



ANNUAL BUDGET ORDINANCE

Durham County

North Carolina

FY 2023-24

WHEREAS the proposed budget for Fiscal Year 2023-24 (FY 2023-24) was submitted to the Board of Commissioners on May 8, 2023, by the Durham County Manager and filed with the Clerk to the Board on that date pursuant to G.S. 159-11;

WHEREAS, on May 22, 2023, the Durham County Board of Commissioners held a public hearing on the budget pursuant to G.S. 159-12;

WHEREAS, on June 12, 2023, the Durham County Board of Commissioners adopted a budget ordinance making appropriations and levying taxes in such sums as the Board of Commissioners considers sufficient and proper in accordance with G.S. 159-13;

BE IT ORDAINED by the Durham County Board of Commissioners that for the purpose of financing the operations of Durham County, North Carolina for the fiscal year beginning July 1, 2023, and ending June 30, 2024, there are hereby appropriated from taxes and other revenues the following by function and fund.

Section 1: Summary of Appropriations by Fund and Function - Fiscal Year 2023-24

Fund and Function	General Fund	Swap Fund	Capital Financing Fund	Public Art Fund	Reappraisal Reserve Fund	LEO Separation Allowance Fund	Special Revenue Funds	Debt Service Fund	Enterprise Fund	Total
▲										
General Government	\$170,156,301	\$250,000	\$110,416,992		\$715,917	\$754,000	\$2,075,994	\$97,525,519	\$750,000	\$382,644,723
Public Safety	\$84,016,143						\$10,507,535			\$94,523,678
Transportation	\$1,679,083									\$1,679,083
Environmental Protection	\$6,183,333			\$500,000					\$3,066,056	\$9,749,389
Econom. & Physical Devlp.	\$8,459,637						\$2,712,719			\$11,172,356
Human Services	\$106,644,638									\$106,644,638
Education	\$208,253,197									\$208,253,197
Cultural & Recreational	\$14,671,852									\$14,671,852
Utilities									\$15,601,580	\$15,601,580
Total	\$600,064,184	\$250,000	\$110,416,992	\$500,000	\$715,917	\$754,000	\$15,296,248	\$97,525,519	\$19,417,636	\$844,940,496

Section 2: Summary of Revenues by Fund and Revenue Category - Fiscal Year 2023-24

Fund and Revenue Category	General Fund	Swap Fund	Capital Financing Fund	Public Art Fund	Reappraisal Reserve Fund	LEO Separation Allowance Fund	Special Revenue Funds	Debt Service Fund	Enterprise Fund	Total
▲										
Taxes	\$462,402,022		\$50,889,852				\$13,199,613			\$526,491,487
Licenses and Permits	\$367,000								\$662,000	\$1,029,000
Intergovernmental	\$67,405,005						\$1,250,000		\$225,000	\$68,880,005
Contributions and Donations	\$270,720									\$270,720
Investment Income	\$3,015,000		\$150,000				\$20,001	\$183,742		\$3,368,743
Rental Income	\$1,151,200									\$1,151,200
Sewer Connection Fees									\$3,187,500	\$3,187,500
Service Charges	\$31,754,015							\$500,000	\$10,000	\$32,264,015
Enterprise Charges	\$13,000								\$15,332,636	\$15,345,636
Other Revenues	\$439,725	\$250,000							\$500	\$690,225
Transfers In	\$33,246,497		\$59,377,140	\$500,000	\$715,917	\$754,000	\$826,634	\$96,841,777		\$192,261,965
Total	\$600,064,184	\$250,000	\$110,416,992	\$500,000	\$715,917	\$754,000	\$15,296,248	\$97,525,519	\$19,417,636	\$844,940,496

Section 3. For the purpose of raising revenues to finance appropriations for the foregoing expenditures, the following ad valorem taxes are hereby levied on all property subject to ad valorem taxes within the county on January 1, 2023, at an anticipated collection rate of 99.60%. Rates are per \$100.00 of assessed valuation of taxable property.

