 5/19/2025)**

REVENUE TYPE	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
Storm Water Charges	\$531,275	\$422,000	\$109,275	25.9%	Includes a proposed 25% storm water fee increase.
Storm Water Building Fees	\$68,000	\$68,000	\$0	0.0%	FY 2026 based on FY 2025 forecast and estimated level of construction activity.
Interest/Investment Earnings	\$6,425	\$32,000	(\$25,575)	(79.9%)	Decrease due to use of fund balance for capital projects in FY 2025 and FY 2026.
Appropriation of Fund Balance	\$767,404	\$0	\$767,404		Fund Balance Appropriation is for proposed capital projects.
TOTAL STORM WATER FUND	\$1,373,104	\$522,000	\$851,104	163.0%	

STORM WATER FUND BUDGET BY EXPENSE TYPE
FY 2026 VS. FY 2025
(as of 5/19/2025)

DEPARTMENT	DEPT. NO.	PROPOSED FY 2026 BUDGET	APPROVED FY 2025 BUDGET	DIFF. FY 2026 & FY 2025	% CHG.	SIGNIFICANT CHANGES FY 2026 VS. FY 2025
SW Operations	610	\$275,169	\$324,000	(\$48,831)	(15.1%)	<u>Increases:</u> F/T Personnel-Related Costs: \$707 / 0.5% Professional & Consulting Fees: \$3,000 / 5% <u>Decreases:</u> System Maintenance: \$44,197 / 64% Supplies: \$8,000 / 40%
Debt Service	610	\$47,935	\$48,000	(\$65)	(0.1%)	Pay down of existing loans.
Capital Outlay	610	\$1,050,000	\$150,000	\$900,000	600.0%	<u>Increases:</u> Capital Outlay - Improvements: \$900,000 / 600% <u>Decreases:</u> None
TOTAL STORM WATER FUND		\$1,373,104	\$522,000	\$851,104	163.0%	

GENERAL FUND GOVERNING BODY (10-410)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 1

ACCOUNT NO.	ACCOUNT DESCRIPTION	REQUESTED FY 2026 BUDGET	FY 2025 BUDGET	DIFFERENCE	% CHANGE
10-410-02-00	BOARD MEMBERS PAY	\$12,390	\$11,700	\$690	5.9%
10-410-02-04	VEHICLE ALLOWANCE	\$3,600	\$3,600	\$0	0.0%
10-410-05-00	FICA EMPLOYER EXPENSE	\$1,224	\$1,171	\$53	4.5%
10-410-11-00	TELEPHONE	\$3,170	\$3,170	\$0	0.0%
	TOTAL PAY, TAXES & ALLOWANCES	\$20,384	\$19,641	\$743	3.8%
10-410-14-00	TRAVEL & TRAINING	\$3,000	\$3,000	\$0	0.0%
10-410-53-00	DUES & SUBSCRIPTIONS (MEMBERSHIPS)	\$4,800	\$4,800	\$0	0.0%
10-410-54-00	WORKERS COMP INSURANCE	\$16	\$20	(\$4)	-20.0%
10-410-57-00	CONTRIBUTIONS	\$43,000	\$53,000	(\$10,000)	-18.9%
10-410-65-01	GOVERNMENTAL & VOLUNTEER RELATIONS	\$14,500	\$13,000	\$1,500	11.5%
	TOTAL	\$85,700	\$93,461	(\$7,761)	-8.3%

GENERAL FUND FINANCE (10-415)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 1

<u>ACCOUNT NO.</u>	<u>ACCOUNT DESCRIPTION</u>	<u>REQUESTED FY 2026 BUDGET</u>	<u>FY 2025 BUDGET</u>	<u>DIFFERENCE</u>	<u>% CHANGE</u>
10-415-02-00	SALARIES	\$121,487	\$116,255	\$5,232	4.5%
10-415-02-09	LONGEVITY PAY	\$720	\$608	\$112	18.4%
10-415-05-00	FICA EMPLOYER EXPENSE	\$9,349	\$8,940	\$409	4.6%
10-415-06-00	GROUP INSURANCE	\$13,012	\$12,948	\$64	0.5%
10-415-06-01	GROUP INSURANCE-SUPPLEMENT	\$2,616	\$2,616	\$0	0.0%
10-415-07-00	RETIREMENT	\$17,684	\$16,034	\$1,650	10.3%
10-415-07-02	401K RETIREMENT	\$6,111	\$5,844	\$267	4.6%
	TOTAL F-T PERSONNEL-RELATED	\$170,979	\$163,245	\$7,734	4.7%
10-415-04-00	PROF SERVICES-AUDITOR	\$17,000	\$16,600	\$400	2.4%
10-415-08-00	UNEMPLOYMENT CHARGES	\$2,490	\$2,075	\$415	20.0%
10-415-11-00	TELEPHONE	\$972	\$972	\$0	0.0%
10-415-11-01	POSTAGE	\$1,100	\$1,500	(\$400)	-26.7%
10-415-14-00	TRAVEL & TRAINING	\$2,500	\$2,500	\$0	0.0%
10-415-21-00	EQUIPMENT RENTAL	\$5,650	\$5,000	\$650	13.0%
10-415-33-00	SUPPLIES/PRINTING/ETC	\$2,100	\$2,100	\$0	0.0%
10-415-45-01	BANKING CHARGES & FEES	\$3,300	\$3,300	\$0	0.0%
10-415-45-02	PAYROLL PROCESSING FEES	\$13,920	\$13,500	\$420	3.1%
10-415-45-03	CREDIT CARD PROCESSING FEES	\$20,120	\$13,000	\$7,120	54.8%
10-415-48-00	MOTOR VEHICLE TAGS EXPENSE	\$2,580	\$2,400	\$180	7.5%
10-415-53-00	DUES & SUBSCRIPTIONS	\$500	\$500	\$0	0.0%
10-415-54-00	WORKERS COMP INSURANCE	\$129	\$132	(\$3)	-2.3%
10-415-87-00	COMPUTER SERVICE - FINANCIAL SOFTWARE	\$20,000	\$20,000	\$0	0.0%
10-415-25-00	NC STATE SALES TAX 4.75%	\$3,000	\$3,000	\$0	0.0%
10-415-25-01	NC STATE SALES TAX 4.75%	\$20,500	\$20,500	\$0	0.0%
10-415-26-00	COUNTY SALES TAX 2.25%	\$11,315	\$11,315	\$0	0.0%
10-415-26-01	COUNTY SALES TAX 2%	\$250	\$250	\$0	0.0%
10-415-26-02	COUNTY FOOD TAX 2%	\$100	\$100	\$0	0.0%
10-415-26-03	TRANSPORTATION TAX 0.5%	\$20	\$20	\$0	0.0%
	TOTAL SALES TAX EXPENSE	\$35,185	\$35,185	\$0	0.0%
	TOTAL	\$298,525	\$282,009	\$16,516	5.9%

