



Morrisville
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FY27 Budget Preview

Town Council Work Session * April 9, 2026

Work Session Objectives

1. Secure agreement from the Council on staff's proposal to release FY26 Held Funding Items.
2. Present a Budget Preview and gather Council input to help shape development of a recommended budget.
3. Clarify Council's preferred funding levels.
4. Determine if there are particular areas where Council requires additional details before/when the budget is proposed April 28.

FY26 Held Budget Requests Update

Base Budget Overview

Budget Preview (*this is not a proposed budget*)

Other Considerations

Council Discussion & Guidance

Note: Numbers in this presentation may be rounded for ease in illustration.

FY26 Held Budget Requests Update = \$500K

- Review Investment Authorization
- Budget Includes Allocated Funds
- Scoreboards Needed Early Replacement*

- • Pedestrian ADA Accessibility Study & Security Cameras *(\$132,000)*
- • Police Digital Forensics Equipment, Rifles, and Drone Expansion *(\$79,500)*
- • MAFC Pool Shade & Athletic Scoreboards*/Pitching Mounds *(\$29,000)*
- • Amenity Availability Smart Sensors Expansion *(\$44,000)*
- • Greenway Care & Maintenance Equipment *(\$11,000)*
- • Updated Grounds & Facility Tools *(\$65,000)*
- • O&I Small Area Plan *(\$150,000)*

FY26 Held Budget Requests Update = \$500K

Staff Recommends to Release Held Budget Amounts to Invest in Designated Items.

Factors Staff Considered in Determining this Recommendation:

- All Items were Included in approved FY26 Budget Appropriation (Just Held Expenditure Action Until April to Evaluate Revenues)
- Sales Tax Disbursements are Trending Higher Month to Month Compared to Prior Year at Average Growth to Date of 7%
- Other Revenues such as Utility Taxes, Planning, Fitness, MAFC Memberships and Wake County Fire Tax Indicate Improved Collections as Compared to Conservative Budgets
- Recapturing Cost Savings Experienced within the Year
- All Items are Onetime with no Recurring Financial Impact
- Continued Deferment would Only Impact FY27 (and beyond) Priorities



Questions on these planned expenditures?



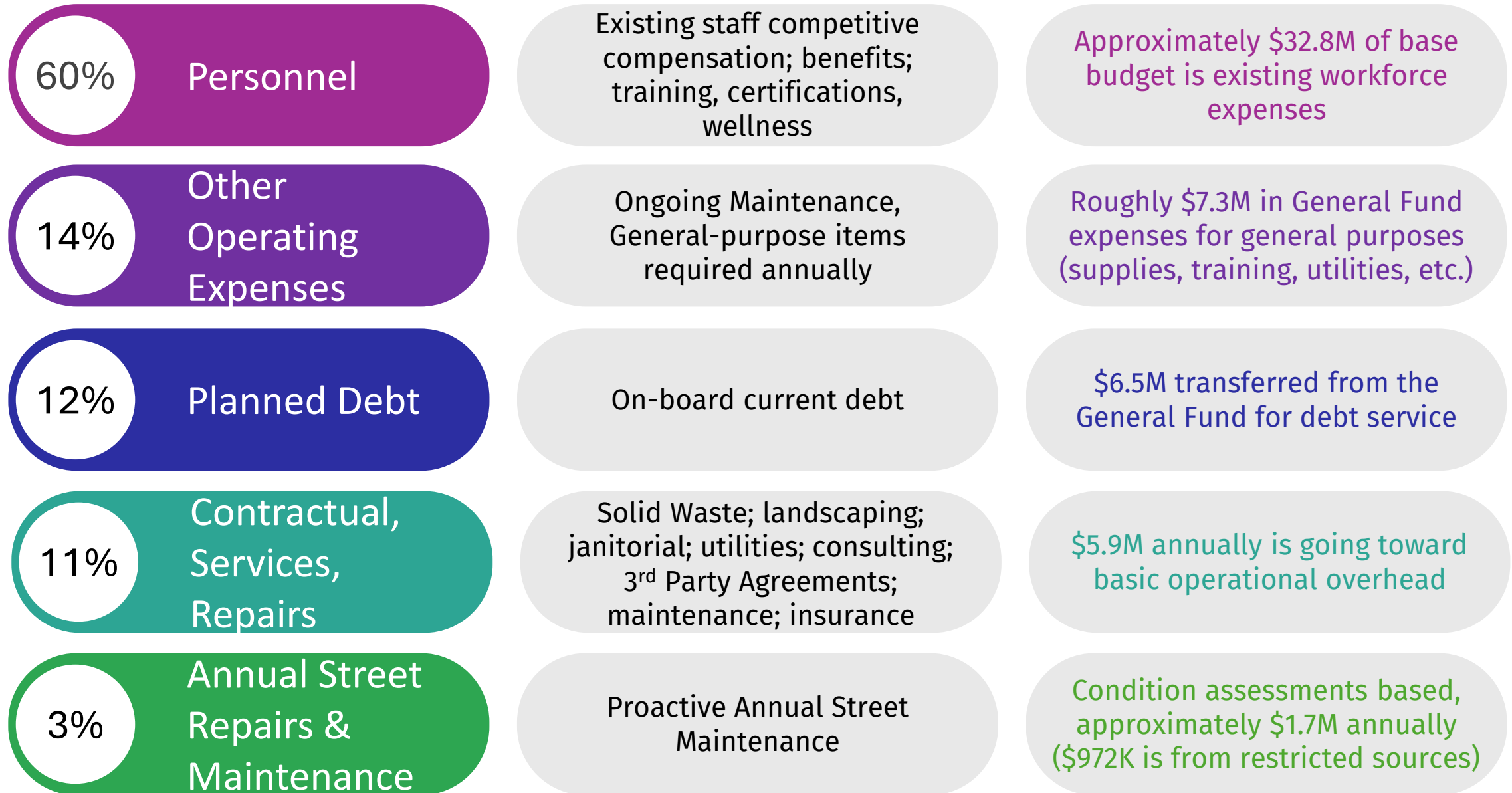
Is there Council consensus to expend these funds?

