



DURHAM COUNTY NC RECOMMENDED BUDGET FY 2023-24



Optimism



Employee Support



Growing Needs



Uncertainty





Durham County Strategic Plan



MENT AND ENRICHMENT

NG FOR ALL

GOAL 4 ENVIRONMENTAL STEWARDSHIP

GOAL 5 ACCOUNTABLE, EFFICIENT, AND



Reimagined



FY 2023-24 General Priorities

- ✿ Maintain sound fiscal standing
- ✿ Increase funding for Durham Public Schools
- ✿ Expand education investments from Pre-K through workforce development
- ✿ Support Durham County's human capital (compensation and new positions)
- ✿ Provide operational increases for key service areas
- ✿ Apply ARPA funds supporting key programs



FY 2023-24 Manager Budget Priorities

☀ Support service levels while minimizing property tax rate increase

- 1.5 cent for General Fund
- 1.5 cent for Capital Financing Fund – supporting 2022 GO Bond citizen approval

☀ Support County employees

- Compensation Study “across the board” increase for all employees on July 1st
- Pay for Performance

☀ Support for education and workforce training

☀ Position growth to support emerging County needs

- 10.3 “net” new General Fund FTEs
- 4 FTEs in Sewer Utility Fund
- 2 FTE in Stormwater Fund

☀ Application of ARPA funds

☀ Fully fund annual vehicle and equipment

☀ Increased Fund Balance appropriation as a revenue source

☀ Operating Reductions



FY 2023-24 Budget Outlook

- **General Fund Budget Outlook**

- Key “**natural growth**” revenues estimate **\$35.8 million** (higher property tax and sales tax collection – before a tax rate increase)

Property Tax: \$14.8 million

Med. Hold Harmless: \$3.0 million

Sales Tax: \$13.9 million

Investment Income: \$1.5 million

Fund Balance: \$2.6 million

- **Capital Financing Fund Budget Outlook**

- Key “**natural growth**” revenues estimate **\$12.2 million** (higher property tax and sales tax collection – before a tax rate increase)

Property Tax: \$2.0 million

Occupancy Tax: \$500k

Sales Tax: \$9.7 million



FY 2023-24 Budget Outlook

These priority expenditures total approximately **\$38.1 million**

- | | |
|--|-------------------------------|
| 1. <u>Employee compensation increases:</u> | <u>\$18.6 million</u> |
| a) Prior year changes: | \$3.6 million |
| b) New compensation increases: | \$15 million |
| 2. <u>Additional funding support for DPS:</u> | <u>\$10.80 million</u> |
| 3. <u>New workforce capital (positions) investment:</u> | <u>\$3.0 million</u> |
| 4. <u>Additional contracted services:</u> | <u>\$5.7 million</u> |
| a) Additional Pre-K support | \$1.1 million |
| b) Durham Technical Community College | \$1.9 million |
| c) Detention Center Contract | \$1.01 million |
| d) New Website design | \$500,000 |