GENERAL FUND ADMINISTRATION (10-420)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 1

ACCOUNT NO.	ACCOUNT DESCRIPTION	REQUESTED FY 2026 BUDGET	FY 2025 BUDGET	DIFFERENCE	% CHANGE
10-420-02-00	SALARIES	\$142,865	\$136,712	\$6,153	4.5%
10-420-02-09	LONGEVITY PAY	\$780	\$780	\$0	0.0%
10-420-05-00	FICA EMPLOYER EXPENSE	\$10,989	\$10,518	\$471	4.5%
10-420-06-00	GROUP INSURANCE	\$17,291	\$17,210	\$81	0.5%
10-420-06-01	GROUP INSURANCE-SUPPLEMENT	\$3,488	\$3,488	\$0	0.0%
10-420-07-00	RETIREMENT	\$20,785	\$18,864	\$1,921	10.2%
10-420-07-02	401K RETIREMENT	\$7,182	\$6,875	\$307	4.5%
	TOTAL F-T PERSONNEL-RELATED	\$203,380	\$194,447	\$8,933	4.6%
10-420-02-01	SALARIES - PART TIME	\$2,000	\$3,000	(\$1,000)	-33.3%
10-420-05-00	FICA EMPLOYER EXPENSE	\$153	\$230	(\$77)	-33.5%
	TOTAL P-T PERSONNEL-RELATED	\$2,153	\$3,230	(\$1,077)	-33.3%
10-420-06-05	RETIREE MEDICAL EXPENSE	\$32,520	\$22,105	\$10,415	47.1%
10-420-11-00	TELEPHONE	\$22,000	\$21,800	\$200	0.9%
10-420-13-00	UTILITIES (ADM.)	\$11,080	\$11,080	\$0	0.0%
10-420-14-00	TRAVEL & TRAINING	\$7,200	\$7,200	\$0	0.0%
10-420-15-00	MAINT. BLDGS.	\$34,800	\$28,000	\$6,800	24.3%
10-420-33-00	DEPT.SUPPLIES/PRINTG./ETC	\$17,000	\$15,000	\$2,000	13.3%
10-420-35-00	ADVERTISING	\$4,800	\$4,800	\$0	0.0%
10-420-40-00	PROFESSIONAL & CONSULTING FEES	\$23,000	\$23,000	\$0	0.0%
10-420-42-00	EMPLOYEE ASSISTANCE PROGRAM	\$1,500	\$1,500	\$0	0.0%
10-420-53-00	DUES & SUBSCRIPTIONS	\$600	\$550	\$50	9.1%
10-420-54-00	INSURANCE & BONDS	\$94,050	\$85,500	\$8,550	10.0%
10-420-54-01	WORKERS COMP INSURANCE	\$151	\$155	(\$4)	-2.6%
10-420-56-00	MEETINGS/EVENTS EXPENSE	\$7,500	\$6,500	\$1,000	15.4%
10-420-57-05	EMPLOYEE RECOGNITION	\$7,000	\$6,000	\$1,000	16.7%
10-420-73-00	MINOR EQUIPMENT PURCHASES	\$7,000	\$7,000	\$0	0.0%
10-420-86-00	CODIFICATION	\$3,600	\$3,600	\$0	0.0%
10-420-87-00	COMPUTER SOFTWARE/SERVICE/SUPPORT	\$47,500	\$46,081	\$1,419	3.1%
	TOTAL	\$526,834	\$487,548	\$39,286	8.1%

COMMUNITY CENTER (10-421)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 1

ACCOUNT NO.	ACCOUNT DESCRIPTION	REQUESTED FY 2026 BUDGET	FY 2025 BUDGET	DIFFERENCE	% CHANGE
10-421-11-00	TELEPHONE	\$4,200	\$4,200	\$0	0.0%
10-421-13-00	UTILITIES	\$2,500	\$2,500	\$0	0.0%
10-421-15-00	MAINT. OF COMM. CENTER	\$25,000	\$20,000	\$5,000	25.0%
10-421-33-00	COMM. CENTER SUPPLIES	\$500	\$500	\$0	0.0%
10-421-57-00	COMM. CENTER OPERATIONS	\$3,800	\$3,800	\$0	0.0%
10-421-73-00	MINOR EQUIPMENT PURCHASES	\$1,000	\$1,000	\$0	0.0%
	TOTAL	\$37,000	\$32,000	\$5,000	15.6%

GENERAL FUND LEGAL (10-470)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 1

<u>ACCOUNT NO.</u>	<u>ACCOUNT DESCRIPTION</u>	<u>REQUESTED FY 2026 BUDGET</u>	<u>FY 2025 BUDGET</u>	<u>DIFFERENCE</u>	<u>% CHANGE</u>
10-470-04-01	COURT FEES, RESEARCH - NCGS	\$400	\$400	\$0	0.0%
10-470-04-03	PROFESSIONAL LEGAL SERVICE	\$27,500	\$25,000	\$2,500	10.0%
10-470-14-00	TRAVEL	\$1,000	\$1,000	\$0	0.0%
10-470-40-00	LEGAL SERVICE - TOWN ATTORNEY	\$70,400	\$64,000	\$6,400	10.0%
	TOTAL	\$99,300	\$90,400	\$8,900	9.8%

