



---

## MEMORANDUM

**Date: June 10, 2026**

**To: Mayor and Council**

**Fr: Brandon Perkins, Town Manager**

**Subject: FY2027 Budget Proposal**

---

Attached is the FY27 Budget for Council consideration and formal adoption at the June 18, 2026 regular meeting. The attached workbook reflects the corrected figures distributed by Finance Manager Sandy Beach on June 10, 2026.

### **BUDGET OVERVIEW**

The FY27 budget is a balanced, all-funds budget prepared in accordance with Council's policy direction, the Town's financial policies, and applicable provisions of Georgia law. The General Fund budget totals \$12,770,799, a decrease of \$270,468 (2.1%) from the FY 2025/2026 adopted budget of \$13,041,267.

The property tax millage rate is proposed to remain at 2.889 mills per Council direction, unchanged for the 19th consecutive year. Based on the current tax digest, the budget anticipates approximately \$2.0 million in real property tax revenue without a millage rate increase.

To balance the General Fund, the budget includes the use of \$3,180,446 in fund balance along with \$55,055 in assigned funds. As in prior years, a significant portion of this funding supports capital projects and other one-time expenditures included in the adopted budget.

### **NOTABLE DEPARTMENTAL CHANGES**

#### **Public Works (-\$870,453 / -12.9%)**

The reduction reflects the completion of several capital projects and carryforward appropriations included in the FY26 budget. The FY27 budget continues to prioritize transportation, stormwater, and infrastructure improvements, with \$2.55 million budgeted for capital outlay activities.

#### **Parks & Recreation (+\$195,022 / +44.1%)**

The increase reflects expanded recreation programming and a transfer of \$32,555 to the Founders Day Fund to support the Town's annual community event. These expenditures are consistent with Council's direction to continue investing in community programs and events.

Incorporated 1911

---

### **Administration (+\$168,734 / +12.8%)**

The increase is primarily attributable to information technology services and software subscriptions, including managed IT services and cybersecurity-related expenditures. The budget includes \$191,671 in SBITA-related costs. Staff anticipates competitively procuring managed IT services during FY27, which may result in future cost savings.

### **Public Safety (+\$165,014 / +6.3%)**

The increase reflects salary adjustments, updated retirement costs, body camera server upgrades, and replacement vehicles.

### **COMPENSATION**

The FY27 budget includes a 3% salary adjustment for all employees, consistent with Council direction provided during the budget workshop process. Staff also anticipates presenting options for a comprehensive classification and compensation study during the upcoming fiscal year.

### **GENERAL FUND REVENUE SUMMARY**

The most significant revenue increase occurs within Licenses and Permits, which rises from \$228,250 to \$619,350, reflecting anticipated development activity associated with approved projects. Electricity franchise tax revenues are projected at \$405,000 based on updated utility data. Intergovernmental revenues decline modestly as certain grant-related revenues included in prior budgets are not anticipated to recur.

### **OTHER FUNDS SUMMARY**

Decreases within the 2017 SPLOST, 2023 SPLOST, and Sewer Funds primarily reflect project completions, re-sequenced capital programming, and the reduction of debt service obligations as prior commitments mature. Planned expenditures continue to support transportation infrastructure, park improvements, sewer system maintenance, and capital equipment replacement.

### **FORMULA CORRECTIONS**

During final review of the budget workbook, Finance Manager Sandy Beach identified several formula errors affecting summary totals within the Administration, Finance, and 2023 SPLOST worksheets. The underlying budget detail was accurate; however, certain costs were not properly included in summary calculations.

These formulas were corrected prior to budget adoption and are reflected in the attached workbook. As a result, the General Fund's budgeted use of fund balance increased from \$2,956,740 to \$3,180,446. No departmental budget requests, project appropriations, or policy decisions were changed as a result of these corrections.

### **STRUCTURAL FISCAL CONSIDERATIONS**

As discussed during the budget workshop and public hearing process, the FY27 budget continues the Town's recent practice of utilizing fund balance to support both ongoing operations and one-time capital expenditures. While current reserves remain sufficient to support this approach, recurring expenditures continue to outpace recurring revenues absent the use of fund balance.



The Town remains in a strong financial position; however, continued reliance on fund balance is not sustainable as a long-term strategy. Future budget cycles will likely require some combination of revenue growth, expenditure reductions, or policy adjustments to maintain long-term fiscal stability.

#### **RECOMMENDED ACTION**

Staff recommends adoption of the FY27 budget as presented and reflected in the corrected budget workbook distributed on June 10, 2026. The budget is balanced, maintains the current millage rate, incorporates Council’s direction from the budget workshop and public hearing process, and complies with applicable Georgia budgeting requirements.

Please do not hesitate to contact me if you have any questions about the presented budget prior to the meeting.

Incorporated 1911