

# BUDGET IN BRIEF

JULY 1, 2024 – JUNE 30, 2025

CARY, NORTH CAROLINA



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# OUR GUIDING VISION

CARY IS FOCUSED ON MEETING THE NEEDS OF ITS CITIZENS AND ACHIEVING THE GOALS OF OUR GUIDING POLICY DOCUMENT, THE IMAGINE CARY COMMUNITY PLAN.

This plan, adopted in January 2017, is the result of several years of work, unprecedented community input, and dozens of meetings and community workshops. It sets out long-term vision, policies, and strategic actions for our community with a time horizon out to the year 2040. The document consolidates and replaces several individual plans that guided Cary's growth over the previous 20 years. The Imagine Cary Community Plan is the road map to our future, and Cary's annual budget sets forth the funding needed to make our plans reality.



# THE PROCESS



## CARY EMPLOYS A “ROLLING BUDGET” PROCESS WHICH PROVIDES FOR MID-YEAR ADJUSTMENTS TO REVENUES, EXPENDITURES, AND SERVICE LEVELS AT QUARTERLY INTERVALS THROUGHOUT THE CURRENT FISCAL YEAR.

Planning and development of the following year’s budget also occurs year-round with finalization of the recommended operating and capital budgets taking place between January and April. The recommended budget is presented to Council for consideration in May with adoption occurring at the last Council meeting in June. The new budget takes effect, in accordance with state law, on July 1.

Cary’s budget development process is grounded in collaboration. In FY 2025, a sub-committee of key operational staff reviewed the budget with the goal of ensuring Cary is well positioned to make future investments in the community. In recent years, inflation and service expansion in critical areas like housing, the environment, transit, public safety, and staff retention have had a large impact on Cary. In addition, Cary is planning a future bond referendum which would make significant investments in the community. As a result, it was necessary to perform an in-depth review of Cary’s capital and operational needs to ensure resources and priorities are aligned.

This operational staff committee worked closely with Finance staff on pivotal decision points and budget balancing to arrive at the FY 2025 budget recommendation. The team asked questions, offered suggestions, considered public input received throughout the fiscal year, and ultimately arrived at a unified budget recommendation for the Town Manager. The Town Manager reviewed the materials and incorporated adjustments to form the Manager’s Recommended Budget. The Town Council reviewed and adjusted the Manager’s Recommended Budget before adopting the Adopted Budget summarized in this document on June 27.

This Executive Message brings the reader into Cary’s FY 2025 budget development experience by sharing the data points that influenced decision-making. While inflation and investments in priority areas have resulted in increased costs, the FY 2025 budget ensures that Cary will remain well positioned for the future.

# BUDGET SNAPSHOT

## THIS BUDGET REFLECTS A NEW ERA FOR CARY.

This budget positions Cary to continue providing excellent services and to make necessary investments. The Wake County revaluation made it clear that this strategy continues to make Cary a community of choice reflected by the significant increase in real estate values. In short, this budget will ensure that all the things that make Cary, Cary will continue into the future.



SCAN HERE TO READ  
THE BUDGET ON  
CARY'S WEB PAGE

**\$497.4 MILLION**

**TOTAL BUDGET**

**\$380.7 MILLION**

**OPERATING BUDGET**

**\$116.7 MILLION**

**CAPITAL BUDGET**

**32.5¢/\$100**

**PROPERTY TAX RATE**

**3%**

**UTILITY RATE  
INCREASE**

**\$1**

**SOLID WASTE &  
RECYCLING FEE  
INCREASE**

## BUDGET FOCUSES ON



### CONTINUED INVESTMENT IN:

HOUSING

ENVIRONMENT

DOWNTOWN PARK

STORMWATER



### MAINTAINING:

SERVICE QUALITY

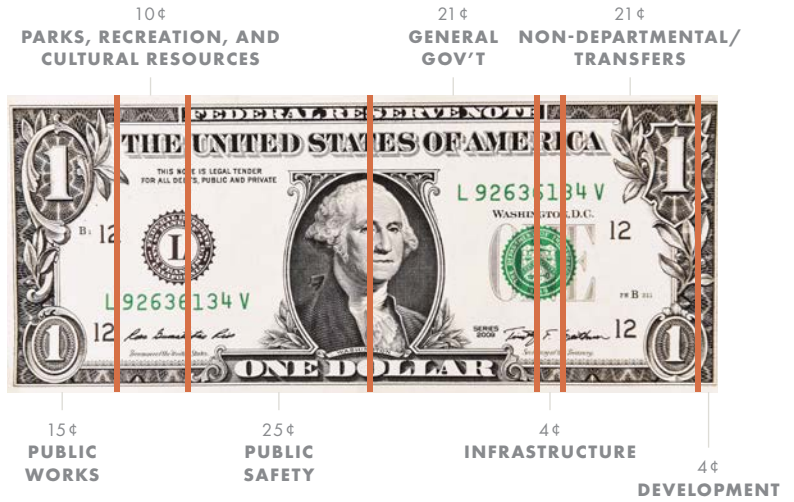
DEVELOPMENT

PUBLIC SAFETY

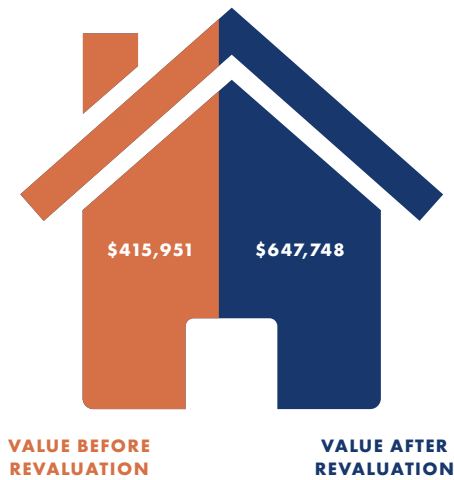
INFRASTRUCTURE

## WHERE THE MONEY GOES

Property taxes account for the majority of the general fund revenue. You can see the services your property tax revenues fund in the graphic on the right. Other town services are funded through sales taxes, utility fees, and a variety of other smaller revenue sources.