POLICE (10-510)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 1

ACCOUNT NO.	ACCOUNT DESCRIPTION	REQUESTED FY 2026 BUDGET	ORIGINAL FY 2025 BUDGET	DIFFERENCE	% CHANGE
10-510-02-00	SALARIES	\$1,158,080	\$1,168,945	(\$10,865)	-0.9%
10-510-02-01	POLICE DEPT.OVERTIME PAY	\$25,000	\$20,221	\$4,779	23.6%
10-510-02-02	POLICE DEPT.HOLIDAY PAY	\$51,500	\$51,988	(\$488)	-0.9%
10-510-02-09	LONGEVITY PAY	\$5,400	\$6,150	(\$750)	-12.2%
10-510-02-10	SALARY ADJUSTMENT	\$27,000	\$6,000	\$21,000	350.0%
10-510-02-11	NIGHT SHIFT BONUS	\$28,000	\$28,000	\$0	0.0%
10-510-02-12	PHYSICAL AGILITY TEST INCENTIVE	\$7,200	\$7,200	\$0	0.0%
10-510-05-00	FICA EMPLOYER EXPENSE (F-T)	\$99,617	\$98,571	\$1,046	1.1%
10-510-06-00	GROUP INSURANCE	\$144,020	\$143,505	\$515	0.4%
10-510-06-01	GROUP INSURANCE-SUPPLEMENT	\$29,063	\$29,063	\$0	0.0%
10-510-07-00	RETIREMENT	\$208,743	\$194,822	\$13,921	7.1%
10-510-07-02	401K RETIREMENT	\$65,109	\$64,425	\$684	1.1%
	TOTAL F-T PERSONNEL-RELATED	\$1,848,732	\$1,818,890	\$29,842	1.6%
10-510-02-06	SALARIES - RESERVE OFFICERS PAY	\$12,000	\$12,000	\$0	0.0%
10-510-05-00	FICA EMPLOYER EXPENSE (P-T)	\$918	\$918	\$0	0.0%
	TOTAL P-T PERSONNEL-RELATED	\$12,918	\$12,918	\$0	0.0%
10-510-02-07	LEO SEPARATION ALLOWANCE	\$29,753	\$0	\$29,753	
10-510-05-00	FICA EMPLOYER EXPENSE (SEP. ALLOW.)	\$2,276	\$0	\$2,276	
	TOTAL SEPARATION ALLOWANCE-RELATED	\$32,029	\$0	\$32,029	
10-510-09-00	EXAMS & PRE EMPLOYMENT SCREENING	\$1,000	\$1,000	\$0	0.0%
10-510-11-00	TELEPHONE & POSTAGE	\$21,000	\$21,000	\$0	0.0%
10-510-11-01	CELLPHONE USE REIMBURSEMENT	\$12,000	\$12,000	\$0	0.0%
10-510-13-00	UTILITIES	\$14,000	\$12,000	\$2,000	16.7%
10-510-14-00	TRAVEL & TRAINING	\$20,000	\$17,000	\$3,000	17.6%
10-510-15-00	MAINT. OF BUILDING & BLD. EQUIP.	\$26,000	\$21,000	\$5,000	23.8%
10-510-16-00	MAINT. OF EQUIPMENT	\$5,000	\$5,000	\$0	0.0%
10-510-16-09	K-9 MAINTENANCE	\$4,000	\$4,000	\$0	0.0%
10-510-17-00	MAINT. OF AUTOS	\$10,000	\$10,000	\$0	0.0%
10-510-31-00	AUTO SUPPLIES-GAS,OIL,TIR	\$50,000	\$50,000	\$0	0.0%
10-510-33-00	SUPPLIES	\$5,500	\$5,500	\$0	0.0%
10-510-36-00	UNIFORMS	\$15,000	\$15,000	\$0	0.0%
10-510-45-00	CONTRACTS	\$71,500	\$69,000	\$2,500	3.6%
10-510-53-00	DUES & SUBSCRIPTIONS	\$6,100	\$1,000	\$5,100	510.0%
10-510-54-00	WORKERS COMP INSURANCE	\$24,244	\$25,158	(\$914)	-3.6%
10-510-57-00	MISCELLANEOUS	\$2,000	\$2,000	\$0	0.0%
10-510-65-00	PUBLIC RELATIONS - PD	\$2,500	\$2,500	\$0	0.0%
10-510-73-00	MINOR EQUIPMENT PURCHASES	\$20,000	\$15,000	\$5,000	33.3%
10-510-74-00	CAPITAL OUTLAY - EQUIPMENT	\$30,000	\$0	\$30,000	
10-510-74-04	CAPITAL OUTLAY - VEHICLES	\$135,000	\$70,000	\$65,000	92.9%
10-510-87-00	COMPUTER SOFTWARE/SERVICE/SUPPORT	\$42,000	\$42,000	\$0	0.0%
	TOTAL	\$2,410,523	\$2,231,966	\$178,557	8.0%

FIRE (10-530)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 1

ACCOUNT NO.	ACCOUNT DESCRIPTION	REQUESTED FY 2026 BUDGET	FY 2025 BUDGET	DIFFERENCE	% CHANGE
10-530-02-00	SALARIES	\$757,194	\$718,114	\$39,080	5.4%
10-530-02-02	FIRE DEPT HOLIDAY PAY	\$33,443	\$31,703	\$1,740	5.5%
10-530-02-03	FIRE DEPT OVERTIME PAY	\$12,000	\$8,900	\$3,100	34.8%
10-530-02-09	LONGEVITY PAY	\$3,967	\$3,817	\$150	3.9%
10-530-02-10	SALARY ADJUSTMENT	\$5,040	\$6,472	(\$1,432)	-22.1%
10-530-05-00	FICA EMPLOYER EXPENSE (F-T Emp.)	\$62,091	\$58,829	\$3,262	5.5%
10-530-06-00	GROUP INSURANCE	\$102,191	\$101,714	\$477	0.5%
10-530-06-01	GROUP INSURANCE-SUPPLEMENT	\$20,665	\$20,665	\$0	0.0%
10-530-07-00	RETIREMENT	\$117,445	\$105,508	\$11,937	11.3%
10-530-07-02	401K RETIREMENT	\$40,583	\$38,450	\$2,133	5.5%
	TOTAL F-T PERSONNEL-RELATED	\$1,154,619	\$1,094,172	\$60,447	5.5%
10-530-02-01	SALARIES - PART TIME	\$61,057	\$58,427	\$2,630	4.5%
10-530-05-00	FICA EMPLOYER EXPENSE (P-T Emp.)	\$4,671	\$4,470	\$201	4.5%
10-530-07-00	RETIREMENT (potential for P-T Emp.)	\$8,835	\$8,016	\$819	10.2%
	TOTAL P-T PERSONNEL-RELATED	\$74,563	\$70,913	\$3,650	5.1%
10-530-02-04	DRILL FEES	\$56,213	\$50,688	\$5,525	10.9%
10-530-05-00	FICA EMPLOYER EXPENSE (Drill Fees)	\$4,300	\$3,877	\$423	10.9%
	TOTAL DRILL FEE-RELATED	\$60,513	\$54,565	\$5,948	10.9%
10-530-09-00	EXAMS/VACCINES/ETC	\$7,200	\$5,000	\$2,200	44.0%
10-530-11-00	TELEPHONE & POSTAGE	\$9,500	\$9,200	\$300	3.3%
10-530-13-00	UTILITIES	\$12,500	\$12,000	\$500	4.2%
10-530-14-00	TRAVEL & TRAINING	\$8,000	\$8,000	\$0	0.0%
10-530-15-00	MAINT. OF BUILDING	\$15,000	\$15,000	\$0	0.0%
10-530-16-00	MAINT. OF EQUIPMENT	\$12,500	\$12,500	\$0	0.0%
10-530-17-00	MAINT. OF TRUCKS	\$20,000	\$20,000	\$0	0.0%
10-530-21-00	EQUIP RENTAL-COMM SYSTEM	\$1,000	\$1,000	\$0	0.0%
10-530-31-00	TRUCK SUPP.GAS OIL TIRES	\$11,000	\$11,000	\$0	0.0%
10-530-33-00	SUPPLIES & MISC. SMALL EQUIP.	\$13,500	\$13,000	\$500	3.8%
10-530-36-00	UNIFORMS	\$7,500	\$7,000	\$500	7.1%
10-530-53-00	DUES & SUBSCRIPTIONS	\$2,500	\$2,300	\$200	8.7%
10-530-54-00	WORKERS COMP INSURANCE	\$19,068	\$18,335	\$733	4.0%
10-530-73-00	MINOR EQUIPMENT PURCHASES	\$50,000	\$137,500	(\$87,500)	-63.6%
10-530-74-00	CAPITAL OUTLAY - EQUIPMENT	\$0	\$69,669	(\$69,669)	-100.0%
10-530-74-04	CAPITAL OUTLAY - TRUCK	\$60,000	\$0	\$60,000	
10-530-87-00	COMPUTER SOFTWARE/SERVICE/SUPPORT	\$8,350	\$8,350	\$0	0.0%
10-530-90-00	SAFETY PROGRAM - FIRE DEPT.	\$1,000	\$1,000	\$0	0.0%
	TOTAL	\$1,548,313	\$1,570,504	(\$22,191)	-1.4%

