

Budget and Management
Services

FY2025 Proposed Operating and Capital Budget

May 21, 2024



- Raleigh is the 2nd best city to move to in 2024 (Forbes, March 2024)
- Raleigh is the #2 best performing large city in the U.S. (Milken Institute, February 2024)
- Raleigh is the #6 Top Tech City in the U.S. (Cloudwards, February 2024)

Participatory Budgeting Pilot

\$1 million total - \$200,000 per District

#1 priority in each district was *“micro gaps for sidewalks to and from parks and greenways”*





FY2025 Proposed Operating Budget

Photo Credit: Michael Robson



FY2025 Financial Outlook

- Cost of doing business has increased
- Moderate growth in revenues

Investing in Raleigh's Future

Investments in
operating
infrastructure

Maintain efficient
core services delivery
to meet increasing
demand

Funding for critical
public safety services

Advancing
recruitment &
retention efforts

Dedicated Penny for
implementation of
the Class and
Compensation Study

Dedicated Penny for
capital and deferred
maintenance needs

Tax Rate Comparison

FY2024 Tax Rate

Median Home Value = \$257,730

Adopted Tax Rate FY2024 = \$0.4330

Taxes Paid = \$1,115

Value of 1 cent on Tax Rate = \$7.9 M

FY2025 Tax Rate

Median Home Value = \$391,705

Proposed Tax Rate FY2025 = \$0.3550

