

# FY2027 PROPOSED OPERATING & CAPITAL BUDGET

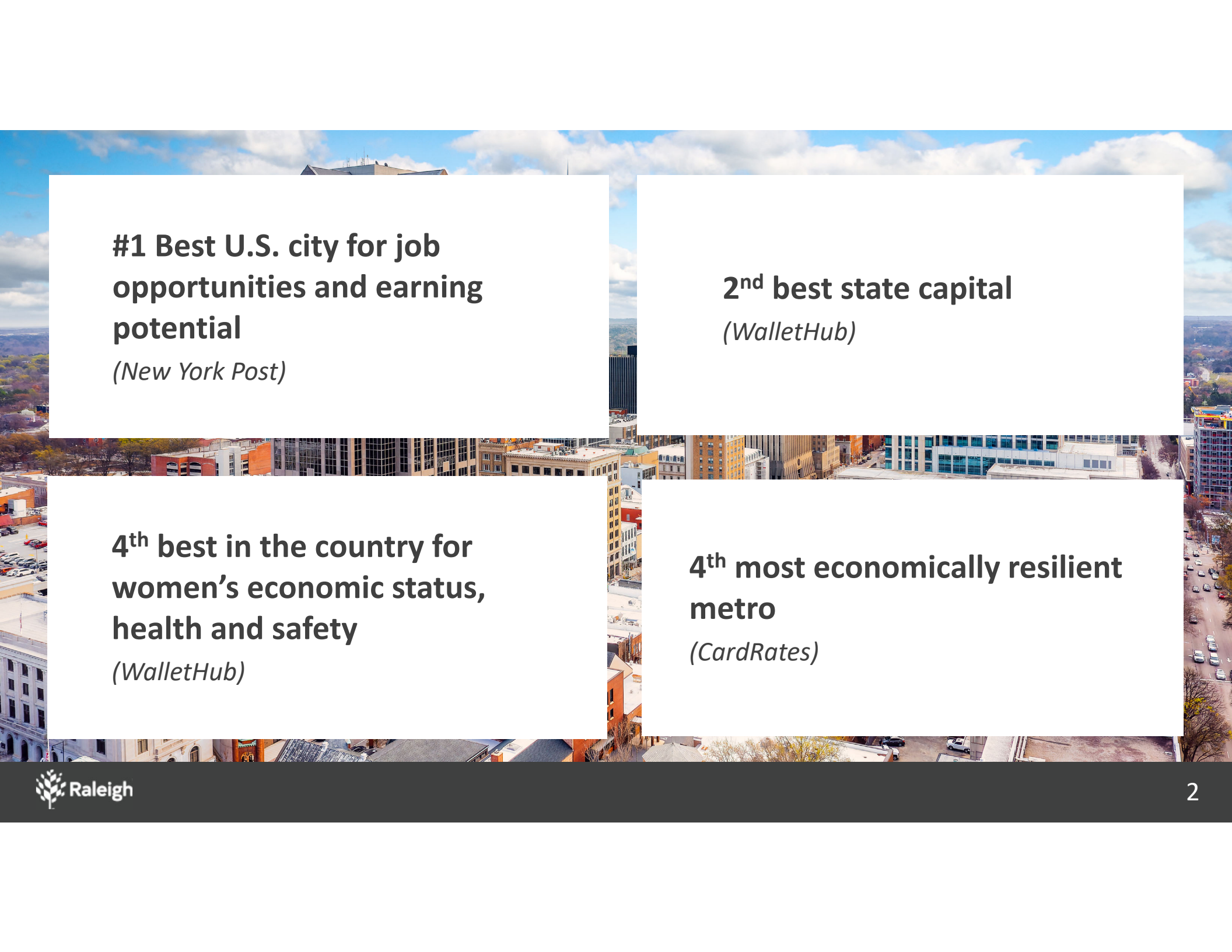
## Resilience in the Face of Uncertainty



BUDGET AND  
MANAGEMENT  
SERVICES

PRESENTED BY **SADIA SATTAR – DIRECTOR BUDGET AND MANAGEMENT SERVICES**





**#1 Best U.S. city for job opportunities and earning potential**

*(New York Post)*

**2<sup>nd</sup> best state capital**

*(WalletHub)*

**4<sup>th</sup> best in the country for women's economic status, health and safety**

*(WalletHub)*

**4<sup>th</sup> most economically resilient metro**

*(CardRates)*

# CURRENT ENVIRONMENT

# Property Tax Collection Down

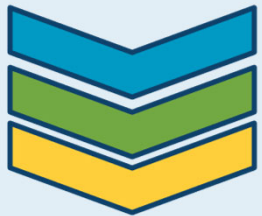


**Affordable  
Housing  
Exemptions**

**Brownfield  
Exemptions**

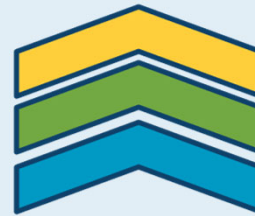
**Commercial  
Valuation  
Appeals**

# Building the Budget



## Revenues

- Property tax revenue
- Blue Ridge loophole
- Fluctuating sales tax



## Expenses

- Inflationary pressures impacting Citywide operations
- Continued population growth
- Higher service expectations