LIFEGUARDS (10-531)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 1

<u>ACCOUNT NO.</u>	<u>ACCOUNT DESCRIPTION</u>	<u>REQUESTED FY 2026 BUDGET</u>	<u>FY 2025 BUDGET</u>	<u>DIFFERENCE</u>	<u>% CHANGE</u>
10-531-02-00	SALARIES	\$153,432	\$146,790	\$6,642	4.5%
10-531-02-02	LIFEGUARDS HOLIDAY PAY	\$6,907	\$6,790	\$117	1.7%
10-531-02-03	LIFEGUARDS OVERTIME PAY	\$4,500	\$4,500	\$0	0.0%
10-531-02-09	LONGEVITY PAY	\$684	\$684	\$0	0.0%
10-531-05-00	FICA EMPLOYER EXPENSE (F-T Emp.)	\$12,663	\$12,146	\$517	4.3%
10-531-06-00	GROUP INSURANCE	\$22,326	\$22,209	\$117	0.5%
10-531-06-01	GROUP INSURANCE-SUPPLEMENT	\$4,522	\$4,522	\$0	0.0%
10-531-07-00	RETIREMENT	\$23,952	\$21,782	\$2,170	10.0%
10-531-07-02	401K RETIREMENT	\$8,277	\$7,938	\$339	4.3%
	TOTAL F-T PERSONNEL-RELATED	\$237,263	\$227,361	\$9,902	4.4%
10-531-02-01	SEASONAL LIFEGUARD PAY	\$300,920	\$283,890	\$17,030	6.0%
10-531-02-10	SALARY ADJUSTMENT	\$3,960	\$0	\$3,960	
10-531-05-00	FICA EMPLOYER EXPENSE (Seasonal Emp.)	\$23,323	\$21,718	\$1,605	7.4%
	TOTAL SEASONAL PERSONNEL-RELATED	\$328,203	\$305,608	\$22,595	7.4%
10-531-09-00	EXAMS/VACCINES/ETC	\$1,000	\$1,000	\$0	0.0%
10-531-14-00	TRAVEL & TRAINING	\$1,000	\$1,000	\$0	0.0%
10-531-16-00	MAINT. OF EQUIPMENT	\$3,000	\$3,000	\$0	0.0%
10-531-31-00	ATV-SUPP,GAS,OIL,TIR	\$4,700	\$4,700	\$0	0.0%
10-531-33-00	LIFEGUARDS EQUIP/SUPPLIES	\$8,500	\$8,500	\$0	0.0%
10-531-36-00	UNIFORMS	\$5,040	\$5,040	\$0	0.0%
10-531-54-00	WORKERS COMP INSURANCE	\$6,006	\$8,101	(\$2,095)	-25.9%
10-531-74-00	CAPITAL OUTLAY	\$13,500	\$73,500	(\$60,000)	-81.6%
	TOTAL	\$608,212	\$637,810	(\$29,598)	-4.6%

PARKS AND RECREATION (10-532)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 1

ACCOUNT NO.	ACCOUNT DESCRIPTION	REQUESTED FY 2026 BUDGET	FY 2025 BUDGET	DIFFERENCE	% CHANGE
10-532-02-00	SALARIES	\$161,930	\$154,957	\$6,973	4.5%
10-532-02-09	LONGEVITY PAY	\$850	\$850	\$0	0.0%
10-532-05-00	FICA EMPLOYER EXPENSES (F-T)	\$12,453	\$11,920	\$533	4.5%
10-532-06-00	GROUP INSURANCE	\$19,222	\$19,131	\$91	0.5%
10-532-06-01	GROUP INSURANCE-SUPPLEMENT	\$3,875	\$3,875	\$0	0.0%
10-532-07-00	RETIREMENT	\$23,554	\$21,377	\$2,177	10.2%
10-532-07-02	401K RETIREMENT	\$8,139	\$7,791	\$348	4.5%
	TOTAL F-T PERSONNEL-RELATED	\$230,023	\$219,901	\$10,122	4.6%
10-532-02-02	PART-TIME SALARIES - SEASONAL	\$12,000	\$12,000	\$0	0.0%
10-532-05-00	FICA EMPLOYER EXPENSES (P-T)	\$918	\$918	\$0	0.0%
	TOTAL P-T PERSONNEL-RELATED	\$12,918	\$12,918	\$0	0.0%
10-532-00-01	P&R ACTIVITY EXPENSES	\$2,000	\$2,000	\$0	0.0%
10-532-11-00	TELEPHONE	\$2,600	\$2,600	\$0	0.0%
10-532-14-00	TRAVEL & TRAINING	\$3,000	\$3,000	\$0	0.0%
10-532-16-00	SPONSORSHIP MAINTENANCE	\$5,000	\$6,000	(\$1,000)	-16.7%
10-532-21-00	JOE EAKES PARK LEASE EXPENSE	\$820	\$820	\$0	0.0%
10-532-33-00	P&R SUPPLIES	\$2,500	\$2,500	\$0	0.0%
10-532-35-00	ADVERTISING	\$2,000	\$2,000	\$0	0.0%
10-532-38-00	PROFESSIONAL & CONSULTING FEES	\$50,000	\$15,000	\$35,000	233.3%
10-532-40-01	BOOGIE IN THE PARK EXPENSES	\$18,000	\$15,000	\$3,000	20.0%
10-532-40-03	CHILDREN/FAMILY PROGRAM EXPENSES	\$10,000	\$10,000	\$0	0.0%
10-532-49-00	BOARDWALK COMMEMORATIVE FISH PURCHASES	\$2,000	\$6,000	(\$4,000)	-66.7%
10-532-53-00	P&R DUES & SUBSCRIPTONS	\$2,000	\$2,000	\$0	0.0%
10-532-54-00	WORKERS COMP INSURANCE	\$184	\$189	(\$5)	-2.6%
10-532-59-00	ANNUAL STREET FESTIVAL	\$6,000	\$6,000	\$0	0.0%
10-532-60-00	OTHER TOWN EVENTS	\$10,000	\$12,000	(\$2,000)	-16.7%
10-532-73-00	MINOR EQUIPMENT PURCHASES	\$8,000	\$8,000	\$0	0.0%
10-532-74-00	CAPITAL OUTLAY - PARKS & REC	\$150,000	\$0	\$150,000	
	TOTAL	\$517,045	\$325,928	\$191,117	58.6%

