



DURHAM COUNTY NC RECOMMENDED BUDGET FY 2020-21





Durham County Strategic Plan



GOAL 1 COMMUNITY EMPOWERMENT AND ENRICHMENT



GOAL 2 HEALTH AND WELL BEING FOR ALL



GOAL 3 SAFE COMMUNITY



GOAL 4 ENVIRONMENTAL STEWARDSHIP AND COMMUNITY PROSPERITY



GOAL 5 ACCOUNTABLE, EFFICIENT AND VISIONARY GOVERNMENT



Quickly Evolving FY 2020-21 Budget Outlook

- **Budget Outlook – February 25th (Budget retreat)**
 - Projected new funds estimated at **\$12 - \$15 million**
 - Potential for small tax increase to support highest priorities
 - \$40+ million of new requests, including:
 - 100+ new positions
 - Pre-K expansion
 - DSS funding to address Medicaid compliance
 - Sheriff's Office requests
 - IS&T support
 - \$17 million additional funding for DPS
- **Budget Outlook – March 27th (Post COVID-19)**
 - Revised new funds estimate **\$1.67 million**
- **Budget Outlook – May 4 (Post COVID-19)**
 - Revised new funds estimate **\$216,697 (FLAT)**



FY 2020-21 General Priorities

- BOCC Budget Development Guidelines established framework for budget development
- Maintain sound fiscal standing
- Realign existing dollars for operating expenditure growth
- Increase funding for Durham Public Schools
- Support Durham County's human capital
- Minimal operational increases for key service areas



FY 2020-21 Manager Budget Priorities

- No tax increase recommended
- No General Fund fee increases
- No employee salary increases
- Vacant position hiring freeze
- No new positions (*unless revenue supported or through permanent realignments*)
- Flat operational budget
- Limit Fund Balance use
- BOCC Contingency reduced to \$0
- Manager Contingency reduced to \$0
- Support employee Health Benefits increase



FY 2020-21 Manager Budget Priorities (Continued)

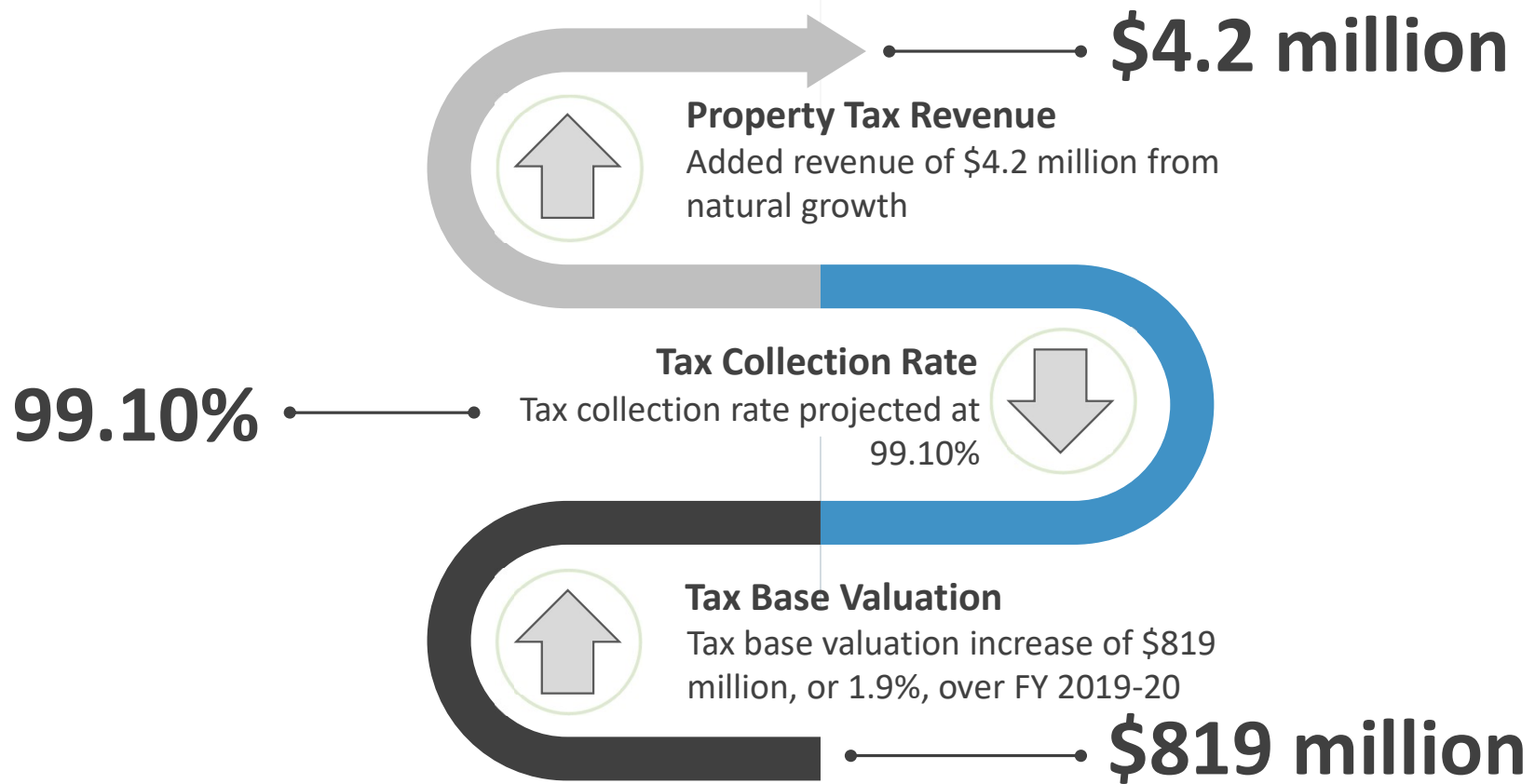
- Budget capacity to address unanticipated COVID-19 response needs
- Support the Capital Improvement Plan (CIP) as endorsed by the BOCC during the joint BOCC/BOE meeting on February 4, 2020
- Where possible, address BOCC priorities as identified during the Strategic Planning Retreat on November 22, 2020 and the Budget Retreat on February 24, 2020