## REVALUATION IMPACT



## CARY INVESTMENTS

	1998 CARY	2024 CARY
Number of Parks	13	39
Greenway Miles	10	95
Areas of Parks and Recreation Land	900	2,690
Number of Fire Stations	5	9
Miles of Town-Owned Streets	302	510
Number of Utility Customers	29,583	64,736

### CONTINUOUS PUBLIC INPUT

Dial 311 inside Cary or (919) 469-4000 outside Cary



@caryncgov with #TOCbudget



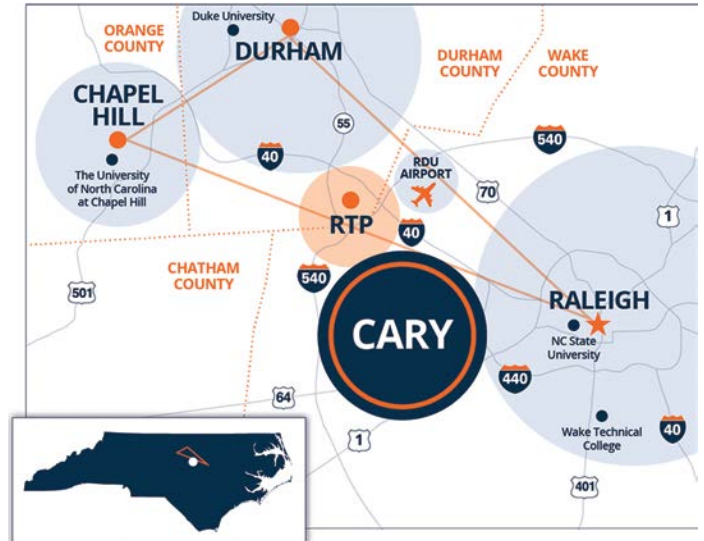
Direct address to Cary Council at Public Speaks Out



# ECONOMIC OUTLOOK

THE MAYTON

CARY IS WELL-POSITIONED WITHIN WHAT IS KNOWN AS THE RESEARCH TRIANGLE REGION.



This area is home to three internationally renowned research universities — the University of North Carolina at Chapel Hill, North Carolina State University, and Duke University — as well as the Research Triangle Park (RTP). RTP was founded in 1959 when the state of North Carolina’s economy relied upon furniture manufacturing, tobacco, and textiles, and its college graduates were looking for work in other states. By the 1960s, the concept of a business park focusing on research-based fields like technology and biomedical sciences had taken hold. Firms like IBM and Burroughs-Wellcome soon located in RTP, and many of their employees found Cary a great place to build a life. RTP now encompasses more than 7,000 acres; is home to more than 375 businesses with approximately 60,000 employees based there; and is known as the largest research park in the United States.



While easy access to higher education and the RTP continue to positively influence Cary's local economy and growth, Cary itself has attracted hundreds of corporations to locate headquarters or major facilities within its jurisdiction. In 1980, the SAS Institute, a firm focusing on data analytics technology, began building its current headquarter campus in Cary. SAS Institute now employs approximately 14,000 people worldwide with an estimated 5,000 of those based at the Cary headquarters. Once again, Cary's outstanding quality of life and central location within the region proved to be a great place for the local tech workforce to call home.

Cary's median household income (stated in 2022 dollars) of \$125,317 reflects its highly educated citizenry of which 70.3% have a bachelor's degree or higher (Source: US Census Bureau). January 2024 projections place Cary's unemployment rate at 2.8% (Source: US Bureau of Labor Statistics). With its proximity to research institutions and higher education, Cary is an attractive location for businesses in the information technology, life sciences, and clean technology fields.

Cary's top-notch recreational amenities such as Bond Park, Koka Booth Amphitheatre, the Cary Tennis Park, WakeMed Soccer Park, USA Baseball National Training Facility, and a revitalized downtown with a bustling social scene create the livability markers that consistently bring national recognition to Cary as one of the best places to live in the country.

The strong quality of life Cary provides its residents has resulted in Cary being a destination location for people relocating across the nation. This was reinforced by Cary being named the sixth best place to live in the United States in 2023 by Livability and the second best place to live in North Carolina in 2024 by HomeSnacks. The high quality of life makes Cary an attractive place to buy a home as reflected in being named the fifth best place to buy a home by WalletHub. Cary will likely remain an attractive place to buy a home as it was recently recognized by Smart Asset as the Most Affordable Safe City in America. In this review, 200 cities were reviewed with 35 then ranked according to median annual housing costs as a percentage of median household income. This metric is 15.18% for Cary.

## CARY'S FAST FACTS

2.8%

UNEMPLOYMENT  
RATE (JAN. 2024)

96.5%

HOUSEHOLDS WITH  
BROADBAND INTERNET  
SUBSCRIPTION (2022)

66.8%

OWNER-OCCUPIED  
HOUSING UNIT  
RATE (2022)

\$125,317

MEDIAN HOUSEHOLD  
INCOME (2022 \$s)

70.3%

BACHELOR'S DEGREE  
OR HIGHER (2022)

\$647,748

MEDIAN  
HOUSE PRICE



While the report from Smart Asset is a positive indicator of Cary's position nationally, it does not mean that housing affordability is attainable for all. The Cary Housing Plan, approved by Town Council in November 2021, recognizes that market pressures can result in challenges for some residents and impact the quality of older housing. The Cary Housing Plan lays out specific strategies for Cary to implement the policies of the Imagine Cary Community Plan while aligning housing policies and programs with the community's values. Underpinning this plan is the idea that Cary will remain a community of choice for the region and maintain a high standard of living for all residents.

Cary's strong economic and social factors have resulted in consistent growth in the tax base. The FY 2025 budget includes an additional 46.7% increase in assessed value due in large part to Wake County performing a revaluation. This significant growth reflects the strong local housing market and rising prices for homes and land over the last four years.

The revaluation updated property values effective Jan. 1, 2024, which informed the calculation of tax bills for the FY 2025 budget which began on July 1, 2024. In accordance with state law, Cary has calculated its revenue neutral tax rate and determined that

figure to be \$0.244 per every \$100 of assessed valuation. The revenue neutral tax rate is the tax rate estimated to produce the amount of revenue that would have been produced by the current tax rate if property revaluation had not occurred.

Cary is transitioning from a growing community to a maturing community. While values increased significantly in FY 2025, natural growth has slowed compared to the "boom" years of the 1990s and early 2000s. During our high-growth years, much of our infrastructure was new and required little maintenance to keep in excellent condition. With the passage of time, more of our facilities and infrastructure are reaching the age where higher levels of maintenance are required. These factors informed recommendations for the FY 2025 operating and capital budgets.

