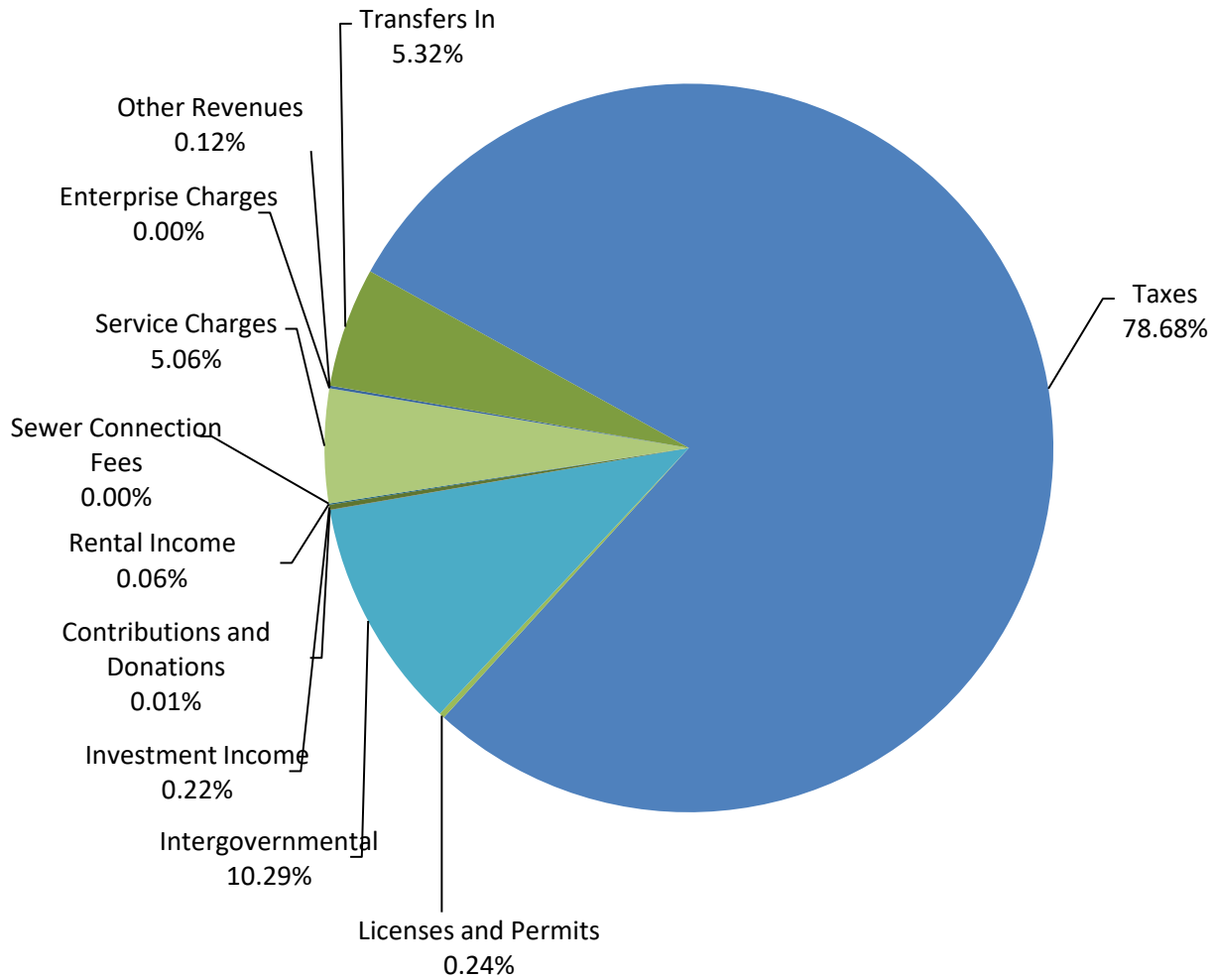


General Fund Revenues

FY2018-19 Recommended Budget

Total General Fund Revenues: \$435,459,497



General Funds Revenues

Funds: 101, 102, 103, 125, 150

| All General Funds Summary | FY2016-17 | FY2017-18 | FY2017-18 | FY2018-19 | FY2018-19 | % Change |
|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| | Actual Expenditures | Original Budget | 12 Month Estimate | Department Requested | Manager Recommended | 2019 Rec. v. 2018 Orig. |
| General Fund Revenues | \$ 409,660,639 | \$ 434,763,426 | \$ 407,664,447 | \$ 424,033,629 | \$ 435,459,497 | 0.16% |
| Other General Fund Revenues | \$ 100,417,928 | \$ 103,099,456 | \$ 106,364,508 | \$ 110,724,934 | \$ 110,423,104 | 7.10% |
| Transfer within General Funds | -\$ 62,909,496 | -\$ 59,754,166 | -\$ 58,843,580 | -\$ 63,679,382 | -\$ 63,655,977 | 6.53% |
| Grand Total | \$ 447,169,070 | \$ 478,108,716 | \$ 455,185,375 | \$ 471,079,181 | \$ 482,226,624 | 0.86% |

| General Fund Revenues | FY2016-17 | FY2017-18 | FY2017-18 | FY2018-19 | FY2018-19 | % Change |
|------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| | Actual Expenditures | Original Budget | 12 Month Estimate | Department Requested | Manager Recommended | 2019 Rec. v. 2018 Orig. |
| Taxes (See Detail Table) | \$ 316,624,100 | \$ 324,720,170 | \$ 328,798,352 | \$ 334,590,778 | \$ 342,636,722 | 5.52% |
| Finance | \$ 77,195,715 | \$ 80,835,787 | \$ 81,472,514 | \$ 82,386,964 | \$ 82,373,575 | 1.90% |
| Tax Administration | \$ 239,375,692 | \$ 243,840,383 | \$ 247,282,239 | \$ 252,159,814 | \$ 260,219,147 | 6.72% |
| General Services | \$ 52,692 | \$ 44,000 | \$ 43,599 | \$ 44,000 | \$ 44,000 | 0.00% |
| Licenses and Permits | \$ 1,393,097 | \$ 1,172,500 | \$ 1,096,526 | \$ 1,092,000 | \$ 1,052,000 | -10.28% |
| Finance | \$ 489,246 | \$ 490,000 | \$ 480,341 | \$ 490,000 | \$ 490,000 | 0.00% |
| Tax Administration | \$ 20,298 | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 | 0.00% |
| County Sheriff | \$ 35,635 | \$ 30,000 | \$ 33,965 | \$ 35,000 | \$ 35,000 | 16.67% |
| Fire Marshal | \$ 0 | \$ 0 | \$ 0 | \$ 40,000 | \$ 0 | 0.00% |
| Engineering & Environ Svcs | \$ 847,918 | \$ 632,500 | \$ 562,220 | \$ 507,000 | \$ 507,000 | -19.84% |
| Intergovernmental | \$ 58,895,992 | \$ 60,261,540 | \$ 42,604,915 | \$ 45,295,364 | \$ 44,797,940 | -25.66% |
| County Administration | \$ 31,839 | \$ 34,228 | \$ 64,614 | \$ 33,968 | \$ 33,968 | -0.76% |
| Finance | \$ 5,123,036 | \$ 2,500,000 | \$ 4,672,778 | \$ 2,500,000 | \$ 2,500,000 | 0.00% |
| General Services | \$ 47,856 | \$ 45,000 | \$ 37,806 | \$ 50,313 | \$ 50,313 | 11.81% |
| Veterans Services | \$ 2,000 | \$ 1,525 | \$ 0 | \$ 2,000 | \$ 2,000 | 31.15% |
| County Sheriff | \$ 1,386,601 | \$ 707,308 | \$ 470,380 | \$ 724,455 | \$ 724,455 | 2.42% |
| Fire Marshal | \$ 317,072 | \$ 336,315 | \$ 336,431 | \$ 405,533 | \$ 405,533 | 20.58% |
| Criminal Justice Resource Center | \$ 307,795 | \$ 396,396 | \$ 293,338 | \$ 289,164 | \$ 289,164 | -27.05% |
| Youth Home | \$ 14,492 | \$ 17,000 | \$ 15,000 | \$ 15,000 | \$ 15,000 | -11.76% |
| Emergency Medical Services | \$ 2,413,019 | \$ 2,447,042 | \$ 2,447,042 | \$ 2,500,000 | \$ 2,500,000 | 2.16% |
| Engineering & Environ Svcs | \$ 74,244 | \$ 96,247 | \$ 96,247 | \$ 121,025 | \$ 121,025 | 25.74% |
| Cooperative Extension Service | \$ 307,510 | \$ 252,768 | \$ 202,369 | \$ 273,868 | \$ 273,868 | 8.35% |
| Soil And Water Conservation | \$ 26,730 | \$ 26,760 | \$ 26,760 | \$ 26,760 | \$ 26,760 | 0.00% |
| Economic Development | \$ 0 | \$ 0 | \$ 0 | \$ 500,000 | \$ 500,000 | 0.00% |
| Public Health | \$ 8,878,903 | \$ 6,758,209 | \$ 6,622,714 | \$ 6,422,727 | \$ 6,422,727 | -4.96% |
| Social Services | \$ 38,423,003 | \$ 45,309,630 | \$ 25,739,324 | \$ 29,823,524 | \$ 29,326,100 | -35.28% |
| Other Human Services | \$ 1,254,055 | \$ 1,090,172 | \$ 1,337,172 | \$ 1,364,087 | \$ 1,364,087 | 25.13% |
| Library | \$ 287,836 | \$ 242,940 | \$ 242,940 | \$ 242,940 | \$ 242,940 | 0.00% |
| Contributions and Donations | \$ 72,179 | \$ 70,093 | \$ 69,530 | \$ 65,093 | \$ 65,093 | -7.13% |
| County Administration | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0.00% |
| Legal | \$ 666 | \$ 0 | \$ 1,250 | \$ 0 | \$ 0 | 0.00% |
| County Sheriff | \$ 59,915 | \$ 62,012 | \$ 62,012 | \$ 62,012 | \$ 62,012 | 0.00% |
| Cooperative Extension Service | \$ 300 | \$ 2,250 | \$ 0 | \$ 250 | \$ 250 | -88.89% |
| Public Health | \$ 2,073 | \$ 3,000 | \$ 1,047 | \$ 0 | \$ 0 | -100.00% |
| Social Services | \$ 10,553 | \$ 2,831 | \$ 5,221 | \$ 2,831 | \$ 2,831 | 0.00% |
| Library | \$ 4 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0.00% |
| Investment Income | \$ 903,377 | \$ 400,000 | \$ 369,481 | \$ 950,000 | \$ 950,000 | 137.50% |
| Finance | \$ 893,397 | \$ 400,000 | \$ 365,192 | \$ 950,000 | \$ 950,000 | 137.50% |
| Tax Administration | \$ 9,849 | \$ 0 | \$ 4,226 | \$ 0 | \$ 0 | 0.00% |
| County Sheriff | \$ 131 | \$ 0 | \$ 63 | \$ 0 | \$ 0 | 0.00% |