# General Fund Efforts to Contain Costs



**Eliminated  
Vacant  
Positions  
~\$1.5M  
(\$3.5M overall)**

**Held  
Positions  
Open  
~\$1M**

**Realigned  
Department  
Budgets  
~\$3M+**

**Post-  
Retirement  
Benefits  
~\$1.5M**

# Other Post-Employment Benefits (OPEB) Retiree Health Insurance Updates

**Only impacts employees  
hired on or after  
July 1, 2026**

**City pays 50% of  
premium**

**Eligible after 25 years**

**\$62.2 million saved  
over 15 years**

# Revenue Adjustments

Sales Taxes &  
Other Revenues  
~\$5M+



**NEW  
INVESTMENTS  
FOR FY27**

# Additional Funding to Support



**Public Safety**



**Downtown Parking**



**Council Priorities**



# Public Safety

# Police

FY27 Budget recommends addition of 23 police officers

Technology to enhance investigations and accountability, plus equipment

Leases for Downtown District and Special Operations, plus Youth Services upgrades



# Fire and Fire Master Plan

12 firefighters and ongoing funding for a second fire academy

Station renovations, upgrades and maintenance

Capital project planning for a new fire training center and station

3 Fire Marshals (Staffing Study)



# Emergency Communications

FY27 Budget recommends addition of six call-takers

Improved ability to handle calls and less reliance on overtime

Software to improve security of 911 dispatch





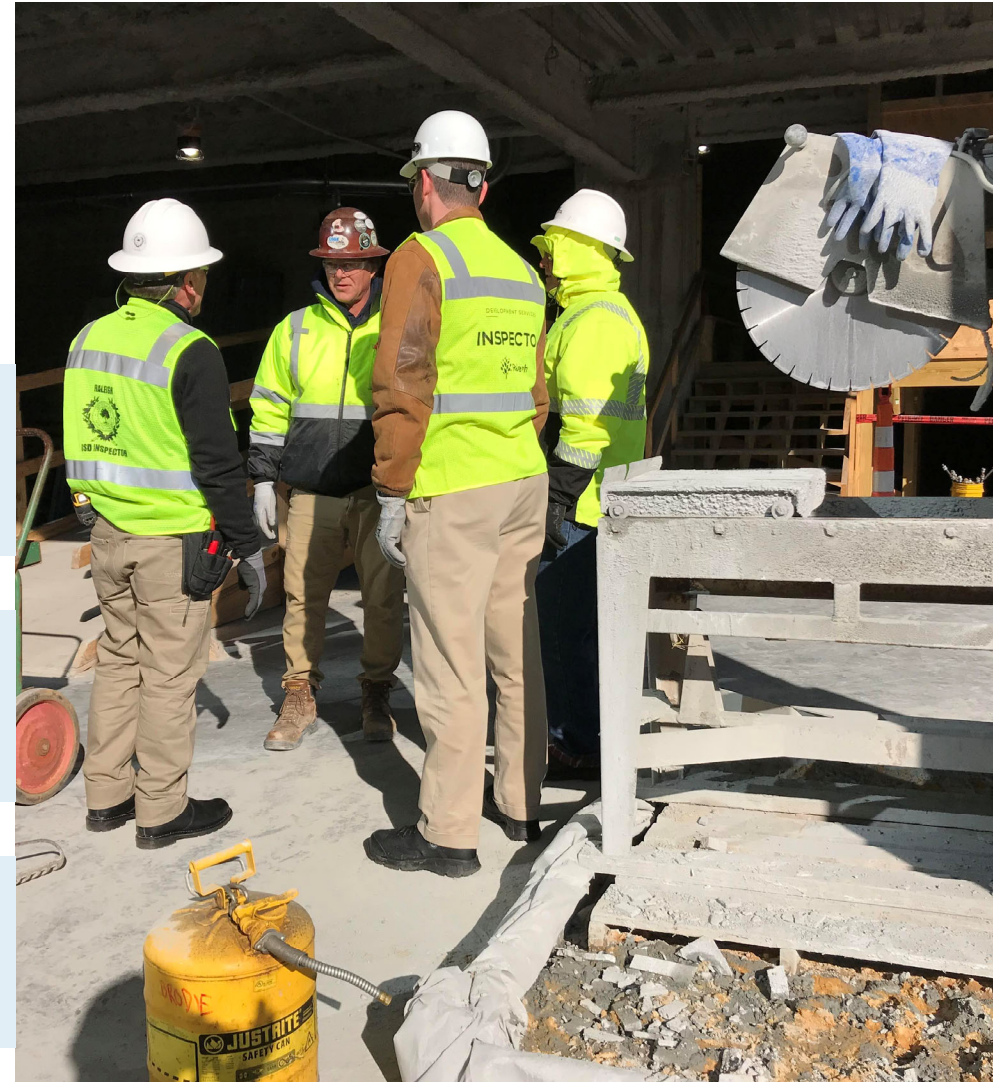
# Targeted Staffing Study

# Planning and Development

Staffing study recommendation of six building safety staff

Response to increasing inspection complexity, workload, and volume

More consistent response times for inspections



# Solid Waste Services

FY27 budget recommends  
21 staff positions

Starting in Fall 2026, SWS will begin  
collecting leaves with yard waste each week