FY 2020-21 Property Tax

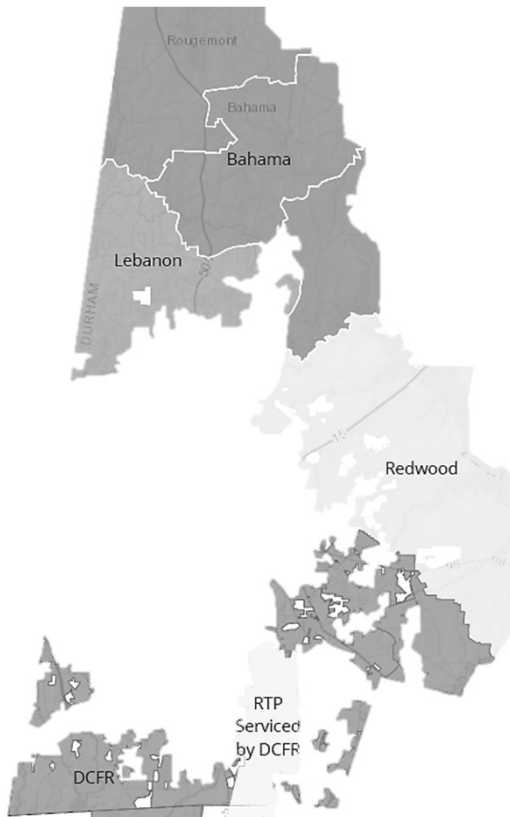
PROPERTY TAX	FY 2019-20 Approved Tax Rate	FY 2020-21 Recommended Tax Rate	FY 2020-21 Projected Revenue
General Fund	62.61	62.61	\$273,254,744
Capital Financing Fund	8.61	8.61	\$37,577,437
TOTAL	71.22	71.22	\$310,832,181