| General Fund Revenues | FY2016-17 Actual Expenditures | FY2017-18 Original Budget | FY2017-18 12 Month Estimate | FY2018-19 Department Requested | FY2018-19 Manager Recommended | % Change 2019 Rec. v. 2018 Orig. |
|--|-------------------------------------|------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|--|
| Rental Income | \$ 408,694 | \$ 364,207 | \$ 578,363 | \$ 490,970 | \$ 253,470 | -30.40% |
| Finance | \$ 8,443 | \$ 8,100 | \$ 7,883 | \$ 9,300 | \$ 9,300 | 14.81% |
| General Services | \$ 390,854 | \$ 348,187 | \$ 562,559 | \$ 473,750 | \$ 236,250 | -32.15% |
| Criminal Justice Resource Center | \$ 9,391 | \$ 7,920 | \$ 7,920 | \$ 7,920 | \$ 7,920 | 0.00% |
| Engineering & Environ Svcs | \$ 6 | \$ 0 | \$ 1 | \$ 0 | \$ 0 | 0.00% |
| Sewer Connection Fees | \$ 57,285 | \$ 43,150 | \$ 29,463 | \$ 5,000 | \$ 5,000 | -88.41% |
| Engineering & Environ Svcs | \$ 3,360 | \$ 3,150 | \$ 5,460 | \$ 5,000 | \$ 5,000 | 58.73% |
| Other Environmental Protection | \$ 53,925 | \$ 40,000 | \$ 24,003 | \$ 0 | \$ 0 | -100.00% |
| Service Charges | \$ 21,506,523 | \$ 21,811,080 | \$ 21,753,521 | \$ 21,736,914 | \$ 22,026,514 | 0.99% |
| Tax Administration | \$ 1,953,455 | \$ 1,862,935 | \$ 1,966,279 | \$ 1,862,000 | \$ 1,862,000 | -0.05% |
| Legal | \$ 0 | \$ 0 | \$ 0 | \$ 2,000 | \$ 2,000 | 0.00% |
| Elections | \$ 125 | \$ 485,600 | \$ 400,020 | \$ 315 | \$ 315 | -99.94% |
| Register Of Deeds | \$ 4,783,369 | \$ 4,680,000 | \$ 4,920,000 | \$ 4,970,000 | \$ 5,170,000 | 10.47% |
| General Services | \$ 2,649,470 | \$ 2,642,796 | \$ 2,597,945 | \$ 2,446,779 | \$ 2,496,379 | -5.54% |
| County Sheriff | \$ 1,154,983 | \$ 1,130,000 | \$ 980,333 | \$ 1,090,000 | \$ 1,090,000 | -3.54% |
| Fire Marshal | \$ 120,820 | \$ 125,000 | \$ 119,380 | \$ 135,000 | \$ 175,000 | 40.00% |
| Criminal Justice Resource Center | \$ 103,499 | \$ 102,489 | \$ 98,917 | \$ 96,000 | \$ 96,000 | -6.33% |
| Youth Home | \$ 424,194 | \$ 400,000 | \$ 291,664 | \$ 400,000 | \$ 400,000 | 0.00% |
| Emergency Medical Services | \$ 9,585,561 | \$ 9,704,050 | \$ 9,689,006 | \$ 10,035,000 | \$ 10,035,000 | 3.41% |
| Engineering & Environ Svcs | \$ 637 | \$ 0 | \$ 1,216 | \$ 60 | \$ 60 | 0.00% |
| Cooperative Extension Service | \$ 17,617 | \$ 24,160 | \$ 1,560 | \$ 30,260 | \$ 30,260 | 25.25% |
| Public Health | \$ 444,086 | \$ 359,330 | \$ 361,418 | \$ 377,900 | \$ 377,900 | 5.17% |
| Social Services | \$ 3,613 | \$ 6,600 | \$ 24,357 | \$ 6,600 | \$ 6,600 | 0.00% |
| Other Human Services | \$ 0 | \$ 5,120 | \$ 5,120 | \$ 0 | \$ 0 | -100.00% |
| Library | \$ 265,094 | \$ 283,000 | \$ 296,306 | \$ 285,000 | \$ 285,000 | 0.71% |
| Enterprise Charges | \$ 9,274 | \$ 10,000 | \$ 10,048 | \$ 14,000 | \$ 14,000 | \$ 0 |
| Engineering & Environ Svcs | \$ 9,274 | \$ 10,000 | \$ 10,048 | \$ 14,000 | \$ 14,000 | 40.00% |
| Other Revenues | \$ 1,090,502 | \$ 587,302 | \$ 906,729 | \$ 513,391 | \$ 513,391 | -12.58% |
| Finance | \$ 158,108 | \$ 121,840 | \$ 145,078 | \$ 20,000 | \$ 20,000 | -83.59% |
| Tax Administration | \$ 88,343 | \$ 100,000 | \$ 79,125 | \$ 80,000 | \$ 80,000 | -20.00% |
| Register Of Deeds | \$ 3,388 | \$ 0 | \$ 1,486 | \$ 0 | \$ 0 | 0.00% |
| General Services | \$ 209 | \$ 0 | \$ 49,415 | \$ 11,379 | \$ 11,379 | 0.00% |
| Human Resources | \$ 37,257 | \$ 30,000 | \$ 17,165 | \$ 30,000 | \$ 30,000 | 0.00% |
| County Sheriff | \$ 235,782 | \$ 146,000 | \$ 262,476 | \$ 200,000 | \$ 200,000 | 36.99% |
| Fire Marshal | \$ 0 | \$ 0 | \$ 9 | \$ 0 | \$ 0 | 0.00% |
| Youth Home | \$ 5,195 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0.00% |
| Emergency Medical Services | \$ 180,611 | \$ 0 | \$ 1,000 | \$ 0 | \$ 0 | 0.00% |
| Engineering & Environ Svcs | \$ 11,275 | \$ 0 | \$ 915 | \$ 850 | \$ 850 | 0.00% |
| Cooperative Extension Service | \$ 1,390 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0.00% |
| Public Health | \$ 177,388 | \$ 52,300 | \$ 93,428 | \$ 34,000 | \$ 34,000 | -34.99% |
| Social Services | \$ 191,521 | \$ 137,162 | \$ 256,619 | \$ 137,162 | \$ 137,162 | 0.00% |
| Library | \$ 34 | \$ 0 | \$ 13 | \$ 0 | \$ 0 | 0.00% |
| Transfers In (See Detail Table) | \$ 8,699,617 | \$ 25,323,384 | \$ 11,447,519 | \$ 19,280,119 | \$ 23,145,367 | -8.60% |
| Finance | \$ 0 | \$ 14,371,763 | \$ 0 | \$ 14,931,420 | \$ 16,479,637 | 14.67% |
| Nondepartmental | \$ 8,699,617 | \$ 10,951,621 | \$ 11,447,519 | \$ 4,348,699 | \$ 6,665,730 | -39.13% |
| Grand Total | \$ 409,660,639 | \$ 434,763,426 | \$ 407,664,447 | \$ 424,033,629 | \$ 435,459,497 | 0.16% |

*For General Fund revenue detail refer to Departmental pages in the General Funds Tab

| General Fund Tax Revenue Detail | FY2016-17 | FY2017-18 | FY2017-18 | FY2018-19 | FY2018-19 | % Change |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------|
| | Actual | Original Budget | 12 Month | Department | Manager | 2019 Rec. v. |
| | Expenditures | | | Estimate | Requested | Recommended |
| Current Fiscal Year Taxes | \$ 233,743,939 | \$ 238,410,383 | \$ 242,281,846 | \$ 246,844,814 | \$ 254,904,147 | 6.92% |
| Prior Fiscal Year Taxes | \$ 655,799 | \$ 625,000 | \$ 141 | \$ 500,000 | \$ 500,000 | -20.00% |
| 1% Local Option Sales Tax (Article 39) | \$ 22,149,707 | \$ 23,919,039 | \$ 23,951,634 | \$ 23,958,255 | \$ 23,958,255 | 0.16% |
| 1/2% Local Option Sales (article 40) | \$ 12,808,331 | \$ 13,382,478 | \$ 13,424,891 | \$ 13,961,887 | \$ 13,961,887 | 4.33% |
| 1/2% Local Option Sales Tax (Article 42) | \$ 15,477,603 | \$ 16,327,164 | \$ 16,403,856 | \$ 16,467,326 | \$ 16,467,326 | 0.86% |
| 1/2% Local Option Sales Tax (Article 46) | \$ 13,619,352 | \$ 13,900,000 | \$ 14,400,901 | \$ 14,113,389 | \$ 14,100,000 | 1.44% |
| City Sales Tax Distribution | \$ 12,797,901 | \$ 12,807,106 | \$ 13,290,413 | \$ 13,386,107 | \$ 13,386,107 | 4.52% |
| Local Occupancy Tax (General Fund) | \$ 3,461,343 | \$ 3,500,000 | \$ 3,597,866 | \$ 3,500,000 | \$ 3,500,000 | 0.00% |
| Local Occupancy Tax (NCMLS) | \$ 500,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 | 0.00% |
| Other Revenues | \$ 1,410,125 | \$ 1,349,000 | \$ 946,804 | \$ 1,359,000 | \$ 1,359,000 | 0.74% |
| Grand Total | \$ 316,624,100 | \$ 324,720,170 | \$ 328,798,352 | \$ 334,590,778 | \$ 342,636,722 | 5.52% |