FY 2023-24 Compensation Changes

3% to 4% Merit Pay Increases *(same as FY 2022-23)*

- **\$4.5 million**

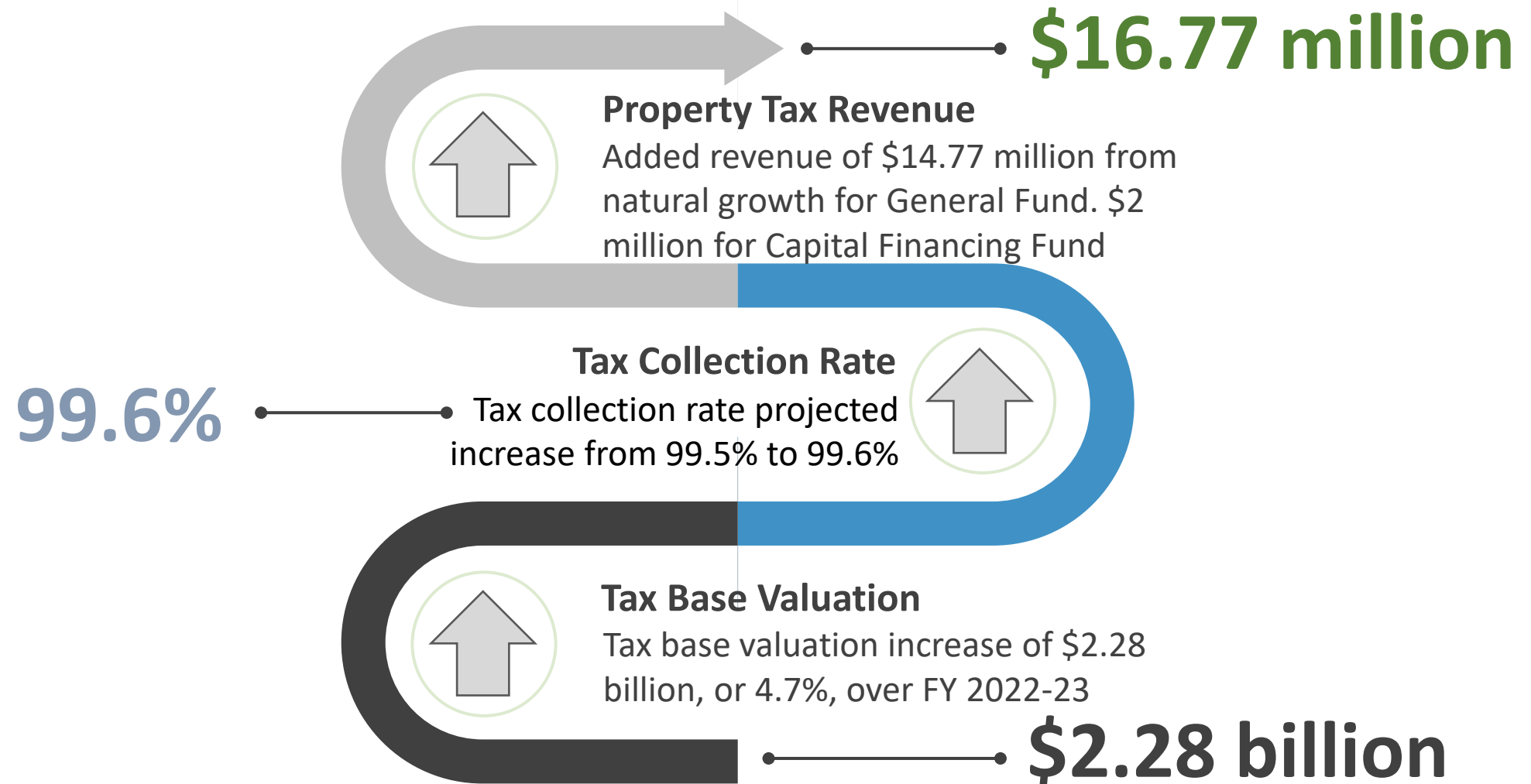
7% Compensation Study Recommendation

- **\$10.5 million**

Supported through reallocated existing funds

- **\$3 million**

FY 2023-24 Property Tax Natural Growth



FY 2023-24 Property Tax

3.0 Cent Increase

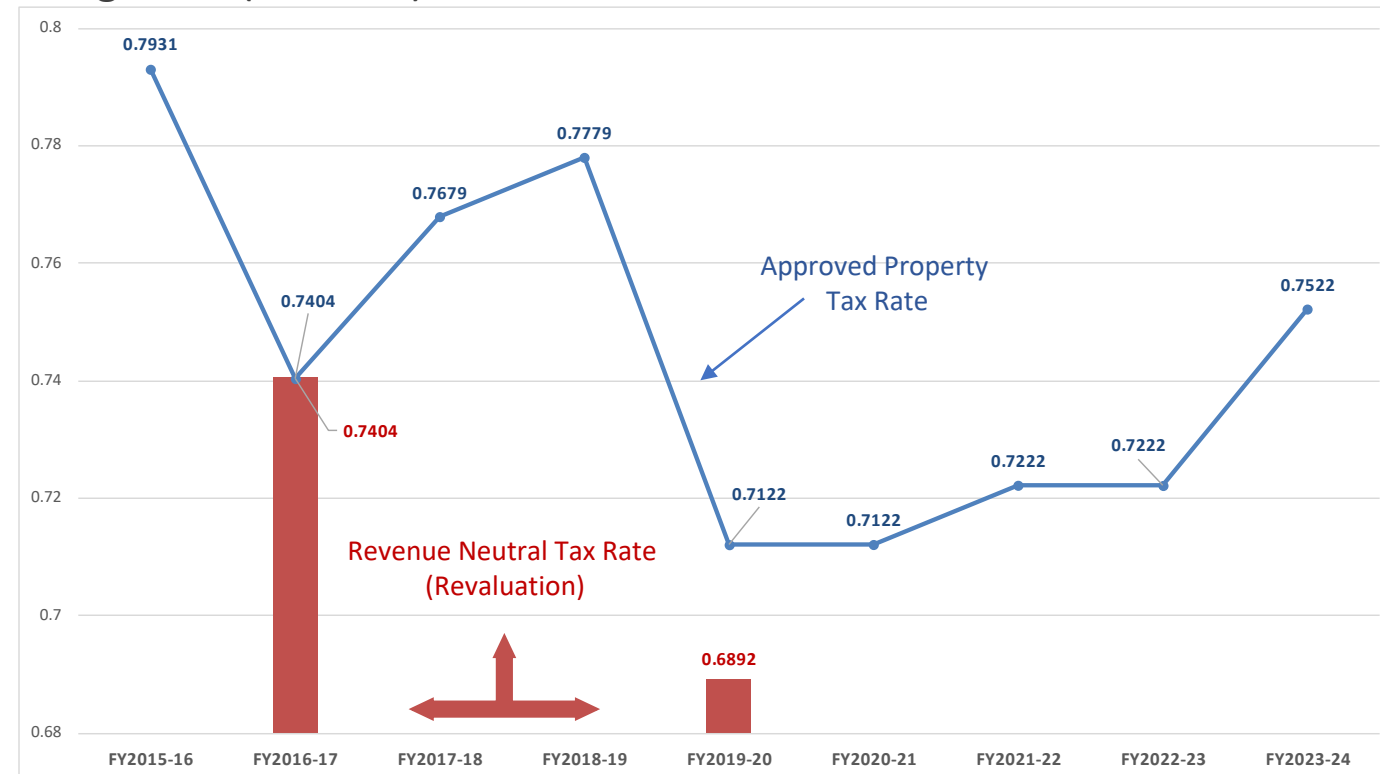


Property Tax Rate 75.22 cents
