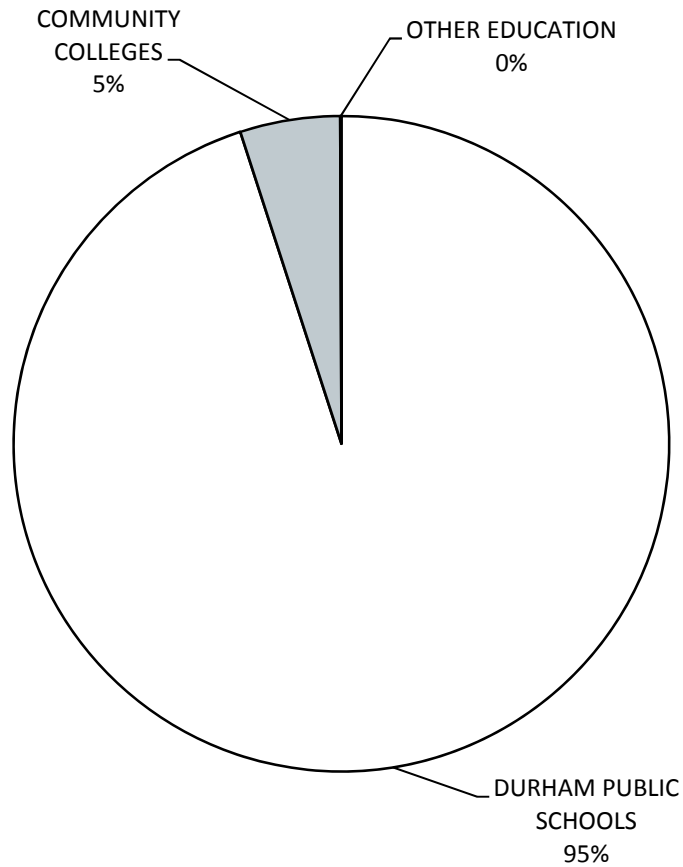


Education Recommended Budget



| Business area | 2013-2014 Actual Expenditures | 2014-2015 Original Budget | 2014-2015 12 Month Estimate | 2015-2016 Department Requested | 2015-2016 Manager Recommended |
|-----------------------|-------------------------------------|---------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|
| DURHAM PUBLIC SCHOOLS | \$ 119,603,311 | \$ 120,233,146 | \$ 120,233,147 | \$ 128,080,764 | \$ 122,055,356 |
| COMMUNITY COLLEGES | \$ 6,028,189 | \$ 6,142,915 | \$ 6,142,915 | \$ 6,631,932 | \$ 6,339,753 |
| OTHER EDUCATION | \$ 89,500 | \$ 78,660 | \$ 78,660 | \$ 601,736 | \$ 70,560 |
| Overall Result | \$ 125,721,000 | \$ 126,454,721 | \$ 126,454,722 | \$ 135,314,432 | \$ 128,465,669 |

DURHAM PUBLIC SCHOOLS

PROGRAM DESCRIPTION

Effective July 1, 1992, Durham County's two public school systems merged, forming Durham Public Schools (DPS). All Durham County funding is from general funds. The supplemental taxing districts were discontinued with the merger.

DPS was merged under legislation establishing minimum requirements for local funding based on the highest per pupil expenditure in the last five years of either school system prior to the merger. Per pupil allocation used in the school funding formula is \$1,960. The amount of minimum funding is determined by multiplying the \$1,960 per pupil expense with the average daily membership (ADM) enrollment figure for the upcoming year. County funding for Durham Public Schools, including current expense, capital outlay (excluding bond-funded projects), and debt service, must be no less than the minimum funding required.

A comparison of the minimum funding required and the approved funding level is shown below.

| | |
|----------------------------------|--------------|
| Per pupil funding | \$1,960 |
| Multiply by total FY 2015-16 ADM | 33,900 |
| Minimum funding for FY 2015-16 | \$66,444,000 |

In addition, if the ADM for charter schools was factored in (an additional 5,424 pupils, for a total of 39,324 pupils), the calculation would equate to \$77,075,040 minimum funding for FY 2015-16. Durham County funding significantly exceeds these thresholds.

