Town Council
Work Session
Agenda Item 3.a.

Agenda Item: **FY 2026 Proposed Budget**

Meeting Date: March 18, 2025

Category: Discussion

Prepared by: Marjorie Sloan, Finance Director

Description:
Discussion of the Proposed FY 2026 Budget: Presentation on the proposed budget for the Enterprise Funds. Following the presentation, staff will facilitate further discussion of the FY 2026 Proposed Budget.

Background:
In accordance with Section 4.2 of the Town Code, the Interim Town Manager has submitted a proposed FY 2026 Budget. The Summary Budget Book has been distributed to members of the Town Council and posted to the town's website. At a previous meeting, the town's Governmental Funds, including the General Fund, Stormwater Management Fund, American Rescue Plan Act (ARPA) Fund and the Capital Projects Fund were discussed. To facilitate discussion on the town's Enterprise Funds, a presentation will be delivered summarizing the proposed budget for the Water and Sewer Fund, the Chestnut Grove Cemetery Fund, and the Golf Fund.

The presentation will include a recap of the recent Davenport Water and Sewer presentation, and review the proposed FY 2026 water and Sewer Rates.

Following the presentation and discussion of the Enterprise Funds, the overall discussion will continue with follow-ups and additional discussion on the General Fund proposed budget presented March 11, 2025, as well and the other Governmental Funds as needed.

Related Strategic Plan Goal:
Strong Fiscal Stewardship Goal 2: Conduct forward-looking and multi-year planning and analysis.

- Objective 2.1: Proactively develop, maintain, and update capital and life cycle replacement plans with realistic funding and reserve targets;
- Objective 2.2: Ensure enterprise funds are operating with adequate fee structures and net positions;

- Objective 2.3: Ensure annual budgets align with existing and updated multi-year strategic plans.

Timing Impact:
Discussion and review of the Proposed FY 2026 Budget continues in March with public hearings scheduled for April 2025.

Strategic Focus Area:



Strong Fiscal Stewardship

Fiscal Impact:
There is no immediate fiscal impact of the discussion materials presented on March 18, 2025. Impact will occur after adoption by the Town Council, in FY 2026, which begins on July 1, 2025.

Legal Impact:
Per Town Code Section 4.2 and State Code Section 15.2-2503, the Town Manager is required to prepare and submit an annual budget to the Town Council on or before the first day of April each year.

Staff Recommendation/Next Steps:
No formal recommendation submitted with this discussion item.

Attachments:
None