Council Decision Point – FY26 Held Investments



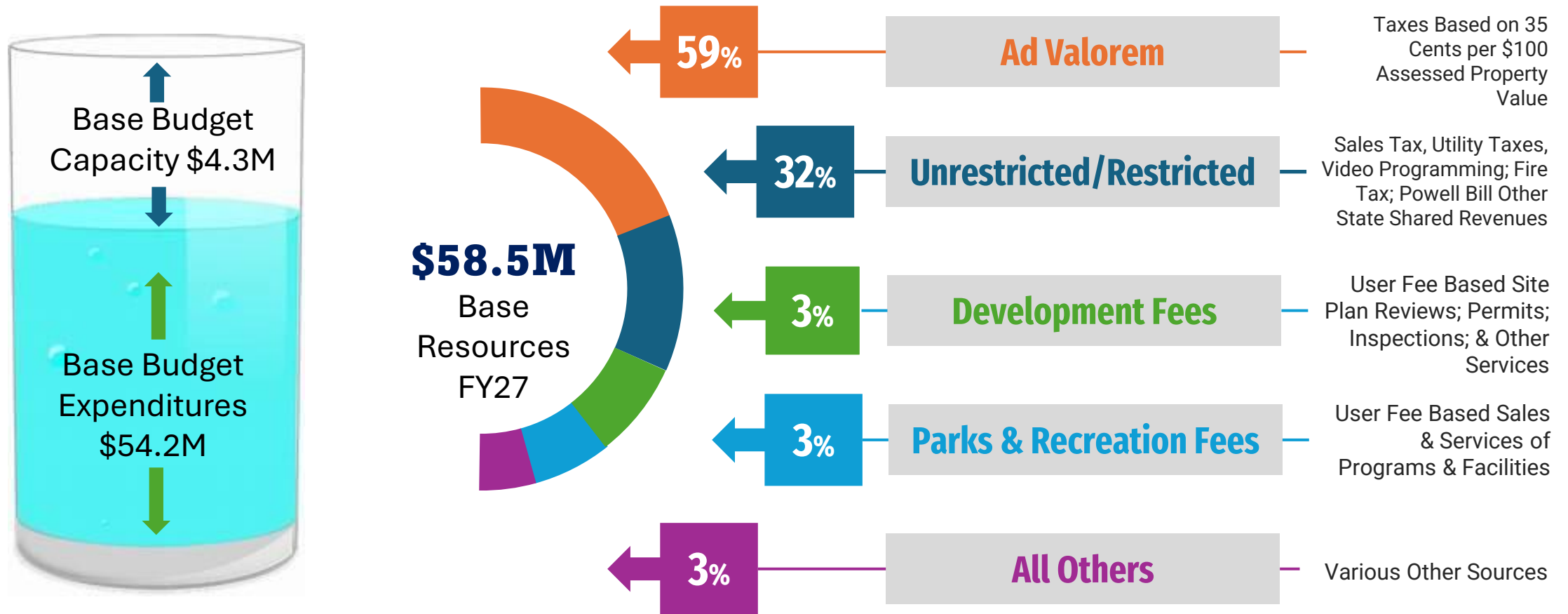
Base Budget Overview

FY27 Beginning Base Budget = \$54.2M (Recurring Obligations)



Note: FY26 Beginning Base Budget was \$51.2M and increased by approximately \$3M in recurring obligations.

General Fund Base Budget Resources



Note: This illustration does not include potential use of fund balance or any new resources.



Budget Preview

Current/Future Opportunities & Challenges



Opportunities

Community & Council Perspective– Staff will continue to focus on the community’s perspective and interests while aligning to Council’s Strategic Plan Goals and Budget Priorities.

Tax Base Growth – Future opportunities from developing projects like Spark, Pathway Triangle, & Town Center.

Conservative Projections – The Town has and will continue to be conservative in revenue estimates to safeguard the Town’s fiscal solvency. We follow guidance provided annually by NCLM and our financial advisors.

Creative Solutions to Advance Work – Staff continues to seek out innovative and creative solutions to getting the work done efficiently and effectively.

(ex. Comms re-alignment to avoid staffing request)

Sponsorships – As the Town works with our consultant, both operational and capital funding opportunities are expected to emerge.



Challenges

Revaluation Higher Appeals – Reset Ad Valorem Projections.

Limited New Revenue – Naturally occurring revenue growth has slowed since pre-Covid. From FY 2023 to FY 2027, revenue average growth 5.8%.

Expanding Service Investment Expectations – As community programming interests change and expand so does the need to add resources to provide the service.

Balancing Capital and Operational Needs – As the Town continues to grow with limited new revenues, it becomes more challenging to fund core operations while also planning for future operational and capital needs.

Prioritizing Existing Obligations vs New Community-Based Programming – There may come a time when adding something new directly relates to reducing existing investment elsewhere.

