

# BUDGET IN BRIEF

JULY 1, 2025 – JUNE 30, 2026

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 and updated in January 2025, 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 roadmap 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 Town Council for consideration in May with adoption occurring at the last Town 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. For FY 2026, 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. The FY 2026 budget strategically adapts to Cary’s evolving community, particularly the end of the influx subsidy era, by carefully adjusting financial levers to address increasing demands and inflationary pressures while maintaining essential services and a strong financial standing. This balanced approach prioritizes core values, invests in infrastructure and staff, and supports the AAA bond rating, ensuring Cary remains a remarkable and sustainable community.

This staff committee worked closely with executive staff on pivotal decision points and budget balancing to arrive at the FY 2026 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, which was submitted for Town Council consideration.

At the same time, staff prioritized the engagement of Cary’s thirteen Boards, Commissions, and Committees to ensure that budget considerations were discussed with the many community leaders who commit their time and expertise to sustaining and improving Cary. Additionally, citizen feedback through 311, Public Speaks Out, and various input sources remains a priority for budget development. This feedback is received year-round and considered at all stages of the budget process.

# BUDGET SNAPSHOT

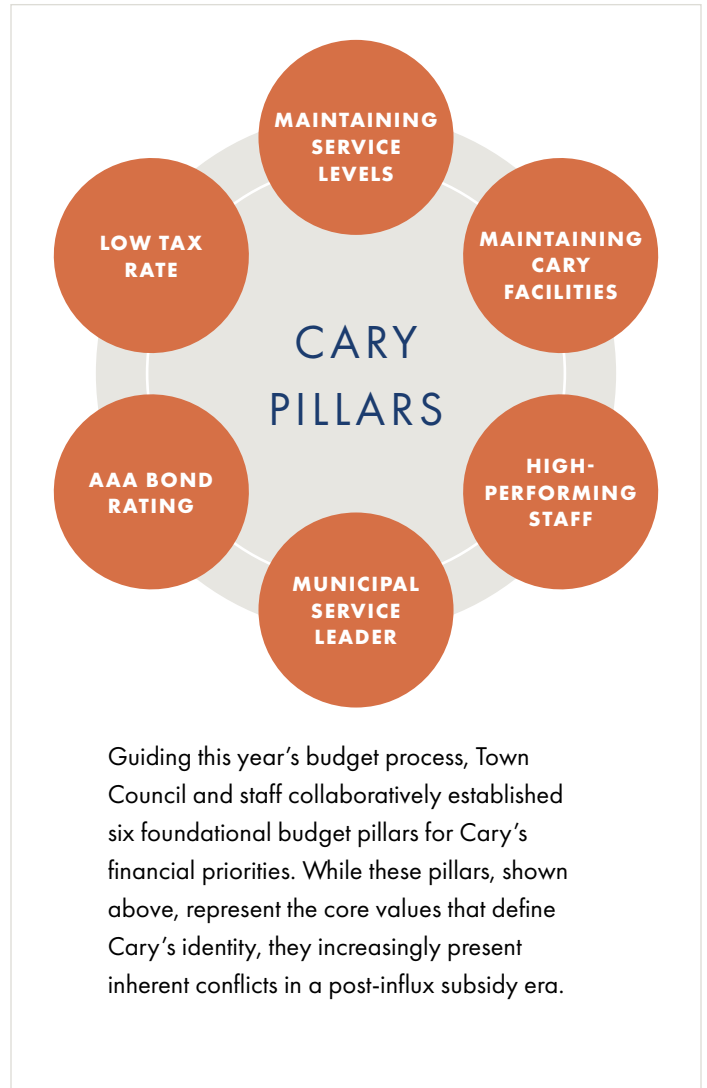
## THIS BUDGET REFLECTS THE END OF THE INFLUX SUBSIDY ERA.

The FY 2026 budget represents a strategic adaptation to the evolving dynamics of our community, particularly the transition beyond the influx subsidy era.

While Cary's financial foundation remains strong, this budget acknowledges the increasing demands of an aging infrastructure, the need to sustain our high-performing workforce, and the persistent pressures of inflation.

### INFLUX SUBSIDIARY ERA

The period following significant population growth in a community, where new residents' tax contributions precede their full demand for government services. This lag creates a temporary subsidy, potentially allowing for lower tax rates and service expansion during high growth. However, when growth slows, this subsidy diminishes, placing pressure on tax rates and/or service provision.



Guiding this year's budget process, Town Council and staff collaboratively established six foundational budget pillars for Cary's financial priorities. While these pillars, shown above, represent the core values that define Cary's identity, they increasingly present inherent conflicts in a post-influx subsidy era.



