

Fiscal Year 2027

PROPOSED BUDGET IN BRIEF



The Numbers

Proposed Tax Rate and Resident Costs

The FY2027 proposed budget includes a 1.7-cent property tax increase over the current rate, bringing the proposed property tax rate to 37.2 cents per \$100 of assessed value. This adjustment provides additional capacity to maintain and improve core City services as Raleigh continues to grow, including investments in public safety, infrastructure, service responsiveness, and technology.

Property Tax Rate
1.7¢ increase

In addition, fee adjustments are also proposed to increase. Combined together, residents can expect property taxes and fees to increase by 4.95%, or approximately \$122 per year for a Raleigh household. These changes support the City's ability to keep pace with rising service demands while continuing to deliver reliable, high-quality services to residents.

FY27 Proposed Annual Property Tax and Resident Costs

Raleigh Fees/Taxes	FY2026 Adopted	FY2027 Proposed	\$ Change	% Change
Property Tax¹	\$1,390	\$1,457	\$67	4.82%
Solid Waste Fee	\$311	\$342	\$31	9.97%
Water and Sewer Fee	\$664	\$685	\$21	3.16%
Stormwater Fee	\$99	\$102	\$3	3.03%
Total Annual Fees/Taxes	\$2,464	\$2,586	\$122	4.95%

Proposed Total Funds (net of interfund transfers)

The FY27 proposed budget reflects a 0.9% decrease from FY26, primarily due to FY26 being the final year of the 2020 Housing Bond. This decrease is partially offset by the inclusion of the Insurance Fund and Fleet Management Operations Fund. These internal service funds were previously excluded because they were fully funded by transfers from other funds; however, they are included this year because they also have transfers out.

FY26 Adopted Total Funds	FY27 Proposed Total Funds
\$1,780,782,498	\$1,765,166,204

¹ Based on the appraised median value of single-family home in Raleigh (\$391,724).

The General Fund

The General Fund is the main operating fund accounting for governmental activity supported by property tax, sales tax, franchise fees, and service fees.

General Fund Revenues by Type

Revenues	Adopted 2025-26	Proposed 2026-27	% Change FY26-FY27
Property Tax	\$355,922,579	\$333,296,549	(6%)
Sales Tax	\$127,700,000	\$135,667,572	6%
Franchise Tax	\$34,900,000	\$38,800,000	11%
Fee Revenue	\$34,491,987	\$35,930,404	4%
Intergovernmental	\$23,450,296	\$21,943,371	(6%)
Investment Income	\$16,560,314	\$19,978,967	21%
Licenses	\$14,756,700	\$13,854,400	(6%)
Miscellaneous Revenue	\$3,197,835	\$4,110,883	29%
Transfers from Other Funds	\$27,403,303	\$37,039,843	35%
Fund Balance & Special Reserve	\$18,725,686	\$12,149,470	(35%)
Total	\$657,108,700	\$652,771,459	(1%)

General Fund Expenses by Programs

Expenditures by Programs	Adopted 2025-26	Proposed 2026-27	% Change FY26-FY27
Public Safety	\$261,461,333	\$280,782,263	7%
Infrastructure & Public Services	\$107,155,741	\$113,964,543	6%
Leisure Services	\$79,352,927	\$83,828,301	6%
General Government	\$76,428,081	\$82,415,302	8%
Agency Appropriations	\$4,374,542	\$4,558,042	4%
Special Appropriations	\$128,336,076	\$87,223,008	(32%)
Total	\$657,108,700	\$652,771,459	(1%)

Targeted Staffing Study

As Raleigh continues to grow, the City must ensure staffing levels and service models keep pace with increasing demand across core operations. To support this work, the City of Raleigh engaged Matrix Consulting Group to conduct a targeted staffing and workload analysis of several high-impact departments and service areas. The FY27 Proposed Budget begins implementing the study's recommendations through strategic staffing investments focused on improving public safety response, reducing workload pressures, supporting development activity, and maintaining reliable service delivery for residents.

Key Departments & Investments:

- **Raleigh Police Department:** \$3.83 million for 23 additional Patrol Officer FTEs to strengthen Field Operations, improve patrol coverage, support traffic enforcement, respond to 911 calls, conduct security checks, and provide enhanced coverage for downtown events.
- **Raleigh Fire Department:** \$3.31 million to support two Deputy Fire Marshals, one Assistant Fire Marshal, 12 infill Firefighter FTEs, and ongoing funding for a second Fire Academy to meet growing inspection, permitting, and emergency response demands while improving baseline staffing, reducing overtime pressures, and reinforcing on-scene safety.
- **Emergency Communications Center:** \$494,592 for six additional Call Taker FTEs to help manage significant call volumes and ensure 911 and emergency calls are answered promptly and effectively.
- **Planning and Development Services:** \$600,300 to support six new Building Safety FTEs, dedicated to residential permitting to address increasing inspection complexity, workload, permit volume, and evolving State requirements.
- **Solid Waste Services:** 21 FTEs to support 26 more yard waste pickups annually (50 more opportunities to get rid of leaves) and other staffing needs identified through the Matrix staffing study.