| General Fund Transfer In Revenue Detail | FY2016-17 | FY2017-18 | FY2017-18 | FY2018-19 | FY2018-19 | % Change |
|--|---------------------|----------------------|----------------------|----------------------|----------------------|---------------|
| | Actual | Original Budget | 12 Month | Department | Manager | 2019 Rec. v. |
| | Expenditures | | | Estimate | Requested | Recommended |
| Transfer Fr Special Revenue Fd | \$ 4,749,602 | \$ 5,373,455 | \$ 5,772,328 | \$ 748,699 | \$ 770,439 | -85.66% |
| Trfr Frm Comm Hlt Trust Fund | \$ 3,950,000 | \$ 5,578,166 | \$ 5,578,166 | \$ 3,600,000 | \$ 4,768,500 | -14.51% |
| Trfr From Cafeteria Plan Fund | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 500,000 | 0.00% |
| Transfer From Debt Service Fnd | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 626,791 | 0.00% |
| Transfer From Water Services Fund | \$ 15 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0.00% |
| Transfer From Capital Projects | \$ 0 | \$ 0 | \$ 97,025 | \$ 0 | \$ 0 | 0.00% |
| Fund Balance Appropriated -- 490081000i | \$ 0 | \$ 14,371,763 | \$ 0 | \$ 14,931,420 | \$ 16,479,637 | 14.67% |
| Grand Total | \$ 8,699,617 | \$ 25,323,384 | \$ 11,447,519 | \$ 19,280,119 | \$ 23,145,367 | -8.60% |

| Other General Funds Revenues | FY2016-17 | FY2017-18 | FY2017-18 | FY2018-19 | FY2018-19 | % Change |
|------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------|
| | Actual | Original Budget | 12 Month | Department | Manager | 2019 Rec. v. |
| | Expenditures | | | Estimate | Requested | Recommended |
| Risk Management | \$ 3,265,912 | \$ 3,423,808 | \$ 3,347,701 | \$ 3,936,261 | \$ 3,641,863 | 6.37% |
| Swap Agreement 05 | \$ 2,671,143 | \$ 2,225,000 | \$ 2,140,324 | \$ 3,313,079 | \$ 3,162,949 | 42.16% |
| Reappraisal Reserve Fund | \$ 1,662,144 | \$ 1,327,492 | \$ 1,401,680 | \$ 1,483,438 | \$ 1,476,006 | 11.19% |
| Capital Improvement Plan | \$ 70,007,463 | \$ 72,680,412 | \$ 74,556,648 | \$ 74,807,098 | \$ 74,957,228 | 3.13% |
| Benefits Plan | \$ 22,811,265 | \$ 23,442,744 | \$ 24,918,155 | \$ 27,185,058 | \$ 27,185,058 | 15.96% |
| Grand Total | \$ 100,417,928 | \$ 103,099,456 | \$ 106,364,508 | \$ 110,724,934 | \$ 110,423,104 | 7.10% |

*For Other General Fund revenue detail refer to the last section in the General Funds Tab

| Transfers within all General Funds* | FY2016-17 | FY2017-18 | FY2017-18 | FY2018-19 | FY2018-19 | % Change |
|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------|
| | Actual | Original Budget | 12 Month | Department | Manager | 2019 Rec. v. |
| | Expenditures | | | Estimate | Requested | Recommended |
| General | \$ 62,866,996 | \$ 59,704,241 | \$ 58,796,794 | \$ 63,613,484 | \$ 63,606,052 | 6.54% |
| Transfer To Health Benefits | -\$ 18,484,896 | -\$ 19,140,793 | -\$ 19,140,793 | -\$ 21,916,208 | -\$ 21,916,208 | 14.50% |
| Transfer To Dental Benefits | -\$ 979,753 | -\$ 1,066,200 | -\$ 1,066,200 | -\$ 1,172,820 | -\$ 1,172,820 | 10.00% |
| Transfer To Reappraisal Reserv | -\$ 1,662,044 | -\$ 1,327,492 | \$ 0 | -\$ 1,483,438 | -\$ 1,476,006 | 11.19% |
| Transfer To Benefits Plan Fund | -\$ 627,581 | -\$ 634,964 | \$ 0 | -\$ 698,460 | -\$ 698,460 | 10.00% |
| Trfr To Capital Finan Plan Fnd | -\$ 41,112,723 | -\$ 37,534,792 | -\$ 38,589,801 | -\$ 38,342,558 | -\$ 38,342,558 | 2.15% |
| Risk Management | -\$ 42,501 | -\$ 49,925 | -\$ 46,786 | -\$ 65,898 | -\$ 49,925 | 0.00% |
| Transfer To Health Benefits | -\$ 39,672 | -\$ 46,035 | -\$ 44,687 | -\$ 60,768 | -\$ 46,035 | 0.00% |
| Transfer To Dental Benefits | -\$ 1,801 | -\$ 2,610 | -\$ 2,099 | -\$ 3,444 | -\$ 2,610 | 0.00% |
| Transfer To Benefits Plan Fund | -\$ 1,028 | -\$ 1,280 | \$ 0 | -\$ 1,686 | -\$ 1,280 | 0.00% |
| Grand Total | -\$ 62,909,496 | -\$ 59,754,166 | -\$ 58,843,580 | -\$ 63,679,382 | -\$ 63,655,977 | 6.53% |

*These transfers are between General Funds. They are removed to capture actual All General Funds Revenues (so they aren't duplicated)

REVENUE HIGHLIGHTS

Assessed Valuation/Property Taxes

Durham County's largest source of revenue to support operations is derived from the ad valorem property tax. For FY 2018-19, the County wide property tax rate is 78.69 cents per \$100 of assessed valuation, a 1.9 cent tax rate increase from the FY 2017-18 rate of 76.79 cents.

The total County property tax rate is comprised of two rates, one for the General Fund, set at 68.98 cents per \$100 valuation, and the other rate set by the Board for support of debt service related to capital financing which amounts to 9.71 cents per \$100 valuation. For FY 2018-19 the General Fund rate is increasing 1.9 cents to provide increased support to Durham Public Schools, investments internal to the County such as expanded funding for the Detention Center, additional School Resource Officers, employee compensation changes, as well as placing the new Administration Building into operation. Additional property tax rates can be applied to property depending on whether a citizen lives in the City of Durham (city tax rate) or lives within a special fire district.

For reference, one additional cent of property tax will collect an additional \$3.695 million of new property tax revenue for the County. For a Durham County home valued at \$200,000 a 1.9 cent tax rate increase would mean an additional \$38 in property taxes for that home. Total Durham County property tax (78.69 cent tax rate) on such a home would equal \$1, 573.80.

Current year (FY 2017-18) collection of property tax is occurring at a similar pace as in the past years. A continued exceptional tax collection rate (99.7%) provides a reliable source of the largest revenue for the County. Current year property tax collection is anticipated to end the year approximately 1.5% or \$3.8 million over the original budget. Additional property tax overcollection is the result of new construction during the year, fewer existing property valuations appeals with adverse results, and other prudent held back property valuation not reducing the levy as much as conservatively projected.

The collection of taxes from delinquent, or prior years', taxes also is budgeted and provides additional revenue for support of the General Fund. In FY 2017-18 the County is estimated to receive an amount of close to \$0 in prior years' taxes out of a budgeted \$500,000. There are multiple factors that have contributed to the lower than expected prior year collections during the current year. Primarily, the excellent overall collection rate in current years leaves very little remaining to collect for prior years, also when property value adjustments are made (based on property owner request) they have a larger impact on the net total prior year collection. These adjustments occur via refunds; some due to appeals, but largely related to Business Personal Property Compliance reviews (where audit firms meet with companies to confirm they are correctly categorizing assets and paying taxes accordingly).

Natural valuation growth is the growth experienced every year related to new buildings or houses being built, real property improvements and other issues that might create valuation change as estimated by the Tax department. In recent years, this annual natural growth amount has been anywhere between 1.5% and 2%. For FY 2018-19 natural valuation growth is estimated at 3.97%. Such natural growth allows for property tax revenue growth before any potential property tax rate increase is applied.

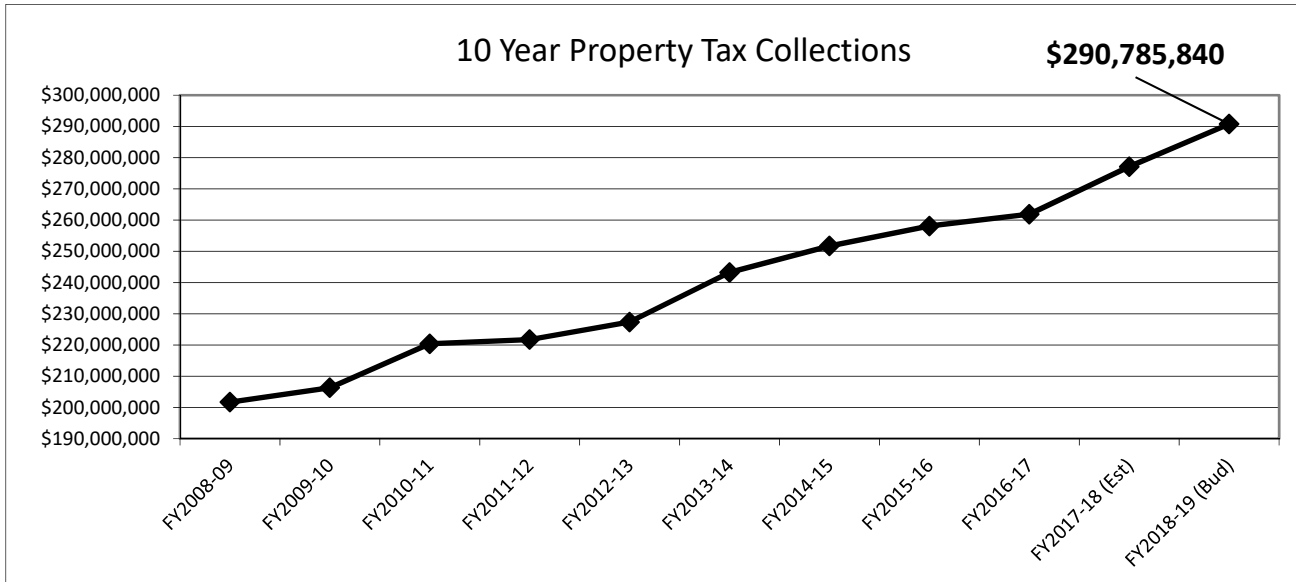
| Category | FY 2017-18 Adopted Budget | FY 2018-19 Projected | % Change FY19 from FY18 Budget |
|----------------|---------------------------|-------------------------|--------------------------------|
| Real Property | \$29,398,185,706 | \$30,644,853,105 | 4.24% |
| Auto Value | \$2,231,898,041 | \$2,285,270,926 | 2.39% |
| Personal Value | \$3,488,484,093 | \$3,596,086,643 | 3.08% |
| Public Service | \$565,369,921 | \$575,537,361 | 1.80% |
| Total | \$35,683,937,761 | \$37,101,748,035 | 3.97% |