General Fund (1.5 cents) & Capital Financing Fund (1.5 cent)

One Cent of Tax Rate Change
\$5.03 million



Additional Property Tax Revenue
\$15.1 Million





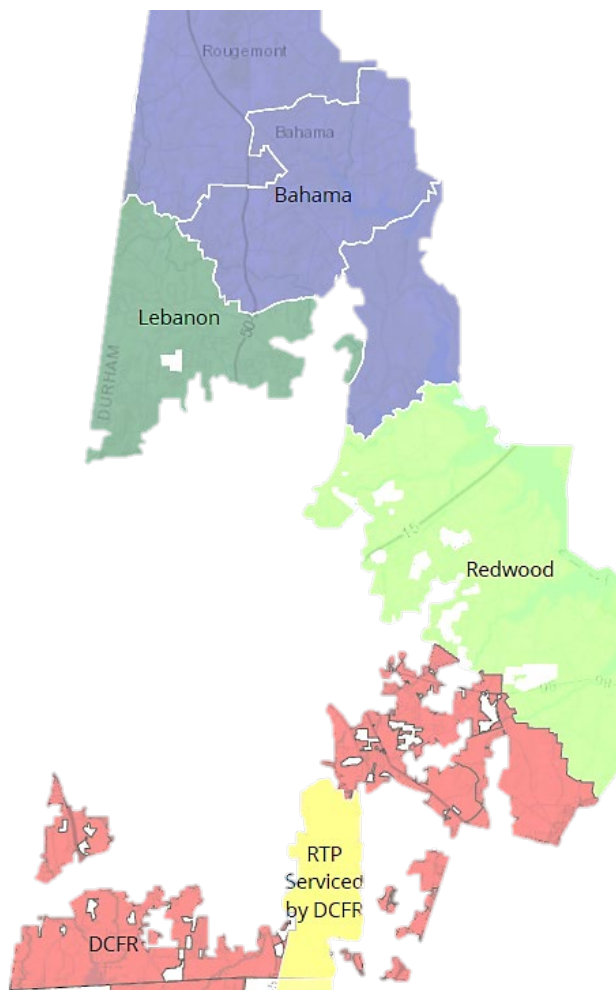
FY 2023-24 Property Tax

PROPERTY TAX	FY 2022-23 Approved Tax Rate	FY 2023-24 Recommended Tax Rate	FY 2023-24 Projected Revenue
General Fund	63.61	65.11	\$327,738,704
Capital Financing Fund	8.61	10.11	\$50,889,853
TOTAL	72.22	75.22	\$378,628,557

