

Budget Work Session #2

April 6, 2026

Michelle Venditto, Budget & Management Director

**Mark Forestieri, Facilities Design & Construction
Director**

**David Rutherford, Facilities Design & Construction
Deputy Director**



@wakegov    

wake.gov

Today's Agenda

- **Major highlights in capital programs and projects**
- **Operating and capital impacts**
- **FY2027 decision-making landscape**
- **What to expect through June**

Capital Improvement Programs (CIP) plan for the County's capital needs

- **Capital programs fund capital investments**
- **Establish a long-term (seven-year) funding plan and identify future financing needs**
- **Include high cost/complex projects that require planning and a multi-year schedule**
- **Consider changing conditions and new needs**
- **Support responsible stewardship of existing facilities**

County responsible for multiple capital programs across multiple funds

County Programs

Automation
Community Capital
County Buildings
Criminal Justice
Economic Development
Libraries
Public Safety
PGROS
Public Health/Social Services

Other Programs

Fire Tax District
Housing
Major Facilities
Solid Waste

Education Programs

Wake Tech
WCPSS

Capital Program:	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033
DEBT							
WCPSS	\$ 348,371,019	\$ 336,363,007	\$ 343,636,993	\$ 340,193,187	\$ 362,027,093	\$ 322,213,024	\$ 329,306,798
WTCC	86,365,000	37,275,000	37,425,000	37,700,000	36,700,000	93,975,000	92,975,000
Library		60,316,000			38,594,000		
County Facilities	185,261,000	274,800,000	93,936,000				
EMS Facilities	13,360,000	12,000,000	18,000,000				17,000,000
Fire Facilities & Equip		2,004,000	12,881,000	9,229,000	10,700,000	19,159,000	4,408,000
DEBT Total	\$ 633,357,019	\$ 722,758,007	\$ 505,878,993	\$ 387,122,187	\$ 448,021,093	\$ 435,347,024	\$ 443,689,798
PAYGO							
WCPSS	\$ 72,200,000	\$ 74,727,000	\$ 77,603,990	\$ 80,009,713	\$ 82,690,039	\$ 84,922,670	\$ 87,385,427
WTCC	4,915,000					6,500,000	6,500,000
Public Health & Social Services Facilities	11,514,000	400,000	893,000	9,870,000	838,000	11,470,000	
County Facilities - Minor Reno & Maint	24,917,000	25,415,000	25,923,000	26,441,000	26,970,000	27,509,000	28,059,000
County Facilities & Other County Projects	74,263,000	68,696,000	54,592,000	57,376,000	54,694,000	62,637,000	56,259,000
PAYGO Total	\$ 187,809,000	\$ 169,238,000	\$ 159,011,990	\$ 173,696,713	\$ 165,192,039	\$ 193,038,670	\$ 178,203,427
TOTAL FUNDING	\$ 821,166,019	\$ 891,996,007	\$ 664,890,983	\$ 560,818,900	\$ 613,213,131	\$ 628,385,693	\$ 621,893,225
Tax Increase for Capital	.50 cents		TBD				

Legend:

2022 WTCC 4-yr Bond

2024 Library 6-yr Bond

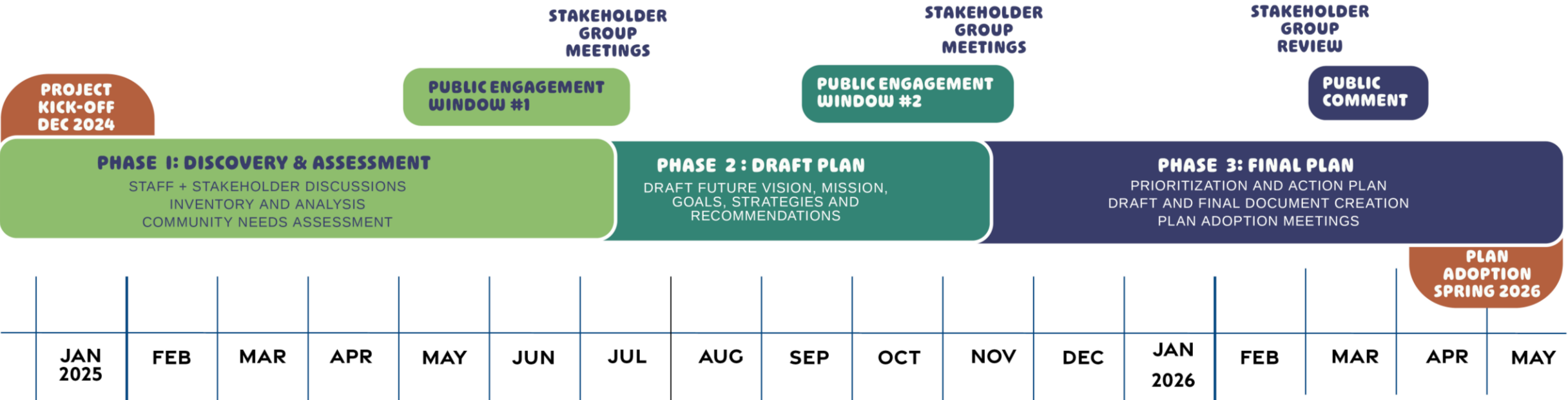
Future WCPSS 2-yr Bond

Future WTCC 4-yr Bond



Parks, Greenways, Recreation and Open Space

PROS Comprehensive Plan update at April work session



Information presented on the PROS Plan at the upcoming work session will impact future decisions for capital and operating budgets and any GO referenda within context of all Board decisions.



Public Safety and Criminal Justice

EMS Facility Master Plan Overview

- In the previous plan, the focus was on co-locations, new regional stations, and replacing smaller stations
- The FY27 CIP is oriented towards activating regional deployment centers while improving existing stations
- Changes result in an estimated cost savings of ~\$10M for FY 2027 through FY 2032