Growth in real property tax valuation is due to new construction permits or construction permits that have reached 100% completion. Auto valuation increased for the sixth straight year, indicating the number of new cars being purchased is increasing, and the fifth year of a new state motor vehicle tax collection program is maximizing collection amounts. The County's property tax collection rate will stay at 99.60% in FY 2018-19; and continues to be an exceptionally high rate and a very strong performance indicator for the County's Tax Administration department. This overall 3.97% growth in valuation represents a growth of \$10.89 million in new revenue without having to raise the property tax rate (The new revenue is related only to the natural real property valuation growth, not revaluation of real property growth).

For annual budget development purposes, the County forms a workgroup consisting of the Tax Administrator, Deputy Tax Administrator, Deputy Assessor, Finance Director, and Budget Director. Shortly after January 1, when values for real and personal property have been updated in the County's database, this workgroup convenes and discusses budget estimates for the upcoming

fiscal year. The workgroup meets at least twice over the spring to finalize tax valuation estimates for use in the upcoming budget. Public service estimates are provided by the state and auto values are reviewed and projected using trend analysis.

Property valuation trends for Durham County continue to increase annually, and despite recent trends showing that growth slowing, the growth this year is analogous to pre-2008 recessionary levels. While this is a positive one-year result, a continued cautious and conservative approach is still merited as the next few years progress. With another reappraisal occurring in fiscal year 2019-20 capturing new property valuation growth, as well as increased overall valuation of existing property, patience is the key phrase as FY 2018-19 progresses, and the longer-term trends must be considered, as opposed to last years' results alone. However, population growth for Durham County as well as the City of Durham, along with corresponding growth in available housing, signifies stronger annual property valuation growth in future years.



Sales Tax

Sales taxes represent the second-largest revenue source for Durham County, outside of property taxes, and are collected by the state and distributed back to the County monthly. Out of a total of 7.5% charged on most retail items in Durham County, 2.25% is allocated to county and municipal governments. This 2.25 cents for every retail dollar is broken up into four distinct sales tax entities, usually described by the state statute article number that made it law.

Article 39 sales tax is a one cent tax on every retail dollar and is collected based on where the retail item is actually received (“point of delivery”). An example is when an individual purchases a shirt at a local mall. This shirt may cost \$50, creating a collection of Article 39 sales tax of \$0.50 which will go to the county and/or municipality where the mall is located if the individual leaves with the merchandise. If the individual were to send the item to another county for delivery, then the tax could be reflected in that county’s collections. This particular sales tax is Durham County’s single largest sales tax and generally reflects the broadest retail sales trends within the County.

Article 40 sales tax is a half cent tax on every retail dollar, but differs from the Article 39 sales tax in that it is collected based on statewide retail sales and then distributed to counties and municipalities based on the percentage of the state population residing within the county and/or municipality. This tax reflects the broadest retail trends across the whole state and is less affected by retail sales growth in any one particular local government jurisdiction. This tax has stipulations attached to it by the state legislature directing that 30% of the Article 40 tax be allocated for school capital needs. Durham County allots the full amount of revenue collected from this sales tax to the support of capital projects, of which public school projects make up the largest amount.

Article 42 sales tax is a half cent tax on every retail dollar, and was similarly collected like the Article 40 sales tax, but because of state Medicaid Swap legislation, it is now collected like the Article 39 sales tax. This tax still has stipulations attached to it by the state legislature directing that 60% of the Article 42 tax be allocated for school capital needs. Durham County allots the full amount of revenue collected from this sales tax to the support of capital projects, of which public school projects make up the largest amount.

Due to state Medicaid Swap legislation Durham County no longer collects any Article 44 sales tax.

Article 46 sales tax is a quarter cent tax on every retail dollar and is collected based on where the retail item is received (“point of delivery”), similar to Article 39 sales tax. This sales tax, unlike any of the others, had to be approved by Durham County voters, and was in 2011. It also will not be split with the City of Durham or any other municipality in Durham County; the entire amount

collected goes to Durham County. The Board of County Commissioners passed a resolution soon after approval of this sales tax committing 67.12% of the proceeds from Article 46 to Durham Public Schools, 8.97% to Durham Technical Community College for scholarships, 2.17% to pre-kindergarten programs, and 21.74% to support Durham Public Schools capital project debt service. The tax was applied to purchases made in Durham County starting April 1, 2012. FY 2018-19 is the seventh full year this tax has been collected.

Estimating sales tax revenue collection as part of a budget process is highly dependent on historical trending of sales tax growth and variability, as well as assessing the economic outlook of the state and the county and/or municipality. At the time estimates for an upcoming fiscal year are being made, there are approximately 18 months before those estimates will become actual dollars. The Budget and Management Services Department has generally used conservative growth estimates and will continue with that methodology for FY 2018-19. Conservative in this sense means future year growth. Total growth from one year to the next includes growth actually experienced in one year (FY 2017-18) and estimated growth for the upcoming fiscal year (FY 2018-19).

The County is estimating a slight increase in total sales tax collection for the upcoming year based on a better understanding of the impact of state legislative changes that affected the last two fiscal year projections. This state law resulted in redistributing a portion of overall sales tax collection to rural counties from urban counties; most large population counties were similarly affected by this redistribution. Now that the effects of this legislative change are better known, and maintaining a conservative budget estimate approach, it is anticipated that future sales tax projections will become more accurate.

Reimbursements, which affect Durham County more than any other county in the state, are sales taxes given back to nonprofits in Durham County that made purchases within the County. This reimbursement amount, which is significantly variable and not predictable (due to the wide time range allowed for reimbursements to be requested), had been decreasing over the past several years, thereby conversely helping drive annual increases in sales tax collection for the County, but reimbursements are now increasing significantly as (7.2% with six months of collections) County economic activity increases (nonprofits purchase more goods). These reimbursements to nonprofits will cut into future sales tax growth, but that is to be expected.

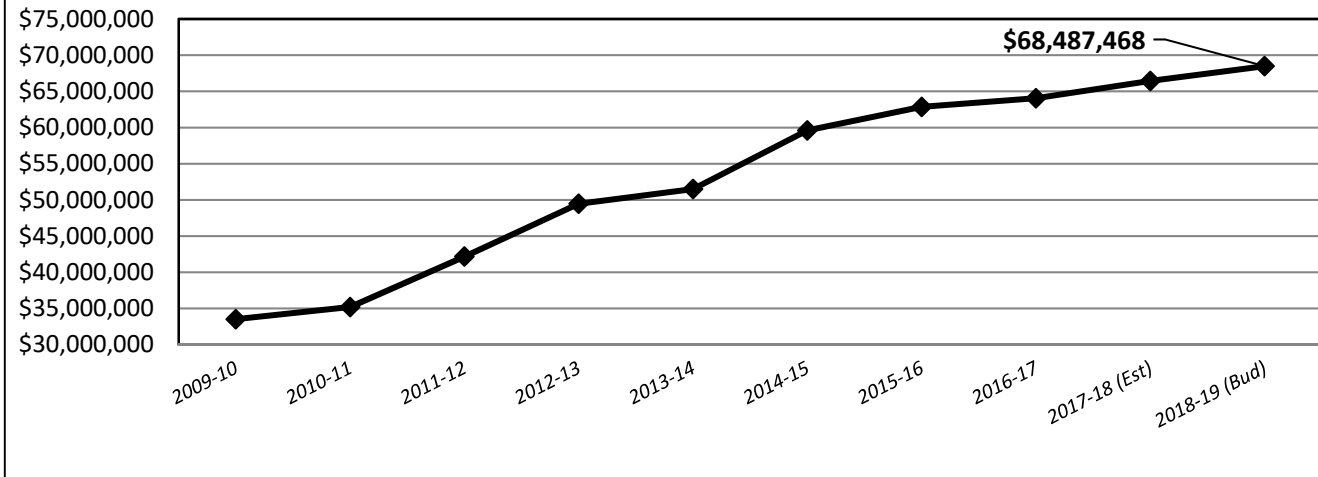
Budget staff believe Article 46 collections will behave similarly to Articles 39 and 42 in FY 2018-19, although nonprofit reimbursements may be more volatile for this particular sales tax and we have estimated the collection amount accordingly. Growth of 3% for Article 39, 42, and 46 sales taxes is estimated for FY 2018-19 from the FY 2017-18 end-of-year estimate, while growth of 4% is estimated for Article 40 sales tax.