FY 2023-24 Total GF and CFP property tax revenue increase = **\$31.87 million**



Special Tax Districts

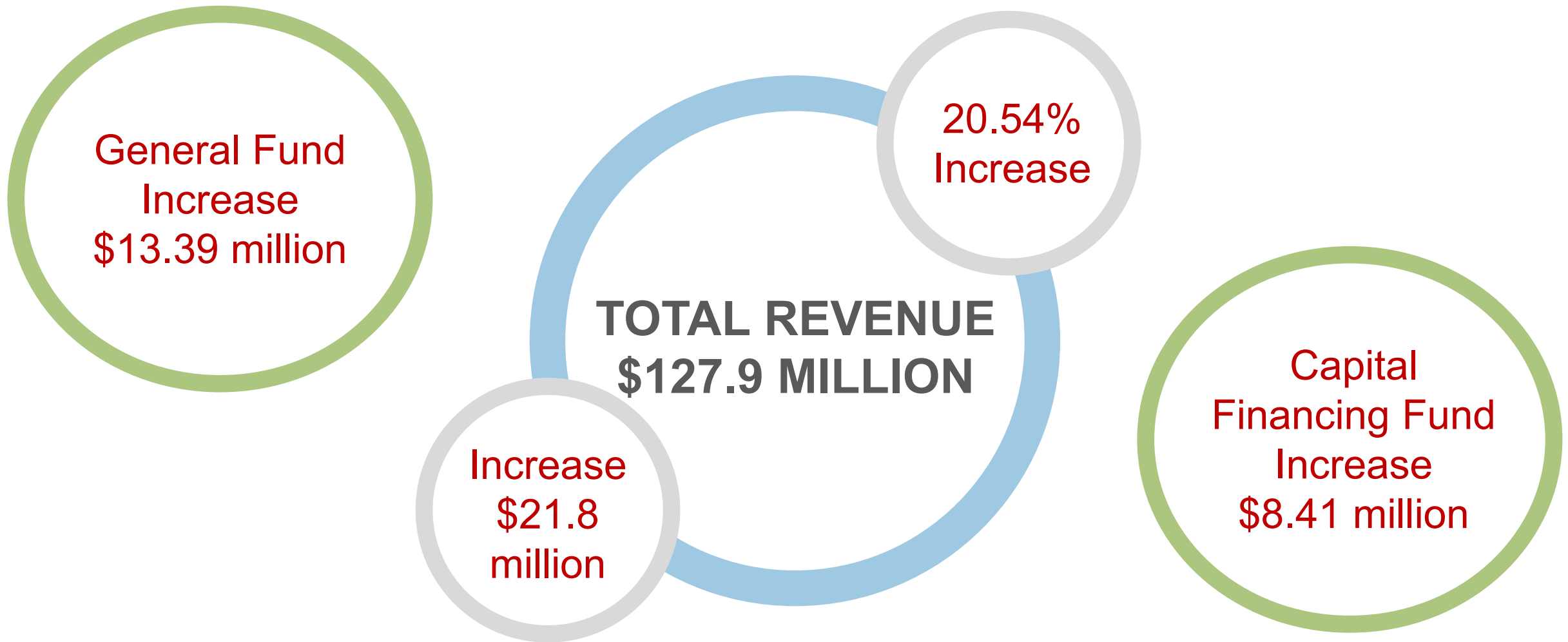


FY 2023-24 Recommended Property Tax Rates

BAHAMA	9.87 tax rate	No increase
LEBANON	12.51 tax rate	No increase
REDWOOD	12.25 tax rate	No increase
DCFR	14.49 tax rate	One cent decrease
RTP	7.80 tax rate	No increase

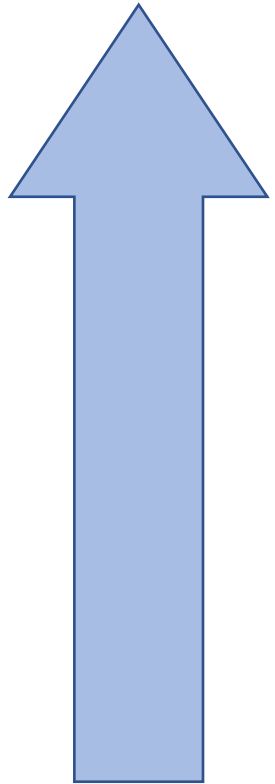


FY 2023-24 Sales Tax





FY 2023-24 Other Major Revenue Sources



Medicaid Hold Harmless Funds

- Increase of **\$3 million**, total revenue budget of **\$12 million**

Register of Deeds

- Decrease of **(\$1 million)**, total revenue budget of **\$8.25 million**

EMS Patient Fees

- Increase of **\$0**, total revenue budget of **\$12.67 million**

Investment Revenue

- Increase of **\$1.5 million**, total revenue budget of **\$3 million**

**Federal ARPA
funding of up to
\$62.9 million**

GOAL 1: COMMUNITY EMPOWERMENT AND ENRICHMENT*	Total Budget
Objective 1.1: Education – Provide and support learning and enrichment opportunities that support educational achievement and life success	\$ 8,000,000
Objective 1.2: Workforce Development – Strengthen the workforce by supporting the provision of effective education, training and workforce supports, particularly for hard-to-employ groups	\$ 5,500,000
Objective 1.3: Family Success – Support and provide programs, services and systems which improve life skills and increase family success and prosperity	\$ 12,500,000
GOAL 2: HEALTH AND WELL-BEING FOR ALL	
Objective 2.1: Healthy Lives – Increase the number of healthy years that residents live	\$ 7,750,000
Objective 2.3: Healthy Children and Youth – Support the optimal growth and development of children and youth	\$ 1,100,000
GOAL 3: SAFE COMMUNITY	
Objective 3.3: Prevention Services – Reduce the number of people entering and involved with the criminal justice system	\$ 3,000,000
GOAL 4: ENVIRONMENTAL STEWARDSHIP AND COMMUNITY PROSPERITY	
Objective 4.2: Community Prosperity – Promote and support the community and economic vitality for all residents of Durham County	\$ 14,000,000
GOAL 5: ACCOUNTABLE, EFFICIENT AND VISIONARY GOVERNMENT	
Objective 5.3: Sound Business Systems – Ensure sound fiscal, operational and technology systems	\$ 11,056,808
TOTAL	\$ 62,906,808