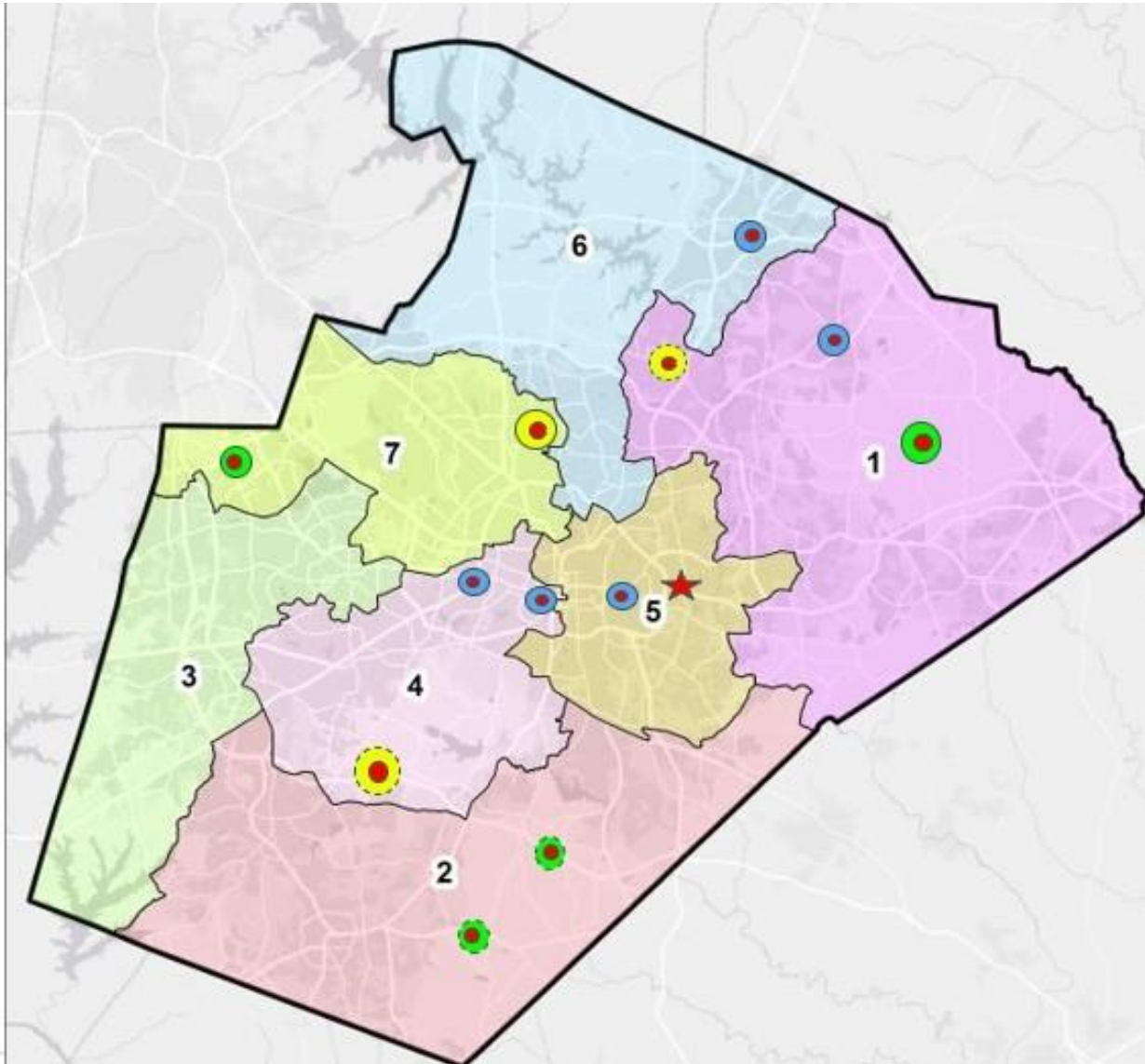
EMS Stations: Highlight of Changes

- North Hills and Lynn Road were combined into Lynn Road Regional EMS Station
- EMS Station #1 Renovation upgrades to regional EMS Station in FY31 & FY32
- Highway 42 Public Safety moved construction to FY31 and EMS scope reduced to posting location
- New Hill and Holly Springs/Rex Road combined into an expanded regional station known as South Wake Regional EMS.
- Hopkins came off as a co-location, will be fire only
- Garner #2 remains co-location, but EMS scope decreased to a posting station
- North Wake EMS is a new FY32 & FY33 project

Proposed FY27-33 EMS Facility Master Plan

Base Projects	Plan	Station Type	FY27	FY28	FY29	FY30	FY31	FY32	FY33
Lynn Road Regional EMS Station	Replace	Regional	300,000	12,000,000	-	-	-	-	-
EMS Station #1 Renovation	Rebuild	Regional	-	-	-	-	536,000	5,640,000	-
Wendell North Public Safety Station	New	Regional	8,860,000	-	-	-	-	-	-
Fac. Condition Upgrades - Existing Stations	Repair	N/A	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Morrisville Fire Station #2	Replace	Co-Location	150,000	150,000	150,000	150,000	150,000	150,000	31,330
Highway 42 Public Safety	New	Co-Location	-	-	1,000,000	2,000,000	-	-	-
Mini City (Hargrove)	Replace	Sub	4,500,000	-	-	-	-	-	-
South Wake Regional EMS Station	Replace	Regional	-	1,000,000	5,000,000	13,000,000	-	-	-
Emergency Services Education Center	Expand	Regional	4,440,000	5,785,000	-	-	-	-	-
Garner Fire Station 2	Replace	Co-Location	-	-	700,000	2,175,000	-	-	-
<i>North Wake Regional EMS Station</i>	<i>New</i>	<i>Regional</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1,000,000</i>	<i>17,000,000</i>
Total			19,250,000	19,935,000	7,850,000	18,325,000	1,686,000	7,790,000	18,031,330

EMS Facility Master Plan Map



-  **Proposed EMS Regional Station**
-  **Exist. EMS Renov/Reconstruction**
-  **New EMS/Fire Co-Location**
-  **Existing ESEC & Warehouse**

Public Safety Center Admin and Operational Spaces

- Public Safety Center (PSC) opened in 1990, with no comprehensive renovations since
- Completion of comprehensive study for first three floors planned for mid April
- Study explores space reconfigurations and possibilities to identify functions that could relocate out of the PSC over time
- Preliminary estimates at conceptual design phase
- Currently estimated at \$33M



Detention Center Expansion

- Jail population study indicated need for jail expansion in 2024
- Began design on Detention Phase 3 in 2025
- Includes all wet cell housing, classroom space, warehouse space, second central plant, 340 space parking deck
- *Schematic design will be brought to BOC April 2026*
- Current anticipated completion in late CY 2029



Updated Detention Center budget reflects scope changes and detail gained in design

- **Scope Change:**

- Increased scope from 8 to 10 housing units will increase the bed count from 448 to 600 beds
- Change in location of Phase 3 on the site drives unit/bed count and added another story to the building

- **Currently Projected Cost of \$175-210M in FY 2028:**

- Prior CIP included \$146M in FY27
- Estimates being refined with options for cost savings and scope reduction

WCJC Floor 6 Judicial Renovations

- **Upfit judicial spaces on the 6th floor of the Justice Center**
 - Floor is a shell and was always anticipated to be built out since construction of building in 2013, pending evaluation of need
- **Early draft of Judicial Needs Assessment underway shows new courtrooms in the WCJC will be needed by 2030**
 - Needs assessment has included input from variety of stakeholders
 - Anticipated assessment completion in early summer, to be shared with the Board in late summer 2026
- **Currently project funding for design in FY28 (\$2M) and construction in FY29 (\$14M)**



County Buildings

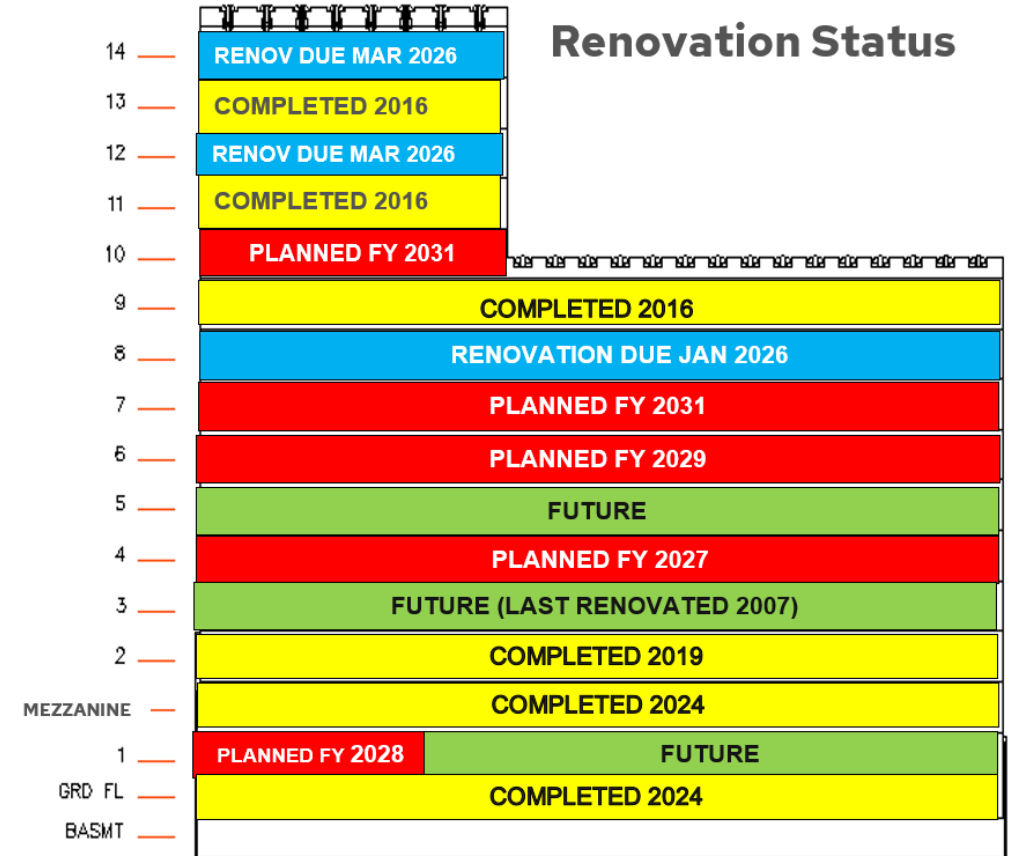
WC Office Building Restack and Renovations