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

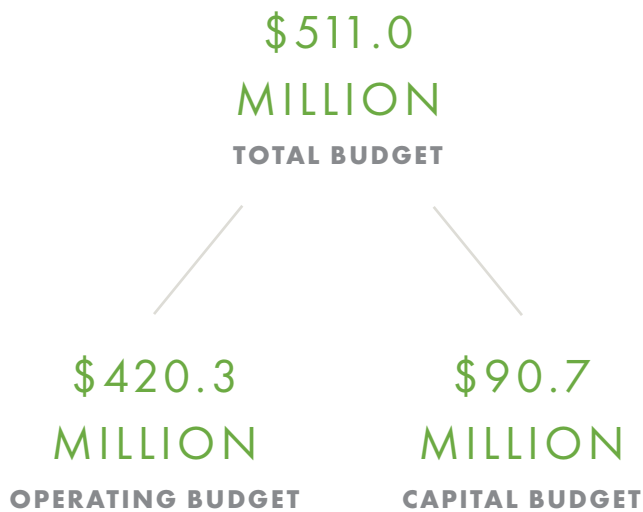
34.0¢/\$100  
PROPERTY TAX RATE

4%  
UTILITY RATE  
INCREASE

\$3  
SOLID WASTE &  
RECYCLING FEE INCREASE

## 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 Cary services are funded through sales taxes, utility fees, and a variety of other smaller revenue sources.





## CARY INVESTMENTS

	1998 CARY	2025 CARY
Number of Parks	13	39
Greenway Miles	10	100
Acres of Parks and Recreation Land	900	2,690
Number of Fire Stations	5	9
Miles of Cary-Owned Streets	302	524
Number of Utility Customers	29,583	64,736

### CONTINUOUS PUBLIC INPUT

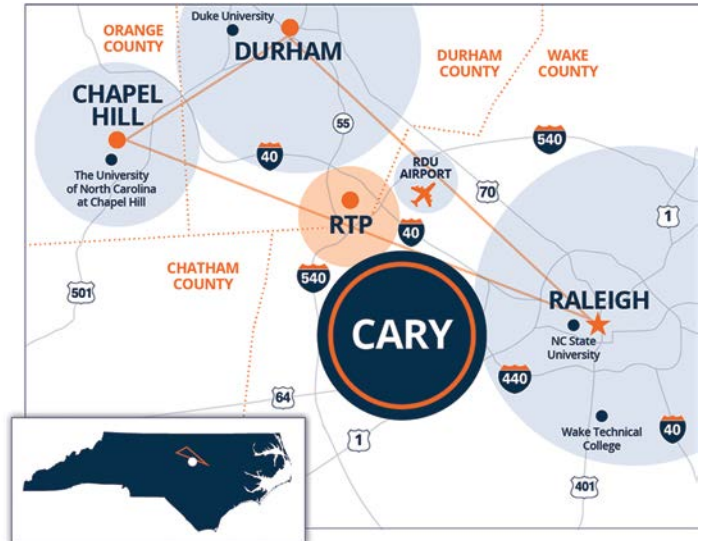
 Dial 311 inside Cary or (919) 469-4000 outside Cary

 Email a Citizen Advocate at [311@carync.gov](mailto:311@carync.gov)

 Direct address to Cary Town Council at Public Speaks Out

# CARY IN CONTEXT

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



With excellence and innovation in its DNA, Cary is a growing, thriving community of more than 191,000 people representing more than 60 nationalities in the heart of central North Carolina's renowned Research Triangle region. This area is home to three internationally acclaimed research universities—the University of North Carolina at Chapel Hill, North Carolina State University, and Duke University—as well as Research Triangle Park. Primarily within Wake and Chatham counties, with a small presence in Durham County, Cary is immediately west of Raleigh, the state capital and Wake County seat. Over the years, Cary has grown into a well positioned municipality known for its highly regarded residential development, and home to significant commercial development, including notable office parks and retail centers.

While easy access to higher education and the RTP continues 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, SAS Institute, a firm focusing on data analytics technology, began building its current headquarters here. 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 2023 dollars) of \$129,399 reflects its highly educated citizenry, of which 70.2% have a bachelor's degree or higher (Source: U.S. Census Bureau). January 2025 projections place Cary's unemployment rate at 3.2% (Source: U.S. 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.



## CARY'S FAST FACTS

3.2%

UNEMPLOYMENT  
RATE (JAN. 2025)

96.4%

HOUSEHOLDS WITH  
BROADBAND INTERNET  
SUBSCRIPTION (2023)

66.3%

OWNER-OCCUPIED  
HOUSING UNIT  
RATE (2023)

\$129,399

MEDIAN HOUSEHOLD  
INCOME (2023 \$s)

70.2%

BACHELOR'S DEGREE  
OR HIGHER (2023)

\$648,000

MEDIAN  
HOUSE PRICE



The high quality of life makes Cary an attractive place to buy a home as reflected in WalletHub’s designation as the fifth best place to buy a home. 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 cities then ranked according to median annual housing costs as a percentage of median household income. Cary’s metric is an impressive 15.18% in housing cost relative to income, highlighting the affordability factor in addition to multiple safety measures.

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.

At the same time, Cary is transitioning from a growing community to a maturing community. Natural growth has slowed compared to the “boom” years of the 1990s and early 2000s. During high-growth years, much of its infrastructure was new and required little maintenance to keep it in excellent condition. With the passage of time, more of its facilities and infrastructure are reaching the age where increased maintenance is required. These factors informed recommendations for the FY 2026 operating and capital budgets.