FY 2023-24 Expenditure Summary

12.1%

\$889.6
MILLION

TOTAL COUNTY
BUDGET

General Fund Expenditure Summary	FY 2021-22 Actuals	FY 2022-23 Original	FY 2022-23 Estimate	FY 2023-24 Requested	FY 2023-24 Recommended	\$ Change Rec. v. Orig.	% Change Rec. v. Orig.
General Government	\$136,046,543	\$153,588,500	\$172,279,180	\$183,703,948	\$169,871,301	\$16,282,801	10.60%
Public Safety	\$67,545,025	\$73,693,564	\$72,516,803	\$86,585,378	\$83,188,028	\$9,494,464	12.88%
Transportation	\$814,830	\$1,273,389	\$1,247,504	\$1,733,315	\$1,679,083	\$405,694	31.86%
Environmental Protection	\$4,412,701	\$4,996,509	\$5,403,445	\$6,911,515	\$6,183,333	\$1,186,824	23.75%
Econom. & Physical Devlp.	\$8,717,291	\$9,566,211	\$9,613,333	\$11,007,673	\$8,926,749	(\$639,462)	-6.68%
Human Services	\$107,570,426	\$98,362,911	\$104,471,973	\$111,511,826	\$106,357,796	\$7,994,885	8.13%
Education	\$181,814,949	\$194,200,324	\$195,211,309	\$208,327,333	\$208,173,197	\$13,972,873	7.20%
Cultural & Recreational	\$14,357,615	\$13,289,034	\$15,654,620	\$18,015,622	\$17,068,733	\$3,779,699	28.44%
Total	\$521,279,380	\$548,970,442	\$576,398,168	\$627,796,610	\$601,448,220	\$52,477,778	9.56%