~\$24M over 7-year plan

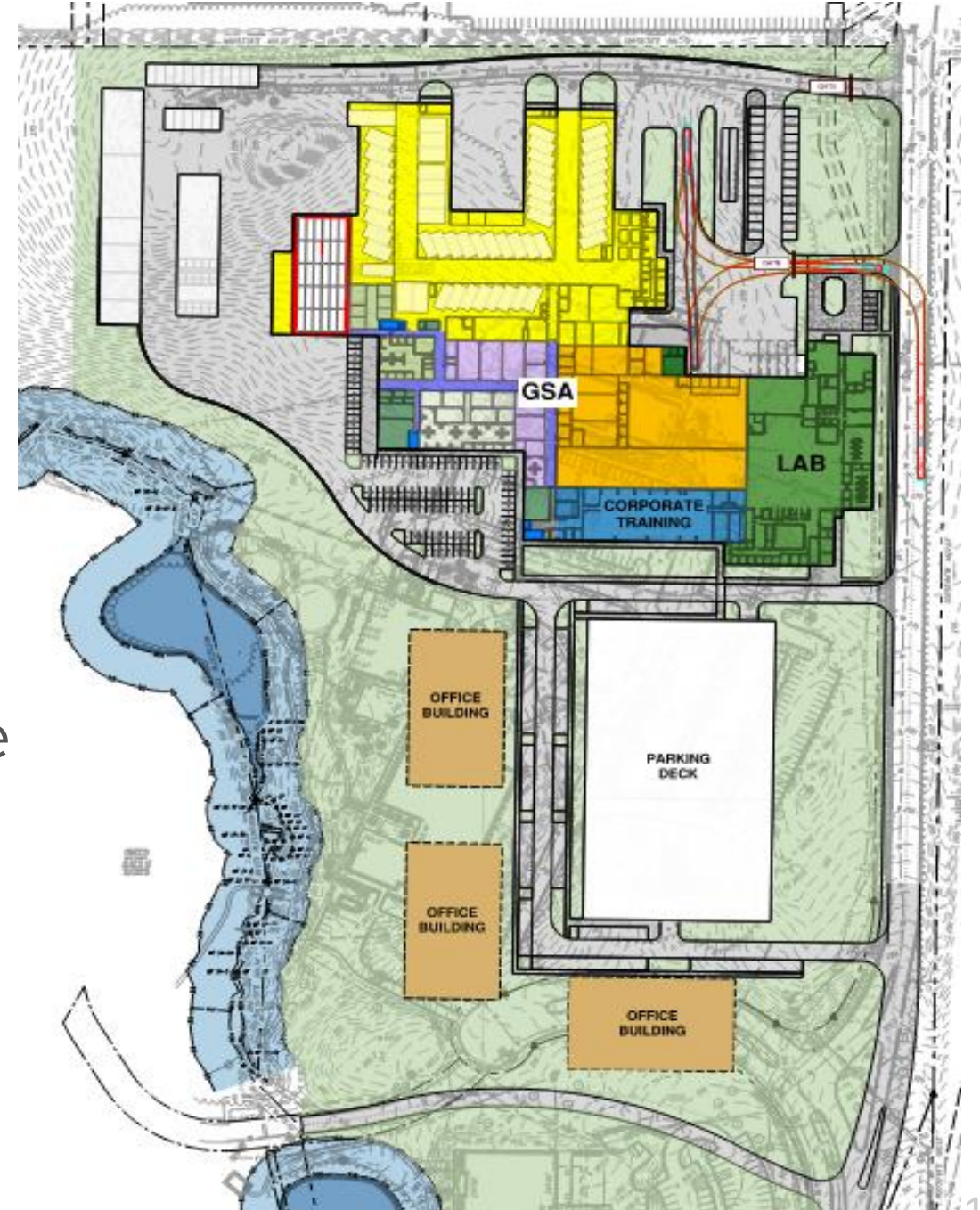
Floors 8, 12 & 14 recently completed!

- The Office Building has been under renovation floor-by-floor for since 2014
- 4th Floor will be next floor renovated



Wake County Office Park (WCOP) Plan

- Concept plan originally shared in spring of 2025
- Scope includes
 - GSA, Fleet and Library Administration operations
 - Addition of County training space
 - Expanded parking deck to support training and future buildings
- Potential range of \$150M to \$240M based on recent preliminary



WCOP – Additional office buildings for relocation and growth

	FY27	FY28	FY29	FY30	FY31	FY32	FY33	Total
Building 1	-	3,500,000	24,500,000	-	-	-	-	28,000,000
Building 2	-	3,500,000	24,500,000	-	-	-	-	28,000,000

- Consider construction of 2 two-story office buildings at WCOP:
 - Opportunity to build on land already owned by County
 - Will provide new spaces for agencies displaced by renovations (Soil & Water, Cooperative Extension)
 - Opportunity to move certain County services out of downtown core (Tax Administration, Planning & Development)
 - Accommodate growth in the future as other County departments grow

BOC will see WCOP Schematic Design in June

- **Update will include cost estimate refinements for all buildings on the campus**
- **Construction of affordable housing is not included in the current project scope**
 - Current Library Admin Building (LAB) and Olivia Raney Library sit on location of future potential housing development
 - Affordable housing development to be contemplated after LAB and Olivia Raney have relocated
 - Dept. Of Housing Affordability and Community Revitalization (HACR) would be tasked with including development in a future RFP to identify a partner