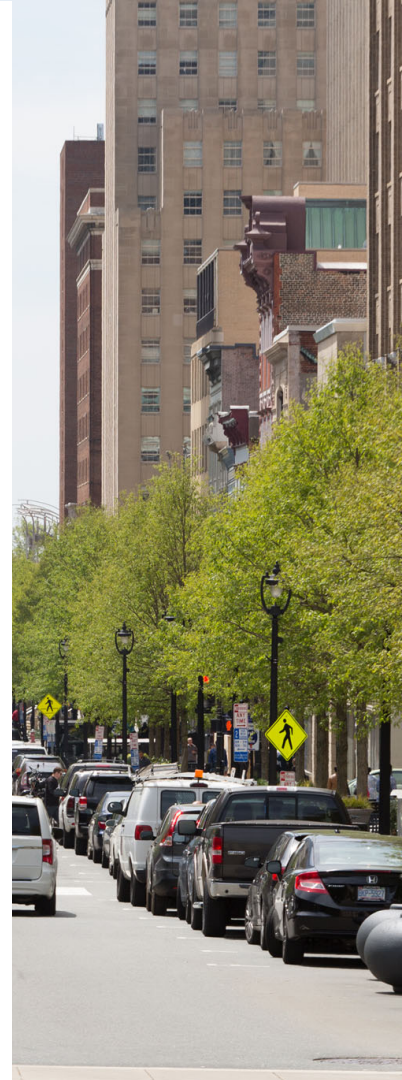


# Downtown Parking

Continued General Fund support for downtown parking - \$2M

Support downtown vibrancy and development by maintaining the existing two-hour free parking program

Supplements General Fund through strategic rate adjustments



# Pavement Marking and Safety Enhancement

- Improve safety and accessibility in high-pedestrian areas, including schools, and bike lanes.

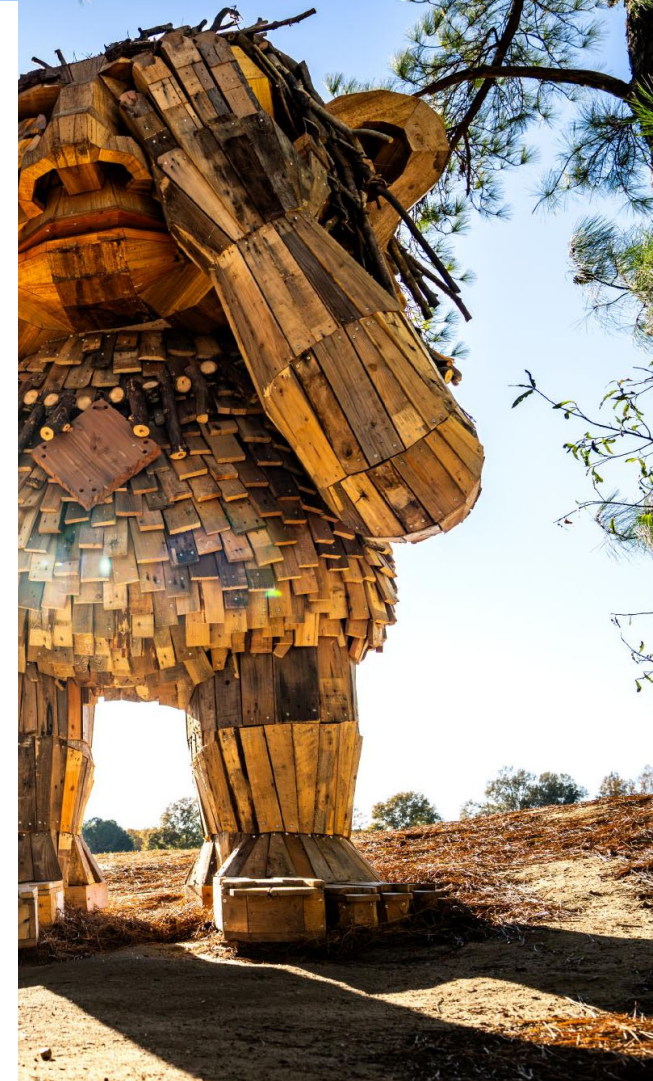


# Dix Park

Capital funding of \$3 million for building stabilization and demolition

Additional 8.75 FTE and \$1.9 million in operating funds for FY27

Builds on \$184.7 capital investment over 11 years plus ongoing operating needs of over \$11 million and 45 FTE



# Additional Operational Investments

- Parks Refuse Team
- City Hall Technology and Maintenance
- Ask Raleigh
- Cybersecurity
- Electrify the Triangle
- Community Engagement Network





# Investing in Our People

# Workforce Investments

**3%**

**Public Safety**

**2%**

**Exempt\*  
&  
Non-Exempt**

**1.5%**

**Permanent  
Part-Time &  
Temporary**

*\* Does not include City Council and City Council appointed positions*

# Public Safety Starting Salaries



**\$62,333**



**\$57,677**



**\$49,837**

# Employee Benefits – No Premium Increases

*Effective January 1, 2027*



**No employee premium increases for medical and pharmacy.**

**Maintain Plan B at \$0 for Employee Only.**



## **Medical Benefit Enhancements**

- **Dependent Maternity Care**
- **Weight Loss Management +GLP1**
- **Cancer Screening**



## **Annual Wellness Assessment (AWA) Changes**

- **Removal of AWA Requirement for Retirees**
- **Wellness Preventative Screenings**