FY2027 Budget Preview – Staff’s Approach



Balancing available revenues with Council and community priorities



Ongoing commitment to public safety, smart development, and transportation



A resilient focus for staff compensation and benefits

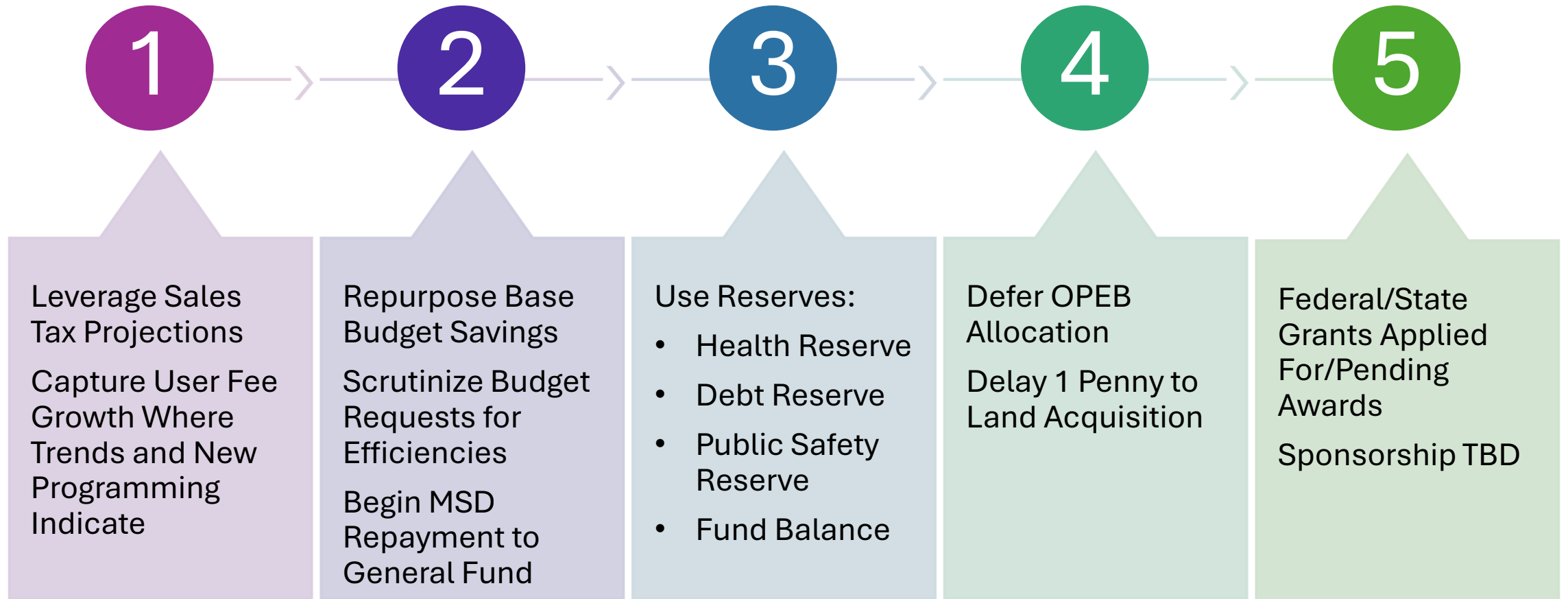


Focus on the opening of the Town Center



Maintenance in most areas

Budget Preview - Creating FY27 Budget Capacity



Note: Refer to next slide for more information on capacity limitations & opportunities.

Budget Preview – Considerations in Establishing Budget Capacity



Sales Tax Growth :

- Captured growth over current year 7% or \$775K
- Utility Tax growth over current year 7.5% or \$210K
- Based on cautious approach to sales and utilities tax projections in FY26
- Actuals trending better than current budget
- Inflation & higher consumer energy consumption driving increased projections



Capture User Fee Growth:

- MAFC Fitness revenue increased by 32% or 16K as it relates to expanding programs & additional instructors
- Recognize New EV Charging Station revenue - \$25K
- Fire Inspection Fees Increased by 33% or \$50K due to Fee Increases in FY26 and enhanced capacity from additional staff



Base Budget Assessment & Budget Request Analysis

- Repurposed \$1M within the base budget addressing adjustments & inflation
- Increases driven by recurring expenses added in previous fiscal years and inflation-driven increases
- Budget Requests thoroughly evaluated to identify consolidation and efficiency improvements



MSD Repayment to General Fund

- Start reimbursement of subsidy from General Fund used in conversion of private streets to public standards (Gables is the last project)
- MSD Tax Rate (for neighborhoods that petitioned to establish the Municipal Service District in 2013) Remains \$0.10 & Generates \$195k annually
- Estimate full repayment of all conversion cost to occur around FY2040

2024 Revaluation – Appeals in Process

Key Dates:

Notice of Value – 1/1/24

Informal Review – 3/1/24

Formal Appeal to BOER Opens – 3/2 –
5/15/24

Wake County BOER Hearings Begin
Mid-April 2024

Next Step if Property Owner
Unsatisfied – Appeal to NC Property
Tax Commission (PTC)

Unprecedented Backlog of Hearings
Pending

- Property owners may choose whether to pay their initial tax bill while their 2024 appeal is pending. Paying or waiting is a calculated risk for the taxpayer.
- If they pay and the Board of Equalization and Review (BOER) reduces the value, the County must issue a refund plus interest negatively impacting the Town's assess value. Refunds on overpayment, if the appeal is successful, follow NCGS 105-290(b)(4).
- If they do not pay and the value is not reduced, they will owe the tax plus interest and costs. Unpaid bills become subject to interest after January 6, 2025.
- Market or economic conditions occurring after January 1, 2024, or adopted property tax rates, cannot be lawfully considered when reviewing the assessed value for adjustments and will not affect the county's value of the property.

FY24 Revaluation - Status of Appeals

Affordable Housing: \$848 Million Loss in Billed Value

Municipality	Total Assessed Value	Value Exempt (Current)	Exempt for FY 2027	Value to be Billed FY 2027
Cary	\$97.2 M	\$0	\$79.5 M	\$17.7 M
Fuquay-Varina	\$86.0 M	\$0	\$16.3 M	\$69.7 M
Garner	\$6.8 M	\$0	\$6.8 M	\$0 M
Knightdale	\$66.3 M	\$3.3 M	\$51.3 M	\$15 M
Morrisville	\$37.6 M	\$0	\$24.8 M	\$12.8 M
Raleigh	\$1.04 B	\$208.4 M	\$824.9 M	\$216.5 M
Rolesville	\$42.9 M	\$0	\$32.2 M	\$10.7 M
Wake Forest	\$5.9 M	\$0	\$5.9 M	\$0 M
Unincorporated	\$1.1 M	\$0	\$0.96 M	\$0.14 M
Total	\$1.38 B	\$211.7 M	\$1.04 B	\$342.5 M

Appeal Update – Tax Year 2024

- 802 Open PTC Appeals
 - 333 Commercial
 - 469* Open Residential Appeals

- 719 Closed PTC Appeals

Staff is currently working with Tax Assessor to evaluate the remaining Morrisville Appeals and overall impact.