Using the Imagine Cary Community Plan as our guide, we are turning Cary's tax base growth focus toward infill development as well as commercial and residential redevelopment opportunities as our primary strategy for fiscal sustainability. Development projects occurring in the Eastern Cary Gateway and Downtown Cary special planning areas highlight our efforts to maintain a strong financial foundation.



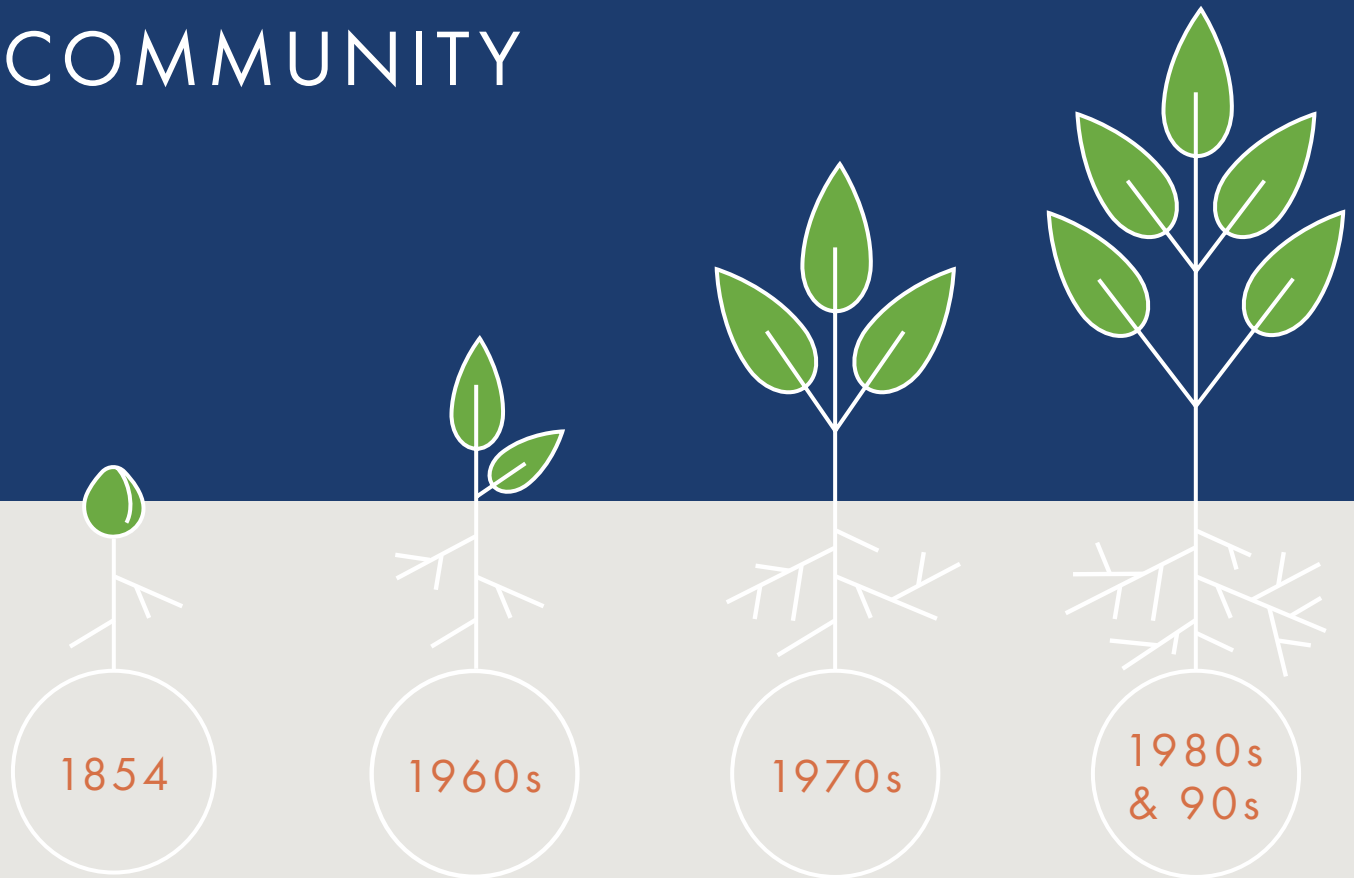
## TOWN OF CARY ASSESSED VALUATION ANNUAL GROWTH

FISCAL YEAR	ASSESSED VALUATION	\$ CHANGE FROM PRIOR FISCAL YEAR	% CHANGE
FY 2015	\$ 23,109,931,685	\$ 557,170,403	2.5%
FY 2016	24,611,410,838	1,501,479,153	6.5%
FY 2017*	25,275,284,922	663,874,084	2.7%
FY 2018	25,698,194,316	422,909,394	1.7%
FY 2019	26,244,941,937	546,747,621	2.1%
FY 2020	26,908,181,810	663,239,873	2.5%
FY 2021*	32,679,669,414	5,771,487,604	21.4%
FY 2022	32,880,206,216	200,536,802	0.6%
FY 2023	33,710,215,476	830,009,260	2.5%
FY 2024	34,519,845,414	809,629,938	2.4%
FY 2025*	50,645,491,938	16,125,646,524	46.7%

\*2017, 2021, and 2025 were Wake County revaluation years.



# FROM HIGH GROWTH SUBURB TO MATURING COMMUNITY



Cary began as a small, rural crossroads community with a rich agricultural heritage. The arrival of North Carolina railroad served as a pivotal point for the emerging town.

With the development of the Research Triangle Park, Cary grew from a quiet town of a few thousand to a booming bedroom community.

During this decade, Cary's population nearly tripled to 21,763. This rapid growth established Cary as the premier suburb for the Research Triangle Park.