**No employee premium increases for dental.**

**Dental enhancement.**



## FY2027 General Fund - Recommended Budget

# \$652,771,459



*Support our  
Public Servants*



*Critical Investments  
to Public Safety*



*Key Enhancements to  
Specific Programs*

## FY2027 All Funds - Recommended Budget

# \$1,765,166,204

**-1%** *Overall Decrease in  
Comparison to FY26*

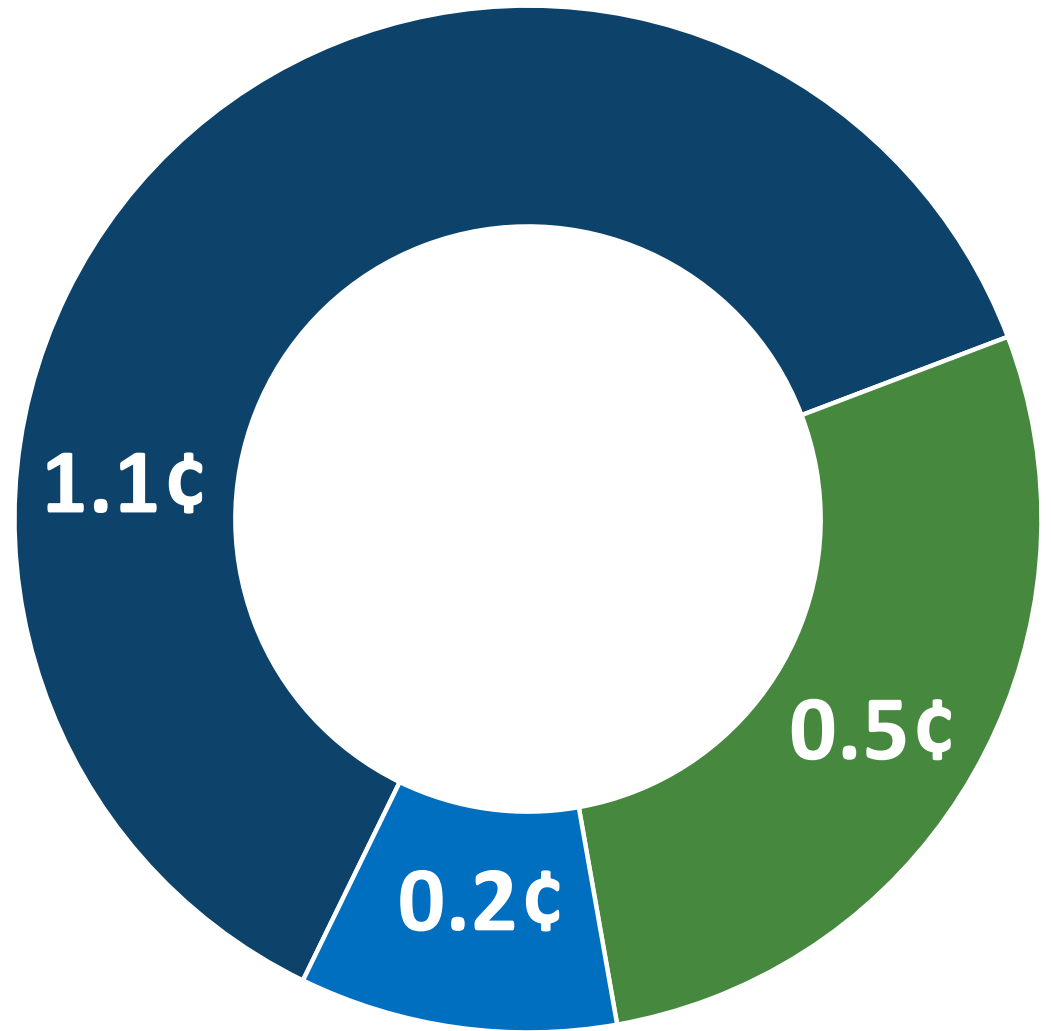


1.7¢

**Property Tax Increase**

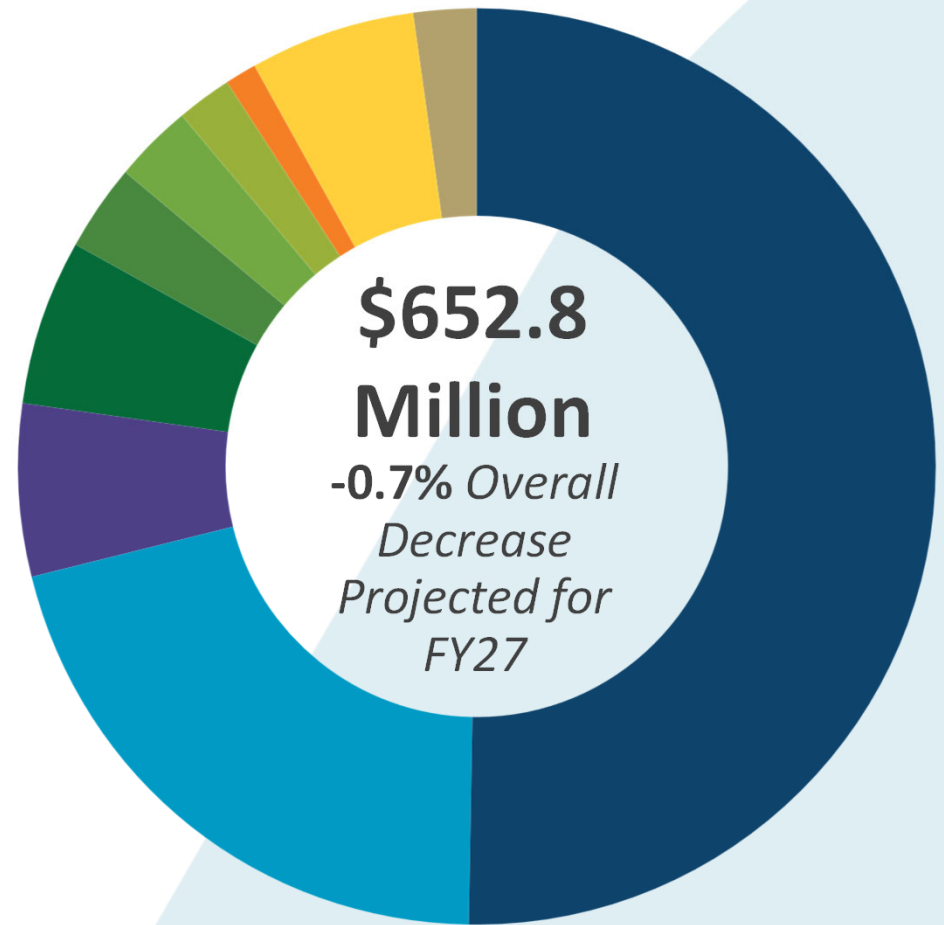
