



# ***FY27 Budget Recommendation***

**Per The Local Government Budget & Fiscal Control Act  
NCGS 159-8**

For the Fiscal Year July 1, 2026 to June 30, 2027



# Budget Process Overview



# *Local Government Budget & Fiscal Control Act*

**North Carolina counties, municipalities, and public authorities are required to budget and spend money in accordance with the Local Government Budget and Fiscal Control Act (LGBFCA) as codified by Article 3 of Chapter 159 of NC General Statutes.**

- Local governments may not expend any funds unless the money has been properly budgeted through the annual budget ordinance, a project ordinance, or a financial plan adopted by the unit's governing board.

# Budget Calendar

Budget Step	Calendar Requirement	FY27 Calendar Date	Statutory Reference
Departmental Requests and Revenue Estimates	Before April 30	March 13, 2026	159-10
Budget and Budget Message	Not later than June 1	May 20, 2026	159-11(b)
Filing & Publication of Budget	Not later than June 1	May 21, 2026	159-12
Public Hearing	To be held; open to any persons wishing to be heard.	June 1, 2026	159-12
Budget Ordinance Adoption	At least 10 days after hearing and no later than July 1	June 17, 2026	159-13(a)

# FY 2027 Budget Recommendation

NIGHTDALE  
Knightdale  
tion Park  
ieball Complex  
opping

THE TOWN OF  
KNIGHTDALE, NC

PROPOSED

ANNUAL  
OPERATING  
BUDGET

FISCAL YEAR 2026-2027

*Celebrating*  
100 YEARS WITH A  
VISION FOR  
TOMORROW

KNIGHTDALE  
start something

# How Will My Tax Dollar Be Spent?



All Other  
Services  
\$0.25

Police  
\$0.22

Fire  
\$0.22

Public  
Works  
\$0.14

Rec  
\$0.07

Debt  
\$0.10

# FY27 Property Tax Recommendation

**The Town Manager is recommending a property tax rate of \$0.44 per \$100 of assessed valuation for FY27.**

- Recommendation represents no change from the previous fiscal year.

## **Significant considerations are:**

- Continued high costs of goods and services
- Competition for limited personnel resources
- Continued population influx to Knightdale

**Total Assessed Valuation for Knightdale = \$5,077,360,000**

Total Tax Revenue at \$0.44 = \$22,215,328

Municipality	FY26	FY27	Change
Zebulon	\$0.577	\$0.577	-
Garner	\$0.520	\$0.545	↑
Wendell*	\$0.420	\$0.420	-
<b>Knightdale</b>	<b>\$0.440</b>	<b>\$0.440</b>	-
Wake Forest	\$0.420	\$0.420	-
Rolesville	\$0.400	\$0.400	-
Apex	\$0.356	\$0.390	↑
Fuquay-Varina	\$0.358	\$0.378	↑
Cary	\$0.340	\$0.3775	↑
Raleigh	\$0.355	\$0.372	↑
Morrisville	\$0.350	\$0.350	-
Holly Springs	\$0.343	\$0.343	-

*\*Each Wendell property pays an additional fire tax rate. Proposed FY26 is \$0.10.*

# FY27 Annual Operating Budget (all funds)

	Revenues	Other Financing Sources	Expenditures	Other Financing Uses	Total Budget
General Fund	\$ 36,647,548	\$2,749,926	\$39,092,474	\$305,000	\$ 39,397,474
Debt Service Fund	5,086,431	-	5,086,431	-	5,086,431
Storm Water Fund	1,826,600	1,408,188	3,234,788	-	3,234,788
Capital Reserve Fund	695,976	2,015,585	-	2,711,561	2,711,561
<b>Total All Funds</b>	<b>\$ 44,256,555</b>	<b>\$ 6,173,699</b>	<b>\$47,413,693</b>	<b>\$ 3,016,561</b>	<b>\$ 50,403,254</b>

Balanced Budget per G.S. 159-8

*FY27 Budget represents a 10.9% increase over the previous fiscal year adopted budget.*



# FY27 General Fund Revenues

	FY 2026	FY 2027	% Change
Ad Valorem Taxes	\$ 20,403,824	\$ 22,215,328	8.88%
Local Option Sales Tax	6,870,275	7,443,086	8.34
Intergovernmental Restricted	5,090,682	5,997,917	17.82
Sanitation	1,447,803	1,743,748	20.44
Intergovernmental Unrestricted	1,613,894	1,666,000	3.23
Other Taxes & Licenses	411,500	444,200	7.95
Permits & Fees	605,500	1,044,600	72.52
Recreation	203,275	267,900	31.79
Miscellaneous	213,200	275,000	28.99
Investment Earnings	441,449	636,200	44.12
Interfund Transfers In	2,354,090	939,131	(60.11)
Debt Issuance	835,000	569,000	(31.86)
Fund Balance Appropriated	-	1,241,795	
<b>Total</b>	<b>\$ 40,490,492</b>	<b>\$44,483,905</b>	<b>9.86%</b>