Trending economic activity for FY 2017-18 is growing, but that increase reflected in sales tax collection growth may be limited by continued inflationary increases in non-sales tax related items such as food and gas, continued increases in state reimbursements to nonprofits, and most worrisome, changes in state law relating to sales tax distribution. Sales tax revenue is growing, but at a slower pace than recent years. Much like property tax revenue, slowing growth in such a large revenue source will limit future growth choices among various expenditure needs. The FY 2018-19 budget growth “budget to budget” is 1.91% however, it should be noted that this future year estimate is based on a current year projection that has half of the current fiscal year yet to have sales tax collections. This same reason is why the overall “budget to budget” growth does not correspond more accurately with the 3% and 4% growth estimates mentioned previously (the budgeted growth for FY 2018-19 factors in the lower than budgeted actual revenue for part of FY2017-18). Those unknown months (the summer months) are generally the largest collection months of the year, and therefore any future estimate assuming amounts for these months must be somewhat conservative in relation to their proportion of the total sales tax collected.

Durham County has estimated an overall 1.91% increase in all local sales taxes for FY 2018-19.

| Sales Tax Article | FY 2017-18 Original Budget | FY 2017-18 12 Month Est. | % from FY 2017-18 Budget | FY 2018-19 Manager Recommended | % from FY 2017-18 Budget |
|--------------------------|---------------------------------------|-------------------------------------|-------------------------------------|---|-------------------------------------|
| Article 39 | \$23,919,039 | \$23,359,740 | -2.34% | \$23,958,255 | 0.16% |
| Article 40 | \$13,382,478 | \$13,450,263 | 0.51% | \$13,961,887 | 4.33% |
| Article 42 | \$16,327,164 | \$16,203,348 | -0.76% | \$16,467,326 | 0.86% |
| Article 44 | \$0 | \$441 | NA | \$0 | NA |
| Article 46 | \$13,900,000 | \$14,129,771 | 1.65% | \$14,100,000 | 1.44% |
| Inter-local | \$12,807,106 | \$13,336,376 | 4.13% | \$13,386,107 | 4.52% |
| Total | \$80,335,787 | \$80,479,939 | 0.18% | \$81,873,575 | 1.91% |

10 Year Sales Tax Collection (minus Interlocal)



Intergovernmental Revenues

The vast majority of the budgeted intergovernmental revenues in Durham County are received by the human services agencies; Public Health and the Department of Social Services. Other departments receiving small amounts of intergovernmental revenue include Emergency Medical Services, the County Sheriff, and the Fire Marshal among others.

Public Health has a total budget of \$26,059,953 of which \$19,225,326 is County dollars and \$6,834,627 is received from other sources. Of the \$6,834,627 in revenues from other sources, 93.97% comes from intergovernmental sources, mostly the state and federal governments, and currently is budgeted at \$6,422,727 for FY 2018-19. The funds support departmental administrative and operational costs; health education; nutrition programs; dental services; lead poisoning prevention; public health emergency preparedness; refugee health; STD clinic services; immunizations; tuberculosis and other communicable disease control; family planning and maternal healthcare; breast and cervical cancer screenings; HIV education, counseling, and testing; child healthcare; and public school nurses.

The Department of Social Services has a total budget of \$46,891,106 of which \$17,418,413 is County dollars and \$29,472,693 is received from other sources. Of the \$29,472,693 in revenues from other sources, 99.5% comes from intergovernmental sources, mostly the state and federal governments, and currently is budgeted at \$29,326,100 for FY 2018-19. The funds support programs that provide protection of abused and neglected children and adults; the provision of services to prevent unnecessary institutionalization of disabled and elderly residents; Work First support services; school and community social work services; child day care subsidy services; and nutrition assistance and health insurance to eligible families.

Other Key Revenues

There are many revenue sources the County collects; however, a few are of special interest because of their high correlation to overall County economic activity and key county services. Below are a few of those key revenues that the County takes note of every year when developing its annual budget.

| Other Key Revenues | 2016-2017 Actual Revenues | 2017-2018 Original Budget | 2017-2018 12 Month Estimate | 2018-2019 Department Requested | 2018-2019 Manager Recommended |
|----------------------------|---------------------------|---------------------------|-----------------------------|--------------------------------|-------------------------------|
| Occupancy Tax | \$3,961,344 | \$4,000,000 | \$3,797,866 | \$4,000,000 | \$4,000,000 |
| ABC Profit Distribution | \$2,100,001 | \$2,200,000 | \$2,203,352 | \$2,200,000 | \$2,200,000 |
| Register of Deed Fee | \$4,602,724 | \$4,500,000 | \$4,750,000 | \$4,800,000 | \$5,000,000 |
| Investment Income | \$903,380 | \$400,000 | \$504,481 | \$950,000 | \$950,000 |
| EMS Patient Income | \$8,079,261 | \$8,204,050 | \$8,257,963 | \$8,310,000 | \$8,310,000 |
| Solid Waste Management Fee | \$2,254,574 | \$2,181,031 | \$2,175,472 | \$2,096,079 | \$2,145,679 |

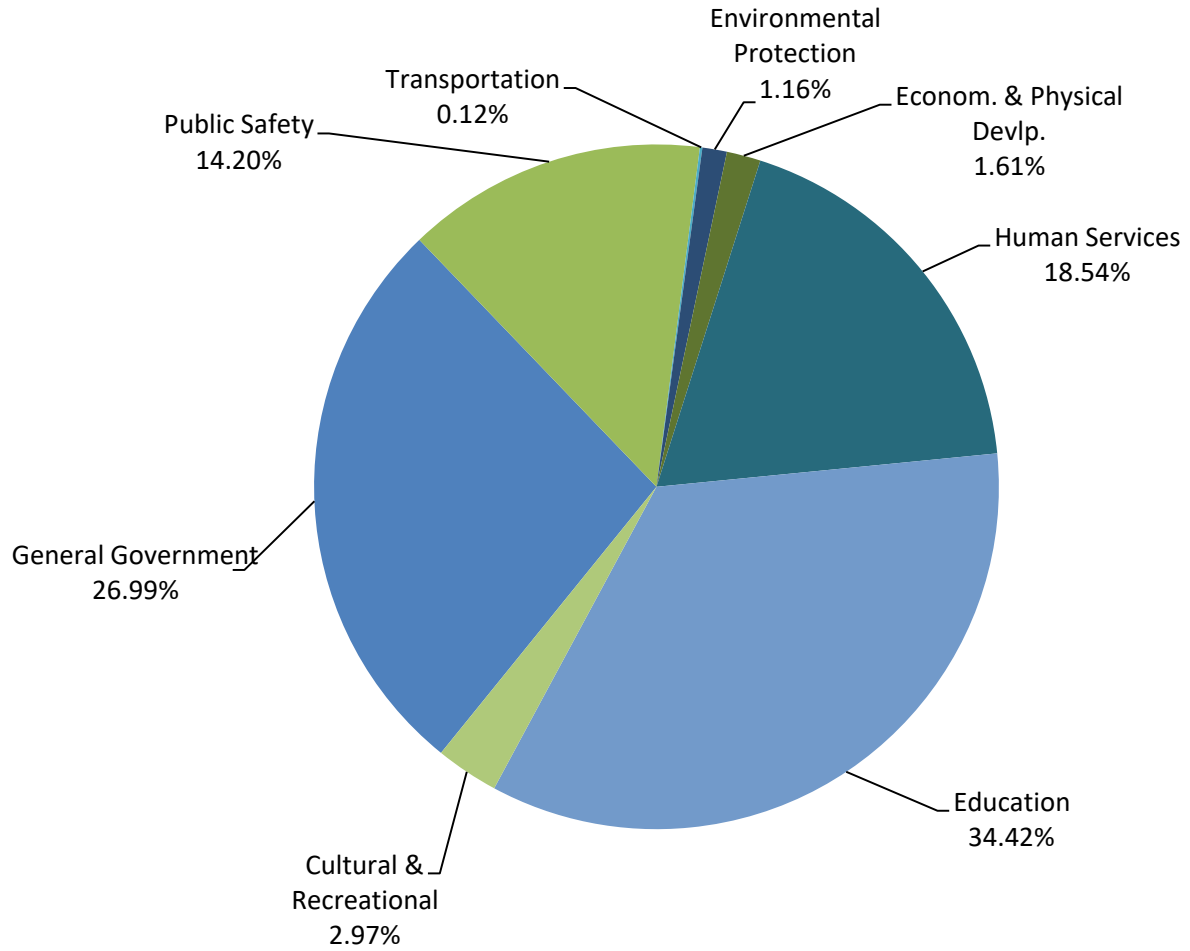
- ABC profit distributions are received quarterly from state-collected taxes on alcohol sold in the County and throughout the state.

- Register of Deeds fees are charges made for new deeds of trust, changing of deeds of trust, marriage certificates, etc. State changes to these fees may affect the collection amount. The FY 2017-18 estimate is trending above budget and is the reason an increased projection is made for FY 2018-19.
- Investment income is interest earned on County cash deposited in banks.
- EMS patient income is derived from billing EMS responses to patient calls. The County strives to gather as much income as possible from patient insurance and or the patient themselves to ensure that those who use EMS support its operations.
- The solid waste management fee is a yearly fee for any citizen who chooses to use the service for the drop off of waste or recyclables at any County container site.