DEVELOPMENT AND COMPLIANCE (10-540)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 1

<u>ACCOUNT NO.</u>	<u>ACCOUNT DESCRIPTION</u>	<u>REQUESTED FY 2026 BUDGET</u>	<u>FY 2025 BUDGET</u>	<u>DIFFERENCE</u>	<u>% CHANGE</u>
10-540-02-00	SALARIES	\$142,121	\$156,026	(\$13,905)	-8.9%
10-540-02-09	LONGEVITY PAY	\$350	\$350	\$0	0.0%
10-540-05-00	FICA EMPLOYER EXPENSE	\$11,313	\$12,636	(\$1,323)	-10.5%
10-540-06-00	GROUP INSURANCE	\$19,163	\$19,134	\$29	0.2%
10-540-06-01	GROUP INSURANCE-SUPPLEMENT	\$3,875	\$3,875	\$0	0.0%
10-540-07-00	RETIREMENT	\$20,616	\$21,455	(\$839)	-3.9%
10-540-07-02	401K RETIREMENT	\$7,124	\$7,819	(\$695)	-8.9%
	TOTAL F-T PERSONNEL- RELATED	\$204,562	\$221,295	(\$16,733)	-7.6%
10-540-02-04	BLDG.INSPT.GAS ALLOWANCE	\$0	\$8,800	(\$8,800)	-100.0%
10-540-11-00	TELEPHONE	\$3,000	\$3,000	\$0	0.0%
10-540-14-00	TRAVEL & TRAINING	\$5,000	\$5,000	\$0	0.0%
10-540-17-00	VEHICLE MAINTENANCE	\$1,000	\$0	\$1,000	
10-540-21-00	EQUIPMENT RENTAL	\$3,605	\$3,600	\$5	0.1%
10-540-31-00	VEHICLE SUPP.-GAS,OIL,TIRES	\$1,800	\$0	\$1,800	
10-540-33-00	DEPARTMENTAL SUPPLIES	\$1,000	\$1,000	\$0	0.0%
10-540-35-01	PZ/BOA EXPENSES	\$6,500	\$6,500	\$0	0.0%
10-540-37-00	BEACH RENOURISHMENT	\$6,000	\$6,000	\$0	0.0%
10-540-45-00	CONTRACT - LAWN MAINT.	\$500	\$20,000	(\$19,500)	-97.5%
10-540-53-00	DUES & SUBSCRIPTIONS	\$250	\$250	\$0	0.0%
10-540-54-00	WORKERS COMP INSURANCE	\$1,477	\$1,944	(\$467)	-24.0%
10-540-61-00	HOMEOWNER'S RECOVERY	\$1,000	\$1,000	\$0	0.0%
10-540-87-00	COMPUTER SOFTWARE/SERVICE/SUPPORT	\$8,600	\$7,500	\$1,100	14.7%
	TOTAL	\$244,294	\$285,889	(\$41,595)	-14.5%

STREETS AND SANITATION (10-550)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 1