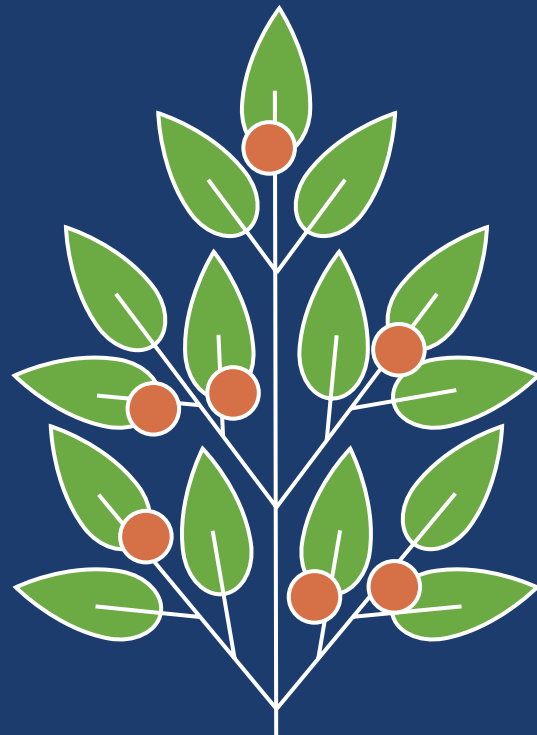
SAS established its headquarters in Cary, N.C. New growth and development creates a strong fiscal base for Cary with an estimate of 80% of new revenue coming from a new tax base. There is a direct correlation between population growth and tax revenue growth. The population of Cary doubles each decade.





2000s

By 2015, Cary's population grows to 152,000. The attraction of Fortune 500 companies, a series of high quality attractive residential developments, commercial growth, and community amenities puts Cary on the map. This explosive growth demands the expansion of high-quality services and amenities ranging from police and fire to parks and event spaces. Effective guardianship of the Town's resources and property valuations enables Cary to gain a strong fiscal position and maintain one of the lowest tax rates in Wake County.



2024

With excellence and innovation in its DNA, Cary is a thriving community of over 187,000. Yet, today, Cary is entering a new era as a maturing community. Growth is slowing due to a lack of land for development, reducing revenue. Meanwhile, the cost of providing services and maintaining infrastructure is rising. Cary's challenge and opportunity is to identify fiscally sustainable revenue generation models supported by its citizens that can continue to provide high quality services for existing and future citizens.

**FY 2025**

# **BUDGET DETAILS**

**CARY**

**NOWHERE SPECIAL  
WE GROWN NOW  
BACK TO BLACK BABES**





## DESPITE INFLATIONARY PRESSURES AND SIGNIFICANT INVESTMENTS IN PRIORITY AREAS, CARY'S FINANCIAL OUTLOOK REMAINS STRONG.

The results of the Wake County revaluation reflect Cary's strong economy as residential values increased 57% and commercial increased 39% on average over the last four years. These increases have created significant wealth for Cary homeowners by significantly increasing already high housing values. In addition, the increases reflect Cary's strong housing market and are a clear indication that the significant investments made by the town in recent years have had an impact.

While increases in home prices created wealth for homeowners, staff wanted to ensure that the recommended property tax rate remained fair and reasonable. As a result, multiple homes were identified throughout Cary where the original homeowner still lives in the home. Staff then compared the potential tax burden in FY 2025 to the tax burden in previous years while adjusting for inflation. In many cases, homeowners would pay less in FY 2025 than they have in prior years despite the significant increases in service levels and investments made by Cary.

The FY 2025 tax rate of \$0.325 per \$100 of assessed value ensures that Cary continues to provide excellent services and make necessary investments. It provides additional funding necessary to cover the costs associated with inflation. It also allows the town to "catch up" financially from the significant investments made over the last several years. The investments are a critical component of what makes Cary a great place to live and have resulted in significant increases in the value of real estate. Cary residents continue to see one of the lowest property rates in the entire county and region.

# FUNDING FOR PRIORITY AREAS

IN RECENT YEARS, CARY HAS MADE SIGNIFICANT INVESTMENTS IN MULTIPLE PRIORITY AREAS. A SAMPLE OF THESE INVESTMENTS ARE SUMMARIZED HERE:



## HOUSING

FY 2025 includes over \$5.7 million for housing which is more than one penny on Cary's tax rate which is approximately \$5.1 million. Funding for housing has increased significantly in recent years as the FY 2022 budget included approximately \$1.3 million for housing programs. This funding allows Cary to balance investments across the entire housing continuum to support all residents and affect equitable outcomes, with a focus on targeting resources to our low- and moderate-income residents. Cary engages in partnerships and programs to maintain and enhance a wide range of housing choices for both renters and buyers. Work is accomplished in these four high-impact areas: new housing opportunities; housing rehabilitation and affordability preservation; housing stability and affordable living support; and nonprofit capacity building.



## PUBLIC SAFETY

The FY 2025 budget provides funding to continue efforts associated with public safety. In the last two budgets, Cary added 12 new police officers to support overall staffing needs and the downtown park. In addition, funding has been provided for a Real-Time Information Center which will serve as a public safety foundation for Cary. It will be a dynamic, highly connected, and interdependent operating environment with complex and largely data-driven systems that deploy and utilize quickly advancing technologies. It will provide the ability to identify, prevent, monitor, and respond to all public safety risks, including those that are large-scale.



## DOWNTOWN PARK

Cary's downtown park opened to the public and has already had a significant impact on the community and region. This seven-acre park is centrally located in downtown Cary surrounded by Walker, Academy, and Park streets. The park features a "great lawn" and unique, tiered water feature. Additional features include performance places, marketplaces, public art, food and beverage facilities, a children's play area, a dog play area, and walkways for strolling and relaxing. The park is actively programmed with a wide variety of special events and activities. Prior budgets have included the costs to operate the Downtown Park which includes 26 positions and several million in operating expenses to ensure that the downtown park can operate and be properly maintained in the future.





## STORMWATER

The FY 2025 budget continues to invest in Cary’s stormwater program. Staff continues to work on projects funded in the previous budget that focus on stormwater mitigation and related improvements. These projects range from ongoing condition assessment and rehabilitation to the installation of rain and stream gauges to calibrate flood models and allow for predictive analysis. The FY 2025 budget includes additional funding for a Stormwater Master Plan which will update the original plan using an adaptive approach to stormwater while taking into consideration Sustainability through relevant town-wide plans. Areas of focus will include the 12 existing programs, long term funding strategies, Green Stormwater Infrastructure (GSI), Geographic Information System (GIS), public private partnerships, and basin modeling.