General Fund Expenditures

FY2018-19 Recommended Budget

Total General Fund Expenditures: \$435,459,497



General Funds Expenditures

Funds: 101, 102, 103, 125, 150

| All General Funds Summary | FY2016-17 | FY2017-18 | FY2017-18 | FY2018-19 | FY2018-19 | % Change |
|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| | Actual Expenditures | Original Budget | 12 Month Estimate | Department Requested | Manager Recommended | 2019 Rec. v. 2018 Orig. |
| General Fund Expenses | \$ 408,696,446 | \$ 434,763,426 | \$ 406,876,973 | \$ 445,280,331 | \$ 435,459,497 | 0.16% |
| Other General Fund Expenses | \$ 89,591,963 | \$ 103,099,456 | \$ 103,679,809 | \$ 110,724,934 | \$ 110,423,104 | 7.10% |
| Transfer within General Funds | -\$ 62,985,978 | -\$ 59,754,166 | -\$ 62,116,212 | -\$ 63,663,409 | -\$ 63,655,977 | 6.53% |
| Grand Total | \$ 435,302,431 | \$ 478,108,716 | \$ 448,440,570 | \$ 492,341,856 | \$ 482,226,624 | 0.86% |

| General Fund Expenditures | FY2016-17 | FY2017-18 | FY2017-18 | FY2018-19 | FY2018-19 | % Change |
|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| | Actual Expenditures | Original Budget | 12 Month Estimate | Department Requested | Manager Recommended | 2019 Rec. v. 2018 Orig. |
| General Government | \$ 106,438,196 | \$ 109,584,024 | \$ 105,296,922 | \$ 119,231,803 | \$ 117,530,503 | 7.25% |
| Board Of County Commissioners | \$ 646,432 | \$ 648,936 | \$ 729,895 | \$ 675,024 | \$ 674,182 | 3.89% |
| County Administration | \$ 2,347,092 | \$ 2,287,180 | \$ 2,053,512 | \$ 2,627,678 | \$ 2,547,535 | 11.38% |
| Finance | \$ 3,060,417 | \$ 3,002,033 | \$ 3,131,183 | \$ 3,671,218 | \$ 3,199,121 | 6.57% |
| Tax Administration | \$ 5,275,008 | \$ 5,925,787 | \$ 5,764,604 | \$ 6,008,079 | \$ 5,980,759 | 0.93% |
| Legal | \$ 2,181,754 | \$ 2,194,061 | \$ 1,900,947 | \$ 2,539,601 | \$ 2,323,386 | 5.89% |
| Court Facilities | \$ 416,361 | \$ 457,305 | \$ 443,888 | \$ 637,185 | \$ 687,545 | 50.35% |
| Elections | \$ 1,816,293 | \$ 1,979,443 | \$ 1,780,195 | \$ 1,735,208 | \$ 1,730,854 | -12.56% |
| Register Of Deeds | \$ 1,515,574 | \$ 1,852,649 | \$ 1,839,680 | \$ 1,846,114 | \$ 1,841,715 | -0.59% |
| General Services | \$ 11,339,086 | \$ 13,132,908 | \$ 13,036,620 | \$ 13,940,046 | \$ 13,773,830 | 4.88% |
| Information Technology | \$ 6,853,486 | \$ 8,447,272 | \$ 8,132,866 | \$ 9,238,797 | \$ 8,288,919 | -1.87% |
| Human Resources | \$ 2,059,146 | \$ 2,187,567 | \$ 2,359,340 | \$ 2,302,042 | \$ 2,301,142 | 5.19% |
| Budget & Management Services | \$ 426,017 | \$ 952,877 | \$ 696,798 | \$ 1,039,705 | \$ 1,020,579 | 7.11% |
| Veterans Services | \$ 232,124 | \$ 270,052 | \$ 261,080 | \$ 383,316 | \$ 330,967 | 22.56% |
| Geographic Information Systems | \$ 438,833 | \$ 467,619 | \$ 405,271 | \$ 478,968 | \$ 477,968 | 2.21% |
| Nondepartmental | \$ 67,830,571 | \$ 65,778,335 | \$ 62,761,066 | \$ 72,108,822 | \$ 72,352,001 | 9.99% |
| Public Safety | \$ 59,661,791 | \$ 63,133,100 | \$ 62,186,975 | \$ 64,940,839 | \$ 61,848,748 | -2.03% |
| County Sheriff | \$ 33,878,088 | \$ 34,949,195 | \$ 34,825,286 | \$ 39,036,229 | \$ 36,605,966 | 4.74% |
| Emergency Communications | \$ 1,221,819 | \$ 1,321,893 | \$ 1,321,893 | \$ 1,384,278 | \$ 1,384,278 | 4.72% |
| Fire Marshal | \$ 5,101,088 | \$ 5,609,229 | \$ 6,571,949 | \$ 1,995,159 | \$ 1,972,762 | -64.83% |
| Medical Examiner | \$ 223,900 | \$ 250,000 | \$ 210,450 | \$ 225,000 | \$ 225,000 | -10.00% |
| Criminal Justice Resource Center | \$ 3,534,289 | \$ 4,115,291 | \$ 3,520,003 | \$ 3,989,514 | \$ 3,971,780 | -3.49% |
| Youth Home | \$ 1,187,628 | \$ 1,315,555 | \$ 1,203,557 | \$ 1,250,535 | \$ 1,242,400 | -5.56% |
| Emergency Medical Services | \$ 14,514,979 | \$ 15,571,937 | \$ 14,533,837 | \$ 17,060,124 | \$ 16,446,562 | 5.62% |
| Transportation | \$ 353,001 | \$ 512,500 | \$ 512,500 | \$ 512,500 | \$ 512,500 | 0.00% |
| Other Transportation | \$ 353,001 | \$ 512,500 | \$ 512,500 | \$ 512,500 | \$ 512,500 | 0.00% |
| Environmental Protection | \$ 3,983,371 | \$ 4,458,542 | \$ 4,616,924 | \$ 4,903,485 | \$ 5,040,236 | 13.05% |
| General Services | \$ 2,060,092 | \$ 2,102,681 | \$ 2,266,639 | \$ 2,154,413 | \$ 2,284,792 | 8.66% |
| Engineering & Environ Svcs | \$ 1,873,086 | \$ 2,304,519 | \$ 2,298,943 | \$ 2,698,483 | \$ 2,704,855 | 17.37% |
| Other Environmental Protection | \$ 50,193 | \$ 51,342 | \$ 51,342 | \$ 50,589 | \$ 50,589 | -1.47% |
| Econom. & Physical Devlp. | \$ 4,936,608 | \$ 5,714,727 | \$ 4,211,026 | \$ 6,901,409 | \$ 6,990,500 | 22.32% |
| Open Space Management | \$ 61,993 | \$ 77,175 | \$ 75,484 | \$ 77,175 | \$ 77,175 | 0.00% |
| Planning | \$ 870,250 | \$ 1,158,514 | \$ 1,158,514 | \$ 1,160,299 | \$ 1,160,133 | 0.14% |
| Cooperative Extension Service | \$ 1,136,961 | \$ 1,178,816 | \$ 896,251 | \$ 1,231,102 | \$ 1,211,166 | 2.74% |
| Soil And Water Conservation | \$ 522,681 | \$ 559,781 | \$ 539,755 | \$ 618,161 | \$ 581,778 | 3.93% |
| Economic Development | \$ 2,344,722 | \$ 2,740,441 | \$ 1,541,021 | \$ 3,814,672 | \$ 3,960,248 | 44.51% |

| General Fund Expenditures | FY2016-17 Actual Expenditures | FY2017-18 Original Budget | FY2017-18 12 Month Estimate | FY2018-19 Department Requested | FY2018-19 Manager Recommended | % Change 2019 Rec. v. 2018 Orig. |
|------------------------------------|-------------------------------------|------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|--|
| Human Services | \$ 86,551,606 | \$ 95,683,882 | \$ 74,967,834 | \$ 83,465,656 | \$ 80,715,300 | -15.64% |
| Public Health | \$ 22,713,030 | \$ 26,034,159 | \$ 25,870,409 | \$ 26,338,993 | \$ 26,059,953 | 0.10% |
| Mental Health | \$ 6,217,381 | \$ 6,131,224 | \$ 6,131,224 | \$ 6,268,208 | \$ 6,171,224 | 0.65% |
| Social Services | \$ 55,900,793 | \$ 62,347,767 | \$ 41,278,748 | \$ 48,829,127 | \$ 46,891,106 | -24.79% |
| Other Human Services | \$ 1,720,402 | \$ 1,170,732 | \$ 1,687,452 | \$ 2,029,328 | \$ 1,593,017 | 36.07% |
| Education | \$ 134,879,723 | \$ 143,038,856 | \$ 142,938,856 | \$ 152,209,523 | \$ 149,869,007 | 4.78% |
| Durham Public Schools | \$ 127,975,707 | \$ 134,035,201 | \$ 134,035,201 | \$ 139,020,717 | \$ 137,035,201 | 2.24% |
| Community Colleges | \$ 6,904,016 | \$ 7,164,220 | \$ 7,164,220 | \$ 7,779,874 | \$ 7,539,874 | 5.24% |
| Other Education | \$ 0 | \$ 1,839,435 | \$ 1,739,435 | \$ 5,408,932 | \$ 5,293,932 | 187.80% |
| Cultural & Recreational | \$ 11,892,150 | \$ 12,637,795 | \$ 12,145,937 | \$ 13,115,116 | \$ 12,952,703 | 2.49% |
| Library | \$ 9,773,023 | \$ 10,511,958 | \$ 10,020,100 | \$ 10,891,634 | \$ 10,779,221 | 2.54% |
| Other Cultural & Recreational | \$ 2,119,127 | \$ 2,125,837 | \$ 2,125,837 | \$ 2,223,482 | \$ 2,173,482 | 2.24% |
| Grand Total | \$ 408,696,446 | \$ 434,763,426 | \$ 406,876,973 | \$ 445,280,331 | \$ 435,459,497 | 0.16% |

*For General Fund expenditure detail refer to Departmental pages in the General Funds Tab

| Other General Funds Expenditures | FY2016-17 Actual Expenditures | FY2017-18 Original Budget | FY2017-18 12 Month Estimate | FY2018-19 Department Requested | FY2018-19 Manager Recommended | % Change 2019 Rec. v. 2018 Orig. |
|---|-------------------------------------|------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|--|
| Risk Management | \$ 2,676,873 | \$ 3,423,808 | \$ 2,951,763 | \$ 3,936,261 | \$ 3,641,863 | 6.37% |
| Swap Agreement 05 | \$ 0 | \$ 2,225,000 | \$ 0 | \$ 3,313,079 | \$ 3,162,949 | 42.16% |
| Reappraisal Reserve Fund | \$ 1,269,713 | \$ 1,327,492 | \$ 1,401,680 | \$ 1,483,438 | \$ 1,476,006 | 11.19% |
| Capital Improvement Plan | \$ 63,327,181 | \$ 72,680,412 | \$ 73,489,436 | \$ 74,807,098 | \$ 74,957,228 | 3.13% |
| Benefits Plan | \$ 22,318,196 | \$ 23,442,744 | \$ 25,836,930 | \$ 27,185,058 | \$ 27,185,058 | 15.96% |
| Grand Total | \$ 89,591,963 | \$ 103,099,456 | \$ 103,679,809 | \$ 110,724,934 | \$ 110,423,104 | 7.10% |