ACCOUNT NO.	ACCOUNT DESCRIPTION	REQUESTED FY 2026 BUDGET	FY 2025 BUDGET	DIFFERENCE	% CHANGE
10-550-02-00	SALARIES	\$470,331	\$451,196	\$19,135	4.2%
10-550-02-01	SALARIES-OVERTIME	\$30,000	\$30,000	\$0	0.0%
10-550-02-09	LONGEVITY PAY	\$3,000	\$2,900	\$100	3.4%
10-550-05-00	FICA EMPLOYER EXPENSE	\$38,505	\$37,034	\$1,471	4.0%
10-550-06-00	GROUP INSURANCE	\$76,355	\$76,037	\$318	0.4%
10-550-06-01	GROUP INSURANCE-SUPPLEMENT	\$15,500	\$15,500	\$0	0.0%
10-550-07-00	RETIREMENT	\$72,832	\$66,418	\$6,414	9.7%
10-550-07-02	401K RETIREMENT	\$25,167	\$24,205	\$962	4.0%
	TOTAL F-T PERSONNEL-RELATED	\$731,690	\$703,290	\$28,400	4.0%
10-550-09-00	EXAMS/VACCINES/ETC.	\$500	\$500	\$0	0.0%
10-550-11-00	TELEPHONE	\$6,100	\$5,600	\$500	8.9%
10-550-13-00	UTILITIES	\$55,000	\$48,000	\$7,000	14.6%
10-550-14-00	TRAVEL & TRAINING	\$4,000	\$6,000	(\$2,000)	-33.3%
10-550-15-00	MAINT OF BUILDING	\$20,000	\$4,000	\$16,000	400.0%
10-550-16-00	MAINTENANCE OF EQUIP.	\$14,000	\$14,000	\$0	0.0%
10-550-17-00	MAINTENANCE-AUTOS/TRUCKS	\$25,000	\$25,000	\$0	0.0%
10-550-18-00	LANDSCAPING EXPENSE	\$20,000	\$32,000	(\$12,000)	-37.5%
10-550-21-00	EQUIPMENT RENTAL	\$7,500	\$3,500	\$4,000	114.3%
10-550-31-00	AUTO SUPP.-GAS OIL TIRES	\$60,000	\$60,000	\$0	0.0%
10-550-33-00	MATERIALS & SUPPLIES	\$35,000	\$50,000	(\$15,000)	-30.0%
10-550-36-00	UNIFORMS	\$12,000	\$10,000	\$2,000	20.0%
10-550-40-00	PROFESSIONAL & CONSULTING FEES	\$46,000	\$0	\$46,000	
10-550-45-00	CONTRACT SERV.(LANDFILL)	\$140,000	\$140,000	\$0	0.0%
10-550-45-01	RECYCLING	\$270,000	\$265,000	\$5,000	1.9%
10-550-48-00	GARBAGE CART PURCHASES	\$18,000	\$18,000	\$0	0.0%
10-550-54-00	WORKERS COMP INSURANCE	\$8,959	\$10,593	(\$1,634)	-15.4%
10-550-57-02	DECORATIONS/CHRISTMAS	\$10,000	\$10,000	\$0	0.0%
10-550-57-03	SPECIAL EVENTS-NEW YEARS	\$3,000	\$3,000	\$0	0.0%
10-550-73-00	MINOR EQUIPMENT PURCHASES	\$3,500	\$30,000	(\$26,500)	-88.3%
10-550-74-00	CAPITAL OUTLAY-EQUIPMENT	\$0	\$250,000	(\$250,000)	-100.0%
10-550-74-01	CAPITAL OUTLAY-IMPROVEMENTS	\$100,000	\$175,000	(\$75,000)	-42.9%
10-550-87-00	COMPUTER SOFTWARE/SERVICE/SUPPORT	\$15,000	\$20,000	(\$5,000)	-25.0%
10-550-88-00	JOE EAKES PARK MAINTENANCE	\$10,000	\$10,000	\$0	0.0%
10-550-88-03	OCEAN FRONT PARK MAINTENANCE	\$25,000	\$55,000	(\$30,000)	-54.5%
10-550-89-00	BEACH ACCESS & BOARDWALK REPAIRS	\$25,000	\$40,000	(\$15,000)	-37.5%
10-550-90-00	SAFETY PROGRAM ST.& SANIT	\$2,000	\$3,000	(\$1,000)	-33.3%
10-550-99-00	ENGINEERING FEES	\$30,000	\$50,000	(\$20,000)	-40.0%
	TOTAL	\$1,697,249	\$2,041,483	(\$344,234)	-16.9%

**COMMITTEES (10-412), ELECTIONS (10-430), EMERGENCY MANAGEMENT (10-446),
TAX COLLECTION (10-460), DEBT SERVICE (10-560) AND PAID PARKING (10-570)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET**

APPENDIX 1

<u>ACCOUNT NO.</u>	<u>ACCOUNT DESCRIPTION</u>	<u>REQUESTED FY 2026 BUDGET</u>	<u>FY 2025 BUDGET</u>	<u>DIFFERENCE</u>	<u>% CHANGE</u>
COMMITTEES					
10-412-70-00	COMMITTEE EXPENSES	\$20,625	\$20,425	\$200	1.0%
ELECTIONS					
10-430-00-00	ELECTION EXPENSES	\$7,340	\$0	\$7,340	
EMERGENCY MANAGEMENT					
10-446-00-00	EMERGENCY MANAGEMENT EXPENSES	\$2,500	\$2,500	\$0	0.0%
TAX COLLECTION					
10-460-45-00	NHC TAX COLLECTION FEES	\$31,500	\$31,000	\$500	1.6%
10-460-45-01	MOTOR VEHICLE TAX COLLECTION FEES	\$3,600	\$3,600	\$0	0.0%
	TOTAL TAX COLLECTION FEES	\$35,100	\$34,600	\$500	1.4%
DEBT SERVICE					
10-560-00-91	DEBT PRINCIPLE	\$571,400	\$594,000	(\$22,600)	-3.8%
10-560-00-92	DEBT INTEREST	\$99,200	\$107,250	(\$8,050)	-7.5%
	TOTAL DEBT SERVICE	\$670,600	\$701,250	(\$30,650)	-4.4%
PAID PARKING					
10-570-00-00	PAID PARKING EXPENSES	\$240,000	\$220,200	\$19,800	9.0%

WATER AND SEWER GOVERNING BODY (30-710)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 2

ACCOUNT NO.	ACCOUNT DESCRIPTION	REQUESTED FY 2026 BUDGET	FY 2025 BUDGET	DIFFERENCE	% CHANGE
30-710-02-00	BOARD MEMBERS PAY	\$8,260	\$7,800	\$460	5.9%
30-710-02-04	VEHICLE ALLOWANCE	\$2,400	\$2,400	\$0	0.0%
30-710-05-00	FICA EMPLOYER EXPENSE	\$816	\$781	\$35	4.5%
30-710-11-00	TELEPHONE	\$2,112	\$2,112	\$0	0.0%
	TOTAL PAY, TAXES & ALLOWANCES	\$13,588	\$13,093	\$495	3.8%
30-710-14-00	TRAVEL & TRAINING	\$2,000	\$2,000	\$0	0.0%
30-710-53-00	DUES & SUBSCRIPTIONS	\$3,200	\$3,200	\$0	0.0%
30-710-54-00	WORKERS COMP INSURANCE	\$11	\$13	(\$2)	-15.4%
30-710-65-01	GOVERNMENTAL & VOLUNTEER RELATIONS	\$1,750	\$750	\$1,000	133.3%
	TOTAL	\$20,549	\$19,056	\$1,493	7.8%

WATER AND SEWER FINANCE (30-715)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 2