## ENVIRONMENT

The FY 2025 budget includes operating funding of \$2.6 million and four previously funded positions to continue and expand work that focuses on the Environment. For comparison purposes, the FY 2022 budget included operating funding of \$412,421 and one position for Environment activities. The FY 2025 budget also includes funding various initiatives including the Solar Ready Initiative project which will fund the cost of installing solar on identified Cary buildings and infrastructure. In addition, the budget includes funding to continue efforts associated with the Sustainability and Climate Action Plan which will allow Cary to explore the impacts of climate change, identify challenges and opportunities, and implement solutions that work for our community. Finally, funding is included for the Urban Forestry program which will focus on tree planting projects on town facilities and property acquired by Cary for open space or reforestation.



## 2019 BOND PROGRAM

On Oct. 8, 2019, voters overwhelmingly approved the Shaping Cary’s Tomorrow Bonds. The Transportation Bond passed with 80% of the vote and included \$113 million for traffic improvement, resurfacing, intersection improvements, streetscape improvements, new traffic signals, sidewalks, and road widening. The Park Bond passed with 77% of the vote and included \$112 million for the Downtown Park, two new parks in western Cary, playground upgrades, historic properties preservation, open space preservation, and improvements to existing parks. Cary is currently paying for \$125 million of the bonds and plans to issue the remaining \$100 million in the spring of 2025. The remaining \$100 million is projected to increase the budget by adding approximately \$10 million in debt service annually.



## MAINTAIN SERVICE QUALITY

This budget ensures that Cary is positioned to continue to provide the core services that make Cary a great place to live. A critical part of what allows Cary to provide excellent customer service is its staff. Due to inflation, and the competitive hiring market in the region, it has been critical to invest in staff to ensure we can attract and retain the best. In addition, inflation has increased the cost of various materials necessary to provide core services to the public. These two factors have significantly increased the baseline costs necessary to provide the services residents depend on every day.

# FY 2025 TAX AND FEE ASSUMPTIONS



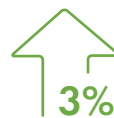
**PROPERTY TAX LOWERED  
TO \$0.325 PER \$100 OF  
ASSESSED VALUATION.**

FY 2025 property tax calculations are based upon the most recent property revaluations conducted by Wake County as of Jan. 1, 2024. Based on the revaluation Cary's calculated revenue neutral tax rate is \$0.244, or \$0.081 below the FY 2025 tax rate of \$0.325. The FY 2024 tax rate was \$0.345 or \$.02 higher than the FY 2025 tax rate. The increase over the revenue neutral rate enables us to "catch up" financially from significant inflationary pressures and significant prior investments. The new tax rate positions Cary for the future by ensuring our financial stability, which will ensure that services quality will remain excellent and critical investments can be made.



**SOLID WASTE AND  
RECYCLING FEE INCREASES  
TO \$23.00 PER MONTH.**

The solid waste fee will increase from \$22.00 to \$23.00 per month and will allow Cary to recover approximately 92% of operating costs. Cost recovery rate requirements will continue to be evaluated as Cary explores additional environmental protection programs such as composting and solid waste fleet conversion from fossil fuel to electric.



**WATER, SEWER, AND  
IRRIGATION RATES  
INCREASE 3%.**

Cary is committed to providing the safest, highest quality drinking water and utility services while keeping financial impacts to our consumers in mind. This commitment is evident through our continued efforts to eliminate large utility rate spikes by implementing smaller, more frequent rate adjustments in accordance with our 10 year financial forecasting model. The FY 2025 budget includes a 3% rate increase to support operational costs, capital infrastructure, and debt repayment. The average family of four would experience an estimated \$2.57 per month increase in their total monthly utility bill.



# OPERATING FUND INSIGHTS

## GENERAL FUND

The general fund supports most of Cary's operations including Police, Fire, Transportation, Stormwater, Housing, the Environment, Parks, Recreation, and Cultural Resources, Public Works, Planning, Inspections and Permits, Development Services, and administrative functions such as Finance, Human Resources, Marketing and Information Technology, the Town Manager's Office, the Town Clerk's Office, Legal, and Town Council. FY 2025 general fund operating budget expenditures total \$282,241,510 which is 17.7% higher than the prior year. Of this amount, \$221.2 million directly supports daily operations. A total of \$1 million is reserved for emerging opportunities and Council-identified initiatives to be discussed at FY 2025 quarterly meetings in the spirit of the rolling budget process. Debt repayment totals \$26.1 million in FY 2025, an 11.9% increase from the prior year.

General Fund revenue of \$282,241,510 reflects an increase in property taxes to service expansion in prior years and to fully fund capital transfers. Property tax revenue is estimated at \$166.3 million, or 59% of Cary's FY 2025 general fund revenue budget. Sales tax is the second largest revenue source and is recorded within the Other Taxes and Licenses category. FY 2025 sales tax revenue is estimated at \$59.6 million or 21.1% of total budgeted general fund revenue. In FY 2025, staff projected a decrease of 4.4% from the FY 2024 budgeted level based on slower growth than anticipated in the current budget year and slower than normal anticipated growth in the future. Staff anticipates growth of 6.1% in sales and services primarily driven by increases in Parks, Recreation, and Cultural Resources (PRCR) revenues and an increase of the Solid Waste and Recycling Fee.