*For Other General Fund expenditure detail refer to the last section in the General Funds Tab

| Transfers within All General Funds* | FY2016-17 Actual Expenditures | FY2017-18 Original Budget | FY2017-18 12 Month Estimate | FY2018-19 Department Requested | FY2018-19 Manager Recommended | % Change 2019 Rec. v. 2018 Orig. |
|--|-------------------------------------|------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|--|
| Risk Management | -\$ 76,482 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0.00% |
| Transfer From General Fund | -\$ 76,482 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 0.00% |
| Reappraisal Reserve Fund | -\$ 1,662,044 | -\$ 1,327,492 | -\$ 1,401,680 | -\$ 1,483,438 | -\$ 1,476,006 | 11.19% |
| Transfer From General Fund | -\$ 1,662,044 | -\$ 1,327,492 | -\$ 1,401,680 | -\$ 1,483,438 | -\$ 1,476,006 | 11.19% |
| Capital Improvement Plan | -\$ 41,112,723 | -\$ 37,534,792 | -\$ 38,589,801 | -\$ 38,342,558 | -\$ 38,342,558 | 2.15% |
| Transfer From General Fund | -\$ 41,112,723 | -\$ 37,534,792 | -\$ 38,589,801 | -\$ 38,342,558 | -\$ 38,342,558 | 2.15% |
| Benefits Plan | -\$ 20,134,730 | -\$ 20,891,882 | -\$ 22,124,731 | -\$ 23,837,413 | -\$ 23,837,413 | 14.10% |
| Transfer From General Health Benefits | -\$ 18,484,896 | -\$ 19,140,793 | -\$ 21,474,787 | -\$ 21,916,208 | -\$ 21,916,208 | 14.50% |
| Transfer From Risk Mgmt Health Benefits | -\$ 39,672 | -\$ 46,035 | -\$ 21,803 | -\$ 46,035 | -\$ 46,035 | 0.00% |
| Transfer From General Dental Benefits | -\$ 979,753 | -\$ 1,066,200 | -\$ 627,128 | -\$ 1,172,820 | -\$ 1,172,820 | 10.00% |
| Transfer From Risk Mgmt Dental Benefits | -\$ 1,801 | -\$ 2,610 | -\$ 1,013 | -\$ 2,610 | -\$ 2,610 | 0.00% |
| Transfer From General Fund | -\$ 627,581 | -\$ 634,964 | \$ 0 | -\$ 698,460 | -\$ 698,460 | 10.00% |
| Transfer From Risk Mgmt Fund | -\$ 1,028 | -\$ 1,280 | \$ 0 | -\$ 1,280 | -\$ 1,280 | 0.00% |
| Grand Total | -\$ 62,985,978 | -\$ 59,754,166 | -\$ 62,116,212 | -\$ 63,663,409 | -\$ 63,655,977 | 6.53% |

*These transfers are between General Funds. They are removed to capture actual All General Funds Expenditures (so they aren't duplicated)

All Funds Summary of Expenditures

| Fund | FY2016-17 Actual Expenditures | FY2017-18 Original Budget | FY2017-18 12 Month Estimate | FY2018-19 Department Requested | FY2018-19 Manager Recommended | % Change 2019 Rec. v. 2018 Orig. |
|-------------------------------|-------------------------------------|---------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|--|
| General Funds | \$498,288,409 | \$537,862,882 | \$510,556,782 | \$556,005,265 | \$545,882,601 | 1.49% |
| General | \$408,696,446 | \$434,763,426 | \$406,876,973 | \$445,280,331 | \$435,459,497 | 0.16% |
| Risk Management | \$2,676,873 | \$3,423,808 | \$2,951,763 | \$3,936,261 | \$3,641,863 | 6.37% |
| Swap Agreement 05 | \$0 | \$2,225,000 | \$0 | \$3,313,079 | \$3,162,949 | 42.16% |
| Reappraisal Reserve Fund | \$1,269,713 | \$1,327,492 | \$1,401,680 | \$1,483,438 | \$1,476,006 | 11.19% |
| Capital Improvement Plan | \$63,327,181 | \$72,680,412 | \$73,489,436 | \$74,807,098 | \$74,957,228 | 3.13% |
| Benefits Plan | \$22,318,196 | \$23,442,744 | \$25,836,930 | \$27,185,058 | \$27,185,058 | 15.96% |
| Special Revenue Funds | \$14,776,181 | \$15,355,576 | \$15,419,043 | \$12,760,498 | \$14,122,058 | -8.03% |
| Lebanon Fire District | \$1,502,444 | \$1,302,370 | \$1,293,898 | \$1,408,145 | \$1,309,619 | 0.56% |
| Parkwood Fire District | \$126,263 | \$0 | \$0 | \$0 | \$0 | 0.00% |
| Redwood Fire District | \$962,220 | \$1,017,681 | \$1,013,648 | \$1,035,054 | \$1,055,054 | 3.67% |
| New Hope Fire District | \$91,695 | \$98,715 | \$98,566 | \$102,328 | \$102,264 | 3.60% |
| Eno Fire District | \$33,094 | \$36,037 | \$35,950 | \$37,133 | \$37,086 | 2.91% |
| Bahama Fire District | \$1,745,641 | \$1,491,310 | \$1,490,548 | \$1,630,855 | \$1,584,250 | 6.23% |
| Special Park District | \$1,211,792 | \$1,193,549 | \$1,136,903 | \$1,107,506 | \$1,091,656 | -8.54% |
| Bethesda Service Tax District | \$54,434 | \$253,617 | \$70,814 | \$0 | \$0 | -100.00% |
| Durham Fire And Rescue Serv | \$3,859,001 | \$4,384,131 | \$4,700,551 | \$3,839,477 | \$4,173,629 | -4.80% |
| Community Health Trust | \$5,189,596 | \$5,578,166 | \$5,578,166 | \$3,600,000 | \$4,768,500 | -14.51% |
| Debt Service Funds | \$176,012,280 | \$68,669,065 | \$60,807,595 | \$72,777,809 | \$73,404,600 | 6.90% |
| Debt Service | \$176,012,280 | \$68,669,065 | \$60,807,595 | \$72,777,809 | \$73,404,600 | 6.90% |
| Enterprise Funds | \$7,122,405 | \$10,618,880 | \$7,808,295 | \$10,380,080 | \$10,380,080 | -2.25% |
| Sewer Utility | \$7,122,405 | \$10,618,880 | \$7,808,295 | \$10,380,080 | \$10,380,080 | -2.25% |
| Trust Funds | \$387,823 | \$637,323 | \$421,326 | \$737,745 | \$737,745 | 15.76% |
| George R. Linder Memorial | \$0 | \$250 | \$0 | \$250 | \$250 | 0.00% |
| L.E.O. Retirement Trust | \$387,823 | \$637,073 | \$421,326 | \$737,495 | \$737,495 | 15.76% |
| Grand Total | \$ 696,587,099 | \$ 633,143,726 | \$ 595,013,040 | \$ 652,661,397 | \$ 644,527,084 | 1.80% |

All Funds Summary of Revenues

| Fund | FY2016-17 Actual Expenditures | FY2017-18 Original Budget | FY2017-18 12 Month Estimate | FY2018-19 Department Requested | FY2018-19 Manager Recommended | % Change 2019 Rec. v. 2018 Orig. |
|------------------------------|-------------------------------------|---------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|--|
| General Funds | \$510,078,567 | \$537,862,882 | \$514,028,955 | \$534,758,563 | \$545,882,601 | 1.49% |
| Taxes | \$344,906,054 | \$359,280,677 | \$363,879,537 | \$370,322,341 | \$378,518,415 | 5.35% |
| Licenses and Permits | \$1,393,097 | \$1,172,500 | \$1,096,526 | \$1,092,000 | \$1,052,000 | -10.28% |
| Intergovernmental | \$58,895,992 | \$60,261,540 | \$42,604,915 | \$45,295,364 | \$44,797,940 | -25.66% |
| Contributions and Donation: | \$72,179 | \$70,093 | \$69,530 | \$65,093 | \$65,093 | -7.13% |
| Investment Income | \$1,058,719 | \$434,044 | \$380,948 | \$960,000 | \$985,838 | 127.13% |
| Rental Income | \$972,562 | \$939,320 | \$1,153,476 | \$1,077,598 | \$840,098 | -10.56% |
| Sewer Connection Fees | \$57,285 | \$43,150 | \$29,463 | \$5,000 | \$5,000 | -88.41% |
| Service Charges | \$27,271,079 | \$27,711,706 | \$27,894,163 | \$28,520,640 | \$28,095,184 | 1.38% |
| Enterprise Charges | \$9,274 | \$10,000 | \$10,048 | \$14,000 | \$14,000 | 40.00% |
| Other Revenues | \$3,756,731 | \$2,812,302 | \$3,046,618 | \$1,763,571 | \$1,763,391 | -37.30% |
| Transfers In | \$71,685,595 | \$85,127,550 | \$73,863,731 | \$85,642,956 | \$89,745,642 | 5.42% |
| Special Revenue Funds | \$13,425,377 | \$15,355,576 | \$14,982,266 | \$12,760,498 | \$14,122,058 | -8.03% |
| Taxes | \$9,089,859 | \$8,996,951 | \$9,141,149 | \$8,999,706 | \$9,282,822 | 3.18% |
| Intergovernmental | \$4,291,217 | \$4,300,000 | \$4,152,401 | \$2,600,000 | \$2,600,000 | -39.53% |
| Investment Income | \$44,301 | \$0 | \$29,832 | \$0 | \$0 | 0.00% |
| Transfers In | \$0 | \$2,058,625 | \$1,658,884 | \$1,160,792 | \$2,239,236 | 8.77% |
| Debt Service Funds | \$176,692,352 | \$68,669,065 | \$68,734,140 | \$72,777,809 | \$73,404,600 | 6.90% |
| Investment Income | \$574,195 | \$368,221 | \$368,222 | \$368,221 | \$368,221 | 0.00% |
| Service Charges | \$567,610 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | 0.00% |
| Transfers In | \$175,550,547 | \$67,800,844 | \$67,865,918 | \$71,909,588 | \$72,536,379 | 6.98% |
| Enterprise Funds | \$12,438,028 | \$10,618,880 | \$10,269,579 | \$10,380,080 | \$10,380,080 | -2.25% |
| Licenses and Permits | \$18,450 | \$10,000 | \$13,950 | \$10,000 | \$10,000 | 0.00% |
| Investment Income | \$106,033 | \$35,000 | \$142,317 | \$35,000 | \$35,000 | 0.00% |
| Sewer Connection Fees | \$2,614,675 | \$895,880 | \$981,598 | \$794,080 | \$794,080 | -11.36% |
| Service Charges | \$0 | \$0 | \$820 | \$0 | \$0 | 0.00% |
| Enterprise Charges | \$9,698,870 | \$9,678,000 | \$9,130,894 | \$9,541,000 | \$9,541,000 | -1.42% |
| Trust Funds | \$650,379 | \$637,323 | \$440,203 | \$737,495 | \$737,745 | 15.76% |
| Contributions and Donation: | \$642,096 | \$637,323 | \$440,203 | \$737,495 | \$737,745 | 15.76% |
| Investment Income | \$8,283 | \$0 | \$0 | \$0 | \$0 | 0.00% |
| Grand Total | \$713,284,703 | \$633,143,726 | \$608,455,143 | \$631,414,445 | \$644,527,084 | 1.80% |