Budget Preview – Considerations in Establishing Budget Capacity



Use of Reserves:

- Public Safety Reserves: \$252K covers some Police/Fire equipment without depleting reserve
- Debt Service Fund : \$189K used for additional debt anticipated as intended
- Healthcare Fund: used to offset 7.7% premium increase
- Fund Balance: usage not to exceed 3.25% of base expenditures for onetime items



Deferring OPEB:

- Reserves for Other Post-Employment Benefits (OPEB) are being affected by shifts in retirement and turnover patterns
- Modifying accruals to match anticipated liability needs over the next three years presents a short-term advantage without adverse effects
- Long-term projections do not anticipate exceeding current annual payouts or depleting reserves



Delay Land Reserve Penny Allocation:

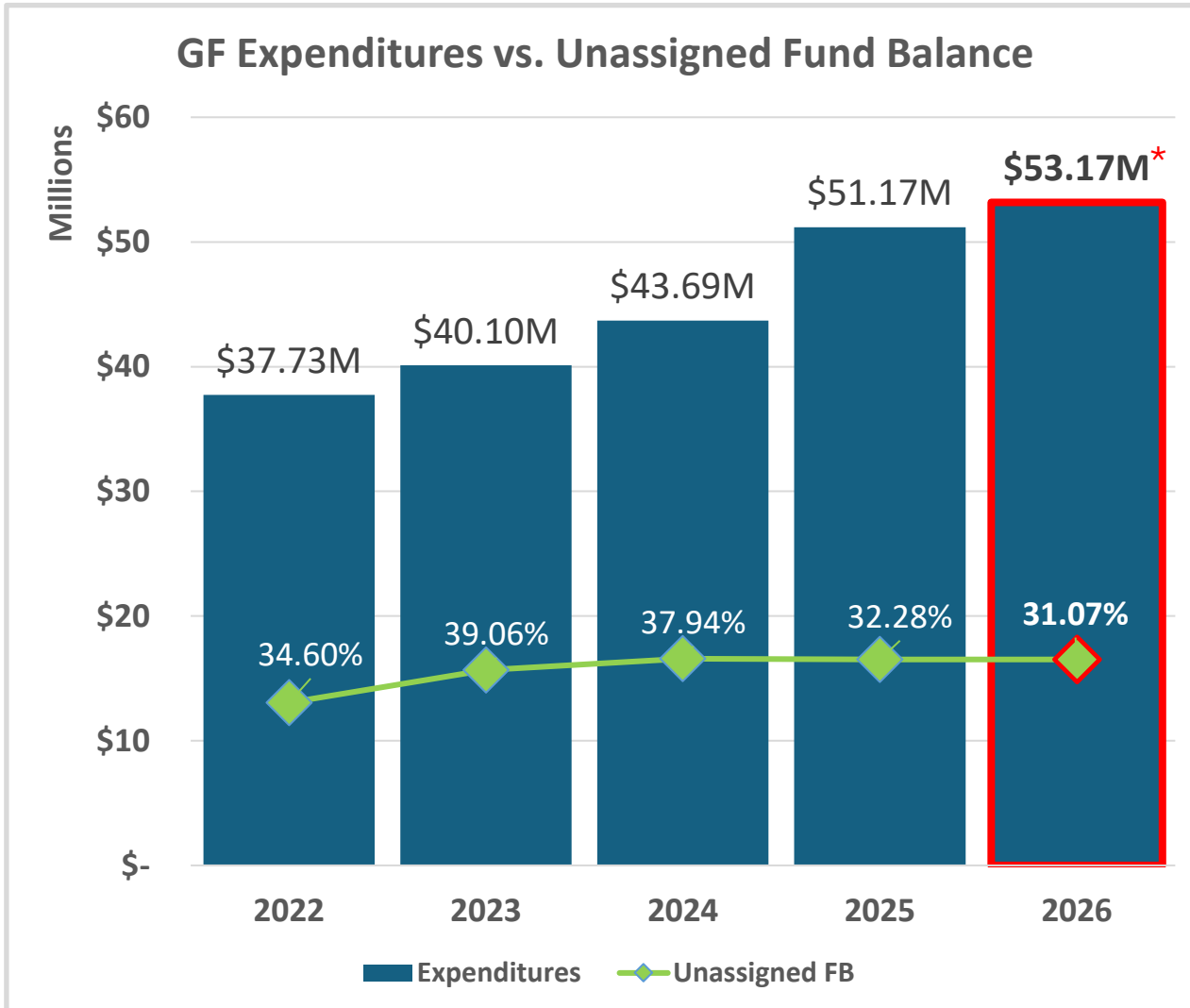
- Deferring Land Acquisition Reserve allocation allows a one-time operating boost of \$971K
- Prioritize using 2024 Parks Bond Issuance for acquisition opportunities
- Approximately \$3M remains available from the Bond proceeds after the most recent acquisitions on Church Street.
- The \$971K will go toward one-time investments.



Additional Sources to Be Determined:

- Ongoing State and Federal Grant applications may offer funding
- Any Sponsorships secured before year-end will be allocated via an appropriation
- Future Tax Base expansion will result from economic development (including Spark, Pathway, Triangle, and Town Center projects in progress)

Fund Balance Slide



- **Used to Balance Budget / Fund One-Time Expenses (Should Not Fund Recurring Expenditures)**
- **Projecting No Use of Fund Balance in FY26**
- **No growth in Unassigned Fund Balance in FY26**
- **As Expenditures Increase, Fund Balance % Decreases**
- **Projected 31% Unassigned FB Within Our Policy of 25-45%**

Fund Balance Appropriation in Original Budget by Fiscal Year					
	FY23	FY24	FY25	FY26	FY27 (Projected)
Fund Balance Appropriated	\$1,841,400 (4.09%)	\$1,238,800 (2.57%)	\$1,571,700 (2.70%)	\$1,393,200 (2.22%)	\$1,891,230 (3.25%)

* FY27 Projected Year End Expenditures and Fund Balance Percentage

Budget Preview - Minor User Fee Considerations

Fee Analysis:

- Fee Changes Continue to be Monitored & Evaluated
- Updated Permit Refund Policy, Returned Check Fees (Better Alignment with Administrative Processing Costs)
- Slight Changes in Athletics Clinics, MAFC Tennis & Pickleball Court Usage & Church Street Batting Cage Usage
- Late Payment Fee (Rentals)