# Breakdown of Property Tax Increase

- Public Safety 62%
- Council Priorities 28%
- Downtown Parking 10%



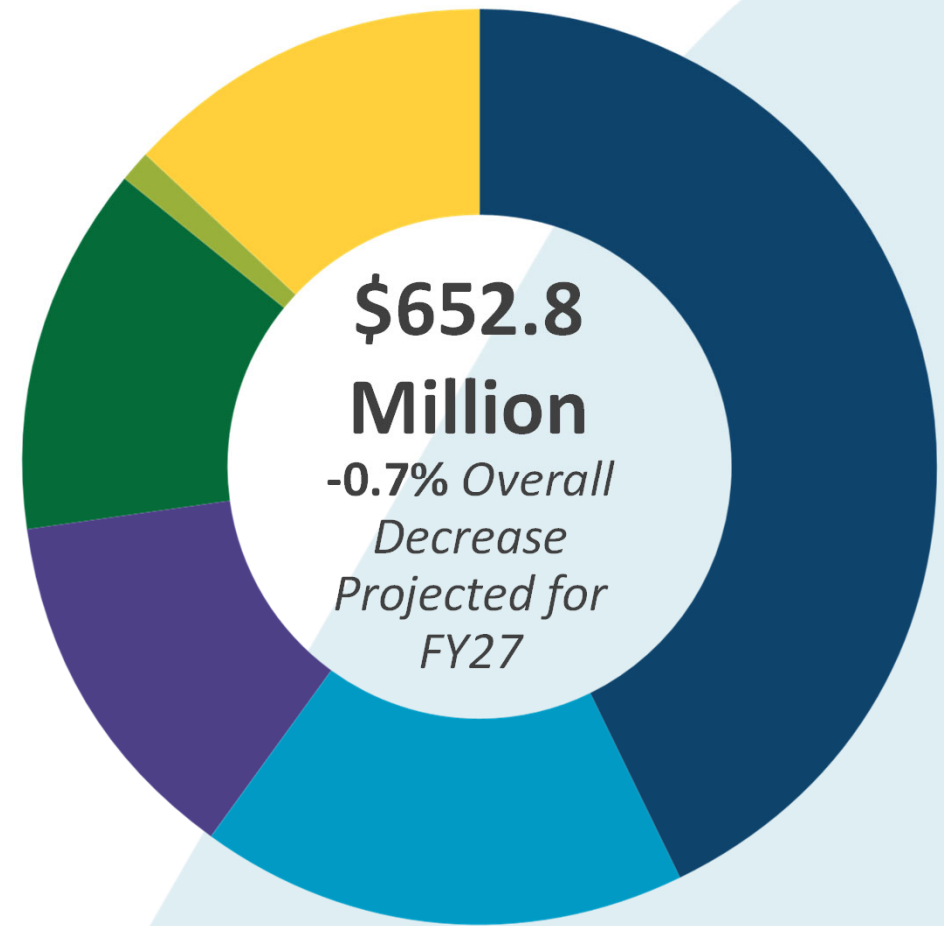
# FY27 General Fund Revenue Budget

- Property Tax **51%**
- Sales Tax **21%**
- Franchise Tax **6%**
- Fee Revenue **6%**
- Intergovernmental **3%**
- Investment Income **3%**
- Licenses **2%**
- Miscellaneous Revenue **1%**
- Transfers from Other Funds **6%**
- Fund Balance & Special Reserve **2%**