**\$282,241,510**

**FY 2025**

**GENERAL FUND OPERATING  
BUDGET EXPENDITURES**

**17.7% INCREASE**



INFRASTRUCTURE  
4%

DEVELOPMENT  
4%

PRCR  
10%

PUBLIC WORKS  
15%

NON-DEPARTMENTAL  
TRANSFERS 21%

GENERAL  
GOVERNMENT 21%

PUBLIC  
SAFETY 25%

**GENERAL FUND  
EXPENDITURES  
\$282,241,510**

INTEREST EARNINGS  
1%

PERMITS AND FEES  
2%

MISCELLANEOUS  
2%

INTERGOVERNMENTAL  
5%

SALES AND SERVICES  
10%

OTHER TAXES AND  
LICENSES 22%

PROPERTY TAX  
58%

**GENERAL FUND  
REVENUES  
\$282,241,510**



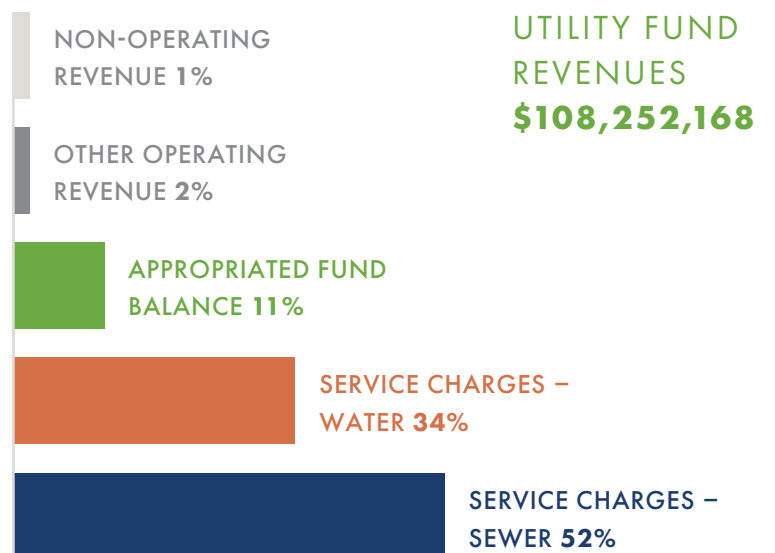
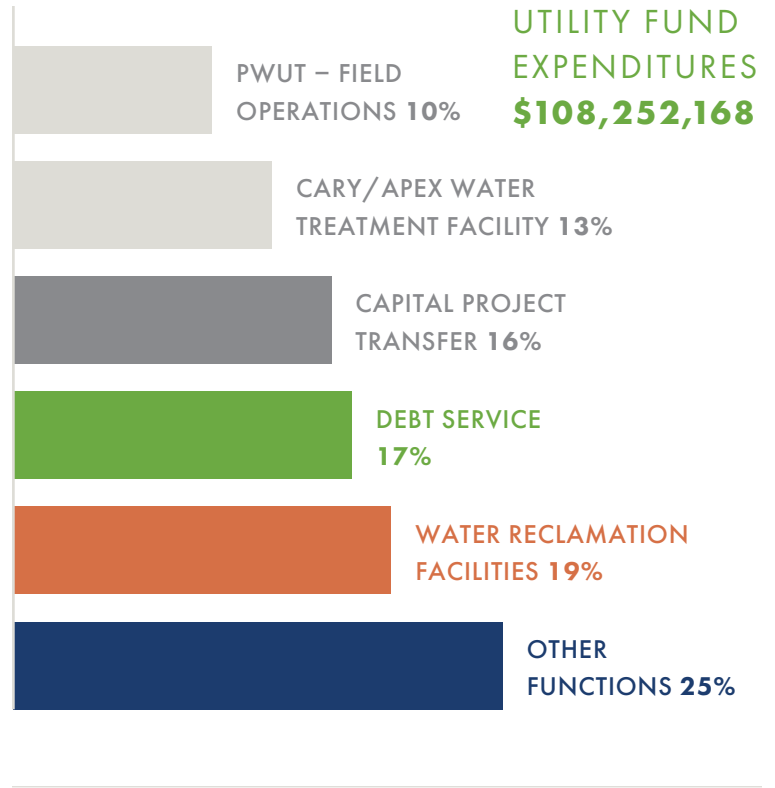


## UTILITY FUND

The utility fund supports Cary’s water and sewer system operations. FY 2025 utility fund operating budget expenditures (excluding transfers to capital projects) total \$108.3 million which is 5.8% more than the prior year’s budget. This increase is primarily attributed to rising operating costs driven by supply chain issues and inflation. Chemicals necessary for maintaining plant operations have seen significant price hikes and are contributing to the utility fund’s operational increase.

Much like its general fund counterpart, the FY 2025 utility fund budget focuses on maintaining existing levels of service provision. Routine operational costs total \$69.6 million or 74.2% of the total expenditure budget. Debt repayment is the other significant expenditure area within the utility fund. As Cary continues to repay existing debt and fund more of the capital program with operating transfers, annual debt service requirements are decreasing. FY 2025 debt repayment totals \$18.7 million which is down 0.5% from the prior fiscal year.

Total utility fund revenue of \$108.3 million reflects continued strong growth and exceeds utility fund expenses which helps offset transfers to capital. Charges for water and sewer service generate 96% of total revenue for the utility fund. As discussed in the FY 2025 Tax and Fee Assumptions section, the FY 2025 budget recommends a 3% rate increase to support operational costs, capital infrastructure, and debt repayment. The average family of four would experience an estimated \$2.57 per month increase in their total monthly utility bill. This increase is estimated to generate approximately \$4.7 million more in revenue when compared to the prior year’s adopted budget.



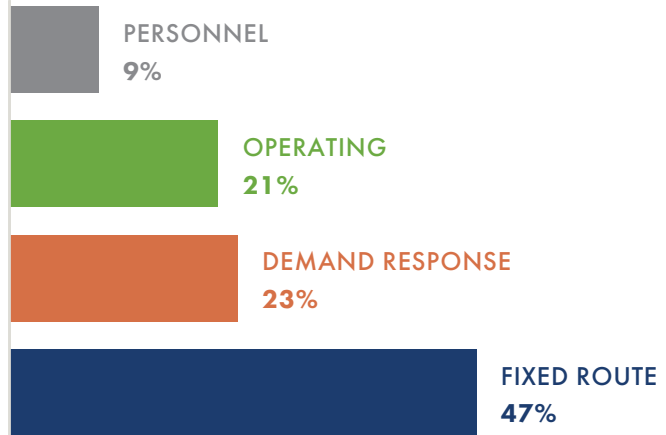
# TRANSIT FUND

The transit fund is primarily supported through outside sources such as federal and state transit grants, municipal partner reimbursements, and Wake County transit tax dollars apportioned to Cary via the Wake County Transit Plan. This year's budget includes an appropriation of \$840,190 in the Other category. The Wake County Transit Plan (WCTP) is the strategic regional transit vision adopted by Wake County, the Capital Metropolitan Planning Organization (CAMPO), and GoTriangle. The WCTP guides future transit investment aimed at developing a robust, efficient regional transit system. The WCTP is funded through several resources including the one-half percent (.5%) sales and use tax approved by Wake County voters in November 2016.