No Tax Increase

FY 2020-21 Property Tax



Special Tax Districts

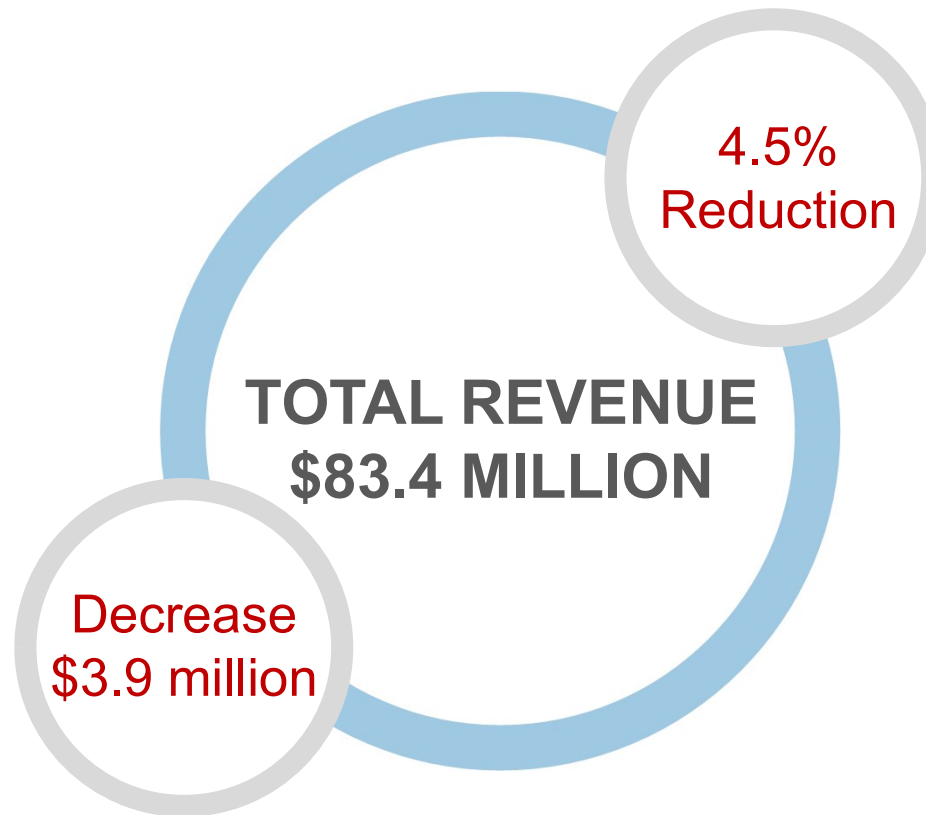


FY 2020-21 Recommended Tax Rates

BAHAMA	9.87 tax rate	No increase
LEBANON	11.51 tax rate	No increase
REDWOOD	12.25 tax rate	No increase
DCFR	14.49 tax rate	1.00 increase
RTP	7.80 tax rate	1.51 increase



FY 2020-21 Sales Tax



FY 2020-21 Additional Revenue Sources

Capital Financing Plan



- Transfer of \$4.3 million property tax dollars
- Transfer of \$5.96 million from PAYGO (County cash) from Capital Projects

General Fund

- **\$10.26 million**
 - \$4.3 million for ongoing costs
 - \$5.96 million for “one-time” COVID-19 and/or General Fund expenses



FY 2020-21 Expenditure Reductions



Operating Reductions

- 1.3% reduction in General Fund operating budgets

(\$3,144,900)

General Fund

- \$3.14 million for ongoing costs

FY 2020-21 Hiring Freeze

Hiring freeze: personnel funds **(\$4,600,000)**

- 120 vacant positions frozen for FY 2020-21

Hiring freeze will offset potential revenue shortfalls

Northgate Mall in Durham to close permanently, citing COVID-19 economic strain | Raleigh News & Observer

DURHAM . Northgate Mall, a Durham shopping center that has been in decline for years, is closing permanently, its owners said ...