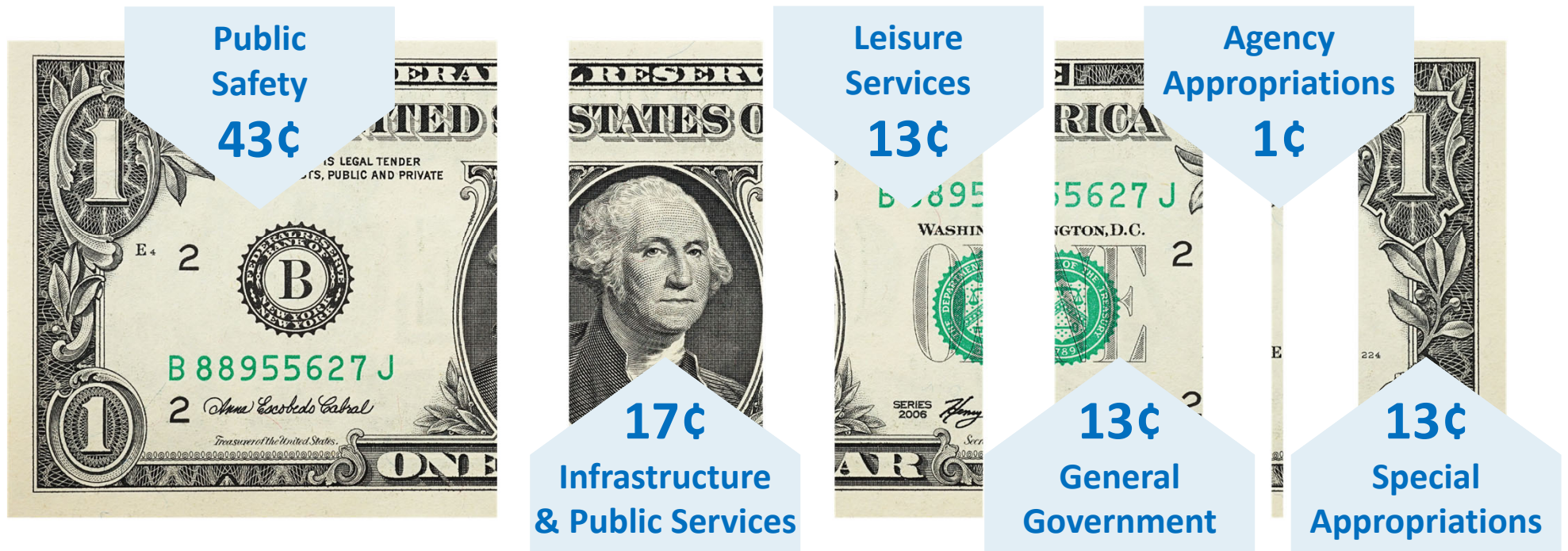
# FY27 General Fund Expenditure Budget

- Public Safety **43%**  
*(Police, Fire, Emergency Communications)*
- Infrastructure & Public Services **17%**
- Leisure Services **13%**
- General Government **13%**
- Agency Appropriations **1%**
- Special Appropriations **13%**



# What does \$1 of my property tax pay for?

## General Fund FY26-27



# Annual Resident Costs Increase

*Median annual increase of \$122 or 4.95%*

**\$67**

*Property Tax\**



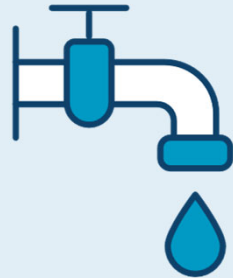
**\$3**

*Stormwater*



**\$21**

*Water*



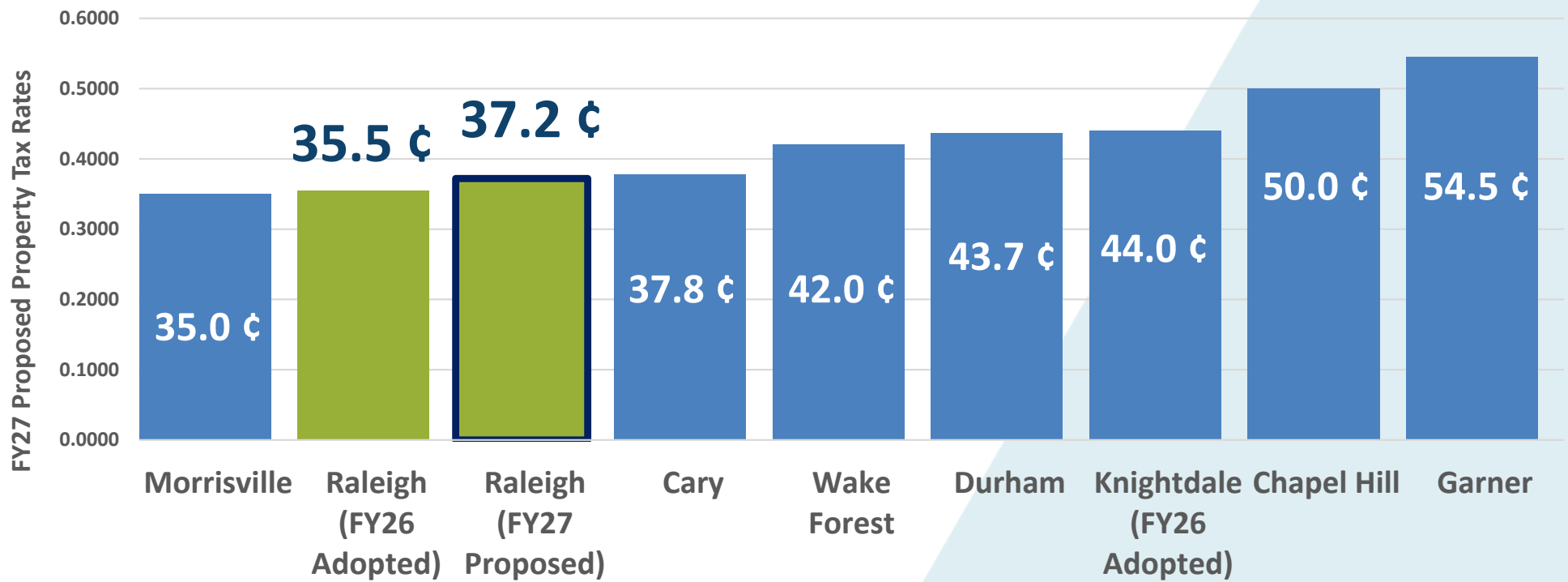
**\$31**

*Solid Waste Services*



*\* \$391,495 median assessed value of a home in Raleigh*

# Comparison to Other Triangle Cities & Towns



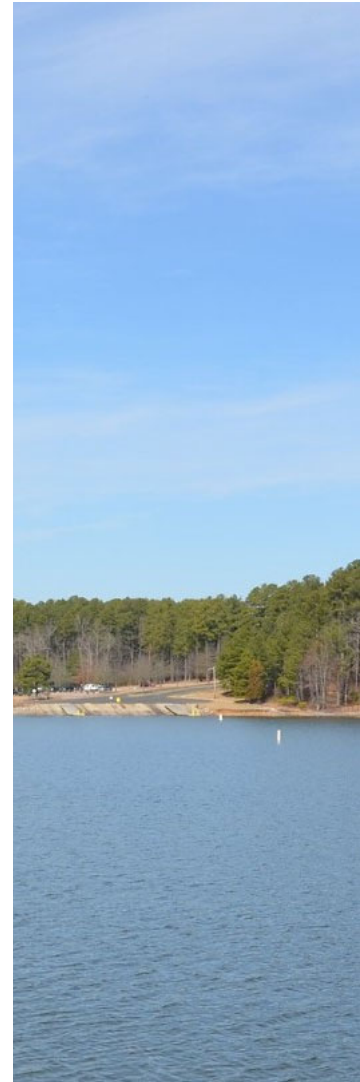


# Enterprise Funds

# Enterprise Investments

## Raleigh Water

- \$345M FY27 Operating Budget
- \$275M FY27 Capital Budget
- \$1.75 monthly fee increase
- Positions added to support Sewer Line Rapid Assessment Tool, which keeps lines clean.