Office Park Swing Space Needs

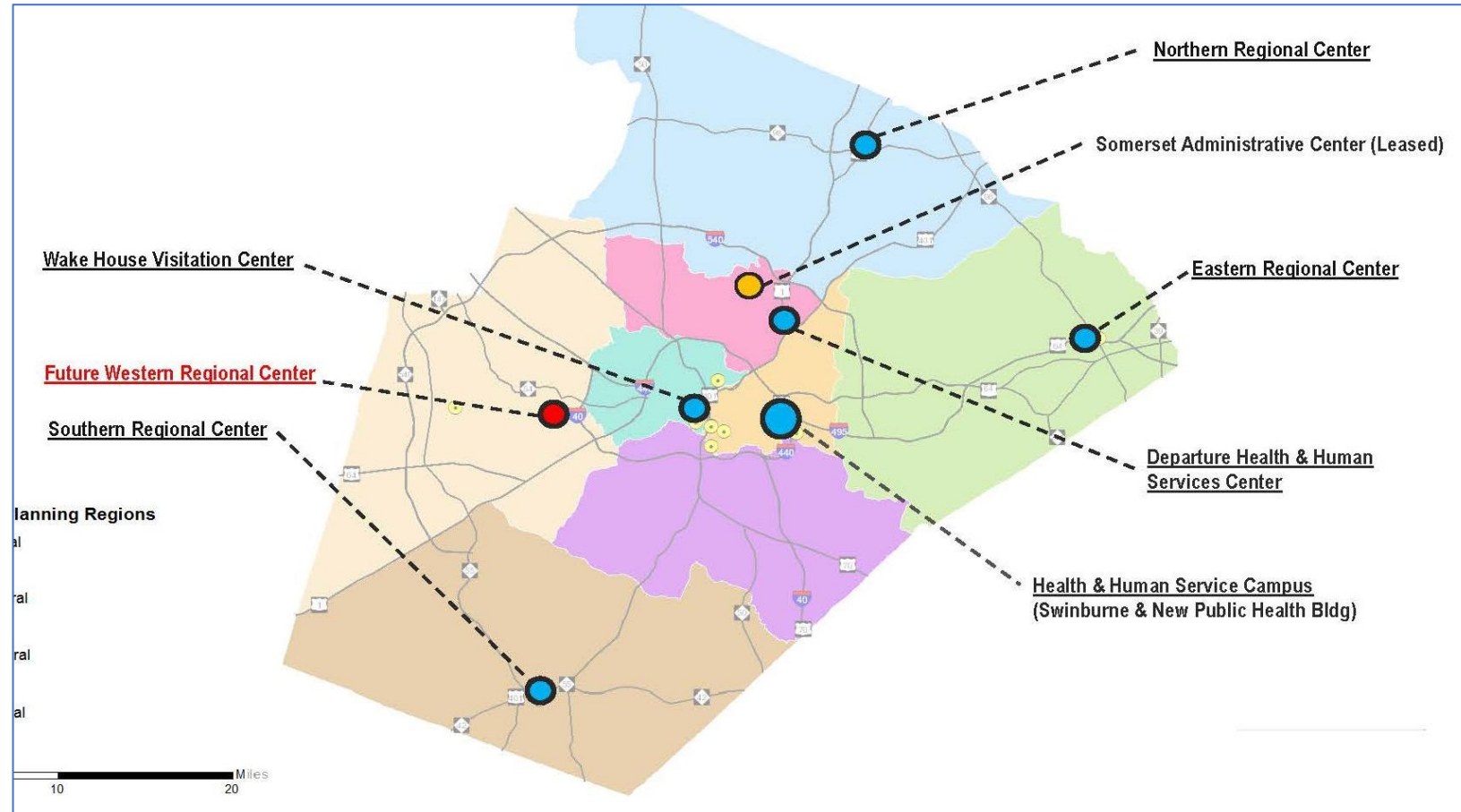
- Departments in the Ag Services building and users of the Commons will be temporarily displaced while the WCOP is being re-developed
 - ~\$3M for renovations to leased facilities for office space upfits and furniture, fixtures, and equipment (FFE) for Soil & Water and Cooperative Extension
 - ~\$1M for large, temporary training space
 - Rural Center requested to vacate WCOP permanently; working on financial agreement
- Operating costs for lease agreements in the General Fund; annual operating cost estimated to be \$460K

Spaces Needed for CoC and Housing Staff

- Additional needs for office space include:
 - Permanent office space for Continuum of Care staff
 - Temporary space for HACR staff during already-planned Wake County Office Building 4th Floor renovations
- ~\$1.3M to renovate and furnish spaces
- Operating costs for lease agreement in the General Fund; Annual operating cost estimated to be \$255K

Reassessing Public Health and Social Services Facility Needs in FY 2027

- Reassess study, last updated in 2018 (~\$400K)
- Current estimate: ~\$35M FY 2027-2033
- Evaluate delivery models, programmatic priorities, partnerships at Regional Centers
- Confirm programmatic needs for Swinburne renovations



Blue Ridge Road Social Services Building

Acquired building to provide a more appropriate environment for children in the County's care in transition with foster placement

- \$3.8M total funded in FY26; building acquisition (\$1.8M), balance for renovation (\$2M); \$2.6M in FY27 additional budget to complete upfit
- Renovation of 10,000 SF for Social Services Child Welfare to include overnight accommodations, and supervision and support spaces
- Wake staff continues to work with Alliance, State, and other partners to address the gap in placement services for vulnerable populations in foster care system
- Timeline:
 - Summer 2026 – plans complete
 - Fall 2026 – renovations begin
 - Spring 2027 – renovations complete

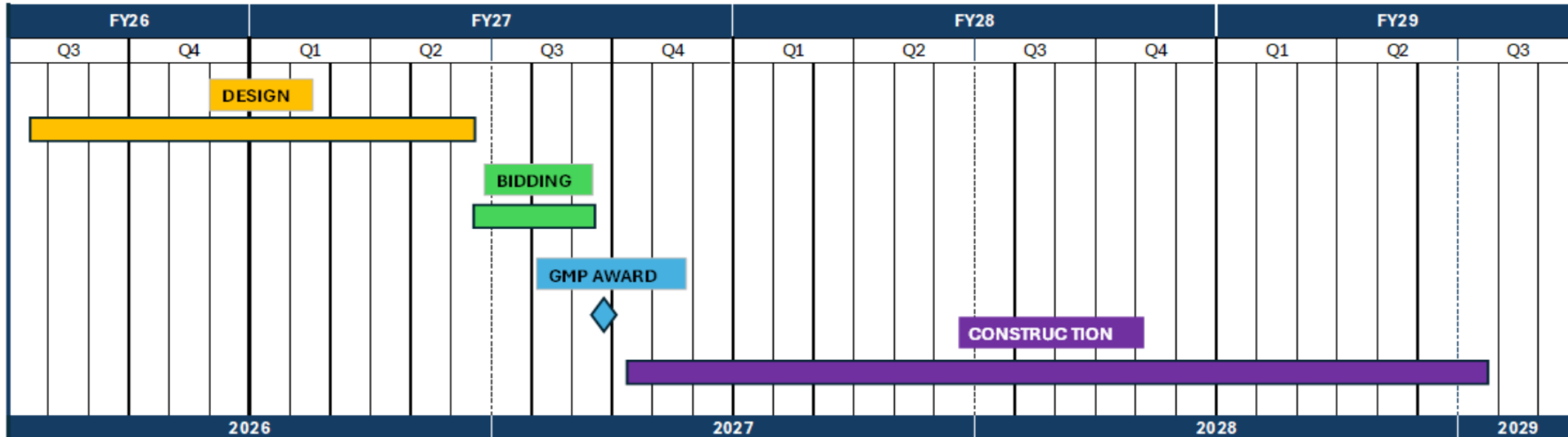


New Animal Center

Schematic design and project update presented at January 12, 2026 work session

Estimated budget ~\$60M

Future operating costs anticipated in late FY2029 or FY2030; staffing, maintenance



Medical Examiner Decedent Storage Facility

- County responsibility to provide transportation, storage, and exam facilities for decedents within the County, per NCGS
 - Responsibility previously fulfilled through a partnership with Office of the Chief Medical Examiner (OCME)
 - Partnership revisited in 2023 as state had less space for Wake County decedents
 - County established interim solution in 2023
 - Facility study completed in fall 2024 to explore options to meet state mandate
 - County exploring land purchase options; design will begin after site is identified
- \$50M budgeted in 7-year window

Improvements to Ponderosa Wastewater Treatment System to connect to Raleigh utilities

- County-operated wastewater treatment lagoon, spray fields, and residential pump systems serving the Ponderosa subdivision near Wendell since 1989.
- Challenging to operate and maintain. Existing system reaching end of useful life.
- Wake County and City of Raleigh have signed an Interlocal Agreement to allow Ponderosa to connect sanitary sewer to City's sewer system.
- Total project cost is expected to be \$14 million (\$10 million planned across FY2027 and FY2028 in addition to prior appropriations)
- Once complete, Ponderosa will have a modern sewer system with reduced County operating and maintenance costs.

More and larger costing projects in this 7-Year Plan

- The Office Building, GSA Building, Library Admin Building, Justice Center, Detention Center, Swinburne, Regional Centers ++ are at lifecycle replacement timeframes
- Other existing building have system equipment replacement and furniture and finishes refreshes continually
- Staff is responding to demand for service with Animal Center, EMS stations
- Adapting to changes in financial and staffing changes at state level with construction of Medical Decedent Storage facility, 2321 Blue Ridge Social Services building, Detention Annex reopening



Education Capital

Wake Tech Community College
Wake County Public School System

Capital Responsibilities: Wake Tech

NCGS 115D-32

- The **tax-levying authority of each institution** shall be responsible for providing, in accordance with the provisions of G.S. 115D-33 or 115D-34, as appropriate, adequate funds to meet the financial needs of the institutions for the following budget items:
- (1) Plant Fund: Acquisition of land; **erection of all buildings; alterations and additions to buildings; purchase of automobiles, buses, trucks, and other motor vehicles; purchase or rental of all equipment necessary for the maintenance of buildings and grounds and operation of plants**; and purchase of all furniture and equipment not provided for administrative and instructional purposes.