**Property Taxes as % of total revenues:**  
  
**FY26 – 50.4%**  
**FY27– 50.1%**

Note: General Fund and Debt Service Fund consolidated



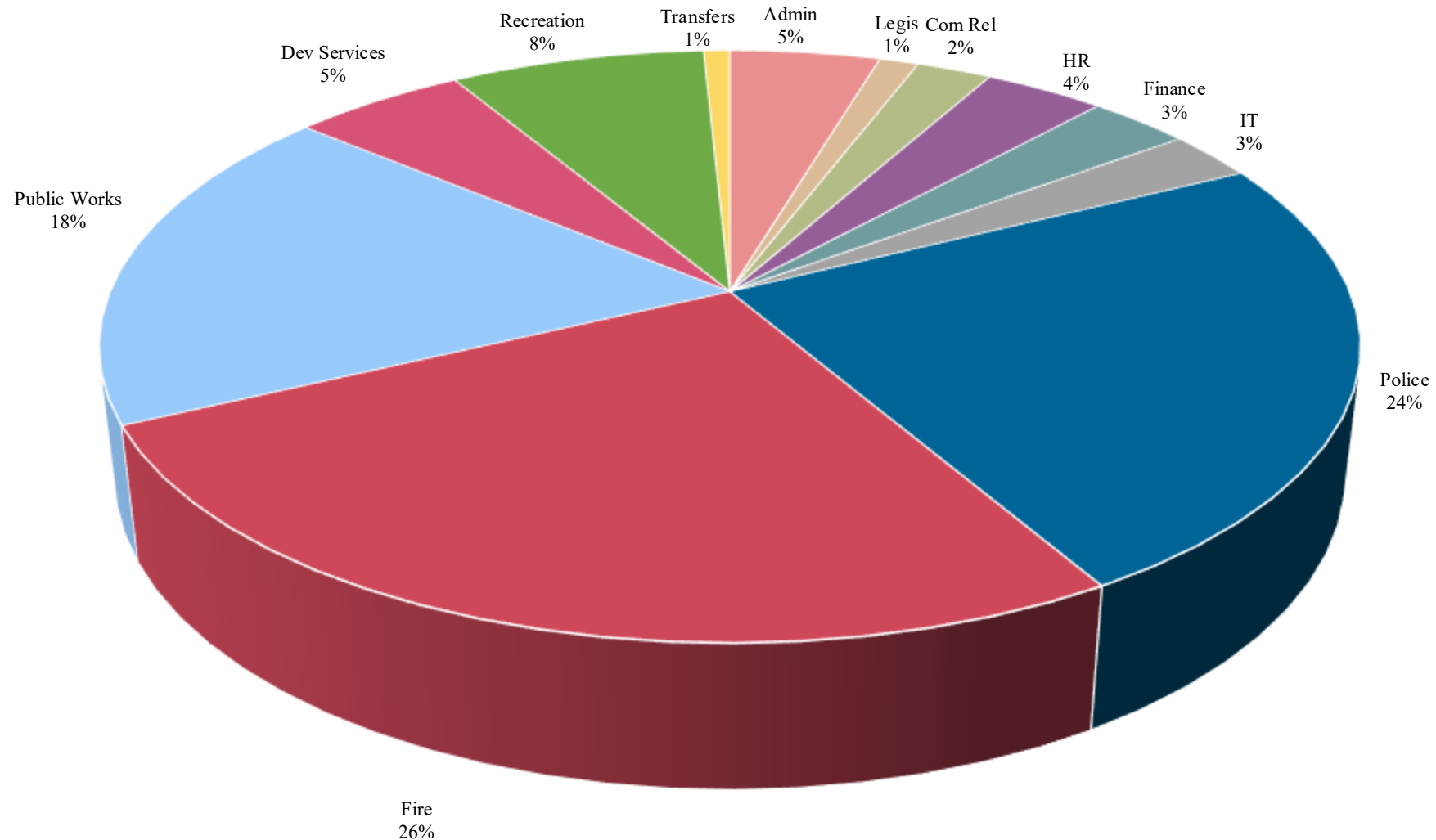
# FY27 General Fund Expenditures

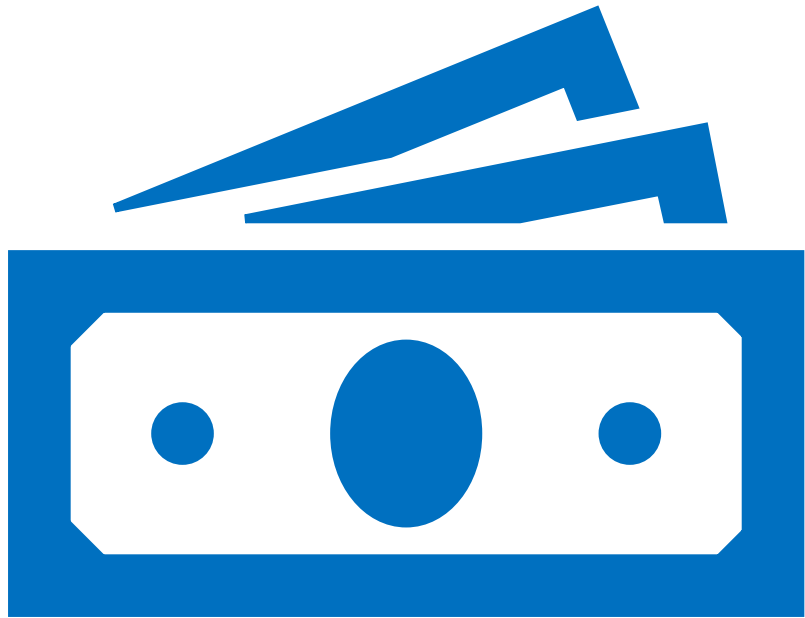
Department	FY 2026	FY 2027	% Change
<b>Administration</b>	\$ 2,176,112	\$ 1,805,425	(17.03)
<b>Legislative</b>	620,999	493,081	(20.60)
<b>Community Relations</b>	851,566	922,493	8.33
<b>Human Resources</b>	1,305,029	1,450,406	11.14
<b>Finance</b>	1,239,314	1,231,939	(0.60)
<b>Information Technology</b>	827,598	1,052,200	27.14
<b>Police</b>	9,308,771	9,489,110	1.94
<b>Fire</b>	8,813,963	10,329,164	17.19
<b>Public Works</b>	5,502,492	7,156,085	30.05
<b>Development Services</b>	1,842,909	2,094,391	13.65
<b>Parks, Recreation and Cultural Programs</b>	2,964,238	3,068,180	3.51
<b>Interfund Transfer Out</b>	1,142,959	305,000	(73.31)
<b>Debt Service</b>	3,894,542	5,086,431	30.60
<b>Total</b>	<b>\$ 40,490,492</b>	<b>\$ 44,483,905</b>	<b>9.86%</b>

Expenditures By Classification	Amount
<b>Personnel</b>	\$ 24,452,790
<b>Operations</b>	9,088,681
<b>Professional Services</b>	2,869,463
<b>Capital Outlay</b>	2,717,540
<b>Debt Service</b>	5,050,431
<b>Transfers Out</b>	305,000
<b>Total</b>	<b>\$ 44,483,905</b>



# FY27 General Fund - Service Appropriations





# FY27 Budget

*Highlights*