Using the Imagine Cary Community Plan as a guide, Cary is turning its tax base growth focus toward infill and redevelopment opportunities as its primary strategy for fiscal sustainability. Development projects occurring in the Eastern Cary Gateway Special Planning Area, Downtown Cary Special Planning Area, and the South Hills Shopping Center serve as key examples of Cary’s efforts to maintain a strong financial foundation.

## TOWN OF CARY ASSESSED VALUATION ANNUAL GROWTH

FISCAL YEAR	ASSESSED VALUATION	\$ CHANGE FROM PRIOR FISCAL YEAR	% CHANGE
<b>FY 2015</b>	\$ 23,109,931,685	\$ 557,170,403	2.5%
<b>FY 2016</b>	24,611,410,838	1,501,479,153	6.5%
<b>FY 2017*</b>	25,275,284,922	663,874,084	2.7%
<b>FY 2018</b>	25,698,194,316	422,909,394	1.7%
<b>FY 2019</b>	26,244,941,937	546,747,621	2.1%
<b>FY 2020</b>	26,908,181,810	663,239,873	2.5%
<b>FY 2021*</b>	32,679,669,414	5,771,487,604	21.4%
<b>FY 2022</b>	32,880,206,216	200,536,802	0.6%
<b>FY 2023</b>	33,710,215,476	830,009,260	2.5%
<b>FY 2024</b>	34,519,845,414	809,629,938	2.4%
<b>FY 2025*</b>	50,645,491,938	16,125,646,524	46.7%
<b>FY 2026</b>	53,134,743,287	2,489,251,349	4.9%

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



Image Credit: Tzu Chen

# FROM HIGH GROWTH SUBURB TO MATURING COMMUNITY



1854

Cary began as a small, rural crossroads community with a rich agricultural heritage. The arrival of the 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.

1960s



1970s

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. New growth and development created a strong fiscal base for Cary with an estimate of 80% of new revenue coming from a new tax base. There was a direct correlation between population growth and tax revenue growth. The population of Cary doubled each decade.



Cary is undergoing a pivotal transition. Limited land availability is slowing growth and reducing revenue, while the cost of maintaining services and infrastructure continues to rise. Our goal is to develop fiscally sustainable revenue models that preserve high-quality services for both current residents and future generations.

1980s  
& 90s

2000s

2025



By 2015, Cary's population had grown to 152,000. Decades of growth had led to 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 enabled Cary to gain a strong fiscal position and maintain one of the lowest tax rates in Wake County.



FY 2026

# BUDGET DETAILS

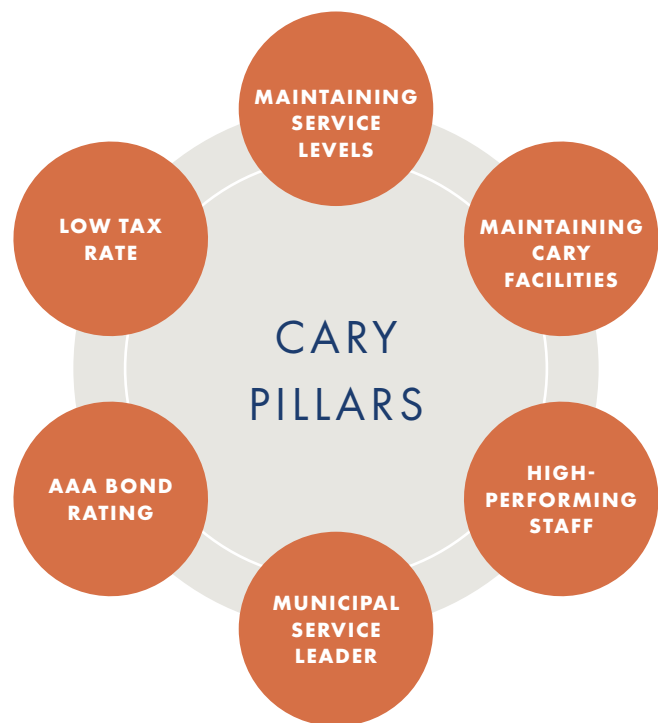




## DESPITE ECONOMIC UNCERTAINTY, CARY'S FINANCIAL OUTLOOK REMAINS STRONG.

The FY 2026 budget focuses on adapting Cary's operations to the new realities of an aging community where the influx subsidy era is over and high levels of uncertainty exist in the national economy. To consider the increased demand for services, additional maintenance needs of aging facilities, and high inflation, Cary staff and Town Council co-created six pillars of Cary government that reflect current concerns and priorities. These pillars represent core Cary values expressed by Town Council and through citizen input that help "make Cary Cary."

The six pillars, shown below, reflect values that have created Cary as it exists today, but are in conflict in a post-influx subsidy era. This budget prioritizes the pillars of a **high-performing staff, maintaining Cary facilities and service levels**, and the **AAA bond rating** while balancing the pillars of **low tax rates** and being a **municipal service leader**.