Wake Tech 7-year Capital Program: \$440.4 million

Program Area	FY27	FY28	FY29	FY30	FY31	FY32	FY33	7-Year Total
Western Wake Campus	41.4	-	-	-	2.0	73.0	72.0	188.4
Perry Health Sciences Campus	2.0	1.0	1.0	-	-	-	-	4.0
Southern Wake Campus	35.0	11.5	11.5	21.0	21.0	-	-	100.0
Eastern Wake Campus	4.0	9.0	9.0	-	-	-	-	22.0
Campus Wide Infrastructure Repairs (including IT)	8.9	10.3	10.4	11.2	11.2	12.5	12.5	77.0
Skilled Trades Expansion	-	4.0	4.0	4.0	-	-	-	12.0
Advanced Training Equipment	-	1.5	1.5	1.5	2.5	-	-	7.0
Multi-Facility Renovations	-	-	-	-	-	15.0	15.0	30.0
Total (in millions)	\$91.3	\$37.3	\$37.4	\$37.7	\$36.7	\$100.5	\$99.5	\$440.4

WTCC CIP Update

- WTCC, Wake County staff meet every winter to review 7-year plan
- Upcoming 4-year bond referendum in November 2026 for FY28-FY31
- Bond projects focus on renovation of various campus facilities, skilled trades expansion, expansion of fire and rescue campus
- Anticipate WTCC Board of Trustees formally approving FY 2027-FY 2033 CIP later this spring
- WTCC staff will be at BOC budget work sessions in May to discuss specific updates to the seven-year plan

Capital Responsibilities: WCPSS

§ 115C-408. Funds under control of the State Board of Education.

- (a) It is the policy of the State of North Carolina to create a public school system that graduates good citizens with the skills demanded in the marketplace, and the skills necessary to cope with contemporary society, using State, **local and other funds in the most cost-effective manner**. The Board shall have general supervision and administration of the educational funds provided by the State and federal governments, except those mentioned in Section 7 of Article IX of the State Constitution, **and also excepting such local funds as may be provided by a county, city, or district**. The Superintendent of Public Instruction shall administer any available educational funds through the Department of Public Instruction in accordance with all needed rules and regulations adopted by the State Board of Education.
- (b) To ensure a quality education for every child in North Carolina, and to assure that the necessary resources are provided, it is the policy of the State of North Carolina to provide from State revenue sources the instructional expenses for current operations of the public school system as defined in the standard course of study.

It is the policy of the State of North Carolina that the facilities requirements for a public education system will be met by county governments.

Proposed WCPSS 7-year Capital Program: \$2.9 billion

Program Area	FY27	FY28	FY29	FY30	FY31	FY32	FY33	7-Year Total
New Schools	60.6	70.3	72.9	23.0	81.1	110.6	0.0	418.5
Existing School Renovations/Replacements	189.7	164.4	165.3	208.6	168.7	96.3	210.7	1,203.7
Other Program Components	170.2	176.1	182.9	188.7	195.0	200.2	205.9	1,319.0
Total (in millions)	\$420.5	\$410.8	\$421.1	\$420.3	\$444.8	\$407.1	\$416.6	\$2,941.2

Other Program Components Include:

- Land acquisition
- Replacements of HVAC, plumbing, electrical, furniture, paving
- ADA compliance projects
- Temporary classrooms/trailers
- Technology devices & infrastructure
- Building security systems
- Partial renovations and non-traditional educational spaces and support facilities

WCPSS CIP Update

- Joint Facilities Core Team met through fall and winter
 - Focus on removal of trailers, adjustments to land acquisition funding, potential changes to future technology funding
 - Aligning new school locations with growth, continue higher proportional investment in renovations and life cycle needs
- WCPSS staff presented several drafts to Board of Education (via Facilities Committee and work sessions)
- Anticipate BOE approving FY 2027–FY 2033 CIP in April, with specific request for November 2026 ballot question to fund FYs 2028 & 2029
- WCPSS staff will be at BOC budget work sessions in May to discuss specific updates to the seven-year plan

Discussion and Questions



Operating and Capital Impacts

Resource requests

- 1. Cost Escalations:** Requests that maintain current levels of services by addressing price changes outside of the County's control (does not include positions).
- 2. Commitments:** Requests that support efforts previously voted on and approved by the Board of Commissioners (includes funding and/or positions).
- 3. CMO-Directed:** Resource requests, approved for submittal by the County Manager, based on potential new or changing operations (or significant challenges to maintaining core operations), as indicated in department business plans (includes funding or positions).

Cost Escalations: Maintain current levels of service, addressing price changes

- **Postage for Board of Elections and Tax Administration**
- **Wake Emergency Communications funding**
- **Fuel purchases**
- **Housekeeping and security contracts**
- **General Election early voting**

Commitments: Support efforts previously approved by the Board of Commissioners

- **Finance and Budget system replacements**
 - Technology and project implementation paid in the capital plan FY25 – FY26
 - Ongoing maintenance subscriptions in FY27 and forward
- **Kellam-Wyatt Park**
 - Design, construction and paving paid in the capital plan
 - Ongoing staffing and maintenance in FY27 and forward
- **Redevelopment of Office Park for GSA, Library Admin and office space**
 - Design, construction paid in capital plan FY27 – FY29
 - Temporary leased swing space in ~FY27 through FY29
 - Maintenance, utility and support staffing in FY29 and forward
- Opening of EMS stations, libraries, parks, Detention expansion, Animal Center, Medical Examiner facility will all result in additional maintenance, utility and staffing costs in future fiscal years

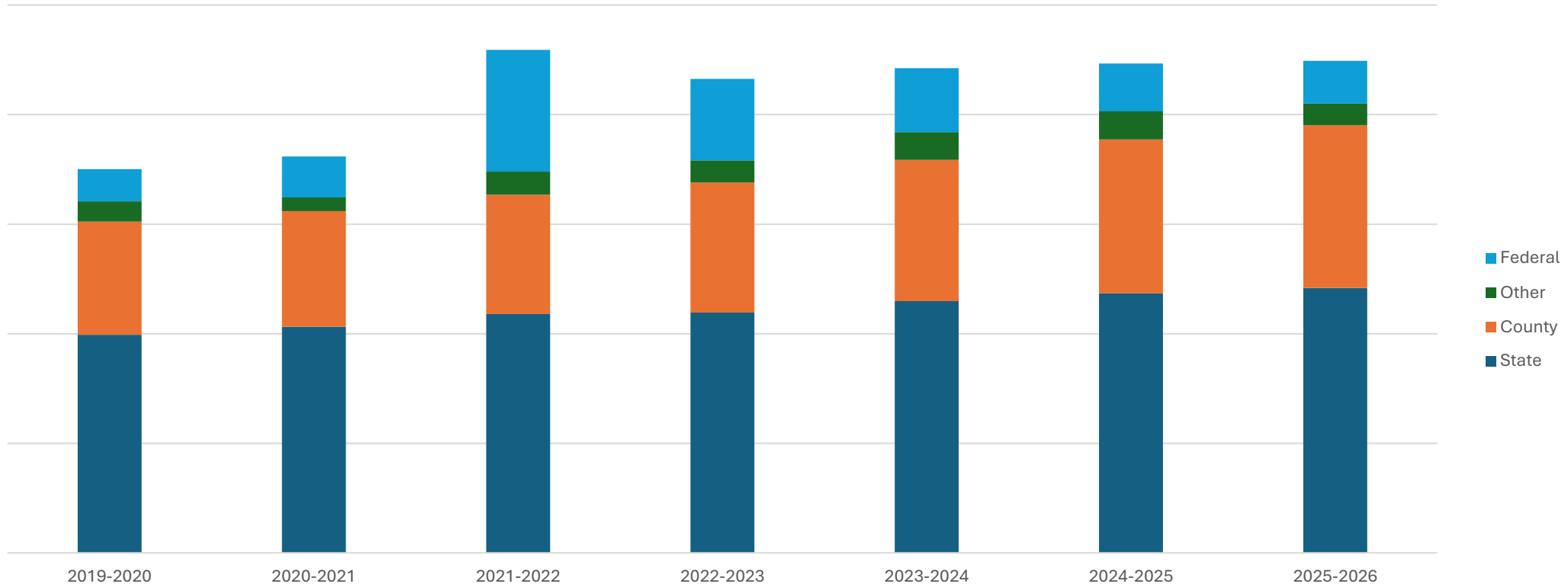
CMO-Directed: Requests based operational priorities in strategic and business plans