ACCOUNT NO.	ACCOUNT DESCRIPTION	REQUESTED FY 2026 BUDGET	FY 2025 BUDGET	DIFFERENCE	% CHANGE
30-715-02-00	SALARIES	\$148,484	\$142,089	\$6,395	4.5%
30-715-02-09	LONGEVITY PAY	\$880	\$743	\$137	18.4%
30-715-05-00	FICA EMPLOYER EXPENSE	\$11,427	\$10,927	\$500	4.6%
30-715-06-00	GROUP INSURANCE	\$15,903	\$15,825	\$78	0.5%
30-715-06-01	GROUP INSURANCE-SUPPLEMENT	\$3,197	\$3,197	\$0	0.0%
30-715-07-00	RETIREMENT	\$21,613	\$19,597	\$2,016	10.3%
30-715-07-02	401K RETIREMENT	\$7,469	\$7,142	\$327	4.6%
	TOTAL F-T PERSONNEL-RELATED	\$208,973	\$199,520	\$9,453	4.7%
30-715-04-00	PROF SERVICES-AUDITOR	\$16,600	\$16,200	\$400	2.5%
30-715-08-00	UNEMPLOYMENT CHARGES	\$510	\$425	\$85	20.0%
30-715-11-00	TELEPHONE	\$1,188	\$1,188	\$0	0.0%
30-715-11-01	POSTAGE	\$16,300	\$15,600	\$700	4.5%
30-715-14-00	TRAVEL & TRAINING	\$2,500	\$2,500	\$0	0.0%
30-715-21-00	EQUIPMENT RENTAL	\$5,650	\$5,000	\$650	13.0%
30-715-33-00	SUPPLIES/PRINTING/ETC	\$2,100	\$2,100	\$0	0.0%
30-715-45-01	BANKING CHARGES & FEES	\$3,300	\$3,300	\$0	0.0%
30-715-45-02	PAYROLL PROCESSING FEES	\$3,480	\$3,400	\$80	2.4%
30-715-45-03	CREDIT CARD PROCESSING FEES	\$20,120	\$13,000	\$7,120	54.8%
30-715-53-00	DUES & SUBSCRIPTIONS	\$500	\$500	\$0	0.0%
30-715-54-00	WORKERS COMP INSURANCE	\$157	\$161	(\$4)	-2.5%
30-715-87-00	COMPUTER SERVICES - FINANCIAL SOFTWARE	\$20,000	\$20,000	\$0	0.0%
	TOTAL	\$301,378	\$282,894	\$18,484	6.5%

WATER AND SEWER ADMINISTRATION (30-720)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 2

<u>ACCOUNT NO.</u>	<u>ACCOUNT DESCRIPTION</u>	<u>REQUESTED FY 2026 BUDGET</u>	<u>FY 2025 BUDGET</u>	<u>DIFFERENCE</u>	<u>% CHANGE</u>
30-720-02-00	SALARIES	\$95,243	\$91,141	\$4,102	4.5%
30-720-02-09	LONGEVITY PAY	\$520	\$520	\$0	0.0%
30-720-05-00	FICA EMPLOYER EXPENSE	\$7,326	\$7,012	\$314	4.5%
30-720-06-00	GROUP INSURANCE	\$11,527	\$11,474	\$53	0.5%
30-720-06-01	GROUP INSURANCE-SUPPLEMENT	\$2,325	\$2,325	\$0	0.0%
30-720-07-00	RETIREMENT	\$13,857	\$12,576	\$1,281	10.2%
30-720-07-02	401K RETIREMENT	\$4,788	\$4,583	\$205	4.5%
	TOTAL F-T PERSONNEL-RELATED	\$135,586	\$129,631	\$5,955	4.6%
30-720-02-01	SALARIES - PART TIME	\$2,000	\$2,000	\$0	0.0%
30-720-05-00	FICA EMPLOYER EXPENSE	\$153	\$153	\$0	0.0%
	TOTAL P-T PERSONNEL-RELATED	\$2,153	\$2,153	\$0	0.0%
30-720-06-05	RETIREE MEDICAL EXPENSE	\$5,811	\$4,536	\$1,275	28.1%
30-720-11-00	TELEPHONE & POSTAGE	\$15,000	\$14,600	\$400	2.7%
30-720-13-00	UTILITIES (ADM)	\$7,720	\$7,720	\$0	0.0%
30-720-14-00	TRAVEL & TRAINING	\$4,800	\$4,800	\$0	0.0%
30-720-15-00	MAINTENANCE - BUILDINGS	\$23,200	\$19,250	\$3,950	20.5%
30-720-33-00	DEPT SUPPLIES/PRINTING/ETC	\$12,000	\$10,000	\$2,000	20.0%
30-720-35-00	ADVERTISING	\$3,200	\$3,200	\$0	0.0%
30-720-40-00	PROFESSIONAL & CONSULTING FEES	\$2,000	\$2,000	\$0	0.0%
30-720-42-00	EMPLOYEE ASSISTANCE PROGRAM	\$1,000	\$1,000	\$0	0.0%
30-720-53-00	DUES & SUBSCRIPTIONS	\$375	\$350	\$25	7.1%
30-720-54-00	INSURANCE & BONDS	\$94,050	\$85,500	\$8,550	10.0%
30-720-54-01	WORKERS COMP INSURANCE	\$101	\$103	(\$2)	-1.9%
30-720-57-05	EMPLOYEE RECOGNITION	\$5,000	\$4,000	\$1,000	25.0%
30-720-73-00	MINOR EQUIPMENT PURCHASES	\$4,800	\$4,800	\$0	0.0%
30-720-86-00	CODIFICATION	\$3,600	\$3,600	\$0	0.0%
30-720-87-00	COMPUTER SOFTWARE/SERVICE/SUPPORT	\$31,500	\$30,723	\$777	2.5%
	TOTAL	\$351,896	\$327,966	\$23,930	7.3%

WATER AND SEWER LEGAL (30-770)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 2

<u>ACCOUNT NO.</u>	<u>ACCOUNT DESCRIPTION</u>	<u>REQUESTED FY 2026 BUDGET</u>	<u>FY 2025 BUDGET</u>	<u>DIFFERENCE</u>	<u>% CHANGE</u>
30-770-04-01	COURT FEES, RESEARCH - NCGS	\$200	\$200	\$0	0.0%
30-770-40-00	LEGAL SERVICE - TOWN ATTORNEY	\$20,240	\$18,400	\$1,840	10.0%
	TOTAL	\$20,440	\$18,600	\$1,840	9.9%

WATER AND SEWER OPERATIONS (30-810)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 2

