



Board of Commissioners Meeting Agenda Item Submittal

Item To Be Considered: **FY 2026/2027 Budget Ordinance, Tax Rate, Salary Schedules, and Fee Schedule**

Board Meeting Date: **June 9, 2026**

Prepared By: **Jon Barlow – Town Manager**

Overview: The FY 2026/2027 Annual Budget is presented following discussions at several work sessions with the Board of Commissioners. The budget was prepared in accordance with N.C.G.S. Chapter 159, the North Carolina Local Government Budget and Fiscal Control Act. As required, all funds within the budget are balanced, and all revenues and expenditures are identified for FY 2026/2027.

The Board of Commissioners developed the following list of priorities which had significant influence on the development of the FY26/27 Budget:

- At a minimum the Tax Rate will remain unchanged at \$.35/\$100 valuation
- Present a balanced Budget without the appropriation of fund balance
- Provide a COLA/Merit increase for staff
- Create one new staff position in both Fire and Police
- Focus on making a transfer to the Capital Reserve Fund to support future capital expenditures

Budget Summary

- Capital Equipment
 - All Capital Equipment purchases are financed 100% with loan proceeds.
 - 2-Police Patrol Vehicles
 - 1-Public Services Director Vehicle
 - Fingerprinting Live Scan
 - Phase II handheld radio replacement
 - Christmas Tree at the Pavillion
- Capital Projects
 - Emergency Operations Center/Public safety Building (EOC/PBS)- Total project budget is approximately \$9 million. It is expected the design phase will take approximately 12 months to complete followed by 12 months of construction.
 - Replacement of the Main St. Dock funded by a NC Beach Access grant in the of \$127,623
 - Parks and Recreation Tot Lot Project- Seeks State PARTF grant funds in the amount of \$60,000 for the new playground equipment
- Personnel
 - Cola 2.35 % and up to 2.35% Performance Based Merit Increase Salary adjustments based on annual performance evaluations.
 - New Personnel
 - 1-Fightertfighter II
 - 1-Police Officer
- Insurance Premiums

Action: _____

- Health Insurance –Blue Cross/Blue Shield renewal will increase of 4%.
 - Worker’s Compensation Insurance – The Town purchases Worker’s Compensation Insurance through the NCLM risk management pool. Rates for FY 26/27 are expected to decrease from current year levels by 6%.
 - Property and Liability – The Town purchases Property & Liability Insurance through the NCLM risk management pool. Rates for FY 26/27 are expected to increase 10% from current year levels.
- Fees and Rates
 - A complete listing of the Schedule of Fees is attached.
 - Solid Waste Collection Fees will increase as follows:
 - Residential: \$24.08 or \$2.10/mo.
 - Commercial: \$40.21 or \$3.59/mo.
 - Stormwater Management fees remain unchanged at \$60 / residential unit

General Fund Revenues

The tax rate for FY 26/27 is proposed to remain unchanged at \$.35 per \$100 valuation. Total assessed valuation increases from \$734,795,000 to \$1,001,600,000 due to revaluation. Onslow County performs property tax revaluations every 4 years. The total valuation in Swansboro has increased 36% over the past 4 years. Real property values increased 41% while personal and public utilities values show little to no gains. Tax base growth is confirmation of the growth the Onslow County has seen since the last revaluation.

General Fund Expenditures

Total expenditures in the General Fund Budget for FY 26/27 are \$7,091,685. In comparison, amended General Fund expenditures for FY 25/26 are \$7,396,374 , a 4.12% decrease compared to the adopted FY 25/26 Budget. The General Fund Budget for FY 26/27 is balanced with \$0 of fund balance.

Stormwater Utility Fund

There are no changes to the Stormwater Fee schedule. Fees are as follows:

Residential Tier

\$5.00 flat fee/month /residence

Commercial Tier

Minimum Fee \$5.00/month or .01/Square Foot whichever is greater.

Example 10,000 SF of impervious surface = \$8.33/month

Solid Waste Enterprise Fund

The Town of Swansboro charges user for sanitation/recycling and yard debris for residential and commercial customers. The collection of residential and some commercial garbage and recycling is managed through a contractual agreement with GFL. It is expected that GFL will increase rates by 1.9% based on the April CPI. The Solid Waste Enterprise fund is set up to be fully supported by user fees. In fact, since the last increase in FY18/19 the Solid Waste Fund has been self-supporting; however, due to cumulative Consumer Price Index (CPI) adjustments in prior years, the current rate schedule is not able to absorb the increase for the coming year; therefore, the proposed rate increase is as follows:

| | Current rate | Proposed Rate | \$ Increase |
|-----------------------------|---------------------|----------------------|--------------------|
| Residential Customer | \$21.93/mo. | \$24.03/mo. | \$2.10/mo. |
| Commercial Customer | \$36.62/mo. | \$40.21/mo. | \$3.59/mo. |

Background Attachment(s):

1. FY 2026/2027 Budget Ordinance which includes the Tax Rate (\$0.35/\$100)
2. Salary Schedule
3. Fee Schedule
4. Budget Presentation

Recommended Action:

1. Hold a Public Hearing; and
2. Motion to adopt FY 2026/2027 Budget Ordinance, Tax Rate (\$0.35/\$100), Salary Schedules, and Fee Schedule