| | FY 2013-14 Actual | FY 2014-15 Approved | FY 2015-16 Requested | FY 2015-16 Recommended |
|----------------------|----------------------|------------------------|-------------------------|---------------------------|
| Current Expense | \$118,233,311 | \$118,863,146 | \$126,710,764 | \$120,685,356 |
| Capital Outlay | \$1,370,000 | \$1,370,000 | \$1,370,000 | \$1,370,000 |
| Total | \$119,603,311 | \$120,233,146 | \$128,080,764 | \$122,055,356 |
| School Debt Service | \$26,820,112 | \$30,114,672 | \$30,160,166 | \$30,160,166 |
| TOTAL FUNDING | \$146,423,423 | \$150,347,818 | \$158,240,930 | \$152,215,522 |

In addition to this funding, Durham County funds a number of positions and programs that provide services within Durham Public Schools. These positions/programs and their County-only funding for FY 2015-16 are shown below.

| Program or Position (County Department) | FY 2015-16 Durham County Funding |
|---|-------------------------------------|
| School Resource Officers (Sheriff) | \$1,082,238 |
| Social Workers (Social Services) | \$195,000 |
| School Nurses (Public Health) | \$1,631,435 |
| TOTAL FUNDING | \$2,908,673 |

2015-16 HIGHLIGHTS

The Board of Education's FY 2015-16 budget request is a \$7,847,618 increase in current expense funding over its FY 2014-15 budget. The County Manager's recommended budget supports \$1,822,210 of this request, providing additional funding for an estimated growth of 590 pupils in both Durham Public Schools and charter schools. \$1,520,509 of the County increased support is made up of additional Article 46 sales tax revenue, and an additional \$301,701 is from other County funds. The County Manager does not recommend any other additional increases in ongoing current expense funding for Durham Public Schools.

Durham Public Schools

Funds Center: 5910540000

| Summary | 2013-2014 Actual Exp/Rev | 2014-2015 Original Budget | 2014-2015 12 Month Estimate | 2015-2016 Department Requested | 2015-2016 Manager Recommended |
|---------------------------|--------------------------------|---------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|
| ▼ <i>Expenditures</i> | | | | | |
| Operating | \$118,233,311 | \$118,863,146 | \$118,863,146 | \$126,710,764 | \$120,685,356 |
| Capital | \$1,370,000 | \$1,370,000 | \$1,370,000 | \$1,370,000 | \$1,370,000 |
| Total Expenditures | \$119,603,311 | \$120,233,146 | \$120,233,147 | \$128,080,764 | \$122,055,356 |
| ▼ <i>Revenues</i> | | | | | |
| Total Revenues | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Expenditures | \$119,603,311 | \$120,233,146 | \$120,233,147 | \$128,080,764 | \$122,055,356 |

Durham County provides funding for DPS from two revenue sources: local property taxes and Article 46 sales taxes. Since Article 46 funding passes through the County, total County current expense funding for DPS will also increase by \$1,822,210, for a total allocation of \$120,685,356 in FY 2015-16. Pre-K support for FY 2015-16 is \$466,788 of the total \$120.76 million budgeted. Capital outlay funding will remain flat at \$1,370,000. The County will also pay \$30,160,166 in debt service for DPS facilities, a \$45,494 increase over FY 2014-15.

The County estimates total FY 2015-16 Article 46 sales tax collection for DPS at \$7,785,920 and for Pre-K programs at \$451,720. An additional amount of Article 46 funding comes from the previous year's over-collection. That amount for DPS is \$466,091 and for Pre-K programs, \$15,069. Total Article 46 sales tax support for DPS is \$8,252,011 and for Pre-K programs, \$466,789.

DPS's student projection for FY 2015-16 is 39,324 (for both DPS and charter schools). Therefore, the County's current expense funding per pupil is \$3,069 per pupil, matching per pupil funding for FY 2014-15. Including capital outlay and debt service funding, Durham County supports public education at \$3,871 per pupil, an \$11 per pupil decrease from FY 2014-15, due to lower DPS debt service support. If Pre-K funding is not included in the above equation, because it is not for normally counted pupils (K-12th grade), the current expense per pupil amount drops \$12 to \$3,057. The total support for public education would then be \$3,859 per pupil.