Taxes Paid = \$1,391

Value of 1 cent on Tax Rate = \$11.4 M

Value of 1 cent has grown by 44% or \$3.5 million

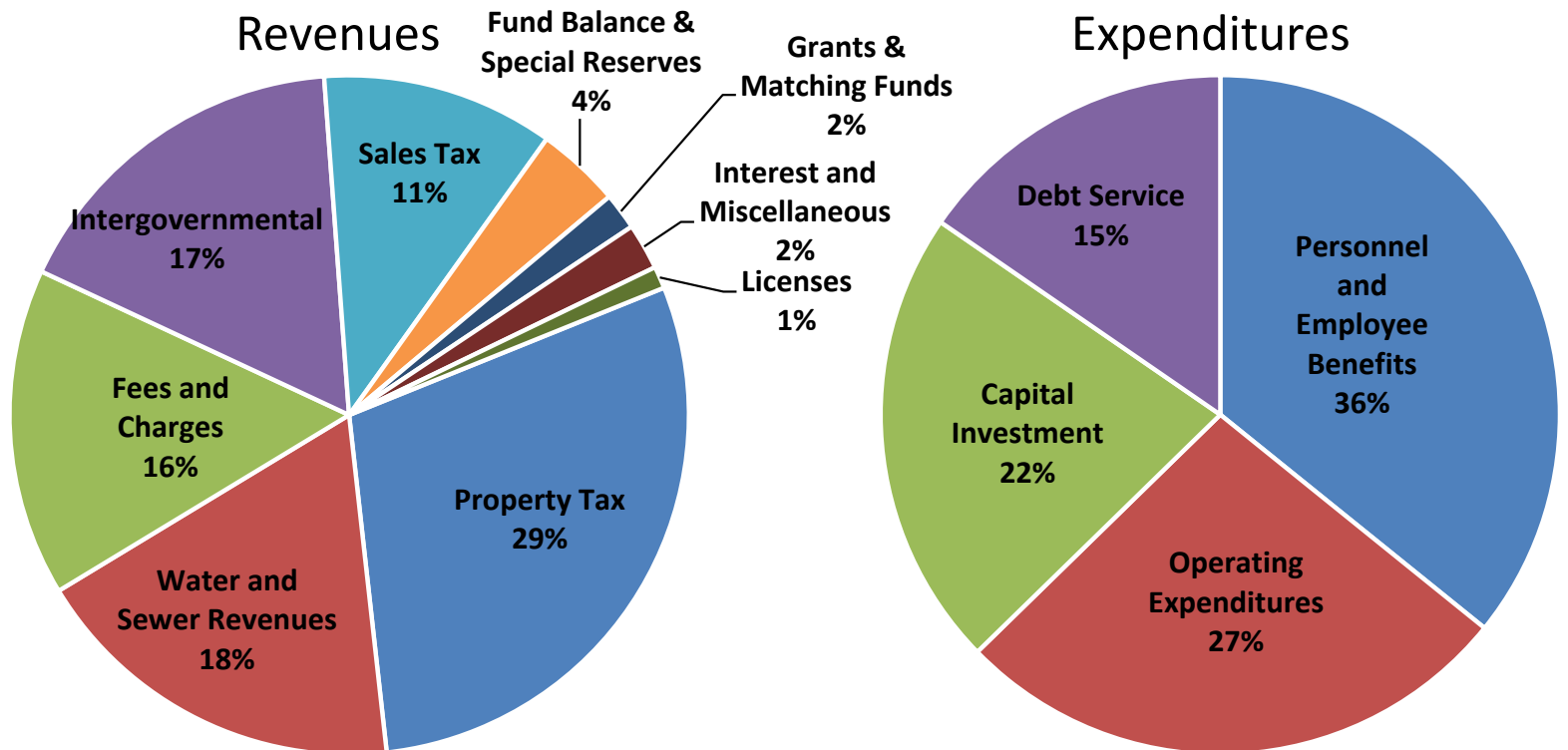
FY2025 All Funds Recommended Budget

**\$1.43
Billion**

11.8%

*Overall
Growth*

*Projected for
FY25*



FY2025 General Fund Budget

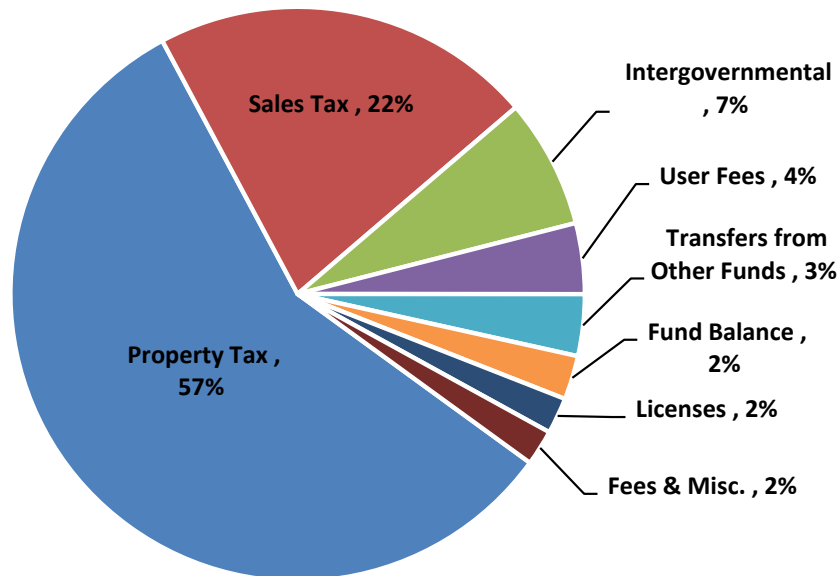
**\$732.2
Million**

13.1%

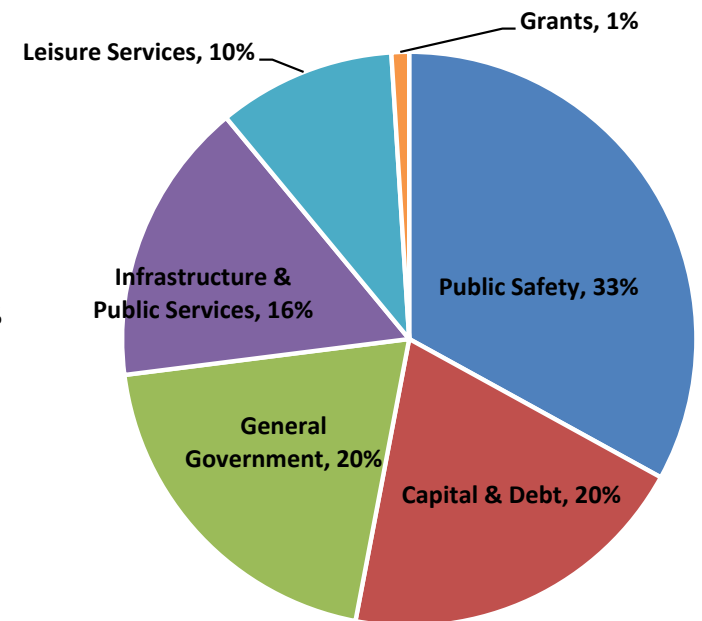
*Overall
Growth*

*Projected for
FY25*

Revenues

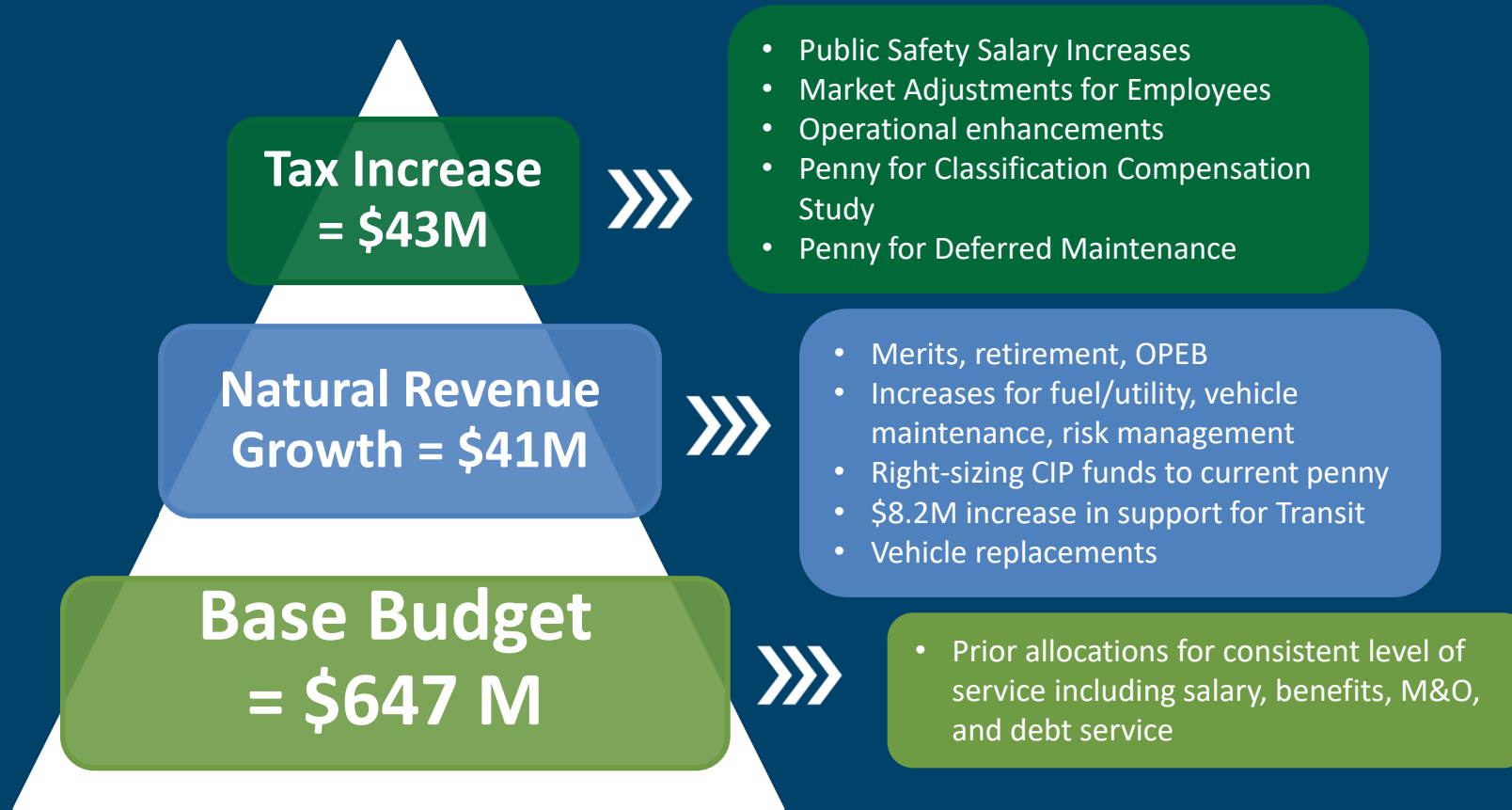


Expenditures

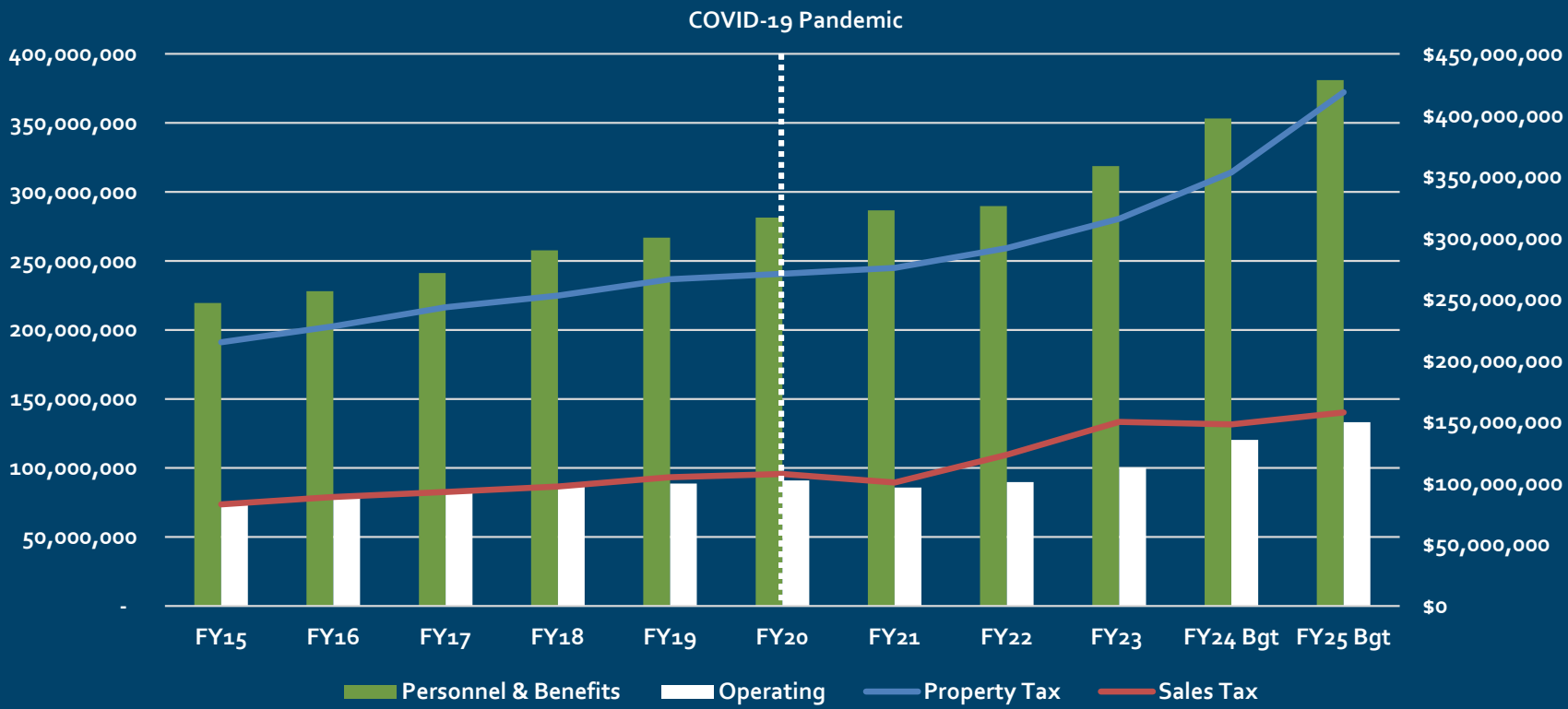


Public safety includes Police, Fire, and Emergency Communications.