- Continuum of Care staffing
- Food and Lodging Inspection staffing
- Adult Protective Services staffing
- Farmland Preservation staffing
- Well and septic repair funding assistance program
- EMS staffing
- Onsite Water Protection staffing
- Forensic Services IT staffing
- Fleet, facilities, and security staffing ratios to support growing portfolio
- Staffing for tax administration, appeals and audits
- Animal shelter customer service and operations

Budget items impacted by state and federal policy and practice

- Wake Tech and WCPSS staffing and supplements
- Two additional Board of Commissioners' pay
- Staffing and capacity to place children managing behavioral health symptoms in foster care
- Smart Start Pre-K funding
- Detention Annex staffing and operations, Detention expansion
- Medicaid certification and recertification compliance

State portion of WCPSS funding increased by 21% while County funding increased by 44%



For Reference: In Dollars

	2019-2020		2020-2021		2021-2022		2022-2023		2023-2024		2024-2025		2025-2026	
State	\$995.66 M	\$1031.59 M	4%	\$1090.09 M	6%	\$1096.08 M	1%	\$1148.68 M	5%	\$1184.49 M	3%	\$1208.98 M	2%	
County	\$515.96 M	\$527.90 M	2%	\$544.21 M	3%	\$594.25 M	9%	\$644.26 M	8%	\$702.61 M	9%	\$742.91 M	6%	

United Arts requests

Grantmaking Request

\$100,000 for direct grants to arts organizations

- UA gives general operating grants to nonprofits with annual budgets up to \$2 million (“Mission Grants”)
- In FY 26:
 - \$309,000 Awarded to 38 orgs
 - Requests totaled \$500,500
 - UA Stated gap in requests vs. availability

Marketing Request

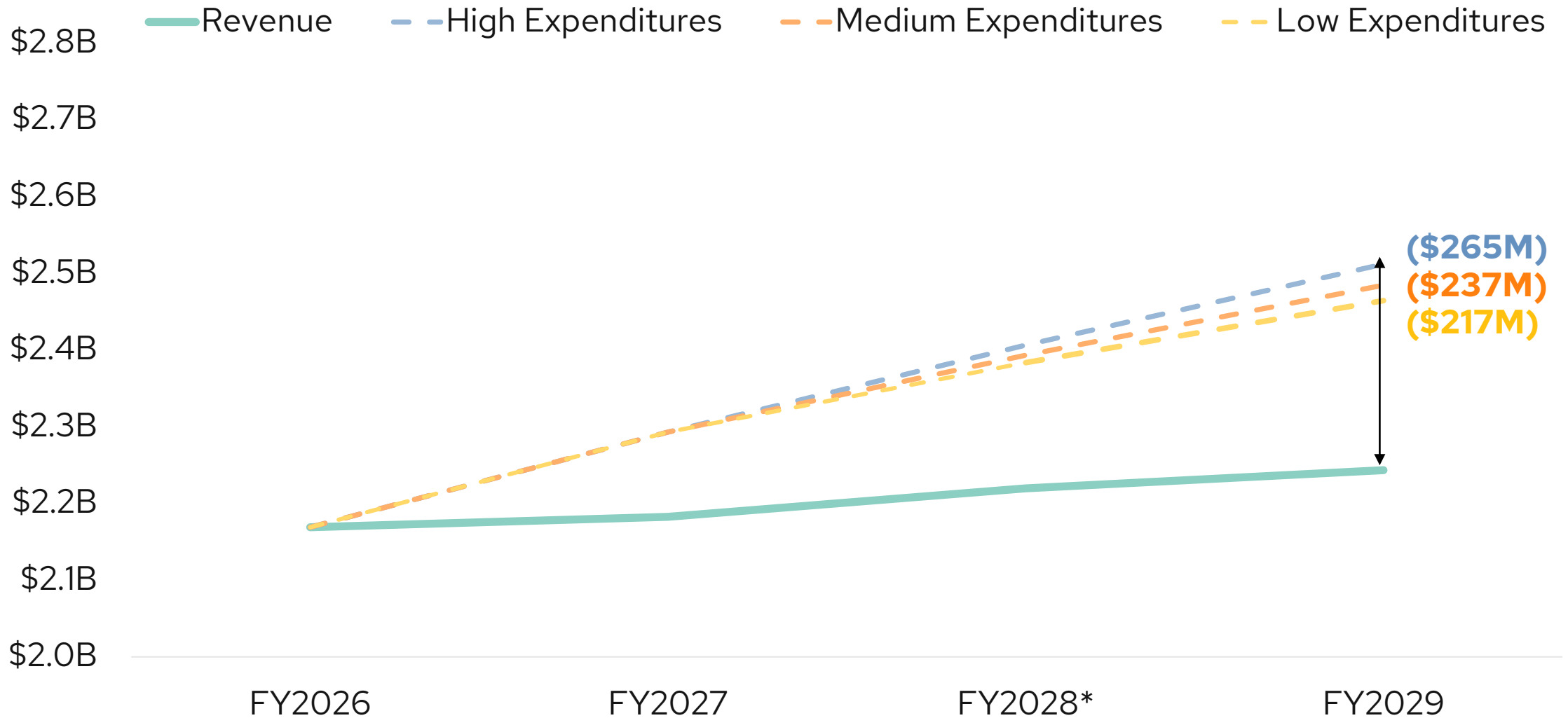
\$150,000 to develop and execute countywide plan to promote Wake as a cultural destination

- **FY27: \$150,000**
- **Recurring: \$100,000**
- Unify efforts between UA, Visit Raleigh, and partners to promote offerings
- Support smaller organizations that can't afford paid marketing



FY27 Decision-making Landscape

Forecast reflects revenue projections and range of fiscally responsible expenditure assumptions



General Fund impacted by lower growth in property tax revenue and use of fund balance

Revenue Item (in millions)	FY26 Adopted	FY27 Base Projection	\$ Change	% Change
Property Taxes	1,620.2	1,628.0	7.8	0%
Sales Taxes	315.4	327.1	11.7	4%
Intergovernmental	78.2	78.4	0.2	0%
Charges, Permits, and Fees	98.6	103.9	5.3	5%
Use of Behav. Health Fund Balance	35.1	0.0	-35.1	-100%
All Other Revenues	21.6	22.4	0.8	4%
Total	\$2,169.1	\$2,159.8	-\$9.3	-0.4%