# BUDGET LEVERS

AS PART OF THE FY 2026 BUDGET PROCESS, STAFF DISTILLED HUNDREDS OF ANNUAL BUDGETING DECISIONS INTO EIGHT HIGH-IMPACT FINANCIAL “LEVERS,” CATEGORIZED AS FOLLOWS:

## REVENUE

Property Tax, Sales Tax, Fees and Charges

## EXPENDITURE

Operating Expenditures, Personnel Expenditures, Capital Expenditures

## LIQUIDITY

Fund Balance, Debt Issuance

The FY 2026 budget aligns the priorities identified in the six budget pillars through the strategic adjustment of budgetary levers, while remaining cautious with new initiatives and capital projects due to continued market instability.



## REVENUE

### PROPERTY TAX

The FY 2026 budget raises the property tax rate by 1.5 cents, from 32.5 cents to 34.0 cents per \$100 of valuation, generating an additional \$7.65 million in annual revenue. This revenue is crucial for funding critical infrastructure, facility maintenance, and rising service costs. This tax rate balances the pillars of maintaining service levels, maintaining facilities, and supporting a high-performing staff while keeping Cary’s tax rate the lowest in Wake County.

### SALES TAX

Staff estimates a 1% increase in sales tax revenue in the FY 2026 budget. This growth is much lower than in previous years, reflecting a statewide slowdown in sales tax collections. The North Carolina League of Municipalities projects 2% sales tax growth in FY 2026, but recent collections in Cary show even slower growth than originally expected.

### FEES AND CHARGES

The FY 2026 budget includes a \$3 per month increase to solid waste fees, bringing the total to \$26 per household and achieving 100% cost recovery of budgeted operational expenses. This increase is accompanied by fee adjustments within the Development and Infrastructure, and Parks, Recreation, and Cultural Resources areas. Additionally, 4% water and sewer rate increases manage inflationary costs and prepare for significant plant expansions and improvements over the next decade. These increased fees support the budget pillars of maintaining service levels, maintaining facilities, and supporting a high-performing staff, all while keeping Cary’s tax rate low by aligning the cost of services with their direct users.



## EXPENDITURE

### OPERATING EXPENDITURES

Operating expenditures, including supplies, contracted services, and equipment, constitute 34% of Cary's general fund budget. Faced with significantly higher FY 2026 operating budget requests compared to the current year, staff ultimately reduced these requests by \$26 million. These reductions involved delaying equipment and vehicle replacements for one year, canceling certain non-critical contracts, and curtailing discretionary supplies accounts. While difficult choices were necessary, the FY 2026 budget prioritizes maintaining existing service levels.

### PERSONNEL EXPENDITURES

Personnel expenditures make up 66% of the Cary general fund budget. To continue investing in a high-performing staff, this budget includes a 3% average merit increase and a continued investment in Cary's benefits programs. For FY 2026, staffing remains at 1,328 full-time equivalent positions with no new additions. Consistent investment in staff in past years means that a 3% increase for just one year is adequate to ensure a high-performing staff while still balancing the effect of raises on the tax rate.

### CAPITAL EXPENDITURES

Cary's rapid growth in the late twentieth century led to an influx of new Cary facilities in the early 2000s. Now, over 20 years later, those buildings are aging and becoming more expensive to maintain. The FY 2026 budget funds the critical capital maintenance of general government buildings, Cary's parks and community centers, and public safety systems including a new police records management system and computer-aided dispatch system. As Cary's buildings continue to age, the need for critical capital maintenance will continue to grow.



## LIQUIDITY

### FUND BALANCE

This budget maintains Cary's fund balance policy at 33.33% of budgeted general fund expenditures. This policy allows for adequate cash flow, saves for emergencies, and helps to ensure Cary's AAA bond rating.

### DEBT ISSUANCE

This budget assumes the issuance of \$50 million in Shaping Cary Tomorrow Bonds to fund ongoing voter-authorized projects from 2019. Additionally, Cary projects to issue debt for Solid Waste, Police, and Fire vehicles within the next year. Issuing debt allows Cary to avoid large single-year expenditure increases and to spread the cost of significant capital items over their useful life. By ensuring adequate liquidity, debt serves as a tool that helps maintain low tax rates, the AAA bond rating, and enables staff to sustain service levels and facilities.

# 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, Information Technology, the Town Manager's Office, the Town Clerk's Office, Legal, and Town Council. FY 2026 General Fund operating budget expenditures total \$290,431,385. An additional \$4,725,000 in Non-Departmental/Transfers is transferred to critical capital projects, which is 4.6% higher than the previous year. Of this amount, \$254 million directly supports daily operations. A total of \$1 million is reserved for emerging opportunities and Council-identified initiatives to be discussed at FY 2026 quarterly meetings in the spirit of the rolling budget process. Debt repayment totals \$26.9 million in FY 2026, a 3.2% increase from the prior year.

