

Budget Discussion

Town Council Work Session

Tuesday, April 17th, 2026

FY 26–27 Budget Environment

- Current tax base: **\$274.9M**
- Value of 1¢ on tax rate: **\$27,490**
- Current rate: **\$0.35**
- Inflationary pressures – Oil, Groceries, Fed Interest Rates
- Major cost drivers
 - Fuel
 - Materials

Town Cash Strategy & CD Investments

- Current CD balances - \$6,300,000.00 – as of July 2025
- Expected **CD interest rates July 2026 – 4.0%**
- Lock-in strategy options:
 - 6 month
 - 12 month
- Opportunity cost if funds are used for projects

Utility Revenue Trends



Water revenue ↓



Sewer revenue ↓



Possible causes

conservation

weather

industry usage



Wholesale Water Cost Increase

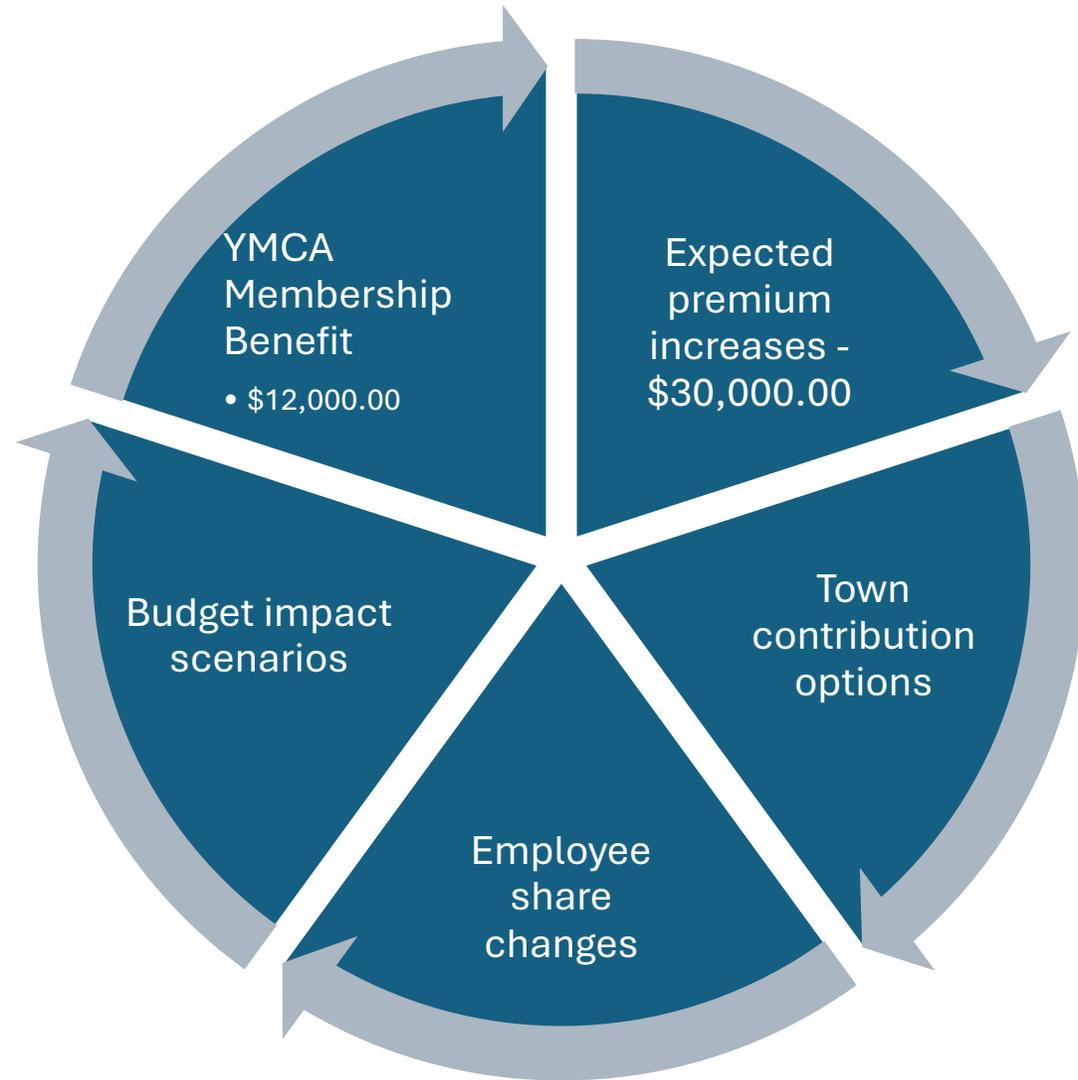
- Required retail rate increase
 - Newton - \$0.06
- Timing
 - July 1 – January 1
- Impact on customers
 - Rate Increase



Workforce Investment

- **3% COLA discussion**
- Total cost
- Retention impact
- Comparable municipalities

Health Insurance Outlook





Public Works Capital Needs

- Equipment replacements
- Fleet purchases
- Infrastructure tools



Police Department Capital Requests

- Patrol vehicles
- Equipment replacement
- Technology upgrades



Taylorsville Development Alliance Initiatives

- **25,000 sq ft metal building**
- **Hospital demolition & redevelopment**
- **Future economic development revenue streams**
- **Building Reuse – Urgent Care**
- **Partnership structure with Town**



Water/Wastewater Treatment Plant Feasibility Study

- Study cost
 - \$500,000.00
 - 20% local match - \$100,000.00
- Long-term regulatory planning
 - \$60M+
- Capacity needs
 - 2.5M
- Funding sources (grants, USDA, etc.)
 - Federal
 - State
 - Unknown
- Water Study Cost
 - \$400,000.00
 - Partnership with Alexander County & Energy United

Future Sports Complex Property

- Potential land purchase
 - \$1-\$2M
- Long-term recreation vision
 - Upgrade Town Park
 - Upgrade Matheson Park
 - Development of New Park
 - Master Park Plan
- Project Cost
 - \$25,000-\$50,000



A wall of dark grey stone blocks, arranged in a staggered pattern. A small, vibrant green tree is growing out of a hole in the center of the wall. The background is a light, hazy white.

Cemetery Capital Projects

- Tree removal
- Monument leveling
- GIS mapping
- Mausoleum feasibility



Town Events

- Christmas Lights
 - Phasing Replacements

Major Funding Decisions

| Investment | Estimated Cost |
|-------------------------------|---------------------------------|
| Land purchase | \$1,000,000.00 - \$2,000,000.00 |
| WWTP study | \$500,000.00 |
| Parks master plan | \$50,000.00 |
| Economic development projects | \$3,000,000.00 + |

Budget Priorities



Employee
compensation
priority



Capital project
priorities



Economic
development
investment



Land acquisition
timing



Reserve strategy



“What One Penny Buys”

- For Taylorsville:
- **1¢ = \$27,490**
- **5¢ = \$137,450**