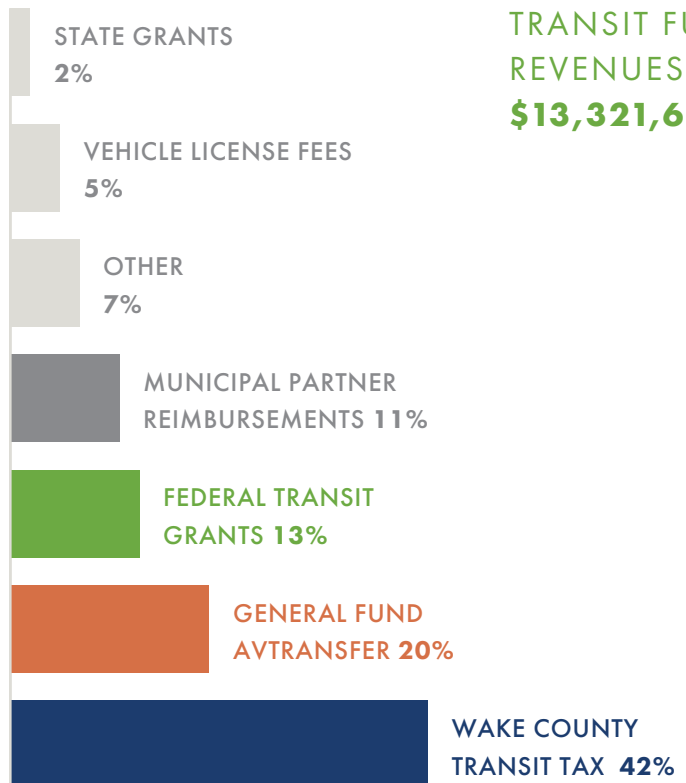
The transit fund accounts for revenues and expenditures associated with GoCary transit service. FY 2025 transit fund operating expenditures (including approximately \$2.6 million of general fund transfer support) total \$13,321,636 which is 15.6% or approximately \$1.8 million higher than the prior year budget. This increase is primarily to support a downtown circulator service which will provide service between Cary Town Hall, Downtown Cary Park, and other downtown Cary destinations along Chatham Street. Funding has also been included to continue efforts to bring microtransit to western Cary which would allow Cary to offer riders an on-demand option that is more flexible than traditional transit services. Finally, costs associated with fuel and operating are projected to increase in FY 2025.



## TRANSIT FUND EXPENDITURES \$13,321,636



## TRANSIT FUND REVENUES \$13,321,636





# CAPITAL BUDGET INSIGHTS

## STAFF PREPARE AN ANNUAL CAPITAL IMPROVEMENTS BUDGET AND A LONG-RANGE CAPITAL IMPROVEMENTS PLAN FOR THE COUNCIL'S CONSIDERATION.

The capital improvements budget (CIB) and 20 year capital improvements plan (CIP) are recommendations to meet Council policy direction and Imagine Cary Community Plan goals in the areas of service delivery, infrastructure maintenance and development, regulatory compliance, facilities planning and development, financial condition, and to further enhance the quality of life in Cary. Projects included in the CIB/CIP are typically assets with a value of more than \$25,000 and a useful life of over three years.

Planned appropriations for the budget year (FY 2025) and four subsequent years (FYs 2026–2029) are limited to the amount of funding projected to be available in those years. Only the FY 2025 budget year is formally adopted by Council. Figures noted for fiscal years 2026 through 2045 are for planning purposes only and are not appropriations for those years.

The FY 2025 capital improvements budget, comprised of general and utility projects, totals \$116,704,736. This represents a 31.3% decrease from the prior year's adopted budget.

**\$116,704,736**

**FY 2025  
TOTAL CAPITAL  
IMPROVEMENTS BUDGET**

**31.3% DECREASE**

# GENERAL CAPITAL

The general capital category encompasses Transportation, Transit, Fire, Parks, Recreation, and Cultural Resources, General Government, and Downtown projects. The FY 2025 general capital improvements budget totals \$72,002,276 which is approximately 53.2% less than the prior year. It is not uncommon to see significant shifts in capital funding need as different projects are at different stages of progress from year to year.

Infrastructure maintenance and improvement remains a primary focus of Cary's capital program and is reflected in the following examples of FY 2025 budgeted general capital expenditures.

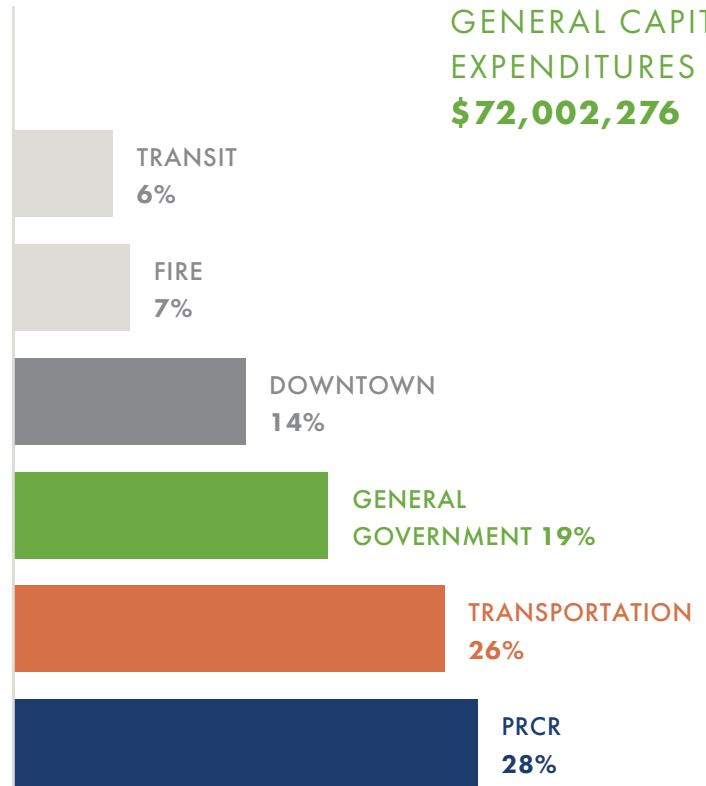
- \$8.8 million for Street Improvement Projects
- \$7.9 million for downtown development, which includes parking
- \$4.6 million for Fire Rescue Truck Replacement
- \$4.5 million for affordable housing projects
- \$3.5 million for downtown parking
- \$3.3 million for GoCary Transit Projects
- \$3.2 million for South Cary Greenways
- \$2.5 million for Green Level Church Widening
- \$2.5 million for Sanitation and Recycling Truck Replacement

The budget also includes funding for police equipment, parks maintenance, and general government facility maintenance. Other high priority initiatives funded in the budget include focus areas like Americans with Disabilities Act improvements at \$25,000, stormwater at \$750,000, \$1.0 million for sidewalk and pedestrian projects, and open space acquisition at \$2.5 million.