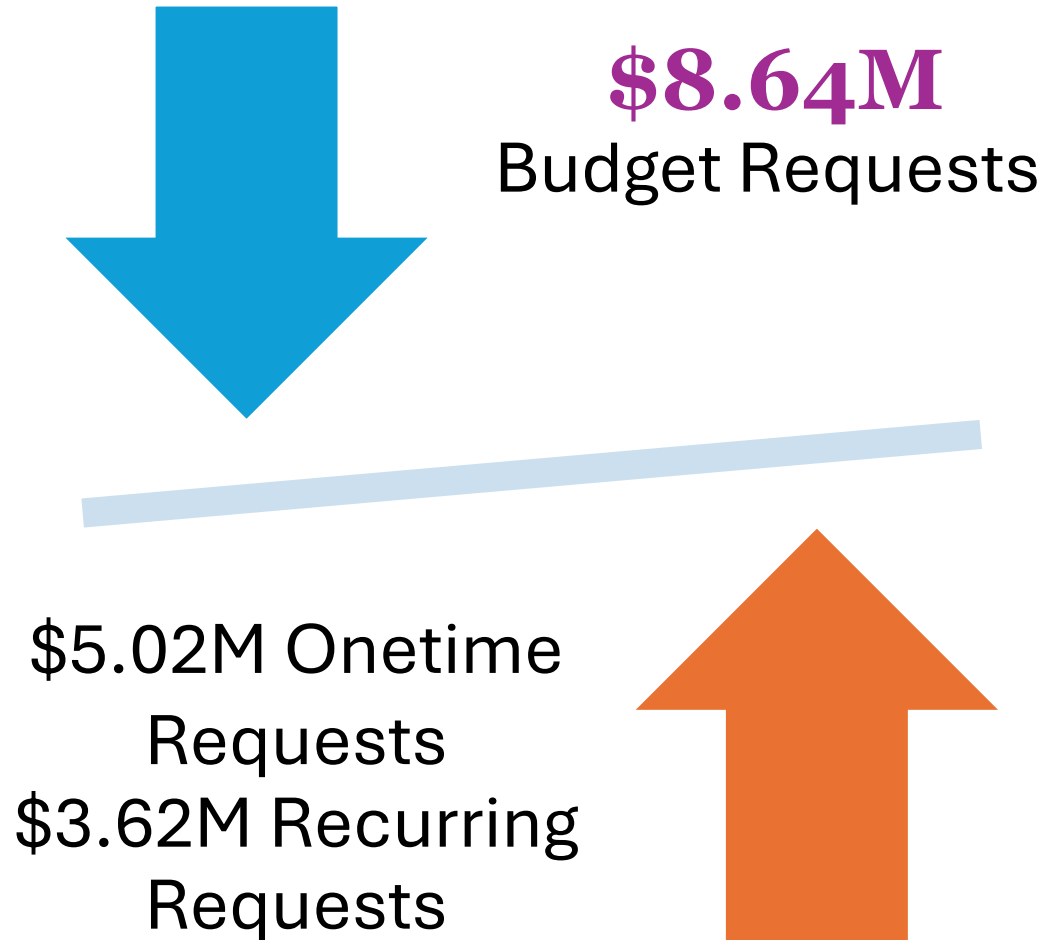
Changes Based on Market Evaluations:

- Rental Deposits (Re-Alignment of Shelter & Facility Rental Deposits)
- Shelter Rental Fee Consistency Across Park Facilities (Increased Morrisville Community Park Shelter Rental Fees)
- Performance Bond Fees (Better Alignment with Neighboring Communities)
- Special Event Vendor Fee Addition

Focus on Community Awareness:

- April 28 – Post on Budget Central Web Page
- May – Outreach to Advisory Committees
- Information Booths at MAFC & MSC, & Special Events - TBD
- May 12 & 14 - Budget Listening Sessions
- May – Incorporate in Social Media & Special Group Email Blasts

Budget Preview



Keep in Mind:

Always More Requests than Existing Resources

Addition of New Facilities and Expanded Programs Creates Ongoing Cost

Approximate Programming Potential Will Depend on Established Tax Rate

Recurring Requests are Annually Costs with Little Flexibility and Direct Impact to Service Levels

Onetime Requests are Flexible or Deferable Expenses – Maybe at a Cost

Core Service Continuity – Focus Area

- Recurring Expenses**
- Increased Parks Staffing for Marketing Outreach & Park Programming Enhancements - \$74,500
 - Special Events Expansions - \$15,000

Total Recurring \$89,500

- One-Time Expenses**
- Facility/Service Upgrades- \$235,000
 - Parks Grounds Maintenance Equipment - \$77,000
 - National Community Survey - \$35,000
 - Existing Fleet Replacements - \$500,000

Total Onetime \$847,000

- Offsetting Revenue**
- Increased Revenue from Parks Instruction Fees - \$24,000

Impact Analysis	FY27 Expense	Future Recurring Expense	Net Future Recurring Impact (Including Revenue)
	\$936,500	\$89,500	\$65,500



Strategic Goal – Operational Excellence; Engaged Inclusive Community



Council Budget Priority – Innovative Connections; Livable Community Options; Optimization of Operations



Core Values - Dedication, Innovation, Courtesy



Community Perspective - Increase safety at town facilities through lighting, cameras, & controlled access; extend the useful lives of town facilities; program expansion.

Town Center Activation – Focus Area

- Recurring Expenses**
- Maintenance & Programming Staffing (2 positions - 1/2 Year) - \$108,657
 - Staff Operational Costs (PPE, uniforms, training) - \$15,000

Total Recurring \$123,657

- One-Time Expenses**
- Landscaping Equipment - \$73,500
 - Park Maintenance - \$30,000
 - Vehicle - \$50,000

Total Onetime \$153,500

- Offsetting Revenue**
- None – Future Sponsorships Opportunities in FY28 & Beyond

Impact Analysis	FY27 Expense	Future Recurring Expense	Net Future Recurring Impact (Including Revenue)
	\$277,157	\$232,314	\$232,314



Strategic Goal – Sustainable, Livable Community Growth



Council Budget Priority – Building Our Future



Core Values – Courtesy, Innovation



Community Perspective – Activation of year-round gathering space to create a vibrant destination connecting community identity & economic development.

Organizational Resiliency – Focus Area

Recurring Expenses

- Increased Staffing Costs - Existing Employees (merit plan, tax benefits, COLA, longevity) - \$1,561,199
- Health Insurance Increase - \$144,271
- Additional Senior Planner to Address Workload & Speed to Market - \$159,815

Total Recurring \$1,865,285

One-Time Expenses

- Reserve Funding - \$2,910,000 (Parks, Transportation, Public Safety)
- Debt Service Increase - \$189,789

Total Onetime \$3,099,789

Offsetting Revenue

- Debt Service & Health Insurance Funded by Designated Sources Onetime

Net Impact

FY27 Expense	Future Recurring Expense	Net Future Recurring Impact
\$4,965,074	\$1,865,285	(Including Recurring Revenue) \$5,936,074



Strategic Goal – Sustainable, Livable Community Growth, Organizational Resiliency, Operational Excellence



Budget Priority – Optimization of Operations, Building Our Future, Resilient Financial Management



Core Values – Dedication, Innovation



Community Perspective – Delivering resilient community services & amenities our community expects.