Capital Program:	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033
DEBT							
WCPSS	\$ 348,371,019	\$ 336,363,007	\$ 343,636,993	\$ 340,193,187	\$ 362,027,093	\$ 322,213,024	\$ 329,306,798
WTCC	86,365,000	37,275,000	37,425,000	37,700,000	36,700,000	93,975,000	92,975,000
Library		60,316,000			38,594,000		
County Facilities	185,261,000	274,800,000	93,936,000				
EMS Facilities	13,360,000	12,000,000	18,000,000				17,000,000
Fire Facilities & Equip		2,004,000	12,881,000	9,229,000	10,700,000	19,159,000	4,408,000
DEBT Total	\$ 633,357,019	\$ 722,758,007	\$ 505,878,993	\$ 387,122,187	\$ 448,021,093	\$ 435,347,024	\$ 443,689,798
PAYGO							
WCPSS	\$ 72,200,000	\$ 74,727,000	\$ 77,603,990	\$ 80,009,713	\$ 82,690,039	\$ 84,922,670	\$ 87,385,427
WTCC	4,915,000					6,500,000	6,500,000
Public Health & Social Services Facilities	11,514,000	400,000	893,000	9,870,000	838,000	11,470,000	
County Facilities - Minor Reno & Maint	24,917,000	25,415,000	25,923,000	26,441,000	26,970,000	27,509,000	28,059,000
County Facilities & Other County Projects	74,263,000	68,696,000	54,592,000	57,376,000	54,694,000	62,637,000	56,259,000
PAYGO Total	\$ 187,809,000	\$ 169,238,000	\$ 159,011,990	\$ 173,696,713	\$ 165,192,039	\$ 193,038,670	\$ 178,203,427
TOTAL FUNDING	\$ 821,166,019	\$ 891,996,007	\$ 664,890,983	\$ 560,818,900	\$ 613,213,131	\$ 628,385,693	\$ 621,893,225
Tax Increase for Capital	.50 cents		TBD				

Legend:

2022 WTCC 4-yr Bond

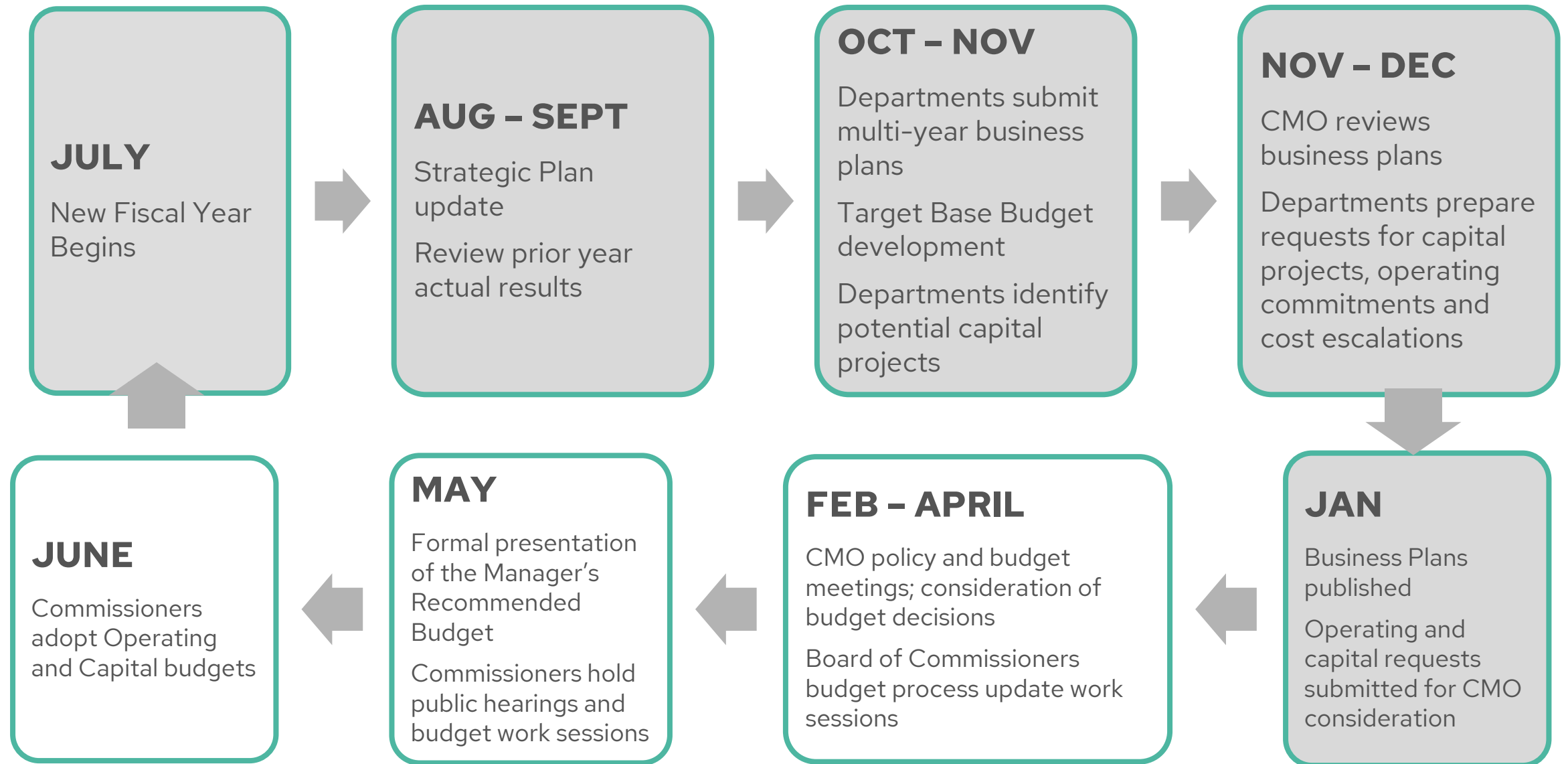
2024 Library 6-yr Bond

Future WCPSS 2-yr Bond

Future WTCC 4-yr Bond

- **GO bonds for Schools and Wake Tech on ballot upcoming Fall**
- **Large scale building projects in the 7-year capital window**
- **Wake debt and capital portfolio impacted by funding K-12**

April – May, CMO evaluates landscape



Strategic Plan, core service delivery and community interests drive funding considerations

- Through the planning and budget processes, department and CMO staff identified priorities
- Growth pressures reflective of a large growing community with complex service needs
- Implementing and achieving Strategic Plan goals while ensuring effective core service delivery

CMO continuing budget review through April to inform Recommended Budget

- Complete review of expenditure requests
- Evaluate Behavioral Health fund balance and restoring recurring budget over multi-year time frame
- Contemplate repurposing authorized FTEs for operational and strategic priorities
- Refine revenue estimates for sales tax
- Examine use of one-time revenue sources for one-time items
- Consideration of property tax increase

Setting property tax rate tradeoffs

Benefits of higher funding

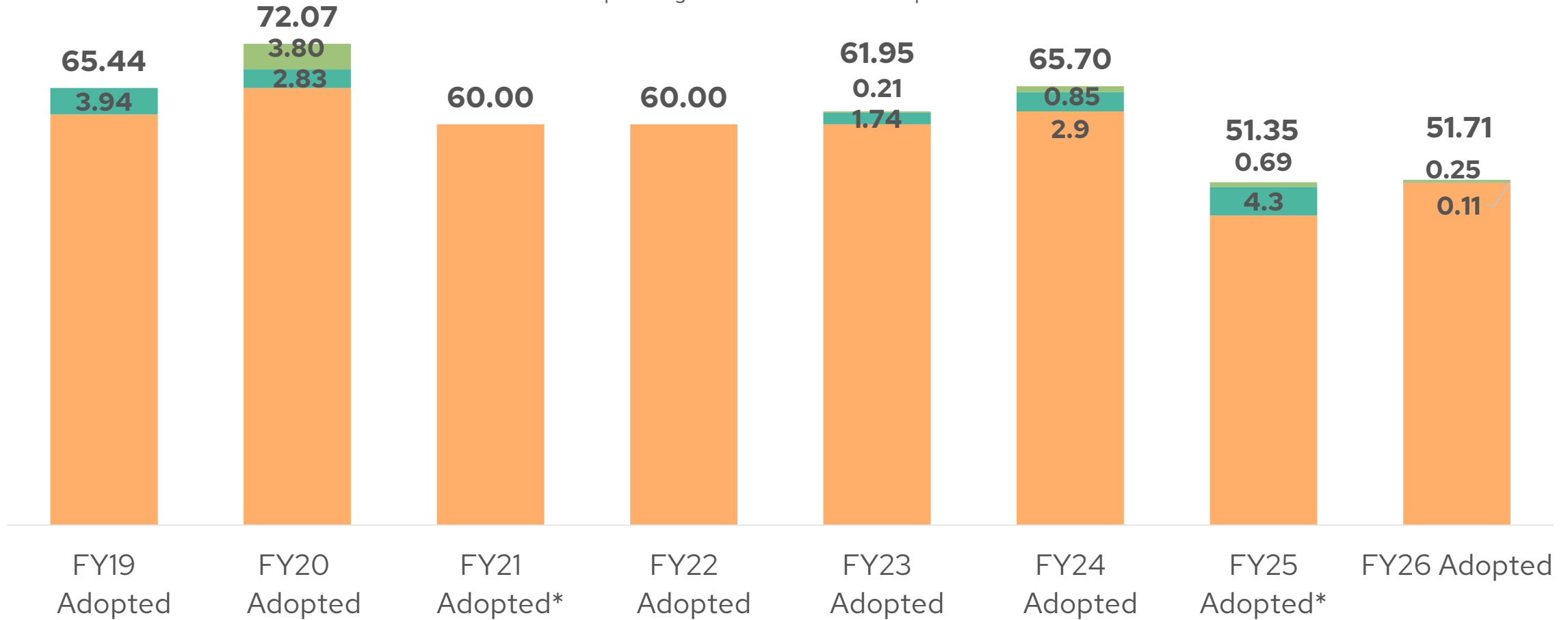
- Wake experiencing community growth and increasing demand for complex services
- Higher tax rate increases available funding to maintain and enhance services