 Raleigh News & Observer | 2d

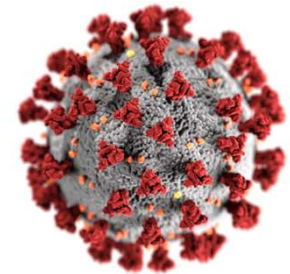


Expenditure Summary

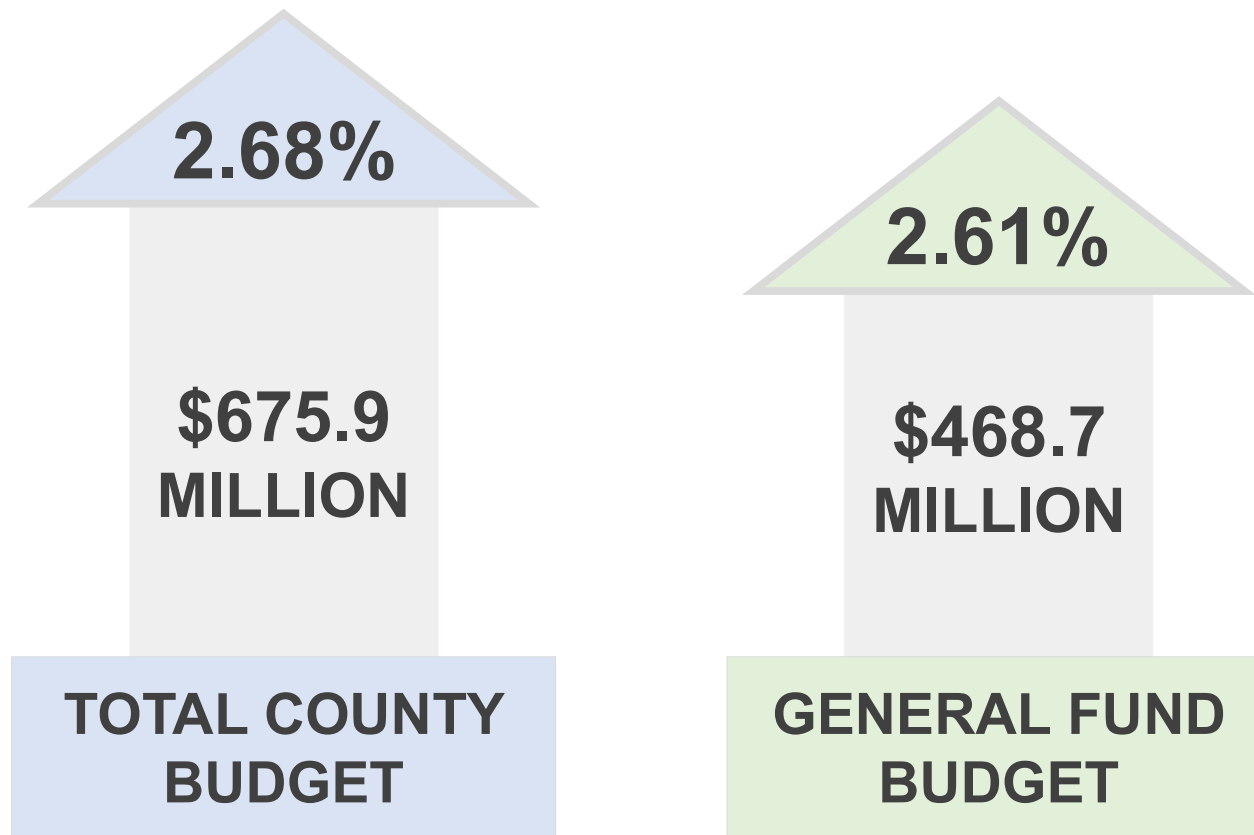
FY 2020-21 Unknowns Expenditure

- Reserved for potential additional COVID-19 response

\$4.5 million



Expenditure Summary





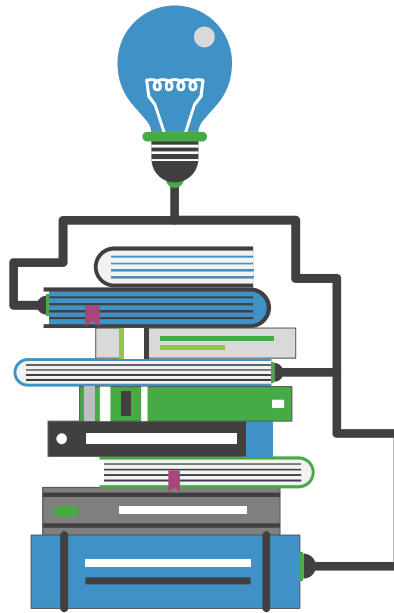
Goal One



Community Empowerment and Enrichment

Durham Public Schools Funding

\$3.37 million current Capital Funding
\$2 million additional annual funds
for DPS Capital



Other DCo spending to support DPS

SROs \$2.7 million

Public Health \$3.5 million

Non-Profits \$247,500

DPS Debt Service \$25.9 million

Total = \$32.3 million

\$3,239,608 million current expense increase

Total Funding = \$151,210,325 3.6% increase



Goal 2 Highlights



Eliminating Fines for Books and Audiovisuals

Library

Medicaid Enrollment Support (up to 57 FTEs)

Social Services



Goal 3 Highlights

CJRC

Gang Assessment Study

EOC Assessment

Emergency Services

34 vehicles replaced

Realignment of 13 vacant detention positions to address critical staffing needs

Sheriff's Office



Goal 4 Highlights



Solid Waste Sticker Fee Remains Flat

Stormwater

Engineering

6.8% Sewer Fee increase

Enterprise Fund



Goal 5 Highlights



Cyber protection & O365

IS&T

Benefits increase \$2.7 million

Hiring freeze of vacant positions (non-essential personnel)



FY 2020-21 Budget Process

- ★ May 19, 27, 28
Budget Work Sessions
- ★ June 1, 2 (if needed)
Budget Work Session
- ★ May 26
Public Hearing for FY 2020-21 Budget
- ★ June 8
FY 2021-21 Budget Approval



Budget Document Locations

- Durham County Website
www.dconc.gov
- Interactive Reports of FY 2020-21 Recommended Budget
www.data-dconc.org