FY2025 General Fund Expenses



Major Trends



Revenues
Property Tax
+18.4%

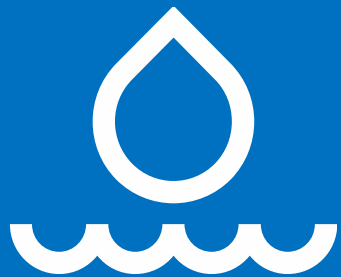
Sales Tax
+6.6%

Expenses
Personnel & Benefits
+7.9%

Operating
+10.7%

Enterprise Fund Rate Adjustments

4.0% increase to
base &
volumetric rates
for water and
sewer



\$0.29 increase
to the monthly
Stormwater fee



\$1.70 increase
to the SWS
monthly garbage
fee



FY25 Workforce Investment Adjustments

➤ Public Safety:

- Police, Fire, and ECC (5%)

Note: Sworn Police Officers, Uniformed Firefighters, and ECC Operations up to the Executive Family will be eligible.

➤ Positions in the Maintenance and Operations Job Family:

- Maintenance Specialists (6%)
- Maintenance Operations Crew Supervisors (9%)

Note: These classifications are located in SWS, Raleigh Water, PRCR, and Transportation.

➤ All Employees (Except for Public Safety and Identified M&O Classifications) 2%



FY25 Workforce Investment

Annual Pay Increases

Police, Fire, and General Pay Structure

Annual pay increase of **5%**.
One-time lump sum if at or above the
maximum of the range.

Broadband Pay Structure

1 to 6% - average pool of **3.5%**.
One-time lump sum if at or above the
maximum of the range.

Permanent Part-Time, Temporary, and Probationary Pay

Annual pay increase of 1%.

Annual
Performance
Evaluation
June 15 – Aug. 30

Annual pay increase effective 9/21/24.

Public Safety Market Adjustment Impact

Position	Average Salary	Market Adjustment	Annual Pay Increase	Post Adjustments	Total Increase
Firefighter	\$51,280	\$2,564	\$2,692	\$56,536	10.3%
Sr. Firefighter	\$67,706	\$3,385	\$3,555	\$74,646	10.3%
Police Officer	\$54,217	\$2,711	\$2,846	\$59,774	10.3%
Sr. Police Officer	\$71,732	\$3,587	\$3,766	\$79,085	10.3%
Emergency Telecommunicator	\$46,058	\$2,303	\$2,418	\$50,779	10.3%
Sr. Emergency Telecommunicator	\$54,136	\$2,707	\$2,842	\$59,685	10.3%

New Hiring Salaries for Police, Fire, and ECC



\$55,331



\$51,194



\$45,323



FY25 Workforce Investment

Pay Adjustments and Annual Pay Increases

\$8.8
Million



\$10.0
Million



\$18.8
Million

Public
Safety

General & Enterprise
Employees

Employee Benefits



Medical and Pharmacy trend surveys project 6.1% to 8.1% increase.



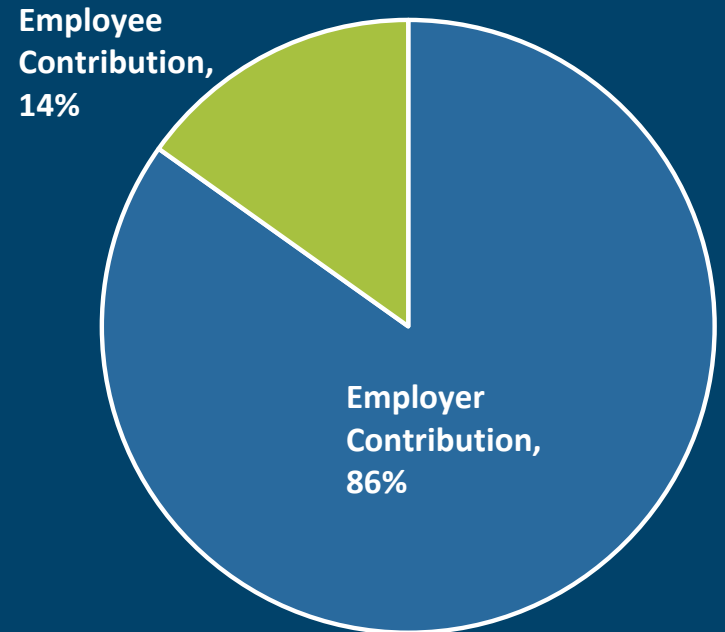
No employee premium increases for medical and pharmacy.
Maintain Plan B at \$0 for Employee Only



No employee premium increases for dental.

Effective January 1, 2025

Health/Dental Trust Revenues by Type



\$58.7 million in FY25

Employee Benefits



Enhancements to Medical and Dental

Infertility Treatment – Plan A
Musculoskeletal Program
Orthodontia Coverage – Buy- Up Plan



Permanent Part-Time 30 Benefits Package

Addition of :

- Dental
- Vision
- Basic Life Insurance
- Supplemental Life Insurance
- Flexible Spending



Voluntary Benefits

529 College Savings Plan
Hospital Indemnity
Identify Theft Protection
Long-Term Disability
Pet Insurance



Organizational
Excellence



Safe, Vibrant,
& Healthy
Community



Arts & Cultural
Resources



Transportation
& Transit



Economic
Development &
Innovation



Growth & Natural
Resources



Key Focus Areas

Organizational Excellence



Photo Credit: Garrett Poulos

How we measure...

Communications has seen a **70% increase** in Public Records requests over the last year

Human Resources reviewed **51,917** applications in FY2024, an increase of 22% from last year

The Office of Community Engagement will complete **30** pop-up engagement sessions in FY2024

Photo Credit: Jessica Holt

Organization Excellence Enhancements

Key Highlights

Engage Raleigh Expo to shape the future of our community

Responsiveness to increased public records requests

MWBE program expansion for increased opportunities

Case Management Software For City Attorney's Office

Internal controls training to mitigate risks



Organization Excellence Enhancements (Contd.)