District	Rate
Durham County-countywide	\$0.7522

Section 4. For the purpose of raising revenues to finance appropriations for the foregoing expenditures, the following ad valorem taxes are hereby levied on all property subject to ad valorem taxes within the county on January 1, 2023, at the anticipated collection rates noted below. Rates are per \$100.00 of assessed valuation of taxable property.

District	Rate	Collection Rate	District	Rate	Collection Rate
Bahama Fire District	\$0.0987	98.7%	Redwood Fire District	\$0.1225	98.3%
Eno Fire District	\$0.0786	98.3%	Durham Fire & Rescue		
Lebanon Fire District	\$0.1251	98.7%	Service District	\$0.1449	98.7%
New Hope District	\$0.0756	98.7%			

Section 5. There is hereby levied a tax at the rate shown below, per \$100.00 valuation of property listed for taxes as of January 1, 2023, for property located within the Durham County portion of the Durham-Wake Counties Research Triangle Park Research and Production Service District for the raising of revenue for said district. The anticipated collection rate is 98.7%.

	Tax Rate	Appropriation
Research & Production Service District	\$0.0880	\$2,019,109
Research & Production Service District – Public Transportation	<u>\$0.0250</u>	<u>\$573,610</u>
Total Research and Production Service District Tax Rate	\$0.1130	\$2,592,719

There is hereby appropriated to the Durham-Wake Counties Research and Production Service District from the net proceeds of these taxes the amount of \$2,561,867 for use in said district. \$1,995,543 for the Service District and \$566,324 only for use to support public transportation within the district, both to be used in such manner and for such expenditures as is permitted by law from the net proceeds of these taxes. All proceeds collected in excess of the annual appropriation shall be held, per County policy, in dedicated fund balance for District use only, adhering to the respective uses of each tax type (Service District and Public Transportation).

Section 6. Charges for services and fees by county departments are levied in the amounts set forth in the attached Fee and Other Charges Schedules. (See Attachments 1-6)

Section 7. The following authorities shall apply to transfers and adjustments within the budget:

- a) The County Manager may authorize transfers within a function up to 15% cumulatively without report to the Board.
- b) The County Manager may transfer amounts up to \$20,000 between functions of the same fund with a report to the Board of Commissioners at the subsequent regular meeting of the Board.
- c) The Budget Officer may approve intradepartmental transfer requests between appropriation units and between departmental programs within the limits of the approved budget.
- d) The County Manager may enter into the following agreements within funds:
 - Form and execute grant agreements within budgeted appropriations;
 - Execute leases of up to \$15,000 for normal and routine business within budgeted appropriations (County as Tenant only);
 - Enter consultant, professional, maintenance, or other service agreements of up to \$40,000 within budgeted appropriations;
 - Approve renewals for service and maintenance contracts and leases;
 - Purchase of apparatus, supplies, materials or equipment and construction or repair work not requiring formal bids by law;
 - Reject any and all bids and re-advertise to receive bids;
 - Waive any bonds or deposits, or performance and payment bonds requirements when authorized or permitted by applicable law.
- e) County Manager can transfer between functions, and/or funds for merit, pay plan adjustments, health benefits, reclassifications, and LEO Separation Allowance.
- f) Transfers between funds and transfers from the Commissioner contingency account may be executed **only** by the Board of Commissioners.

Section 8. In accordance with North Carolina General Statute 115D-54, the following appropriations are made to Durham Technical Community College. All accumulated and unexpended and unencumbered amounts at the end of the fiscal year shall be reported to Durham County within 30 days of the completion of the external audit.

Current Expense	\$11,164,565
<u>Capital Outlay</u>	<u>\$542,500</u>
Total Appropriation	\$11,707,065

- a) It is the intent of the Durham County Board of County Commissioners in appropriating these funds that Durham Technical Community College allocates current expense funding of \$2,412,948, for needs based financial assistance for enrolled students from Durham County and the Gateway to College program (an educational option for DPS students between the ages of 16-21 who have dropped out of high school but have a desire to now earn a diploma).