General Fund revenue of \$295,156,385 reflects a moderate increase in property taxes to address the costs of current year inflation. Property tax revenue is estimated at \$179.3 million, or 60% of Cary's FY 2026 general fund revenue budget. Sales tax is the second largest revenue source and is recorded within the Other Taxes and Licenses category. FY 2026 sales tax revenue is estimated at \$59.7 million or 20% of total budgeted general fund revenue. In FY 2026, staff projected an increase of 1% from the FY 2025 estimated revenue based on slower growth than anticipated in the current budget year and slower than normal anticipated growth in the future. Staff anticipate growth of 4.77% in sales and services primarily driven by increases in Parks, Recreation and Cultural Resources (PRCR) fees and an increase in the solid waste and recycling fee.

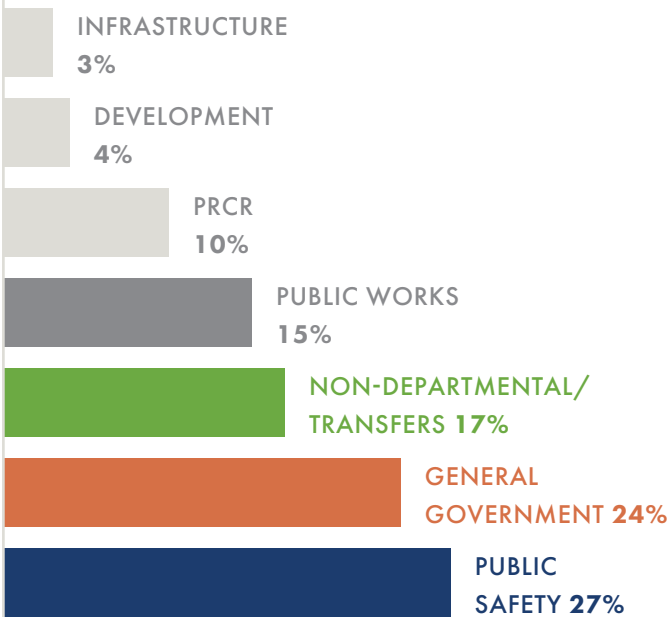
**\$295,156,385**

**FY 2026  
GENERAL FUND  
BUDGET EXPENDITURES**

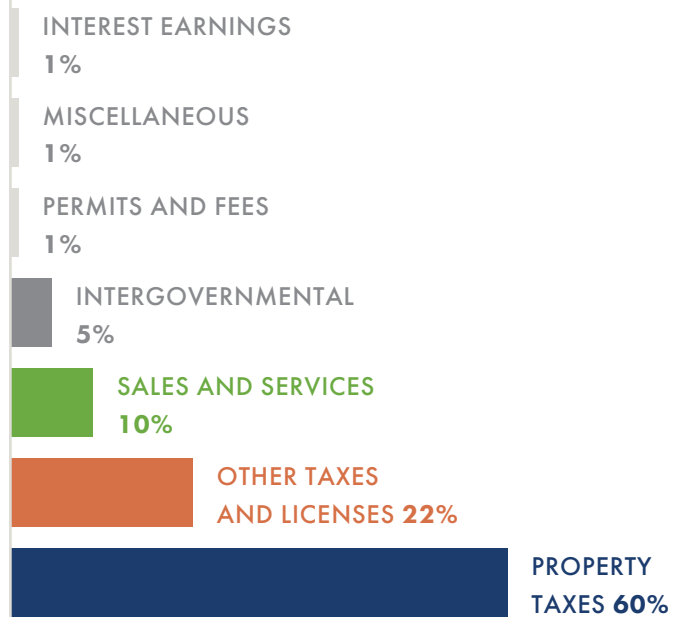
**4.6% INCREASE**



**GENERAL FUND  
EXPENDITURES  
\$295,156,385**



**GENERAL FUND  
REVENUES  
\$295,156,385**





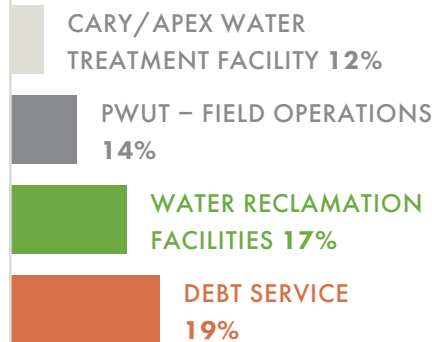
## UTILITY FUND

The utility fund supports Cary’s water and sewer system operations. FY 2026 utility fund operating budget expenditures total \$95,886,952 which is 6.4% more than the prior year budget. This increase is primarily attributed to rising operating costs driven by supply chain issues and inflation. Chemicals necessary for maintaining plant operations have also seen significant price hikes and are contributing to the utility fund’s operational increase. An additional \$1,944,510 is allocated towards capital projects, \$1,000,000 is allocated to future post employment benefits, and \$1,321,604 is reserved for future capital needs for a total utility fund budget of \$100,152,866.