Note: Future recurring assumes continued annual funding of reserves for Parks, Transportation, Fire, & Land.

Technology Improvements – Focus Area

- Recurring Expenses**
- External IT Service Assistance - \$126,000 (100% offset with service agreement)
 - Increased IT Equipment Costs - \$11,000
 - HR Recruitment Software - \$73,500

Total Recurring \$210,500

- One-Time Expenses**
- Hardware Replacements - \$170,000
 - UNC Fellows Data Project - \$30,000
 - Agenda/Public Records Mgmt. - \$30,000
 - HR Software Implementation Cost - \$9,500

Total Onetime \$239,500

- Offsetting Revenue**
- Recurring contracted assistance IT services - \$126,000; FY26 Carryover \$72,234 Software (Onetime)

Impact Analysis	FY27 Expense \$450,000	Future Recurring Expense \$210,500	Net Future Recurring Impact (Including Revenue) 84,500
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Strategic Goal – Operational Excellence



Budget Priority – Optimization of Operations



Core Values – Dedication, Innovation



Community Perspective – Strengthen communication & transparency through modernization of technology tools that support efficient operations.

Sustainability, Pedestrian Safety, & Walkability

Recurring Expenses • Smart Shuttle Operations & Expansions - \$584,400

Total Recurring \$584,400

One-Time Expenses

- Additional Smart Shuttle Nodes- \$120,000
- Pedestrian Bridge Repairs & Sidewalk Gaps Update - \$35,000
- Sustainability Master Plan Update & EV Mowers- \$85,000

Total Onetime \$240,000

Offsetting Revenue

- Smart Shuttle Grant Reimbursements - \$527,609 (\$467,609 recurring, \$60,000 onetime)
- EV Charging Station fees - \$25,000

Impact Analysis	FY27 Expense	Future Recurring Expense	Net Future Recurring Impact (Including Recurring Revenue)
	\$824,400	\$584,400	\$91,791



Strategic Goal – Sustainable, Livable Community Growth; Community Mobility



Budget Priority – Sustainability & Environment Focus; Pedestrian & Vehicle Safety



Core Values - Dedication, Courtesy, Innovation



Community Perspective - Improving Pedestrian Safety & Sustainability through Increased mobility options & maintenance of bridges and walking paths.

Public Safety Operational Rightsizing

- Recurring Expenses**
- Public Safety Staffing - \$697,566
 - Staff Operational Costs (PPE, uniforms, training) - \$43,000

Total Recurring \$740,566

- One-Time Expenses**
- Public Safety Equipment - \$225,000
 - Traffic Safety - \$127,000
 - Facility Improvements - \$90,000

Total Onetime \$442,000

- Offsetting Revenue**
- Onetime Funding from Public Safety Reserve - \$289,000

Impact Analysis	FY27 Expense	Future Recurring Expense	Net Future Recurring Impact (Including Recurring Revenue)
	\$1,182,566	\$740,566	\$740,566



Strategic Goal – Public Safety Readiness, Operational Excellence



Council Budget Priority – Public Safety



Core Values - Dedication, Integrity, Courtesy, Innovation



Community Perspective – Right-sizing public safety staffing & equipment levels to meet increased call volume and complexity.

FY27 Staffing Preview - Prioritized Staffing Needs

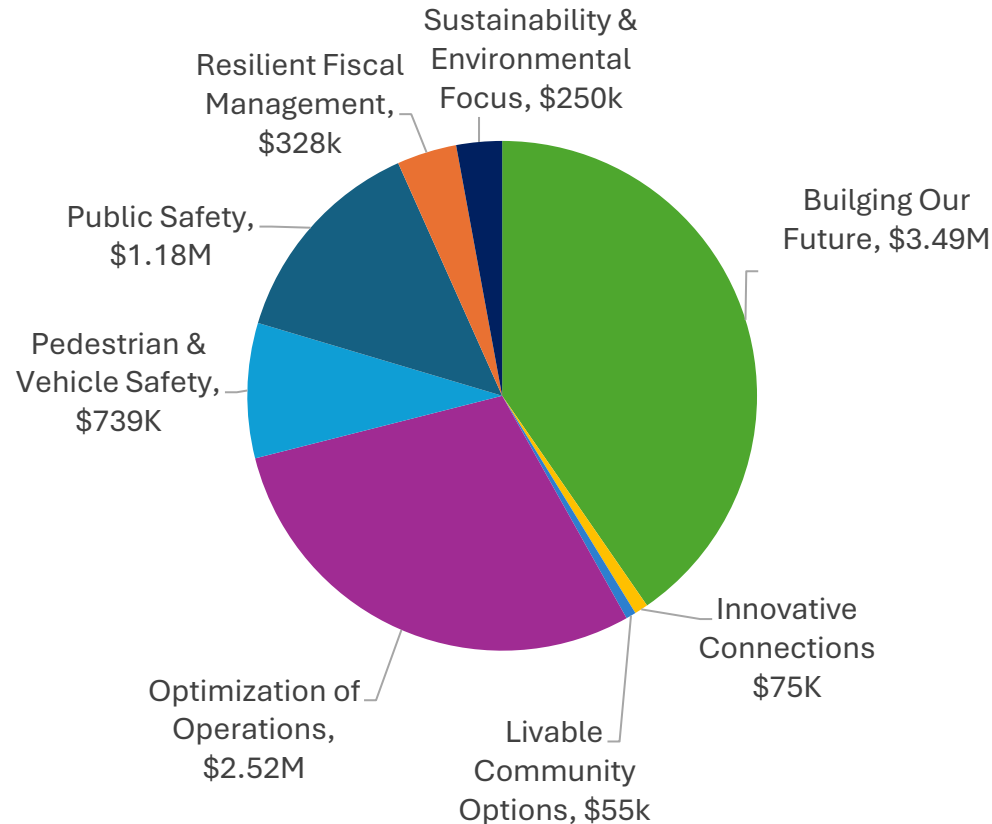
# Emp	Service Benefit Opportunity	Position Type	FY27 Projected Impact	Full Annual Recurring Impact (less onetime items)
2	Grounds & Parks Programming Support – Activation of the Town Center will require support teams by fall 2027 to begin program planning and maintenance of green spaces.	Town Center Grounds Technician III (1/2 Year, includes onetime vehicle @ \$50K)	\$108,981	\$117,962
		Town Center Program Specialist (1/2 Year)	\$64,676	\$129,352
1	Development Services Workload – Includes economic and capital planning support, along with efforts to manage ongoing affordable housing and public art initiatives.	Senior Planner	\$159,815	\$159,815
6	Public Safety Support – Adjusting police and fire staffing levels necessary to maintain anticipated responsiveness and readiness, enhance community partnerships and preserves Morrisville’s image as a safe community.	Police Detective (onetime vehicle @ \$55K)	\$197,179	\$142,179
		Police Patrol Officer (½ Year, includes onetime vehicle @ \$55K))	\$130,925	\$136,851
		School Resource Officer (1/4 Year, \$15K onetime items, potential \$85K cost share in FY28 - WCPSS)	\$47,963	\$131,852
		Firefighters (3 Positions to Complete 4 Person Staffing)	\$321,499	\$321,499
2	Existing Parks Programs – Improving marketing efforts (particularly for Town Center) and recreational programs to enhance community offerings for all ages.	Part-time Parks Marketing Specialist	\$25,000	\$25,000
		Part-time MAFC Fitness Specialist (Partial New Revenue Offset \$10,000 annually)	\$25,000	\$25,000
1	Technology Support – Offers supplementary resources to overall IT support services while delivering external IT service assistance to a community partner, fully funded through a service agreement.	IT Support Technician (100% Revenue Offset \$126,000)	\$126,000	\$126,000
Total 12			\$1,207,038	\$1,315,510
		Offsetting Revenue	<u>(-136,000)</u>	<u>(-\$136,000)</u>
			\$1,071,038	\$1,179,510