9.56%

\$601.5
MILLION

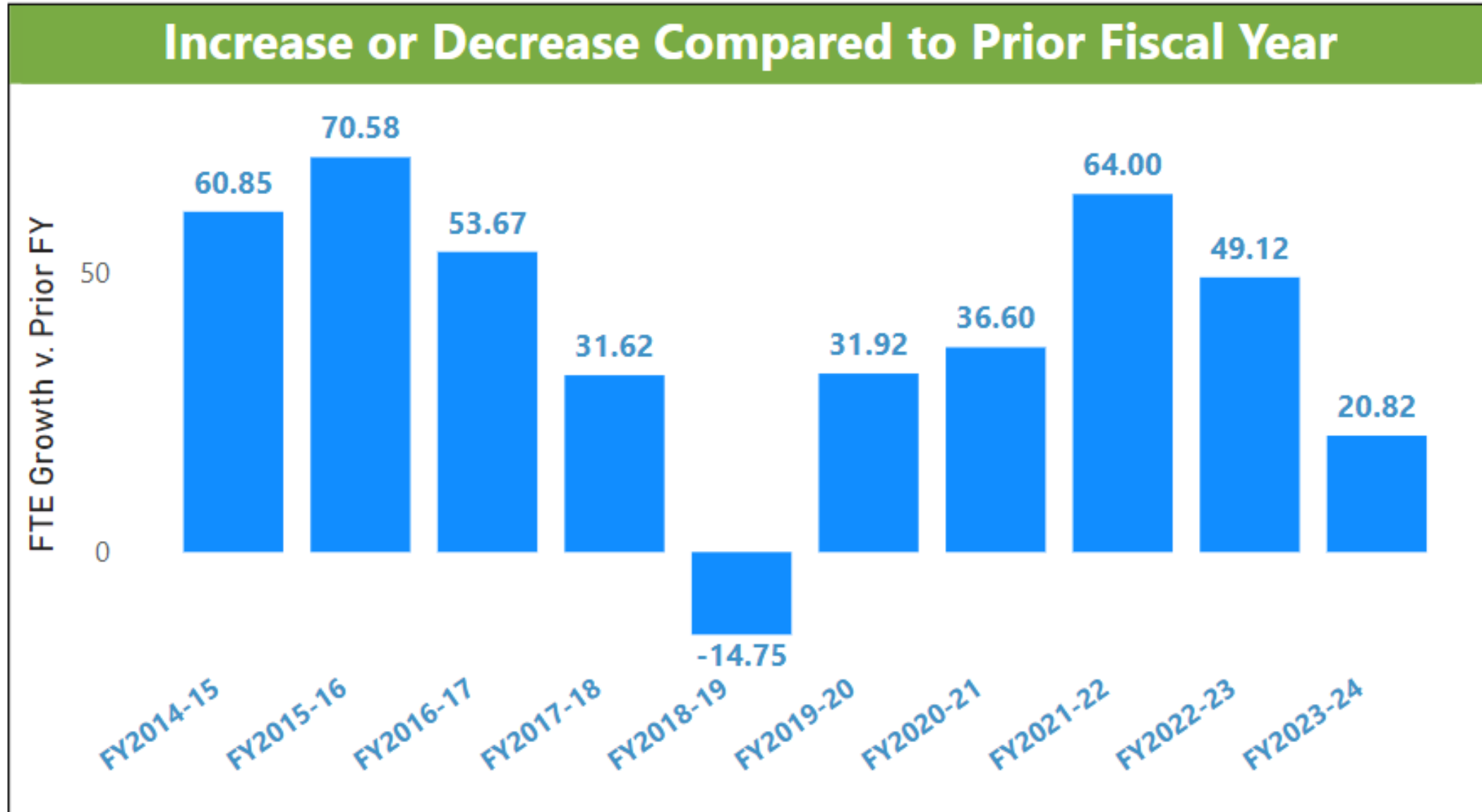
GENERAL FUND
BUDGET

Fund SubCategory	FY 2021-22 Actuals	FY 2022-23 Original	FY 2022-23 Estimated	FY 2023-24 Requested	FY 2023-24 Recommend	\$ Change Rec. v. Orig.	% Change Rec. v. Orig.
General Funds	\$644,035,555	\$688,103,649	\$697,169,934	\$782,490,838	\$758,659,255	\$70,555,606	10.25%
Special Revenue Funds	\$12,048,434	\$14,345,170	\$15,101,527	\$14,003,323	\$14,003,323	(\$341,847)	-2.38%
Debt Service Funds	\$75,953,731	\$76,009,637	\$75,323,909	\$97,525,519	\$97,525,519	\$21,515,882	28.31%
Enterprise Funds	\$10,563,812	\$15,105,404	\$16,486,626	\$19,417,636	\$19,417,636	\$4,312,232	28.55%
Total	\$742,601,532	\$793,563,860	\$804,081,996	\$913,437,316	\$889,605,733	\$96,041,873	12.10%

General Fund Expenditure Summary

Key Increase Areas	Amount	Notes
7% Comp. Study Recommendation for All Employees	\$10.5 million	July start date
Pay for Performance / Merit Pay of 3%-4%	\$4.5 million	July start date
Priory Year Salary Support	\$3.6 million	FY 2022-23 Salary Changes – Full Year Cost
Increased Durham Public School funding	\$10.8 million	\$4,650 per pupil funding
Pre-K Expansion	\$1.15 million	\$7.9 million total annual funding
Increased DTCC Funding	\$1.9 million	\$7.9 million total annual funding
ARPA Funding in General Fund	\$3.26 million	\$62 million allotted to DCO
New General Fund FTEs	\$3.0 million	10.3 FTEs
Additional Contracted Services	\$1.1 million	Detention Center maintenance contract
Opioid Settlement Funding	\$623K	Harm Reduction Program, Medical Director at Detention Center
General Fund Operational Reductions	\$2.5 million	Historical trending and operational efficiencies