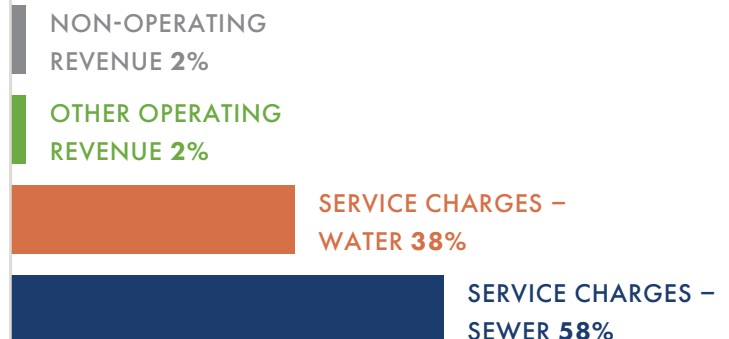
Much like its general fund counterpart, the FY 2026 utility fund budget focuses on supporting existing levels of service provision. Routine operational costs total \$76.7 million or 80% of the total expenditure budget. Debt repayment is the other significant expenditure area within the utility fund. FY 2026 debt repayment totals \$19.2 million which is up 2.6% from the prior fiscal year.

Total utility fund revenue of \$100,152,866 million exceeds utility fund expenses which helps offset transfers to capital. Charges for water and sewer services generate 96% of total revenue for the utility fund. The FY 2026 budget recommends a 4% utility rate increase to support operational costs, capital infrastructure, and debt repayment. The average family of four would experience an estimated \$2.96 per month increase in their total monthly utility bill. This increase is estimated to generate approximately \$4.5 million in additional revenue when compared to the prior year’s adopted budget.

UTILITY FUND  
EXPENDITURES  
**\$100,152,866**



UTILITY FUND  
REVENUES  
**\$100,152,866**

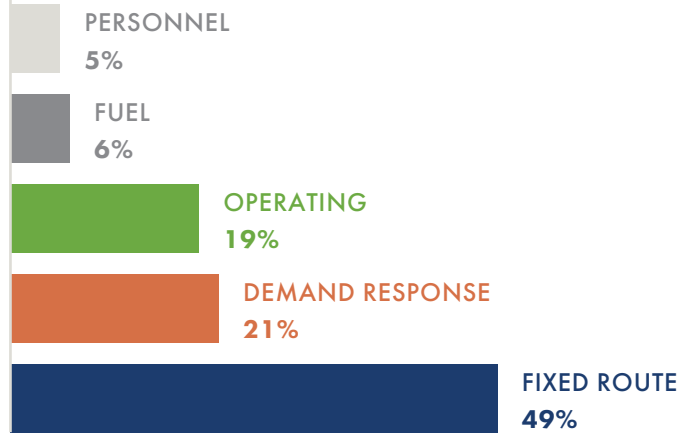




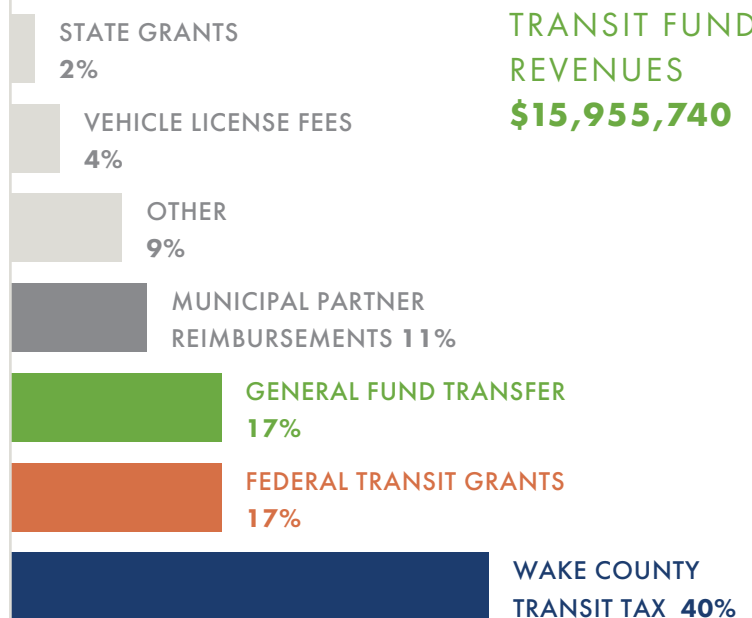
# TRANSIT FUND

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 Transit Plan. This year's budget includes an appropriation from fund balance of \$1,393,699 in the Other category. The Wake Transit Plan (WTP) is a transit investment strategy for improving and expanding transit services throughout Wake County. The WTP is primarily funded by a one-half percent (0.5%) 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 2026 transit fund operating expenditures (including approximately \$2.7 million of general fund transfer support) total \$15,955,740 which is 20% or approximately \$2.5 million higher than the prior year budget. This increase will primarily support the increased cost of operations in the new fiscal year.