Disparity Study implementation to address programmatic changes & resource needs

Meet cybersecurity needs through email security solutions and log management and analysis

Smart Raleigh funding to drive technology-driven urban transformation for residents and businesses

Continue to enhance Customer Resource Management (CRM) implementation

An aerial photograph of a city street, likely in Raleigh, North Carolina. The street is lined with multi-story brick buildings. In the background, a city skyline is visible under a clear blue sky. A dark blue semi-transparent box is overlaid on the left side of the image, containing white text.

Restructuring Human Resources Department to enhance recruitment and service delivery opportunities

Arts & Cultural Resources



Photo Credit: Keenan Harrison

How we measure...



A total of **8,250** families are projected to enroll in recreational programming in FY2024

82% of recreational programs that are planned and advertised were delivered in FY2024

A total of **100,228** youth, adults and active adults registered for recreational programming in FY2024, a 2% increase over last year

94% of respondents said they were satisfied with recreational programming in FY2024, up 1% from FY2023

Parks, Recreation & Cultural Resources



Downtown Urban Parks & Historic Sites
Activation & Safety Acceleration

Historic Resources & Museums
Program*

Public Art Curator*

Operating Cost Increases

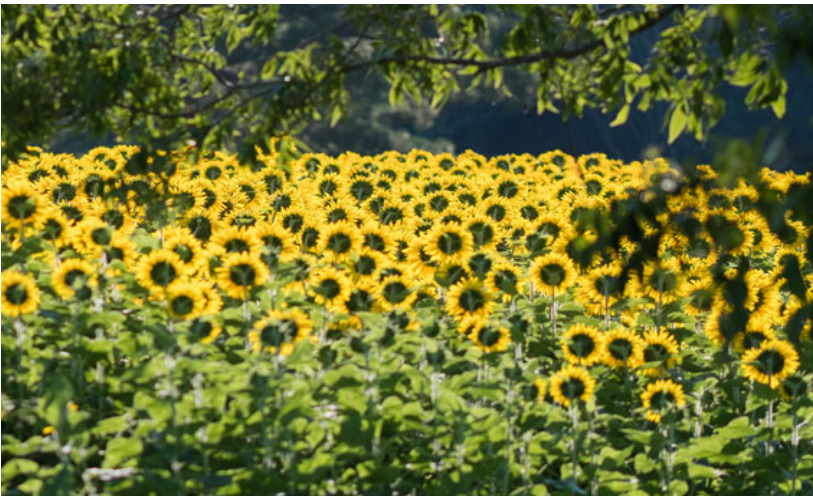
CIP Project Managers

**Funded through tax increase levied in FY2024 to support operating needs associated with the Parks Bond*



- ❖ Partnership between PRCR and Engineering Services.
- ❖ Includes funding for Scott, Brown, and Lineberger Buildings at Dix Park and additional 25 acres of landscaped areas.
- ❖ Supports the anticipated opening of Gipson Play Plaza in Spring 2025.
- ❖ Three positions for programming at Gipson Play Plaza, 13 positions for maintenance at Dix Park, operating needs for Gipson Play Plaza (\$3.4 M)

D I X P A R K



Economic Development & Innovation



Photo Credit: Michael Robson

How we measure...

20 Building Upfit Grants were awarded in FY2024, resulting in a total of \$432,000 in investments in small businesses in the community

200 computers distributed by the Raleigh Digital Connectors program in FY2024, 75 more than FY 2023

450 affordable housing units have been created or preserved in FY2024, a 32% increase from FY2023

40 community members completed the Digital Literacy Skills training in FY2024, 20 more than FY 2023

Housing and Neighborhoods

Funded through the Penny for Housing

Flexible
Homelessness
Prevention
Funding

Coordinated
Entry
Enhancements

Continuum of
Care Strategic
Plan

Small Business
and Legal
Accounting

Encampment
Response Plan

Oak City Cares
Operating
Funding

Healing
Transitions



Safe, Vibrant, & Healthy
Community

How we measure...

ECC Staff are estimated to complete a total of **498,300** Public Safety Dispatches in FY2024, a 5% increase from FY 2023

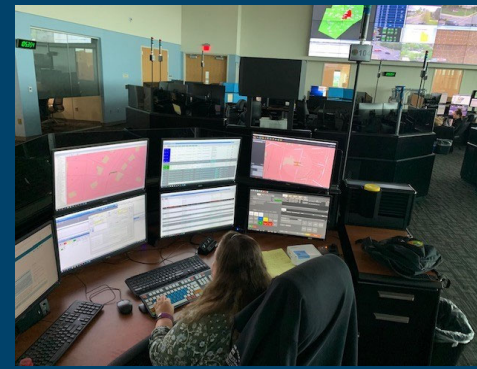
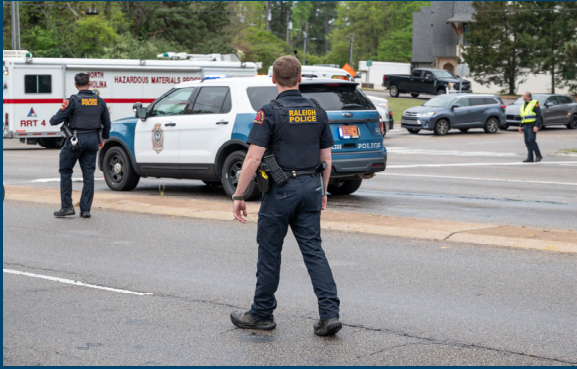
Raleigh Fire is estimated to investigate **280** fires in FY2024, up 25% from FY 2023

The Police Department responded to **174,000** calls for service in FY2023, down 2% from FY 2022