Risks for community

- Increasing tax rate conflicts with affordability of living in Wake County
- Recognize tax burden, particularly on those with constrained incomes
- Unknown what tax rate municipal jurisdictions may set

Property tax rate is Board's primary funding tool

■ Operating Tax Increase ■ Capital Tax Increase



*Year following reappraisal



What to Expect Through June

- Mid-Late April: Small group briefings with Commissioners
- May 4: County Manager presents the FY2027 Recommended Budget at 5pm regular meeting
 - Board members send questions to Michelle Venditto by **May 14** for County budget questions
- May 11-15: County Manager meets with board members
- May 11: Budget work session at 2pm and public hearing at 7pm
 - WCPSS staff join for capital and operating discussion
 - Wake Tech staff join for capital discussion

- May 11: Budget work session at 2pm and public hearing at 7pm
 - WCPSS staff join for capital and operating discussion
 - Wake Tech staff join for capital discussion
- May 18: Public hearing at 2pm regular meeting
- Late May: Small group meetings among Commissioners
- May 21: Budget work session at 9am
- May 25: Memorial Day
- June 1: FY2027 budget adoption at 5pm regular meeting

Discussion and Questions



Appendix

Capital planning framework considers multiple factors

Funding

Wake fully funds CIP plans

For a project to be included in the CIP, it requires an identified, planned revenue source(s)

Cost and Timing

Projects are typically more than \$100,000 and require more than 1 year to complete

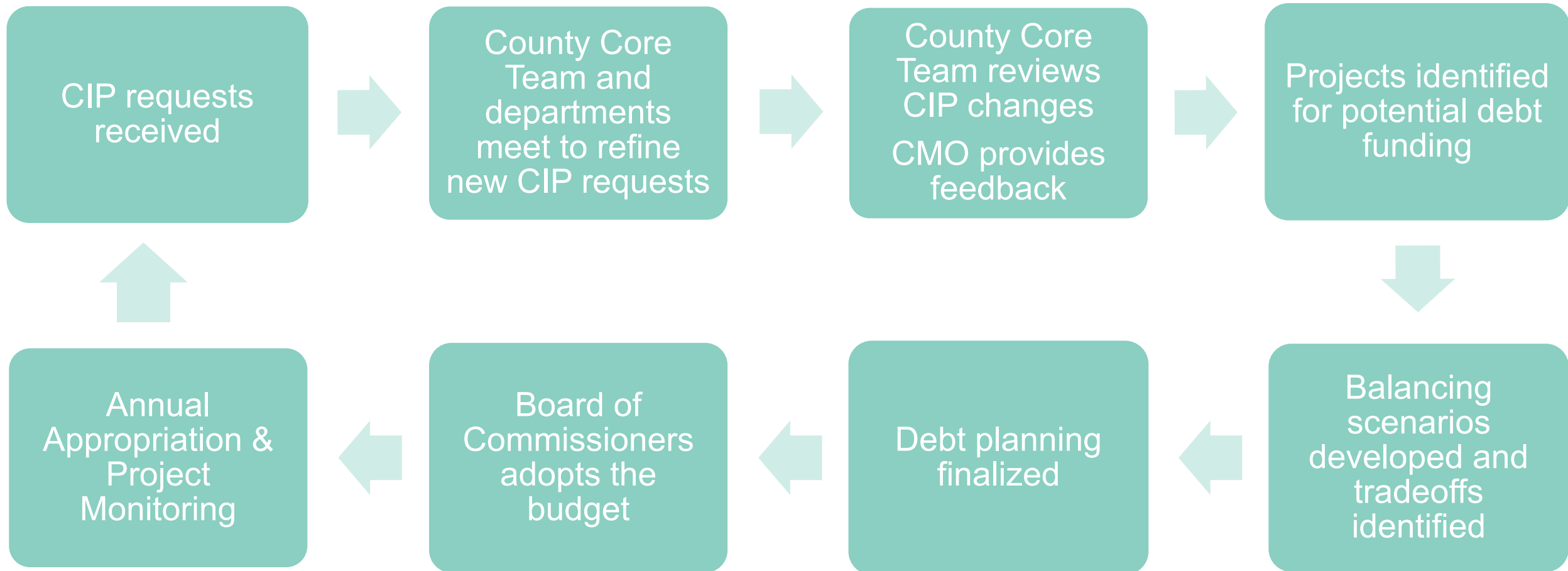
Long Term Planning

Projects are often a result of master planning processes and facility condition assessments to ensure facilities meet service needs

Capacity Constraints

Cost escalations, internal capacity, market availability, and ongoing operating and maintenance costs considered for each project

County Capital Process Cycle



Capital Improvement Plan Timelines

FY26 Funded Projects

Projects will be appropriated as part of the budget:

- Typically adopted by BOC in Capital Projects Ordinance

FY27 to FY32 Planned

Projects are planned and included in CIP:

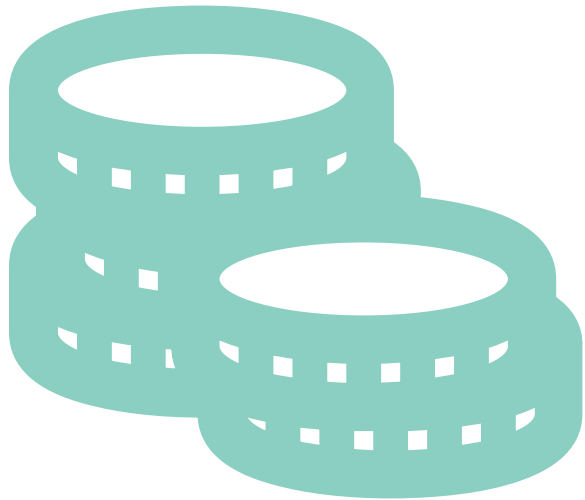
- Revenues are assigned to projects
- Updated annually – scope and costs may change, or ultimately may not be funded

Horizon

Projects are not included in CIP:

- Project timing, priority, business case, or funding source are still being determined

Debt and Capital programs funded by dedicated revenue sources



- **30% of Article 40 and 60% of Article 42 sales tax dedicated to WCPSS debt**
- **15 cents of property tax rate dedicated to debt and capital**
 - 0.25-cent increase starting in FY26 associated with Library bonds approved by voters in November 2024 (14.75 + 0.25 cent = 15)
 - Roughly 80% is dedicated to paying off existing debt
 - Remaining 20% is allocated to “pay-go” cash for County Capital, Wake County Public Schools, and Wake Tech
- **Municipal reimbursements (for shared projects)**
- **Sale of fixed assets and land**