**TRANSIT FUND EXPENDITURES**  
**\$15,955,740**



**TRANSIT FUND REVENUES**  
**\$15,955,740**



# CAPITAL BUDGET INSIGHTS

## STAFF PREPARES AN ANNUAL CAPITAL IMPROVEMENTS BUDGET AND A LONG-RANGE CAPITAL IMPROVEMENTS PLAN FOR COUNCIL CONSIDERATION.

The capital improvements budget (CIB) and twenty-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, 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 2026) and four subsequent years (FYs 2027–2030) are limited to the amount of funding projected to be available in those years. Only the FY 2026 budget year is formally adopted by Town Council. Figures noted for fiscal years 2027 through 2045 are for planning purposes only and are not appropriations for those years.

The FY 2026 capital improvements budget, comprised of general and utility projects, totals \$90,658,411. This represents a 22.3% decrease from the prior year's adopted budget.

**\$90,658,411**

**FY 2026  
TOTAL CAPITAL  
IMPROVEMENTS BUDGET**

**22.3% DECREASE**

# GENERAL CAPITAL

The general capital category encompasses Transportation, Transit, Fire, Parks Recreation and Cultural Resources, General Government, and Downtown projects. The FY 2026 general capital improvements budget totals \$54,610,901 which is approximately 22.5% 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.

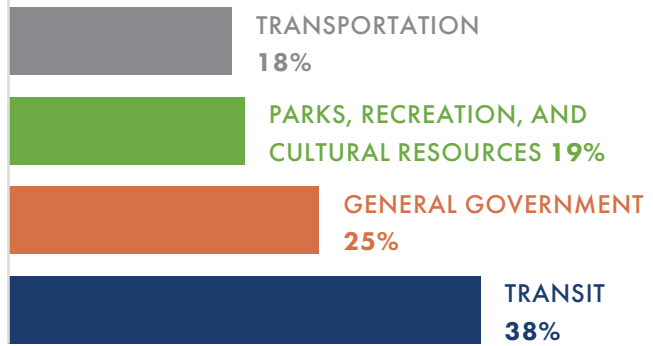
Infrastructure maintenance and improvement remains a primary focus of Cary’s capital program and is reflected in the following examples of FY 2026 budgeted general capital expenditures.

- \$5.9 million for street improvement projects
- \$3.0 million for West Chatham Street resurfacing
- \$3.0 million for computer aided dispatch (CAD) replacement
- \$3.5 million for sanitation and recycling truck replacements
- \$1.1 million for heavy duty equipment replacements
- \$1.0 million for general capital maintenance
- \$1.0 million for parks capital maintenance

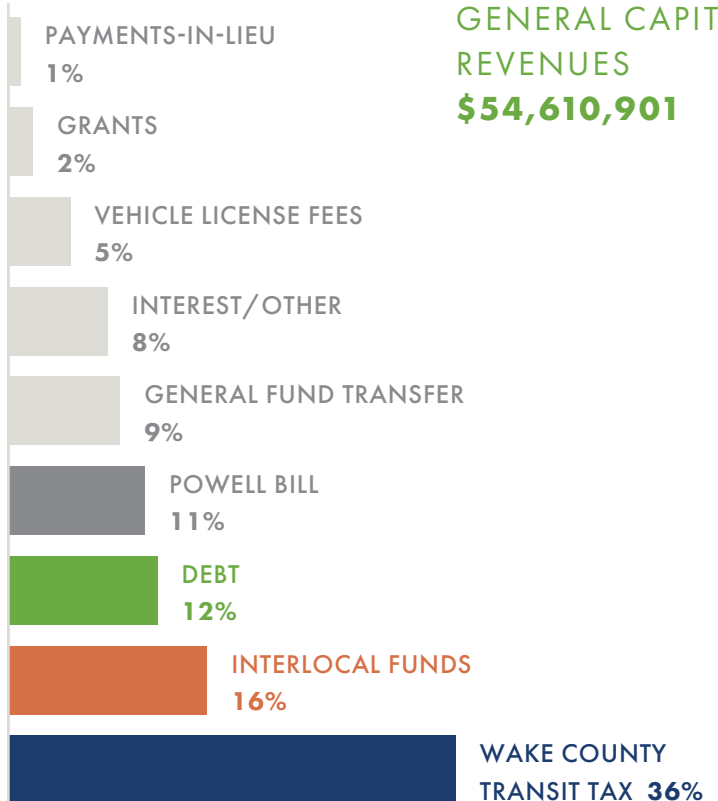
Other high priority initiatives funded in the budget include focus areas like Americans with Disabilities Act improvements at \$200,000, stormwater at \$1.5 million, \$800,000 for housing gap financing, and \$20.8 million for transit projects.

The FY 2026 general CIB uses \$20.9 million of grant revenue and \$5.1 million of general fund transfer. The restricted and unrestricted revenue categories primarily consist of powell bill, vehicle license fee, and unrestricted investment income revenues. An additional \$6.5 million of debt is budgeted in FY2026, primarily for heavy duty equipment and sanitation trucks.

