

**BRENDA BROWN
MAYOR**

**RANDY LANSING
TOWN MANAGER**



**TOWN COUNCIL
LARRY D. TAYLOR
KATE C. BURNS
XAVIEN HARRISON
BILL LUMPP**

FY-26 Budget Message

Date: June 3, 2025
To: Mayor Bown, Council Members, and Nashville Citizens
From: Randy Lansing, Town Manager
Subject: FY-26 Budget Message

Attached is the proposed FY-26 Operating Budget for the Town of Nashville which begins July 1, 2025, and ends June 30, 2026. It is a balanced budget as required by NCGS 159.8 with the use of \$771,732 in fund-balance money from four different Funds. This Budget keeps the Town's property tax rate a \$0.59/\$100 of assessed value and maintains all of the Town's public services within the Town's nine Departments at their current service levels – 1) Administration, 2) Fire, 3) Finance, 4) Human Resources, 5) Library, 6) Parks and Recreation, 7) Planning and Zoning, 8) Police, and 9) Public Works i.e. water, sewer, streets, storm sewer, garbage, and recycling.

The proposed FY-26 Budget is \$16,618,082 which is \$1,460,782 or 8.79% less than the adopted FY-25 Budget due to fewer infrastructure and capital improvement projects. The proposed FY-26 Budget includes an additional police investigator bringing the total to four including the Investigation Lieutenant, \$1,500,000 for sanitary sewer manhole sealing, \$400,000 for a new garbage truck, \$300,000 for a truck and large equipment garage, \$210,000 for sidewalk repairs and replacements, \$60,000 for replacement of three HVAC units, and a 3% cost-of-living-increase (COLA) for Town employees.

The proposed FY-26 Budget does include a \$4.50 increase in the monthly garbage and recycling fees from \$27.50 per month to \$32.00. The additional revenues will allow around \$100,000 a year to be put aside for purchase of the next garbage truck. The garbage fee was last increased four years ago and the recycling fee two years ago. The budget also includes several Planning and Zoning fee increases for subdivision review, rezoning requests, special use permits, zoning variance requests, zoning certificates, sign permits, and fence permits, and one Police Department fee increase. There is, once again, no increase in water and sewer rates despite notice from the City of Rocky Mount that it may increase its water and sewer rates to other municipalities by seven to eight percent.

For FY-26, General Fund revenues are projected at \$9,016,006 and expenses at \$9,256,481 for a \$240,477 shortfall - of which \$181,1645 is one-time expenses and purchases and not on-going or annually recurring expenses. As in past years the short-fall will be covered by the General Fund fund-balance. The Council has established a fiscal goal of maintaining a General Fund fund-balance that is equal to half of the General Fund's annual expenses. The FY-26 Budget achieves and maintains this level of fund-balance with a projected beginning fund-balance of \$4,691,220, compared to \$4,628,240 for half a year's General Fund expenses.

The following is a summary of the FY-26 Budgets' revenues and expenses by Fund:

	Fund	Income	Expense	Difference
1.	10 General Fund	\$ 9,016,006	\$ 9,256,483	\$ (240,477)
2.	20 MSD Fund	\$ 231,413	\$ 79,900	\$ (30,000)
3.	30 Water Sewer Fund	\$ 4,925,252	\$ 4,925,252	\$ 0
4.	40 Stormwater Fund	\$ 145,192	\$ 145,192	\$ 0
5.	41 Vehicle Capital Reserve Fund	\$ 0	\$ 311,255	\$ (311,255)
6.	42 Powell Bill Fund	\$ 210,000	\$ 400,000	\$ (190,000)
7.	72 Water Sewer Capital Projects	\$ 1,500,000	\$ 1,500,000	\$ 0
	TOTAL	\$ 15,846,350	\$ 16,618,080	\$ (771,732)