New Position Growth

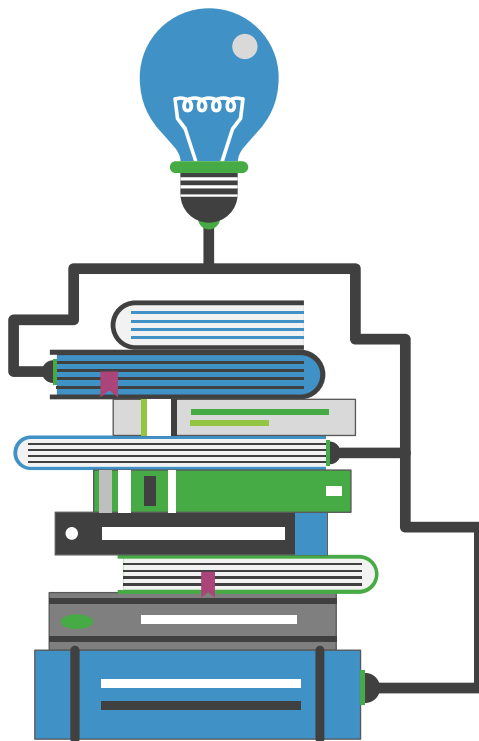




Durham Public Schools Funding

Per Pupil Funding
increases \$289
(6.6%) to \$4,650

\$6 million recurring Capital Funding



Other DCo spending to support DPS

SROs \$2.3 million

Public Health \$4.3 million

Non-Profits \$196,000

DPS Debt Service \$43.9 million

Total Pre-K Support \$7.9 million

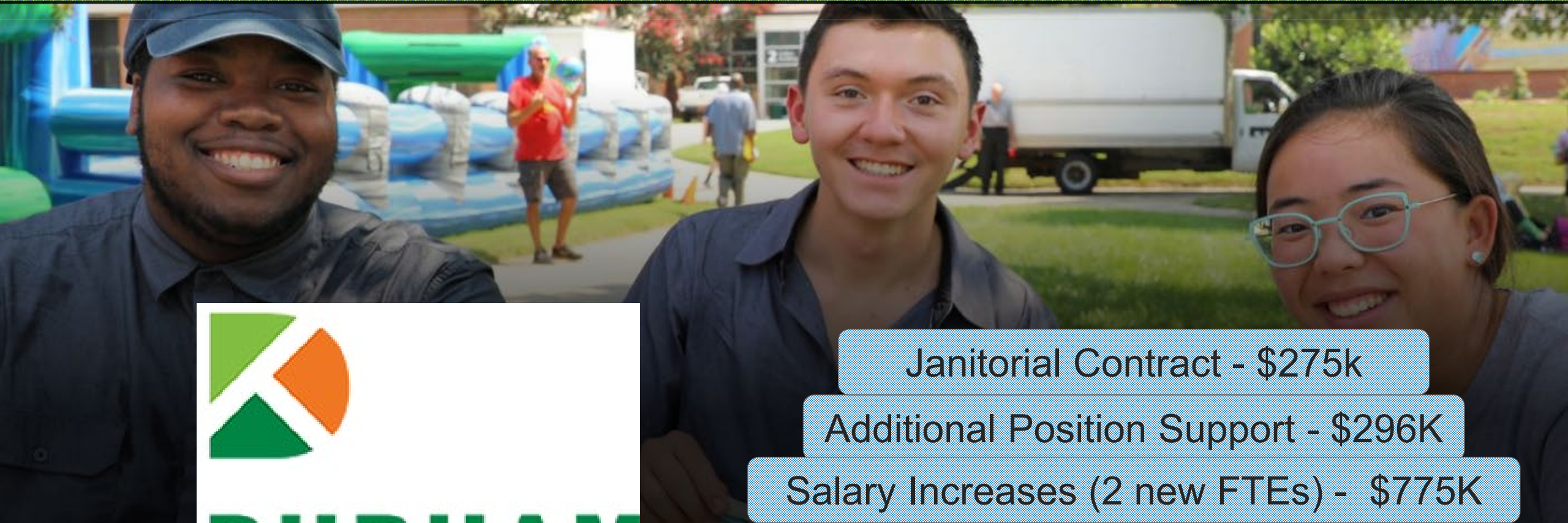
Total = \$58.6 million

\$10.8 million current expense increase

Total Funding = \$187,951,627

6.1% increase

Durham Technical Community College



Janitorial Contract - \$275k

Additional Position Support - \$296K

Salary Increases (2 new FTEs) - \$775K

Total Funding = \$11,707,065

\$2,412,948 for student scholarship support
• \$520,278 increase

**20.15%
increase**

Durham Technical Community College

Work Pipeline Funding = \$500,000

Enjoy great career opportunities in Durham and improve the health of people around the world! Local employers include:



LOCAL TRAINING RESOURCES:

HIGH SCHOOL:



- Exploring Biotechnology
- Biomedical Technology
- Biomedical Science
- Skilled Trades



CERTIFICATES & CONTINUING EDUCATION:



- BioWork
- BioPharma Laboratory Assistant
- Advanced Manufacturing



- Biomanufacturing Bootcamp
- Aseptic Processing
- ...and more

ASSOCIATE'S DEGREE PROGRAMS:

- College transfer program
- Industrial Systems Technology-Advanced Manufacturing

- Electrical Systems Technology
- Electronics Engineering Technology

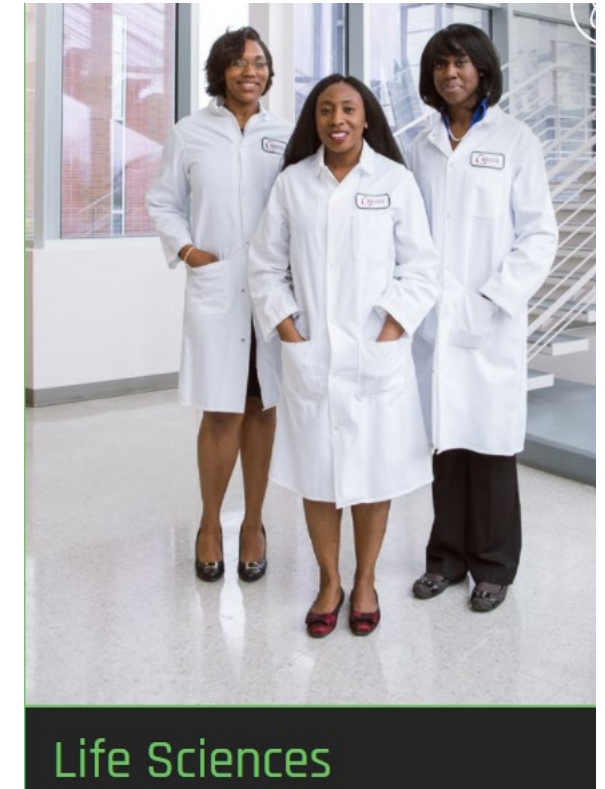


BACHELOR'S/MASTER'S DEGREE PROGRAMS:



BE A PART OF THE CURE!

To learn more visit
www.ncbiotech.org/biopharmacareers



Life Sciences

Durham Pre-K Support

ABOUT Durham PreK

Durham County contracts with Child Care Services Association (CCSA) to manage the expansion of Durham PreK in collaboration with Durham's Partnership for Children (DPfC) and many other community partners.

Number of Spaces (Seats) =
Approximately 620

Fiscal Year	Pre-K Expansion \$	Total Annual Pre-k Budget
FY 2017-18	\$1,500,000	\$1,500,000
FY 2018-19	\$2,150,000	\$3,650,000
FY 2019-20	\$1,600,000	\$5,250,000
FY 2020-21	\$0	\$5,250,000
FY 2021-22	\$250,000	\$5,500,000
FY 2022-23	\$951,200	\$6,451,200
FY 2023-24	\$1,152,000	\$7,603,200

Community Prosperity



Veterans Services (1 FTE)



Food security is when people have reliable access to sufficient, affordable, nutritious food to support a healthy life.

Food Security Grants = \$532,000

Community Safety



36 Replacement Vehicles

Medical Director for Detention Center

Sheriff's Office

Emergency Services

Deputy Chief Fire Marshal



Community Safety



JUVENILE
CRIME PREVENTION

New Youth Home Counselors (7.3 FTEs)

Youth Home

JCPC

Familiar Faces Initiative (FFI)

Justice Services Department



COMPASSION AND
INNOVATION AT WORK



Community Stewardship

Stormwater & Erosion Control Fund

S&E Control Technician



Sewer Utility Fund

4 FTEs



Community Wellbeing

Compliance Manager Position

Social Services



Community Linkages to Care - \$400k

Health Education Specialist – Grant Funded

Public Health

Other Budget Highlights



Clerk to the Board

Administrative Assistant

County Attorney

Paralegal

Office of Strategy and Performance

Engagement Manager
Engagement Data Analyst

Other Budget Highlights

Board of Elections

Public Outreach Specialist
Elections Specialist

DURHAM COUNTY VOTING DEMOGRAPHICS

230,963 REGISTERED VOTERS

VOTERS BY GENDER

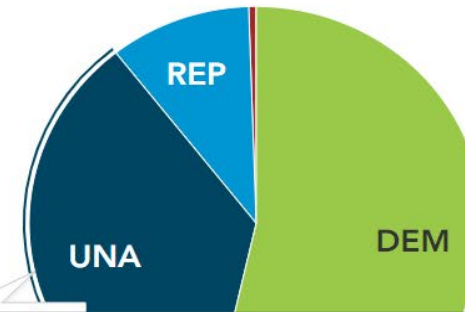


50.19% FEMALE
115,926

39.54% MALE
91,332

10.26% UNDESIGNATED
23,705

VOTERS BY PARTY



Information Services & Technology

ARPA Broadband Program Manager
Senior Financial Business Analyst



FY 2023-24 Budget Process

- ★ May 16, 24
Budget Work Sessions
- ★ May 22
Public Hearing for FY 2023-24 Budget
- ★ June 1, 5, 6 (if needed)
Budget Work Sessions
- ★ June 12
FY 2023-24 Budget Approval

BUDGET WORKSESSIONS

MAY 2023

16 WORKSESSION 1-5PM
Board of County Commissioners

22 PUBLIC HEARING 7PM
Board of County Commissioners

24 WORKSESSION 1-5PM
Board of County Commissioners

JUNE 2023

1 WORKSESSION 9-4:30PM
Board of County Commissioners

5 WORKSESSION 1:30PM-5PM
Board of County Commissioners

6 WORKSESSION 1:30PM-5PM
Board of County Commissioners

Worksessions provide County Commissioners time to explore citizen feedback and speak with County Management, department leaders, and community partners in order to shape a comprehensive budget for the upcoming fiscal year

View Public Hearing/worksessions: <https://bit.ly/3nO4B9b>

Budget Document Locations

- ★ Durham County Website:
www.dconc.gov
- ★ Interactive Reports of FY 2023-24 Recommended Budget:
www.data-dconc.org