Note: Shown as Estimated Total Compensation that Includes Other Incidentals (Vehicles, PPE, Training, Uniforms, etc.)

Budget Preview – New Community Investments

\$8.64M

Organized by Budget Priority for Illustrative Purposes



Results for the Community

- Resources allocated to activate Town Center,
- Expanding marketing efforts for parks programming to engage a wider range of age groups and to focus on Town Center activation.
- Improving public safety staffing levels (Police & Fire) to match call volume and service complexity within a sustainable framework,
- Establishing reserves for upcoming projects in Public Safety, Transportation, and Parks,
- Incorporating mobility improvements and pedestrian safety enhancements,
- Increasing resources to update the Sustainability Strategy and facilitate the continued transition to EV equipment,
- Maintaining the resilience of core operations by valuing the existing workforce and modernizing technology tools along with necessary equipment replacements, and
- Tackling workload issues while supporting ongoing affordable housing and public art initiatives.

(Note – there is some overlap between priorities.)

FY2027 Budget Capacity – Revenues and Investments

Note: Numbers are preliminary and subject to change as budget develops.

Anticipated Revenues	
Base Revenue	\$58,462,427
Fund Balance (3.25%)	1,891,230
Health Care Reserve	144,271
Public Safety Reserve	252,000
User/Service Fee Growth	175,000
Debt Reserve	189,789
Grants	551,609
Other Resources	85,234
Total	\$61,751,560

Proposed New Investments	
FY26 Ending Base Budget	\$55,076,678
Adjusted OPEB Delay	-643,500
Base Modifier Adjustments	-252,500
FY27 Beginning Base Budget	\$54,180,678
Focus Areas – New Investments = \$8.64M	
Core Service Continuity	936,500
Town Center Activation	277,157
Organizational Resiliency	4,965,074
Technology Improvements	450,000
Sustainability & Pedestrian Safety & Walkability	824,400
Public Safety	1,182,566
Total	\$62,816,375
Overage	-\$1,064,815

Budget Balancing Options

(Note: Numbers in this presentation are rounded for ease in illustration)

Option #1 - Identify a total of \$1,000,000 from the following options to balance the budget with no additional revenues required:

- Do not offer a COLA (\$290,000)
- Delay Shuttle Stops (\$120,000)
- Delay 3 Firefighters (\$320,000)
- Delay Patrol Ofcr/Veh (1/2 yr) (\$130,925)
- Delay BAS for Town Hall (\$100,000)
- Delay PRCR Marketing Position (\$25,000)
- Reduce merit to 3/4/5% (\$150,000)
- Delay IT AV Replacements (\$100,000)
- Delay PD Detective/Vehicle (\$197,000)
- Delay EV Mowers (\$60,000)
- Delay MAFC Fitness Position (\$25,000)
- Reduce Fleet Budget (\$100,000)

Option #2 – Increase the tax rate to 36 cents by adding a “Public Safety Penny” to generate \$971,000 and fund all recommended investments

Option #3 – Increase the tax rate to 35.5 cents adding a half-penny to generate \$485,500 and delay funding for approximately \$500,000 of investments from the list above

Cost of a Penny to a Household



Property 1 – Single Family Home

FY25: \$250,000 (Land)
 \$1,208,813 (Bldg)
 \$1,458,813

Tax Bill at 35 Cents - \$5,105
Tax Bill at 36 cents – \$5,252

Difference = \$147 Annual
Increase (\$12.25/Month)



Property 2 – Single Family Home

FY25: \$150,000 (Land)
 \$587,379 (Bldg)
 \$737,379

Tax Bill at 35 Cents - \$2,581
Tax Bill at 36 cents – \$2,655

Difference = \$74 Annual
Increase (\$6.16/Month)



Property 3 – Condo/ Townhome

FY25: \$170,500 (Land)
 \$407,306 (Bldg)
 \$577,806

Tax Bill at 35 Cents - \$2,022
Tax Bill at 36 cents – \$2,080

Difference = \$58 Annual
Increase (\$4.83/Month)

Generates \$971,000 in Additional Revenue for Council Initiatives

Requested Budget Items Not Recommended

- MCP Lighting conversion
- PD Technology (Forensics Lab, Radar Data Collection)
- Additional Positions
 - Administrative positions in HR & Finance
 - Public Works Operations Positions
 - Sustainability Specialist (PT)
 - Transportation Planner
- Public Art Plan
- Additional Public Works Equipment Replacement / Upgrades
- Town Hall and MAFC facility improvements
- Other Budget Requests (i.e. onetime consulting services, small equipment)