# Stormwater

- \$47M FY27 Operating Budget
- \$25M FY27 Capital Budget
- \$0.25 increase in monthly fee
- Transitioning to Raleigh Water to align with similar experience and expertise



# Solid Waste Services

- \$2.55 monthly fee increase to support enhanced yard waste program
- Weekly yard waste collection



# **CAPITAL IMPROVEMENT PROGRAM (CIP)**

# FY2027 Annual Capital Budget Highlights

# \$503,396,015

Continues supporting each with one cent equivalent of property tax (\$11.6 million)



*Affordable  
Housing*



*Street  
Resurfacing*

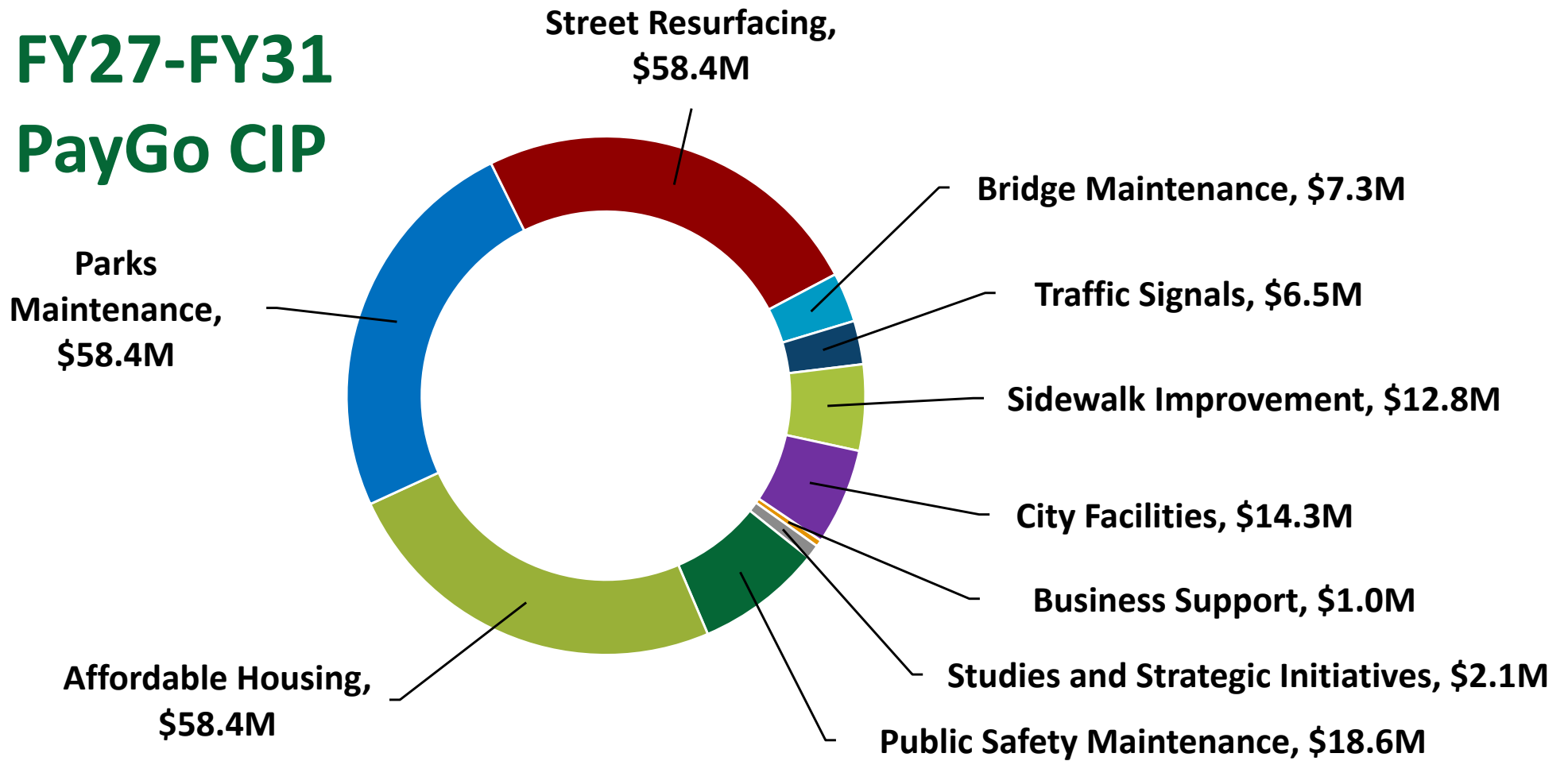


*Parks  
Maintenance*



*General  
PayGo*

# FY27-FY31 PayGo CIP



# Affordable Housing

FY27 budget includes \$11.6 M in PayGo funding for affordable housing

Affordable rental program, housing rehabilitation, loans, rental development are all PayGo funded



# \$18.1M Transportation Investments



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# Public Safety Capital Budget Highlights