## GENERAL CAPITAL EXPENDITURES \$54,610,901



## GENERAL CAPITAL REVENUES \$54,610,901



# UTILITY CAPITAL

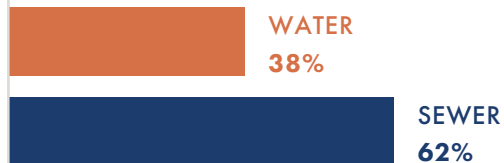
The utility capital category is comprised of water and sewer projects. The FY 2026 utility capital improvements budget totals \$36,047,510 which is 19.7% lower than the prior year adopted budget. Utility capital projects continue to focus on infrastructure maintenance with most of this year's budget directed to these needs.

Approximately \$16.0 million is appropriated for water projects in FY 2026. A large portion of this funding, \$3.0 million, focuses on upgrading, replacing, and maintaining existing water lines. Additional funding of \$3.5 million focuses on replacing water meters and radio replacements associated with the Aquastar water meter program. Another \$2.5 million supports a variety of equipment, facility, and infrastructure replacements or improvements at the Cary/Apex Water Treatment Facility (CAWTF). FY 2026 also provides \$850,000 for recoating the Field Street water tank, \$2.5 million for the Trenton Road water line, \$600,000 for water system line relocations, and \$812,510 for watershed protection.

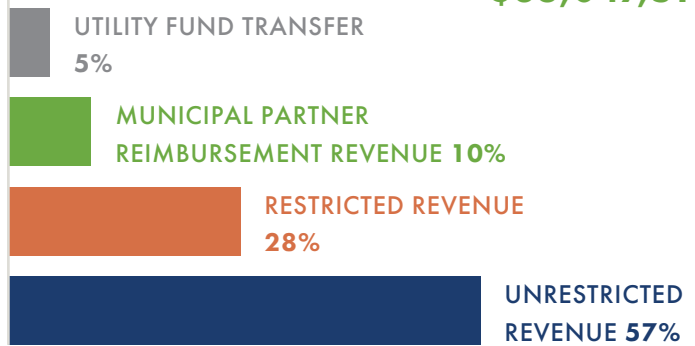
The sewer capital budget totals \$19.0 million with \$10.5 million of this amount, directed to Walnut Creek pump station improvements. An additional \$3.7 million supports equipment replacements and maintenance at the North Cary, South Cary, and Western Wake Regional Water Reclamation Facilities (WRF). Other maintenance initiatives funded in FY 2026 include a combined \$3.75 million for cleaning sewer interceptors and repairing sewer lines.

The FY 2026 utility CIB is primarily funded through \$1.1 million of utility fund transfers, \$20.5 million of utility capital reserve fund balance, \$3.2 million in municipal partner reimbursements, and \$10.1 million of utility capital reserve revenue. No new revenue bond debt is needed to support FY 2026 utility capital projects.

UTILITY CAPITAL  
EXPENDITURES  
**\$36,047,510**



UTILITY CAPITAL  
REVENUES  
**\$36,047,510**





Drum replacement at south Cary water reclamation facility

## CAPITAL PROJECTS REVIEW

As a part of the budget process, the Cary Town Council comprehensively reviewed 391 existing general capital projects in response to two key financial pressures: rising operating/construction costs and flattening revenue. This review reflected the challenging balance between maintaining important initiatives and ensuring long-term financial sustainability.

The review resulted in categorizing the 391 projects as follows:

- 198 projects were determined to be complete with no work outstanding
- 125 projects were under construction and continue moving forward
- 68 projects were paused and placed in a "Reassess" category

"Reassess" projects are worthy initiatives that, because of rapidly escalating costs, can no longer be completed within the project's available funding. These 68 projects have had the remaining funding removed, but the project information and work thus far will be retained for potential future reassessment as changing conditions warrant.



New fire hydrant installation



Electric fire truck

# IN CLOSING

THE FY 2026 BUDGET PRESENTED IN THIS DOCUMENT IS BALANCED IN ACCORDANCE WITH STATE LAW AND SETS A STRONG FOUNDATION FOR THE NEW FISCAL YEAR.

The FY 2026 budget represents a strategic adaptation to the evolving dynamics of our community, particularly the transition beyond the influx subsidy era. While Cary's financial foundation remains strong, this budget acknowledges the increasing demands of an aging infrastructure, the need to sustain our high-performing workforce, and the persistent pressures of inflation.

By thoughtfully adjusting key budgetary levers, including a modest increase in the property tax rate and targeted adjustments to fees, this financial plan prioritizes core values that define Cary. It allows for maintenance of essential service levels, investment in critical capital to preserve our community assets, and support for our AAA bond rating — all while striving to remain a leader in municipal service provision within the constraints of our current fiscal realities.

The choices reflected in this budget underscore a commitment to both our present needs and our long-term sustainability. It is a balanced approach that seeks to honor the legacy of a well-managed town while proactively addressing the challenges and opportunities that lie ahead. This budget provides a responsible framework for continuing to make Cary a remarkable place for all who call it home.



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