# FY27 Personnel Investments

- **10 new positions**
- **Reclassification of 4 existing positions**
- **5.5% workforce growth**
- **Benefit Increases:**
  - **3% COLA (Cost of Living Adjustment)**
  - **Merit funding up to a maximum of 4%**
  - **Retirement:**
    - **General Employees from 14.37% to 15.12%**
    - **LEOSSA from 16.08% to 17.10%**
  - **Health Insurance costs increase to 7.4%**
  - **Increased monthly insurance credit from \$750 to \$780**

<b>New Positions</b>	
Administrative Assistant (HR)	Maintenance Worker (PW)
Information Technology Manager (Admin)	Lieutenant x3 (Fire)
Accounting Specialist (Finance)	Firefighter x3 (Fire)

# FY27 Major Capital Projects

**General Fund - \$3.6M**

*\*Strategic Plan Priority*

Projects	
Law Enforcement Center*	Under Construction
Knightdale Boulevard & Old Knight Road Pedestrian Improvements*	Under Construction
The Lofts Office Building	Current Project
Fire Engine and Tiller*	Current Project
Hodge Road Park Property*	Current Project
Fire Station 2 (Replacement)*	New Project
Fire Station 3 Exterior Improvements	New Project
Fire Station 5 Property Acquisition*	New Project
Widewaters Extension Railroad Bridge (Design)*	New Project
Smithfield and First Avenue Sidewalks (Design and ROW Acquisition)*	New Project