**\$5.8 M**

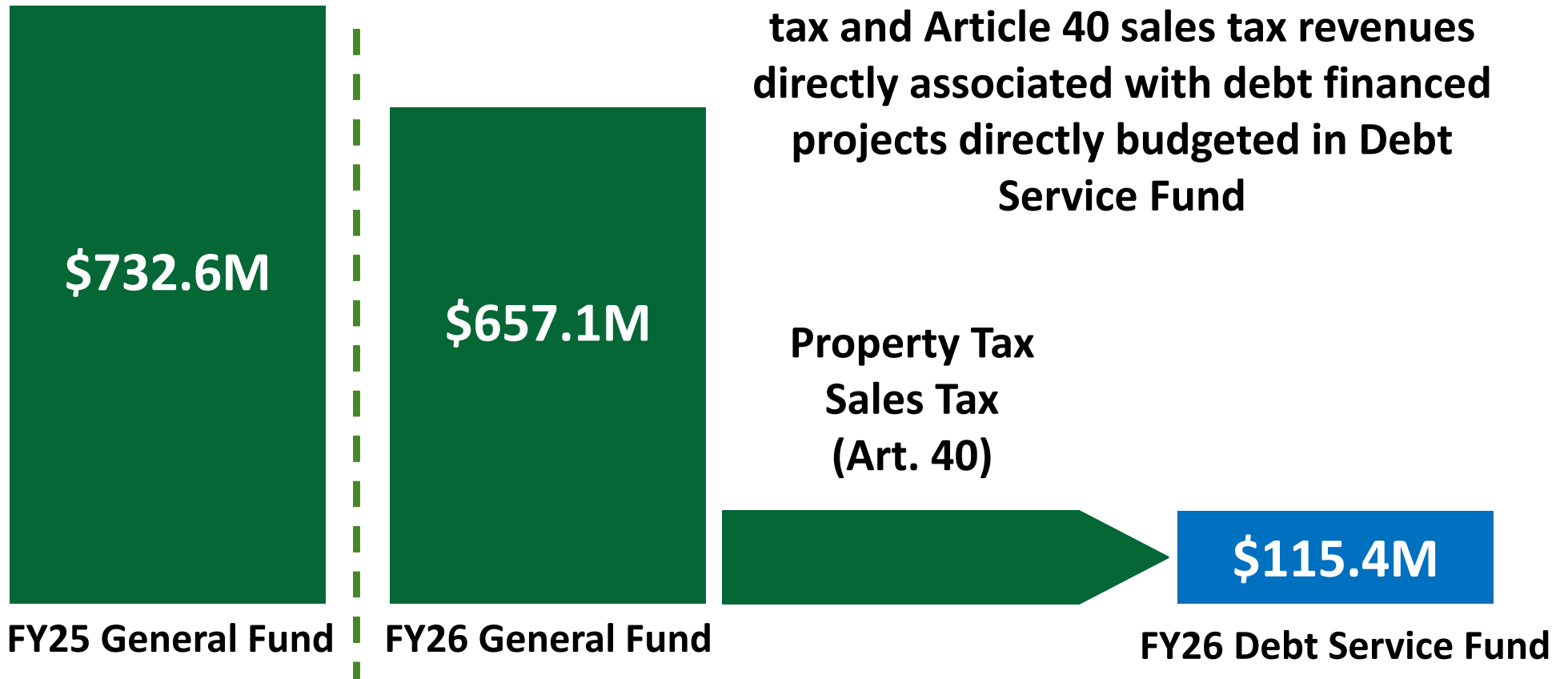
**Public Safety Facility  
Maintenance and  
Improvements**

**2026**

**BOND**

**REFERENDUM**

# Steady State Model



# Funding Critical Projects with No Tax Increase

**\$203M**  
**New Capacity**

- Every four years to put toward bonds for housing, transportation, parks, facilities, and other projects
- Voters must approve new debt
- Debt does NOT require a tax increase

City Projects funded with existing capacity: City Hall, Heavy Equipment Shop, Fire Station #1, 3, 15 and Police Evidence Building



## Housing Bond

# \$101.5 Million



**\$57.6M**

Housing  
Development and  
Preservation

**\$10.4M**

Homebuyer  
Assistance and  
Preservation

**\$12M**

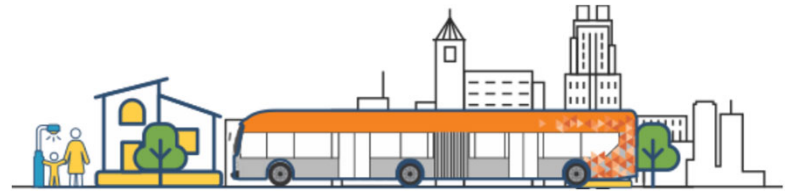
Homelessness  
Response

**\$21.5M**

Major Project  
Development

## Transportation Bond

# \$101.5 Million



**\$51.5M**

**BRT and Deferred  
Projects**

**\$40M**






**Adopted Plans:  
Big Jump, and  
More**

**\$10M**

**Traffic  
Management,  
Other Programs**

**NEXT STEPS**

# FY27 Budget Timeline

May 19 <sup>th</sup> 2026	June 1 <sup>st</sup> 2026	June 2 <sup>nd</sup> 2026	June 29 <sup>th</sup> 2026	July 1 <sup>st</sup> 2026
Budget Proposal	Council budget work sessions begin	Public budget hearing at 7 pm	Council budget work sessions end	New fiscal year
				

For more information on the  
FY2026-27 Proposed Budget,  
visit **[budget.raleighnc.gov](https://budget.raleighnc.gov)**



Fiscal Year 2027

# PROPOSED BUDGET