Proposed General Fund Highlights

Public Safety

- \$290,405 to support computer operations and system access improvements that enhance the safety, reliability, and consistency of 911 call management operations.
- \$302,968 to support four new Code Compliance Officer FTEs for implementation and enforcement of the City Council-adopted noise ordinance.
- \$2.5 million to support building leases for the Raleigh Police Department's relocated Downtown District and Evidence Unit, Special Operations, and Fleet Maintenance facility.
- \$1.4 million to support public safety technology upgrades, including the Criminal Justice Information Services network, handheld radio systems, and critical server infrastructure.
- \$1.9 million to upgrade the records management, cloud storage, equipment, and technology to improve operations and accountability.

General Government

- \$68,696 to support one additional Customer Service Representative, Senior FTE for the City's growing customer experience center.
- \$37,000 to support the City's participation in the Electrify the Triangle program, which assists residential households with electrification efforts across the Triangle region.
- \$709,000 to support cybersecurity initiatives within Information Technology to protect City data, systems, and customer information.
- \$1.9 million to support technology equipment lease needs for the new City Hall facility and ensure the building is appropriately equipped when it opens.
- \$150,395 to support one Community Relations Analyst and operational funding for expansion of the Engagement Network Program to include the Citizens Advisory Councils and new tiered membership benefits.
- \$300,000 to support recruitment and retention of a new Occupational and Workplace Health provider following the retirement of the City's longtime provider.

Infrastructure and Public Services

- \$1.2 million to support two facilities maintenance FTEs and enhanced contractual services for operations and maintenance needs at the new City Hall facility.
- \$819,124 to support three additional Field Technician FTEs in Transportation to establish a second pavement marking crew. This investment will help the City keep pace with growing pavement marking needs and supports safer and more reliable travel for all by improving roadway visibility and maintaining clear markings across Raleigh's transportation system.

Leisure Services

- \$106,259 to support one additional Groundworker FTE and associated equipment for a third refuse collection route to help maintain safe and clean open spaces. This investment will help Parks, Recreation and Cultural Resources keep pace with growing maintenance demands across the parks system.

Proposed Capital Highlights

Affordable Housing

- \$11.6 million to support affordable housing efforts through the dedicated housing penny, including affordable unit production, housing affordability, and homelessness prevention.
- \$101.5 million set aside through the Steady State financial model to support future debt-financed affordable housing projects without a property tax increase.

Public Safety

- \$5.8 million to support essential maintenance and system improvements across public safety facilities, including mechanical, electrical, plumbing, and life-safety systems.
- \$425,000 to support continued maintenance needs at the City's Central Operations Facility.
- \$525,000 to support public safety technology upgrades that maintain security compliance and system compatibility.
- \$100,000 to support indoor and outdoor lighting improvements, including new solar lighting at the Brentwood Remote Operations Facility.

Transportation and Infrastructure

- \$18.2 million to supplement Powell Bill funds and support major street construction, widening projects, targeted street improvements, pedestrian and bicycle infrastructure, parking, and transit initiatives.
- \$12 million to support street resurfacing efforts across the City.
- \$1.7 million to support essential sidewalk repairs and improvements.
- \$2.4 million to support the Vision Zero Spot Safety Program, ADA transition plan work, ADA-compliant traffic signals, and corridor safety improvements.
- \$2.0 million to support bridge inspections, structural repairs, and routine transportation infrastructure maintenance.
- \$9.4 million to support continued development of Bus Rapid Transit lines.
- \$7 million to support comprehensive maintenance of City-owned parking garages, including structural repairs, generators, elevators, lighting, waterproofing, and pressure washing.
- \$101.5 million set aside through the Steady State financial model to support future debt-financed transportation projects without requiring a property tax increase.

Public Spaces, Strategic Planning, and Resilience

- \$250,000 to support the Civic Places Program and small-scale City-led public realm projects.
- \$85,535 to support Strategic Plan initiative teams.
- \$200,000 to support development of a comprehensive Disaster Recovery Plan for continuity of operations after an unplanned event.