# FY27 Capital Improvements Program

## General Fund (Unrestricted) - \$2.1M investment

Notable Projects	
Public Art	Centennial Clock Tower
Knightdale Blvd Study	Comprehensive Equipment Replacement
Affordable Housing Trust Fund	Harper Park Parking Lot Expansion
Vehicle Additions (Public Works)	Harper Park Tennis Court Resurfacing
Dump Truck (with plow and spreader)	Vehicle Additions (Police)
Articulating Loader	McKnight Bus Stop Improvements (Vision Zero)

# FY27 Enterprise & CIP Restricted Programs

## Stormwater Fund - \$1,595,000 Investment

Project
KSP SCM Rehabilitation
Poplar Street Improvements
Flowers Street Improvements
Stormwater Master Plan
Wash Station for KSP Shop

## General Fund (Restricted) - \$622,000

Project
Powell Bill Repaving Program



# FY27

# Budget

*Why Is This A  
Good Budget?*

# What Constitutes a Good Budget?

“A good budget aligns financial resources with **strategic community goals** rather than simply maintaining the status quo. The budgeting framework relies on structural balance, transparency, and public engagement.”

- *ICMA, International City / County Management Association*

“A successful local government budget balances competing community needs with available revenue by being fiscally sustainable, transparent, and aligned with a **long-term strategic vision**. High-performing municipalities use data-driven planning and broad public engagement to ensure tax dollars are spent equitably and responsibly.”

-*National League of Cities*



# *Knightdale has a Strategic Vision*

**Our community led by the values of its citizens.**



## ***SAFE***

Knightdale is a safe community, where residents feel secure throughout the Town, the crime rate is low, and public safety personnel have a positive relationship with the community.



## ***Connected & Inclusive***

Knightdale actively pursues balanced growth with exceptional design to maintain its small town feel and appearance. Through the creation of unique community spaces and a welcoming environment for entrepreneurs and small businesses, we are creating a connected and inclusive town



## ***Sustainable***

Knightdale promotes the stewardship of its environment, the resiliency of its resources, and the maintenance of a financially sustainable government.



## ***Active & Healthy***

Knightdale brings people together and boasts happy residents by promoting and sustaining a high quality of life and providing recreation and leisure activities to meet diverse interests.



## ***Organizational Excellence***

Knightdale's government is operated efficiently and transparently by outstanding employees who focus on excellent customer service and open communication.

# How Does This Budget Make Our Citizens Lives Better?



## **Commitment to Service Delivery**

- ✓ Critical Operational Needs Met
- ✓ Fiscal Responsibility and Stewardship
- ✓ Supports Staff Growth
- ✓ Employee Recruitment and Retention Incentives



## **Maintains Commitment to Public Safety**

- ✓ Law Enforcement Center Completion
- ✓ Land Acquisition for Future Fire Station 2
- ✓ Exterior Improvements to Fire Station 3
- ✓ Police Fleet Commitments / New Fire Apparatus (Engine and Tiller Trucks)
- ✓ Vision Zero Investments

## **Quality of Life Investments**



- ✓ Centennial Celebration
- ✓ Harper Park Improvements
- ✓ Plan for Future Community Center and Future Park
- ✓ New Hodge Road Park Facility
- ✓ Expanded Recreation Programming Opportunities
- ✓ Robust Special Events Schedule and Expanded Public Arts

# How Does This Budget Make Our Citizens Lives Better?

## Commitment to Local Economy



- ✓ Knightdale Commerce Alliance (KCA)
- ✓ Grants and Aid Program
- ✓ Business Workshops and Networking
- ✓ Business Outreach and Communication
- ✓ Business Resource Assistance (Grants, Support, Etc.)
- ✓ Support Town-Wide Economic Goals

## Commitment to Inclusivity and Accessibility



- ✓ Expanded Pedestrian Infrastructure
- ✓ Emphasis on Future Transportation Priorities
- ✓ Celebrate Diversity / Cultural Events
- ✓ Affordable Housing Trust Fund

## Commitment to Environmental Stewardship



- ✓ Stormwater Maintenance Program
- ✓ Capital Investments in Stormwater Infrastructure
- ✓ Stormwater Master Plan

# *Recommendation*

Close the public hearing and direct the Town Clerk to place the FY27 Budget recommendation on the June 17, 2026 meeting agenda for consideration of adoption per GS 159-12.