ACCOUNT NO.	ACCOUNT DESCRIPTION	REQUESTED FY 2026 BUDGET	FY 2025 BUDGET	DIFFERENCE	% CHANGE
30-810-02-00	SALARIES	\$365,900	\$353,890	\$12,010	3.4%
30-810-02-01	SALARY - OVERTIME	\$24,000	\$24,000	\$0	0.0%
30-810-02-09	LONGEVITY PAY	\$2,300	\$2,650	(\$350)	-13.2%
30-810-05-00	FICA EMPLOYER EXPENSE	\$30,004	\$29,112	\$892	3.1%
30-810-06-00	GROUP INSURANCE	\$57,306	\$57,072	\$234	0.4%
30-810-06-01	GROUP INSURANCE-SUPPLEMENT	\$11,625	\$11,625	\$0	0.0%
30-810-07-00	RETIREMENT	\$56,840	\$52,211	\$4,629	8.9%
30-810-07-02	401K RETIREMENT	\$19,610	\$19,027	\$583	3.1%
	TOTAL F-T PERSONNEL-RELATED	\$567,585	\$549,587	\$17,998	3.3%
30-810-74-91	DEBT PRINCIPAL	\$279,250	\$289,500	(\$10,250)	-3.5%
30-810-74-92	DEBT INTEREST	\$26,060	\$33,500	(\$7,440)	-22.2%
	TOTAL DEBT SERVICE	\$305,310	\$323,000	(\$17,690)	-5.5%
30-810-09-02	EXAMS/VACCINES/ETC.	\$1,000	\$1,000	\$0	0.0%
30-810-11-00	TELEPHONE	\$10,000	\$10,000	\$0	0.0%
30-810-11-01	POSTAGE	\$1,500	\$1,500	\$0	0.0%
30-810-13-00	UTILITIES	\$65,000	\$54,000	\$11,000	20.4%
30-810-14-00	TRAVEL & TRAINING	\$4,000	\$8,000	(\$4,000)	-50.0%
30-810-15-00	MAINTENANCE OF SYSTEM	\$130,000	\$130,000	\$0	0.0%
30-810-15-01	MAINT OF SYSTEMS-CONTRACTS	\$50,000	\$50,000	\$0	0.0%
30-810-16-00	MAINT. OF EQUIP/BUILD.	\$20,000	\$25,000	(\$5,000)	-20.0%
30-810-17-00	MAINT. AUTOS & TRUCKS	\$4,000	\$4,000	\$0	0.0%
30-810-21-00	EQUIPMENT RENTAL	\$4,000	\$4,000	\$0	0.0%
30-810-31-00	AUTO SUPPLIES GAS,OIL,TIR	\$7,500	\$7,500	\$0	0.0%
30-810-33-00	SUPPLIES & MATERIALS	\$154,500	\$130,000	\$24,500	18.8%
30-810-36-00	UNIFORMS	\$11,500	\$11,500	\$0	0.0%
30-810-45-00	CONTRACT SERVICES W/S TESTS	\$20,000	\$24,000	(\$4,000)	-16.7%
30-810-53-00	DUES/SUBS.& PERMIT FEES	\$34,000	\$34,000	\$0	0.0%
30-810-54-01	WORKERS COMP INSURANCE	\$5,902	\$7,078	(\$1,176)	-16.6%
30-810-73-00	MINOR EQUIPMENT PURCHASES	\$2,500	\$16,000	(\$13,500)	-84.4%
30-810-74-00	CAPITAL OUTLAY-EQUIPMENT	\$15,000	\$60,000	(\$45,000)	-75.0%
30-810-74-01	CAPITAL OUTLAY-IMPROVEMENTS	\$310,000	\$350,000	(\$40,000)	-11.4%
30-810-74-02	CAPITAL OUTLAY-SEWER REHAB	\$50,000	\$50,000	\$0	0.0%
30-810-76-00	KB TREAT.FAC.CHGS.PD TOCB	\$280,000	\$295,000	(\$15,000)	-5.1%
30-810-87-00	COMPUTER SOFTWARE/SERVICE/SUPPORT	\$17,500	\$17,500	\$0	0.0%
30-810-90-00	SAFETY PROGRAM-W/S DEPT.	\$2,000	\$2,000	\$0	0.0%
30-810-99-00	ENGINEERING FEES	\$140,000	\$160,000	(\$20,000)	-12.5%
	TOTAL	\$2,212,797	\$2,324,665	(\$111,868)	-4.8%

STORM WATER OPERATIONS (32-610)
FY 2026 REQUESTED BUDGET VS. FY 2025 ORIGINAL BUDGET

APPENDIX 3

ACCOUNT NO.	ACCOUNT DESCRIPTION	REQUESTED FY 2026 BUDGET	FY 2025 BUDGET	DIFFERENCE	% CHANGE
32-610-02-00	SALARIES	\$86,280	\$85,818	\$462	0.5%
32-610-02-01	SALARIES - OVERTIME	\$6,000	\$6,000	\$0	0.0%
32-610-02-09	LONGEVITY PAY	\$0	\$500	(\$500)	-100.0%
32-610-05-00	FICA EMPLOYER EXPENSE	\$7,060	\$7,063	(\$3)	0.0%
32-610-06-00	GROUP INSURANCE	\$18,995	\$18,931	\$64	0.3%
32-610-06-01	GROUP INSURANCE-SUPPLEMENT	\$3,875	\$3,875	\$0	0.0%
32-610-07-00	RETIREMENT	\$13,353	\$12,667	\$686	5.4%
32-610-07-02	401K RETIREMENT	\$4,614	\$4,616	(\$2)	0.0%
	TOTAL F-T PERSONNEL-RELATED	\$140,177	\$139,470	\$707	0.5%
32-610-74-91	DEBT PRINCIPLE	\$45,110	\$43,800	\$1,310	3.0%
32-610-74-92	DEBT INTEREST	\$2,825	\$4,200	(\$1,375)	-32.7%
	TOTAL DEBT SERVICE	\$47,935	\$48,000	(\$65)	-0.1%
32-610-14-00	TRAVEL & TRAINING	\$500	\$500	\$0	0.0%
32-610-16-00	MAINT OF EQUIPMENT	\$1,500	\$1,500	\$0	0.0%
32-610-17-00	MAINT AUTO & TRUCKS	\$1,000	\$1,000	\$0	0.0%
32-610-18-00	MAINTENANCE	\$25,000	\$69,197	(\$44,197)	-63.9%
32-610-21-00	RENTAL OF EQUIPMENT	\$5,000	\$5,000	\$0	0.0%
32-610-33-00	SUPPLIES	\$12,000	\$20,000	(\$8,000)	-40.0%
32-610-35-00	ADVERTISING	\$500	\$500	\$0	0.0%
32-610-40-00	STORM WATER PROFESSIONAL FEES	\$70,000	\$67,000	\$3,000	4.5%
32-610-53-00	DUES/SUBS. & PERMIT FEES	\$3,100	\$3,000	\$100	3.3%
32-610-54-00	WORKERS COMP INSURANCE	\$1,892	\$2,333	(\$441)	-18.9%
32-610-73-00	MINOR EQUIPMENT PURCHASES	\$4,500	\$4,500	\$0	0.0%
32-610-74-01	CAPITAL OUTLAY-IMPROVEMENTS	\$1,050,000	\$150,000	\$900,000	600.0%
32-610-99-00	ENGINEERING	\$10,000	\$10,000	\$0	0.0%
	TOTAL	\$1,373,104	\$522,000	\$851,104	163.0%