Section 9. In accordance with G.S. 115C-429(b), the following appropriations are made to the Durham Public Schools. The budget resolution adopted by the Durham Public Schools Board of Education shall conform to the appropriations set forth in the budget ordinance.

The total local appropriation for Durham Public Schools for FY 2023-24 is as below:

Current Expense*	\$181,951,627	*Includes Article 46 Sales Tax Revenue:	<u>DPS</u>	<u>Pre-K</u>
Capital Outlay	\$6,000,000	<i>FY 2021-22 Over-collection</i>	\$2,684,800	\$86,800
Total Appropriation	\$187,951,627	<i>FY 2023-24 Estimated Revenue</i>	<u>\$15,370,615</u>	<u>\$188,794</u>
		<i>Board Policy Pre-K amount</i>		<u>\$508,140</u>
		FY 2023-24 Article 46 Total	\$18,055,415	\$783,734

- a) In addition, the Durham Public Schools budget should reflect local appropriations by purpose, function, and object. Once adopted, such resolution shall not be amended without the prior approval of the Board of Commissioners if the cumulative effect of such amendment would be to increase or decrease the amount of county appropriations allocated by purpose, function, or object by 15 percent or more.
- b) The Board of Commissioners and the County Manager shall be informed in writing of the audited fund balance amounts within 30 days of completion of the external audit.
- c) Transfers between capital outlay and current expense shall be approved by the Board of Commissioners.
- d) Durham Public Schools is authorized to use Public School Building Capital Funds, and Lottery Funds for capital outlay requests, with the approval of the Board of Commissioners.
- e) It is the intent of the Durham County Board of County Commissioners in appropriating these funds that the Board of Education allocate current expense funding of \$508,140 for expanded support of Durham Public School related Pre-Kindergarten programs.
- f) Board of Education members shall receive a monthly stipend of \$1,667 and the Board Chair shall receive a monthly stipend of \$1,875.

The annual local appropriation (including debt service) exceeds the required merger agreement rate of \$1,960 per pupil.

Section 10. The 2023-24 local teacher salary supplement schedule starts at \$6,450 in the first two years for a teacher with a Bachelor’s degree and subsequently increases by \$155 per year up to \$11,050 for teacher with a Bachelor’s degree and 31+ years of experience. The starting supplement and annual step increases are higher for teachers with advanced degrees and/or National Board certification.

Section 11. In accordance with G.S. 159-13.1, the following financial plans for intragovernmental service funds are hereby approved.

RISK MANAGEMENT FUND

Revenue	\$5,823,561
Expense	\$5,823,561

BENEFITS PLAN FUND

Revenue	\$38,750,565
Expense	\$38,750,565

Section 12. This ordinance incorporates the County’s Capital Financing Policy to designate up to 20% of dedicated revenues as County Contribution for pay-as-you-go projects. For Fiscal Year 2023-24, the County Contribution is designated at 18.75%.

Section 13. Appropriation of Fiscal Year 2023-24 proceeds from the settlement of Opioid Litigation shall support up to \$623,827 for:

- | | |
|-----------|--|
| \$400,000 | Support for Public Health Community Care Linkages to Care Peer Support Program. This program will connect individuals who are struggling with substance use disorder with comprehensive, evidence-based care that acknowledges social determinants of health and responds to current housing challenges in Durham County |
| \$223,827 | Offset new Medical Director costs for Detention Center oversight. This position will manage all programs related to the Opioid Treatment Program (OTP) and Medication Assisted Treatment (MAT) |

Section 14. In accordance with G.S. 159-13, a copy of this ordinance shall be filed with the County Manager, the Finance Officer, the Clerk to the Board, and the County Tax Administrator.

Adopted this the 12th day of June 2023.

Brenda Howerton, Chair - Board of Commissioners

Monica Wallace, Clerk to the Board