Total: \$4.69M

On the Horizon – Future Impacts to Consider

Continuing Reserves

Future Lease Expected for Town Center

Joint Use Agreement Lease Expected for CFCC Athletic Expansion Project

FY28 Revaluation Planning & Future Impact Analysis

Capturing Master Plan Recommendations Influence on Capital Projects

Future General Obligation Bond Referendum Planning

Long-range Staffing Plan Projects 38 Fulltime & 4 Part-time Position Needs Between FY27 – FY29

Ongoing Facility Maintenance Needs

Planning for New Public Works Facility Build-out for Unused Space

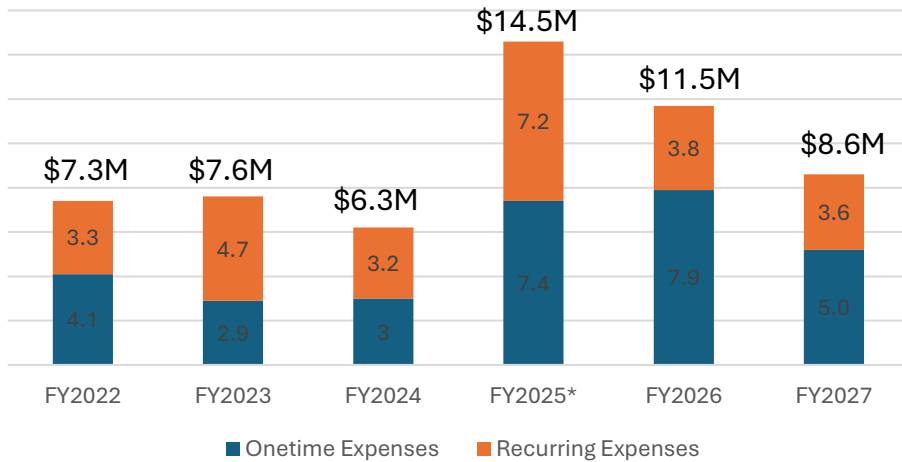
Key Fact Sheet



5-Year Average New Investments Compared to Total Budget

FY2023 – FY2027 = **\$9M**

New Investment Comparison



Average Use of Fund Balance to Balance Budget

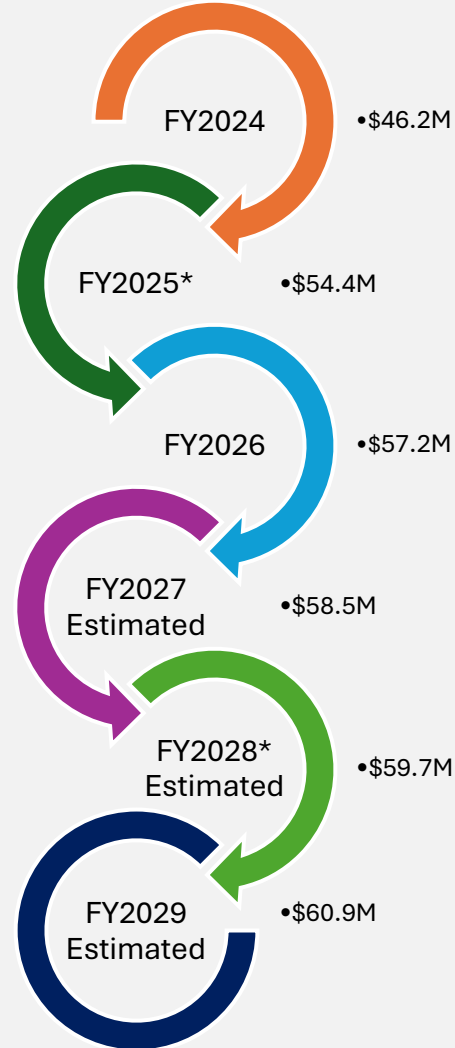
FY2022 – FY2026 < **4%**

No Actual Use of Fund Balance at Year-End 2022-2026



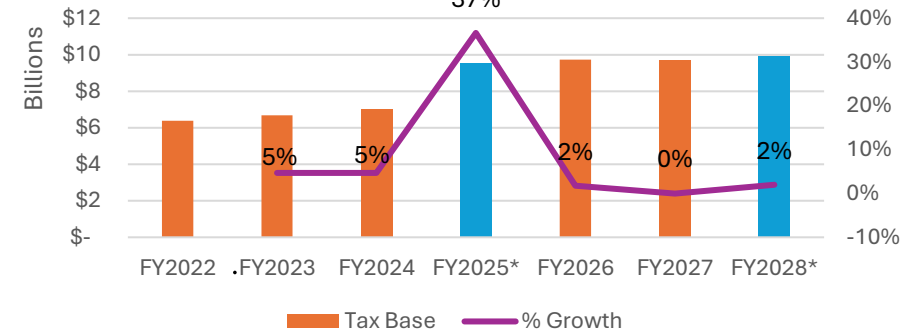
Projected Base Revenue Average Growth Year/Year

= **5.8%**



\$630K → **\$970K** → **\$971M**
FY2022 → **FY2026** → **FY2027**
 1 Penny on Tax Rate Growth

Tax Base Growth



Tax Rate History (3rd Lowest in Wake County)



Note: Projected averages account for revaluation impact. * Denotes a revaluation year.

Other Budget Planning in Progress

Gathering Peer Community Comparisons

Verifying Final Balancing Details

Budget Outreach Underway

Monitoring Potentially Impactful Legislative Discussions

Questions for Council to Guide Development of Recommended Budget:

01

Does Council support a pause on the one penny allocation to Land Reserves in lieu of using existing Bond Resources?

02

Is there something that Council would remove to generate capacity?

03

Does Council wish to consider additional revenues to fund Public Safety needs?

04

What else does Council need to see in a Proposed Recommended Budget?

Wrap-Up & Next Steps



March/April 2026: Budget Outlook & Preview Work Session

March/May 2026: Budget Outreach

April 28, 2026: Budget Outlook & Preview Work Session Continued

May 12, 2026: Recommended Budget Presented

May 14, 2026: Budget Work Session

May 26, 2026: Public Hearing

May 28, 2026: Budget Work Session

June 9, 2026: Proposed Adoption of the FY2027 Recommended Budget

Editors Note: These dates were changed following the April 9, 2026 meeting to provide an additional work session before a recommended budget is developed.