Property Crimes per 1,000 people is forecasted to decrease from 42.93 in FY2023 to **40.00** in FY2024

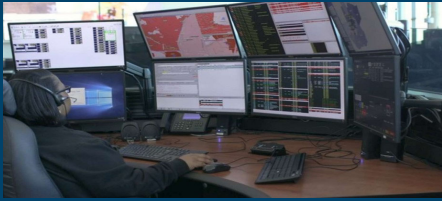
Photo Credit: Keenan Hairston

Commitment to Public Safety



- 33% of the FY2025 General Fund budget – a total of **\$241 million**
- 7.6% increase from the FY2024 Adopted Budget – \$17 million
- 73% of the increase made of personnel and benefits – \$12.4 million

Key Public Safety Investments



Automated software for non-emergency lines to improve efficiency & responsiveness

Quality assurance technology to support growth & performance management



Increased staffing to improve service delivery of vehicle upfits & equipment installs

Substance misuse prevention programs and training to bring awareness & harm reduction to community members



Investing in a new apparatus replacement model for Raleigh Fire – adding an additional replacement ladder

Recurring funding for operating and communications equipment replacement



 **AGENDA**

- Context
- Thoughts & Impressions
- Personal Experiences

Alternative Response Pilot

- Crisis Call Diversion
- Co Response
- Care Navigation/Case Management

A photograph of the Raleigh Union Station building, a modern structure with a large glass facade. The words "RALEIGH UNION STATION" are prominently displayed in large, white, three-dimensional letters across the upper part of the glass. An American flag is visible on the left side of the building. In the background, other city buildings and a clear blue sky with light clouds are visible. In the foreground, there are green trees and a paved plaza area where several people are walking. A silver car is parked on the street to the right.

RALEIGH UNION STATION

Transportation & Transit

Photo Credit: Brian Strickland

How we measure...

Transportation will install **3,400** traffic signals in FY2024, up 15% from FY2023

GO Raleigh ridership is projected to be **4.5 million** in FY2024, an increase of 13% over FY2023

In FY2024, 95% of reported potholes on City maintained streets are repaired within **24 hours**

The Parking Division manages **681** surface lot spaces, **1,708** metered spaces, and **8,000** parking deck spaces

Transportation



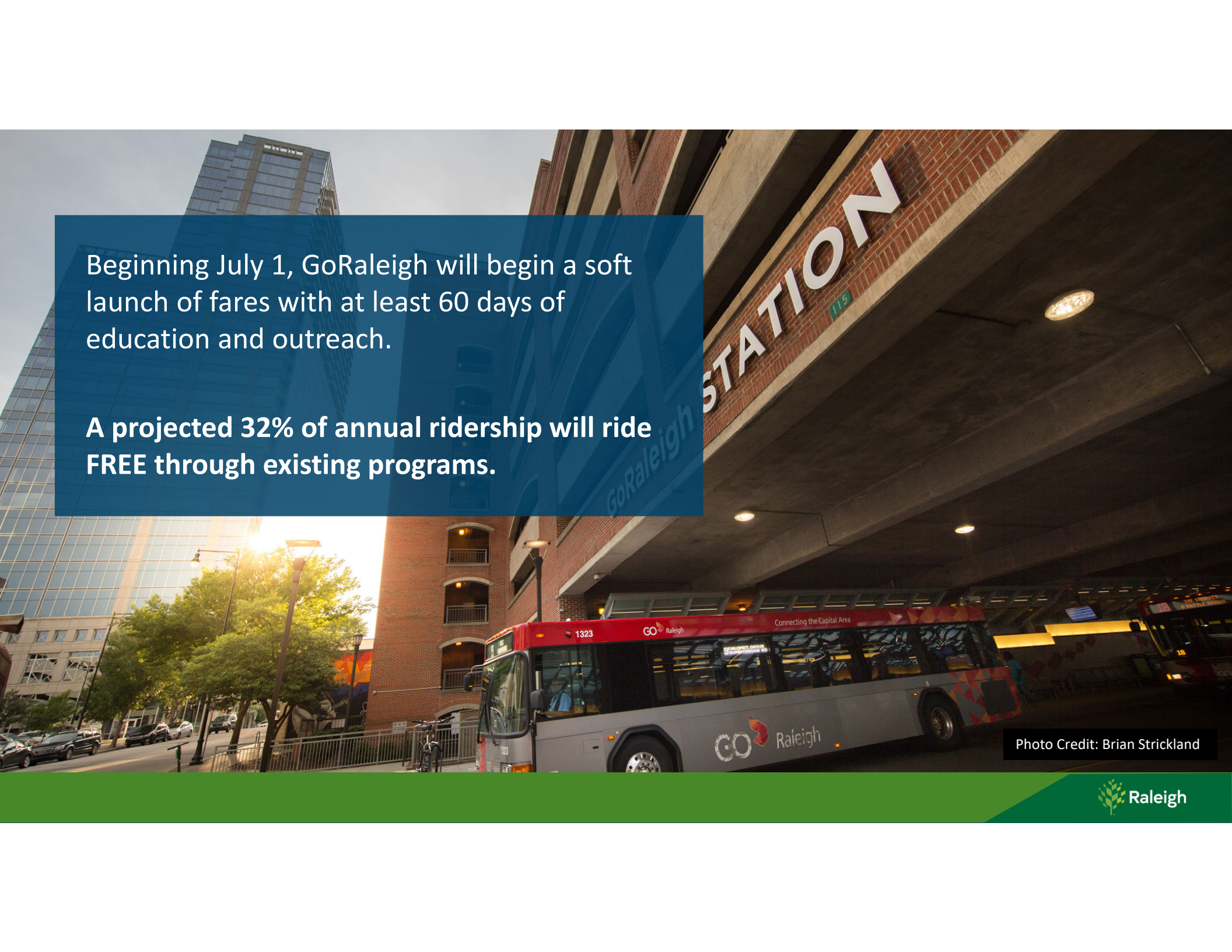
Sidewalk
Maintenance Crew
Expansion

Maintain Leaf
Collection Program

Active Bike Ped
Plan Updates

Big Data for Key
Transportation
Metrics

Alternative &
Expedited Project
Delivery
Framework



Beginning July 1, GoRaleigh will begin a soft launch of fares with at least 60 days of education and outreach.