All Funds FTEs (Full Time Equivalent Positions)

| | 2016-17 Actual FTEs | 2017-18 Original Budget | 2017-18 12 Month Estimate | 2018-19 Department Requested | 2018-19 Manager Recommended |
|--------------------------------------|---------------------------|-------------------------------|---------------------------------|------------------------------------|-----------------------------------|
| General Fund | | | | | |
| Clerk to the Board | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| County Administration | 16.00 | 17.00 | 18.00 | 18.00 | 18.00 |
| Finance | 25.00 | 26.00 | 27.00 | 29.00 | 27.00 |
| Tax Administration | 67.00 | 56.00 | 55.00 | 56.00 | 55.00 |
| County Attorney | 19.00 | 19.00 | 19.00 | 21.00 | 19.00 |
| Elections | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Register of Deeds | 19.00 | 19.00 | 19.00 | 19.00 | 19.00 |
| General Services | 67.00 | 73.00 | 73.00 | 79.00 | 76.00 |
| Information Technology | 45.00 | 45.50 | 45.50 | 46.00 | 46.00 |
| Human Resources | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Budget & Management Services | 6.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| Veterans Services | 4.00 | 4.00 | 4.00 | 6.00 | 5.00 |
| Function - General Government | 302.00 | 301.50 | 302.50 | 316.00 | 307.00 |
| County Sheriff | 473.00 | 474.00 | 474.00 | 503.00 | 494.00 |
| Fire Marshall | 77.00 | 77.00 | 77.00 | 25.00 | 25.00 |
| Criminal Justice Resource Center | 45.42 | 46.42 | 46.42 | 46.10 | 46.10 |
| Youth Home | 21.12 | 21.12 | 21.12 | 21.12 | 21.12 |
| Emergency Medical Services | 176.00 | 179.00 | 179.00 | 185.00 | 179.00 |
| Function - Public Safety | 792.54 | 797.54 | 797.54 | 780.22 | 765.22 |

All Funds FTEs (Full Time Equivalent Positions)

| | 2016-17 Actual FTEs | 2017-18 Original Budget | 2017-18 12 Month Estimate | 2018-19 Department Requested | 2018-19 Manager Recommended |
|---|---------------------------|-------------------------------|---------------------------------|------------------------------------|-----------------------------------|
| General Services - Solid Waste | 17.00 | 17.00 | 17.00 | 17.00 | 17.00 |
| County Engineering | 18.00 | 19.00 | 19.00 | 21.00 | 21.00 |
| Function - Environmental Protection | 35.00 | 36.00 | 36.00 | 38.00 | 38.00 |
| Cooperative Extension Service | 16.34 | 16.94 | 16.94 | 17.21 | 16.94 |
| Soil and Water Conservation | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Economic Development | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Function - Economic & Physical Development | 22.34 | 22.94 | 22.94 | 23.21 | 22.94 |
| Public Health | 233.79 | 234.47 | 234.47 | 235.55 | 233.55 |
| Social Services | 504.00 | 503.00 | 509.00 | 525.00 | 509.00 |
| Other Human Services | 2.00 | 2.00 | 2.00 | 2.60 | 2.00 |
| Function - Human Services | 739.79 | 739.47 | 745.47 | 763.15 | 744.55 |
| Library | 136.92 | 135.92 | 135.92 | 143.94 | 136.91 |
| Function - Culture & Recreation | 136.92 | 135.92 | 135.92 | 143.94 | 136.91 |
| General Fund Total | 2,028.59 | 2,033.37 | 2,040.37 | 2,064.52 | 2,014.62 |
| Risk Management Fund | 5.00 | 5.00 | 5.00 | 6.00 | 5.00 |
| Reappraisal Reserve Fund | 0.00 | 11.00 | 11.00 | 11.00 | 11.00 |
| Sewer Utility Fund | 25.00 | 26.00 | 26.00 | 27.00 | 27.00 |
| All Funds Total | 2058.59 | 2075.37 | 2082.37 | 2108.52 | 2057.62 |

FY 2018-19 RECOMMENDED NEW FULL TIME EQUIVALENTS (FTEs)

| Position | FTEs | Salary and Benefits | Starting Date |
|--|--------------|------------------------|---------------|
| School Health Nurse (Public Health) | 3.00 | \$ 360,097.00 | 07/01/18 |
| Environmental Health Program Specialist (Public Health) | 1.00 | \$ 80,782.00 | 07/01/18 |
| Registered Environmental Health Specialist (Public Health) | 1.00 | \$ 66,761.00 | 07/01/18 |
| Registered Environmental Health Specialist (Public Health) | 1.00 | \$ 66,761.00 | 07/01/18 |
| Pharmacist (Public Health) | 0.08 | \$ 8,302.00 | 07/01/18 |
| Veteran Services Officer (Veteran Services) | 1.00 | \$ 47,698.00 | 07/01/18 |
| Office Assistant (Main Library) | 0.05 | \$ 3,421.00 | 07/01/18 |
| Senior Librarian (East Regional Library) | 0.94 | \$ 52,468.00 | 07/01/18 |
| Goal 2: Health and Well-being for All | 8.07 | \$ 686,290.00 | |
| School Resource Officers (Sheriff) | 5.00 | \$ 229,915.00 | 07/01/18 |
| Detention Officers- female mental health pod (Sheriff) | 13.00 | \$ 297,453.00 | 01/01/19 |
| Sheriff Deputy - Domestic Violence (Sheriff) | 2.00 | \$ 91,966.00 | 07/01/18 |
| HazMat Planner (Emergency Management) | 1.00 | \$ 54,203.00 | 07/01/18 |
| Employment Specialist (CJRC) | 0.40 | \$ 17,822.00 | 07/01/18 |
| Training Officers (EMS) | 4.00 | \$ 317,716.00 | 07/01/18 |
| Community Paramedic (EMS) | 1.00 | \$ 88,399.00 | 07/01/18 |
| Goal 3: Safe and Secure Community | 26.40 | \$ 1,097,474.00 | |
| Project Manager (Engineering) | 1.00 | \$ 84,315.00 | 07/01/18 |
| Project Manager (Engineering) | 1.00 | \$ 84,315.00 | 07/01/18 |
| Utility Technician (Enterprise Fund) | 1.00 | \$ 43,279.00 | 07/01/18 |
| Goal 4: Environmental Stewardship | 3.00 | \$ 211,909.00 | |
| Locksmith (General Services) | 1.00 | \$ 66,248.00 | 07/01/18 |
| Electrician (General Services) | 1.00 | \$ 67,452.00 | 07/01/18 |
| HVAC (General Services) | 1.00 | \$ 69,861.00 | 07/01/18 |
| Sr. Business Analyst (IS&T) | 0.50 | \$ 24,854.00 | 07/01/18 |
| Goal 5: Accountable, Efficient and Visionary Government | 3.50 | \$ 44,896.00 | |
| Total | 40.97 | \$ 2,040,569.00 | |

Light Blue highlighted area denotes realignment dollars supported positions

FY 2018-19 RECOMMENDED REALIGNED/ELIMINATED FULL TIME EQUIVALENTS (FTEs)

| Position | FTEs | Salary and Benefits | Ending Date |
|---|----------------|--------------------------|-------------|
| Child Health Assessment & Prevention Program Nurse (Public Health) | (3.00) | \$ (360,097.00) | 06/30/18 |
| Public Health Education Specialist (Public Health Diabetes Coalition Project - grant) | (2.00) | \$ (116,484.00) | 06/30/18 |
| Nutrition Specialist (Public Health Diabetes Coalition Project - grant) | (1.00) | \$ (71,472.00) | 06/30/18 |
| Dental van driver (Public Health - moved to a contracted service) | (1.00) | \$ (36,792.00) | 06/30/18 |
| Admin. Support Assistant (CJRC - grant) | (0.72) | \$ (15,972.00) | 06/30/18 |
| Firefighter (Durham Fire and Rescue - moved to the City of Durham) | (53.00) | | 06/30/18 |
| EMS Officer I | (4.00) | \$ (317,716.00) | 06/30/18 |
| EMS Officer II | (1.00) | \$ (88,399.00) | 06/30/18 |
| Total | (65.72) | \$ (1,006,932.00) | |

Net County Funded Positions

| | | |
|---|----------------|--------------------|
| Realignment Dollars Supported Positions | 1.07 | \$64,191 |
| Realigned Positions | 8.00 | \$766,212 |
| Net County Funded FTE Change | (24.75) | \$1,033,637 |