The FY 2025 general CIB utilizes \$12.4 million of general capital reserve fund balance and \$17.3 million of capital reserve revenue appropriations (including Wake Transit Tax funds) to support projects. An additional \$18.1 million of debt, along with \$19.7 million in general fund transfers and \$4.3 million from grants, rounds out the FY 2025 funding picture.

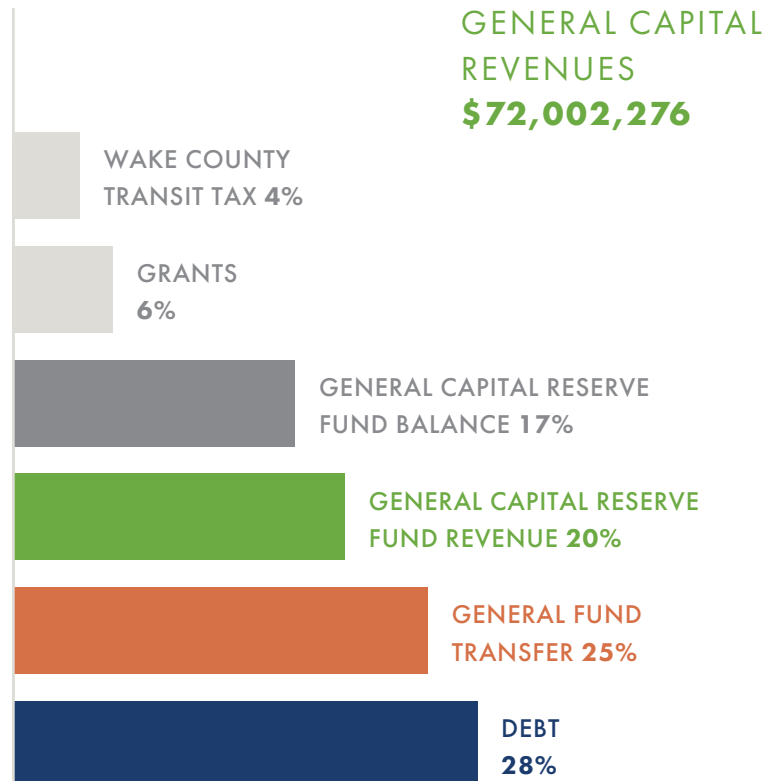
## GENERAL CAPITAL EXPENDITURES

**\$72,002,276**



## GENERAL CAPITAL REVENUES

**\$72,002,276**



# UTILITY CAPITAL

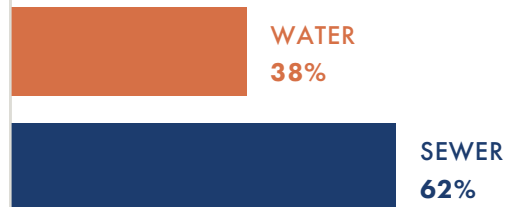
The utility capital category is comprised of water and sewer projects. The FY 2025 utility capital improvements budget totals \$44,702,460 which is 30.1% higher than the prior year's adopted budget. Utility capital projects continue to focus on infrastructure maintenance with most of this year's budget directed to these needs.

A total of \$16.9 million is appropriated for water projects in FY 2025. A large portion of this funding, \$5.0 million, focuses on upgrading, replacing, and maintaining existing water lines. Additional funding of \$3.0 million focuses on replacing water meter & radio replacements associated with the Aquaster program. Another \$1.4 million supports a variety of equipment, facility, and infrastructure replacements or improvements at the Cary/Apex Water Treatment Facility (CAWTF). FY 2025 also provides \$1.1 million for recoating the Ridgeview tank, \$3 million for new finance software, \$500,000 for rooftop solar at the Cary Apex Water Treatment Facility, and 804,000 for watershed protection.

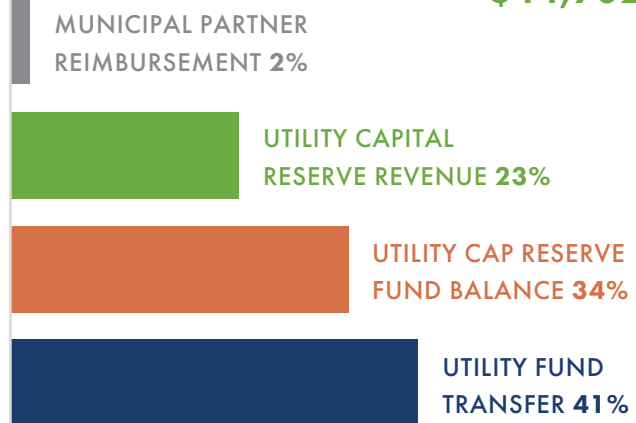
The sewer capital budget totals \$27.8 million, with \$6.5 million of this amount directed to sewer system repair/rehabilitation. An additional \$11.5 million supports equipment replacements and maintenance at the north, south, and western Cary water reclamation facilities. Other maintenance initiatives funded in FY 2025 include a combined \$1.3 million for cleaning and videoing of sewer interceptors and the replacement of heavy-duty equipment.

The FY 2025 utility CIB is primarily funded through \$18.1 million of utility fund transfer, \$15.1 million of utility capital reserve fund balance, almost \$1.0 million in municipal partner reimbursements, and \$10.5 million of utility capital reserve revenue. No new revenue bond debt is needed to support FY 2025 utility capital projects.

## UTILITY CAPITAL EXPENDITURES \$44,702,460



## UTILITY CAPITAL REVENUES \$44,702,460







# IN CLOSING

THE FY 2025 BUDGET PRESENTED IN THIS DOCUMENT IS BALANCED IN ACCORDANCE WITH STATE LAW AND SETS A STRONG FOUNDATION FOR THE NEW FISCAL YEAR.

The budget positions Cary to continue providing excellent services and to make necessary investments. The Wake County revaluation made it clear that this strategy continues to make Cary a community of choice reflected by the significant increase in real estate values. In short, this budget ensures that all the things that make Cary, Cary will continue into the future.





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