A projected 32% of annual ridership will ride FREE through existing programs.

Photo Credit: Brian Strickland



Growth & Natural Resources

Photo Credit: Keenan Hairston

How we measure...



Planning and Development Services will complete **18,000** plan reviews in FY2024, an increase of 13% from FY2023

Engineering Services maintained **2.8 million** sq. ft. of heated space in FY2024, an 8% increase from FY2023

Stormwater will maintain/clean **37,800** linear feet of stormwater pipes in FY2024, a 94% increase from FY2023

Growth & Natural Resources Enhancements



Support for the newly formed Urban Project Group Civic Projects and Places unit in the department to assist with project design and implementation



Increased focus on heavy equipment repair to continue to provide critical city services such as trash, recycling & yard waste removal



Continued emphasis on “clean transportation” to transition city fleet from fossil fuels to cleaner alternatives



Provide in-house Green Stormwater Infrastructure (GSI) maintenance.



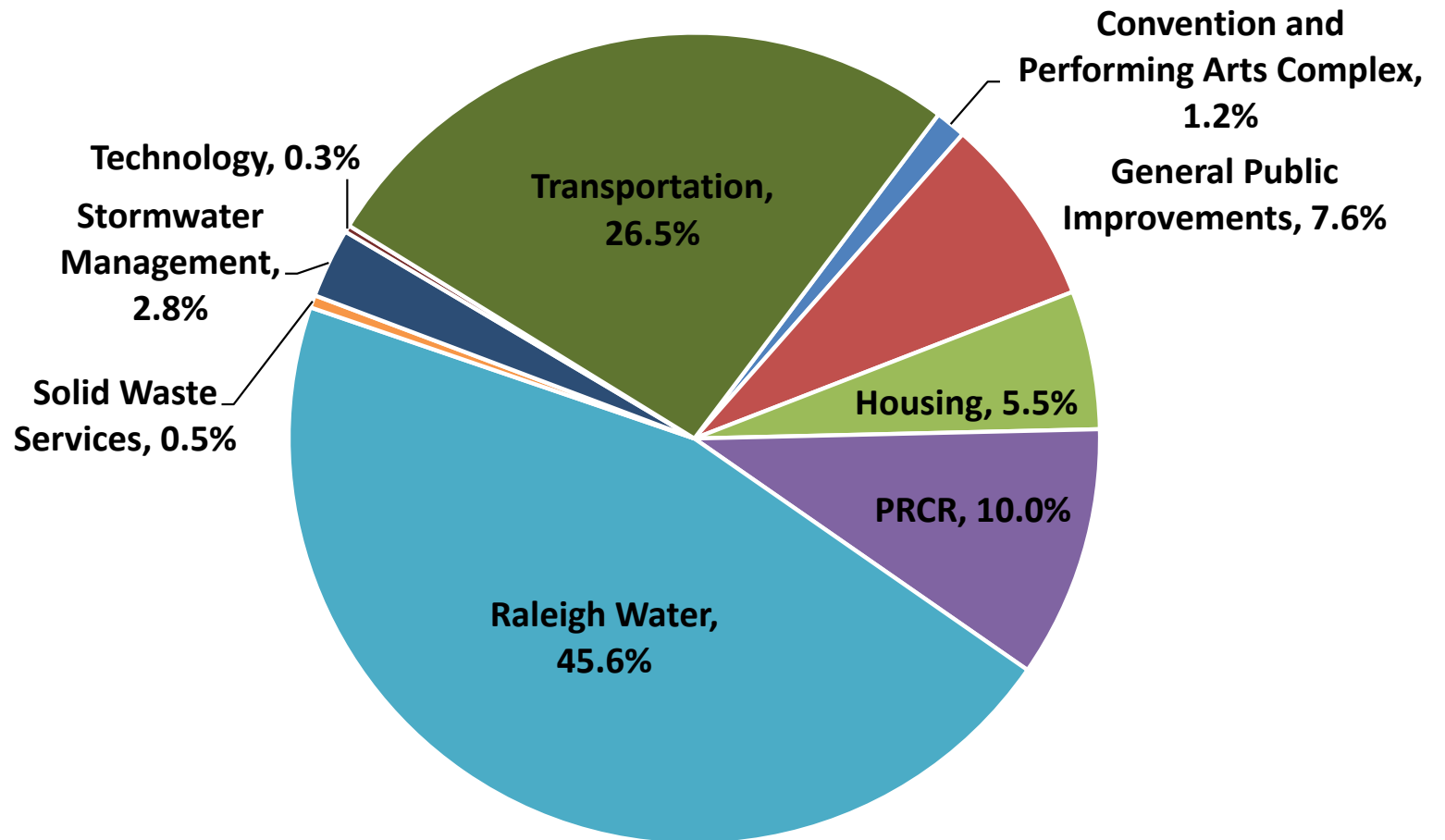
FY2025 Proposed Capital Budget

Photo Credit: Michael Robson

FY2025 Capital Budget

**\$499.7
Million
In FY25**

**\$2.15 Billion
five-year CIP**



Raleigh's Capital Budget Elements

Enterprise Funds

Technology

General Public
Improvements

Housing and
Neighborhoods—
Affordable
Housing*

Transportation—
Street Resurfacing*

Parks, Recreation
and Cultural
Resources—
Maintenance*

*Elements have dedicated General Fund PayGo funding.