DURHAM TECHNICAL COMMUNITY COLLEGE

PROGRAM DESCRIPTION

Durham County provides support from the general fund to Durham Technical Community College. In accordance with North Carolina General Statute 115D-32, Durham County provides financial support under the following categories:

- Plant Fund, including acquisition of land, erection of buildings, and purchases of motor vehicles
- Current Expense Fund, including plant operation and maintenance
- Support Services, including building and motor vehicle insurance

| | FY 2013-14 Actual | FY 2014-15 Approved | FY 2015-16 Requested | FY 2015-16 Recommended |
|----------------------|------------------------------|--------------------------------|---------------------------------|-----------------------------------|
| Current expense | \$5,725,689 | \$5,840,415 | \$6,244,432 | \$6,037,253 |
| Capital outlay | \$302,500 | \$302,500 | \$387,500 | \$302,500 |
| TOTAL | \$6,028,189 | \$6,142,915 | \$6,631,932 | \$6,339,753 |
| Debt service | \$1,007,594 | \$1,044,066 | \$1,078,752 | \$1,078,752 |
| TOTAL FUNDING | \$7,035,783 | \$7,186,981 | \$7,710,684 | \$7,418,505 |

The County's Capital Improvement Plan includes \$15.2 million in funding for four capital projects on Durham Technical Community College's campuses. These projects include:

- Newton Building expansion at \$3 million;
- Campus improvements at \$9.4 million, with \$5.2 million approved as part of the general obligation bond referendum in November 2003 and an additional \$4.2 million added in FY 2007-08 for ongoing improvements;
- Northern Durham Center expansion at \$1 million completed in FY 2007-08; and
- Main Campus expansion at \$1.8 million completed in FY 2007-08.

All new funding for Durham Technical Community College capital projects, other than the Northern Durham Center expansion, are funded through general obligation bonds. The Northern Durham Center expansion project received \$580,000 in County contribution in FY 2007-08 to meet its total budget of \$1 million.

In November 2007, Durham County voters approved \$8.68 million of general obligation bond funding for Durham Technical Community College, of which funds became available in July 2008. Plans for these funds are described in the above paragraph.

Durham Technical Community College

Funds Center: 5920530000

| Summary | 2013-2014 Actual Exp/Rev | 2014-2015 Original Budget | 2014-2015 12 Month Estimate | 2015-2016 Department Requested | 2015-2016 Manager Recommended |
|---------------------------|--------------------------------|---------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|
| ▼ <i>Expenditures</i> | | | | | |
| Operating | \$5,725,689 | \$5,840,415 | \$5,840,415 | \$6,244,432 | \$6,037,253 |
| Capital | \$302,500 | \$302,500 | \$302,500 | \$387,500 | \$302,500 |
| Total Expenditures | \$6,028,189 | \$6,142,915 | \$6,142,915 | \$6,631,932 | \$6,339,753 |
| ▼ <i>Revenues</i> | | | | | |
| Total Revenues | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Expenditures | \$6,028,189 | \$6,142,915 | \$6,142,915 | \$6,631,932 | \$6,339,753 |

2015-16 HIGHLIGHTS

- As the County continues to collect revenue from the Article 46 quarter cent sales tax, by Board of County Commissioners' resolution, Durham Technical Community College will receive \$1,102,809 for student scholarship support and other educational opportunities.
- Durham Technical Community College's County funding increases \$196,839 or 3.2% from the FY 2014-15 Original Budget.
 - Article 46 Sales Tax revenue increases by \$196,839.

EDUCATION NONPROFIT AGENCIES

MISSION

The mission of Durham County government is to enhance the quality of life for its citizens by providing education, safety and security, health and human services, economic development, and cultural and recreational resources.

PROGRAM DESCRIPTION

Durham County is committed to providing financial assistance to those nonprofit agencies which assist it in carrying out its mission. Included in this cost center are nonprofit agencies and other nongovernmental agencies whose work complements the efforts of the County's educational support systems and whose mission is the provision of such services for the residents of Durham County. The following agencies are budgeted within this cost center:

- Achievement Academy
- Durham Teacher Warehouse Corporation
- Durham's Partnership for Children
- InStepp, Inc.
- Partners for Youth Opportunity
- Voices Together

Detailed funding information for each nonprofit agency is listed in the Appendix.

Education Nonprofit Agencies

Funds Center: 5930

| Summary | 2013-2014 Actual Exp/Rev | 2014-2015 Original Budget | 2014-2015 12 Month Estimate | 2015-2016 Department Requested | 2015-2016 Manager Recommended |
|---------------------------|--------------------------------|---------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|
| ▼ <i>Expenditures</i> | | | | | |
| Operating | \$89,500 | \$78,660 | \$78,660 | \$601,736 | \$70,560 |
| Total Expenditures | \$89,500 | \$78,660 | \$78,660 | \$601,736 | \$70,560 |
| ▼ <i>Revenues</i> | | | | | |
| Total Revenues | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Expenditures | \$89,500 | \$78,660 | \$78,660 | \$601,736 | \$70,560 |

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