Photo Credit: Garrett Poulos

Dedicated Penny for PayGo Projects

One cent equivalent of
the property tax rate

FY25-29 CIP Highlights

Funding for over 65 projects in Raleigh Water

Ongoing support for solar projects to expand green infrastructure on City buildings.

Recurring support for the Neighborhood Traffic Management Program & Vision Zero Spot Safety

Investment in the City's ERP Human Capital Management needs to increase efficiencies.

Support for Civic Places Program to integrate placemaking elements in infrastructure projects

Convention Center expansion and upgrades to include technology improvements & building system repairs



FY25 Key Highlights – Debt-Financed Projects



General Public Improvements

\$10.8 million

Fire logistics warehouse, heavy equipment shop, and SE remote operations center



2022 Parks Bond

\$38.4 million

14 projects including Smoky Hollow Park and Sertoma Art Center Improvements

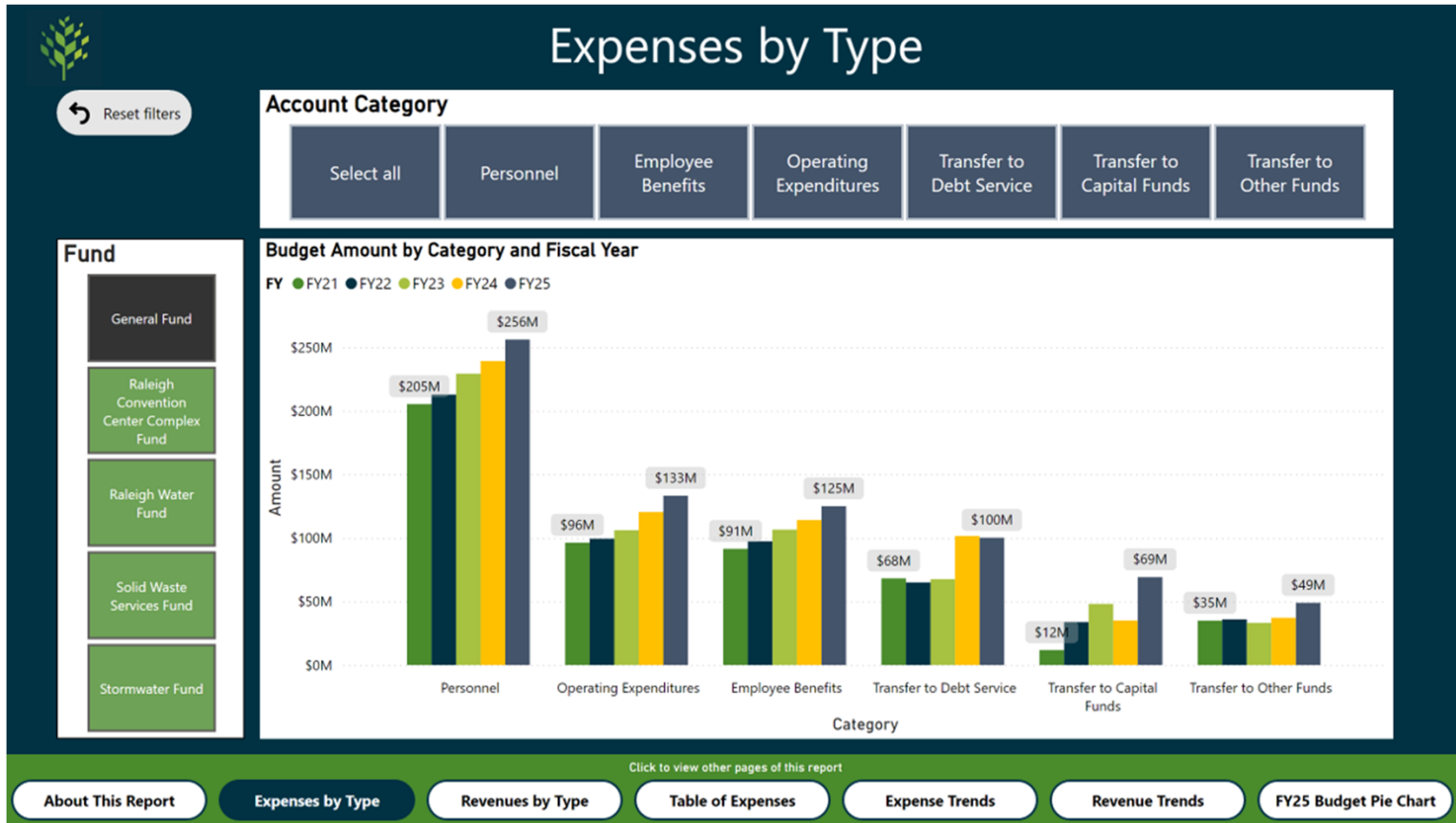


2020 Housing Bond

\$5.2 million

Continuation of affordable housing programs

BUDGET DASHBOARD





FY2025 Budget Notes

Budget Notes will be presented by staff on
June 3, 2024

- Oak City Cares
- Separation Allowance for Raleigh Fire and the City's Operational Departments

Coming Up

Budget work sessions begin June 3 (Mondays at 4pm)

Public Budget Hearing – June 4 at 7pm





Thank you!