

**THE BOARD OF COUNTY COMMISSIONERS
DURHAM, NORTH CAROLINA**

Monday, May 11, 2026

7:00 P.M. Regular Session

MINUTES

Place: Commissioners' Chambers, Second Floor, Durham County Government Administrative Complex, 200 East Main Street, Durham, North Carolina

Present: Chair Dr. Mike Lee, Vice Chair Nida Allam and Commissioners Michelle Burton, Wendy Jacobs and Stephen Valentine

Presider: Chair Dr. Mike Lee

Zoom Hybrid
Participants: 7

Regular Session – 7:00 PM

Opening of Regular Session - Pledge of Allegiance

Agenda Adjustments

Vice Chair Allam moved, seconded by Commissioner Burton to approve the agenda.

The motion carried unanimously.

Announcements

Monica Wallace, Clerk to the Board read the following announcements:

1. **Mental Health Resource Fair** – Join the Durham County Department of Public Health for a free Mental Health Resource Fair on May 12 from 11:00 a.m. to 2:00 p.m. at the Durham County Human Services Building (414 E. Main St.). Connect with local organizations, learn about available support services, and discover tools to help manage stress and chronic conditions. Get informed, feel empowered, and take a step toward better mental and physical health. All are welcome. Questions? Contact Yvonne Reza at 919-560-7223.
2. **Free NC Voter Photo ID Outreach Event** – Durham County Board of Elections staff will be at the Southwest Regional Library on May 16 from 2 p.m. to 5 p.m. to issue free NC Voter Photo ID Cards, assist with voter registration, and answer any voting or election-related questions. Learn more at <https://www.dcovotes.dconc.gov/public-information/community-events>.
3. **Durham County Library Closed on May 14** – All Durham County Library locations will be closed on Thursday, May 14, for Staff Development Day. The online catalog will also be

unavailable due to scheduled software updates. All locations will reopen on Friday, May 15. For normal operating hours, visit <https://durhamcountylibrary.org/>.

4. **Memorial Day Remembrance Event** – Durham County Veteran Services invites all residents and visitors to attend its annual Memorial Day Remembrance Event on Monday, May 25, at 9 a.m. in room 126 inside the William V. Bell Building (201 E. Main St.). The event is free, seating will be available, and light refreshments will be served. For more information, call 919-560-8387 or email veteranservices@dconc.gov.
5. **Stay Informed with “In Touch with Durham County”!** – The May episode of “In Touch with Durham County” features Durham County Department of Public Health Director Dr. Rodney Jenkins sharing the latest measles updates and prevention guidance, plus Executive Director of Student U, Elena Maina, who shares an in-depth look at a major educational partnership shaping Durham’s future. Watch the full episode here: <https://www.youtube.com/watch?v=EpLxPS10Zps>.
6. **County to Observe Memorial Day 2026** – Durham County Government will close most offices in observance of the Memorial Day holiday on Monday, May 25, 2026. All County offices will reopen with their normal hours of operation on Tuesday, May 26. To learn about the impact on specific services, please visit our website at www.dconc.gov.

The Board highlighted the following announcements:

- Durham’s 5th Annual World Hunger Day was scheduled for Sunday, June 7, 2026, from 3–6 p.m. at Durham Central Park located at 501 Foster Street, Durham, NC.
- The Durham County Commissioners and Department of Public Health will hold the Opioid Settlement Annual Community Meeting on June 4th from 5 p.m. - 6:30 p.m. to discuss the use of opioid settlement funds. Residents could attend in person at the Board of County Commissioners chambers or watch live on YouTube.
- The Durham Next Impact Fund online application portal for the 2026 Durham Impact Fund would open on May 15 and remain available until June 15 at 12:00 p.m. Two information sessions would be offered for applicants.
- Threshold Clubhouse, a nonprofit mental health day program, located at 609 Gary Street, Durham, NC 27703, supported adults with serious mental illness through education, employment, housing, life skills, and social services.
- Durham Cooperative Extension would present the 2026 Report to the Community on Wednesday, May 6. Attendees could enjoy a delicious breakfast, hear inspiring stories, and experience hands-on demonstrations that showcase Cooperative Extension’s impact throughout Durham.
- The Sprouts Club at the Durham Farmers’ Market provided a space for the youth in the community to learn about nutrition, seasonal eating, cooking tips, how to grow vegetables and composting. After participating in an activity, youth would receive \$5 to spend on fruits and vegetables at the market.

Minutes

Commissioner Jacobs moved, seconded by Commissioner Burton to approve the April 27, 2026 Regular Session minutes.

The motion carried unanimously.

Ceremonial Items

To Be Acknowledged Only

26-0190 Resolution – Memorial Day 2026

MEMORIAL DAY 2026

WHEREAS, Memorial Day each year serves as a solemn reminder of the scourge of war and its bitter aftermath of sorrow; and

WHEREAS, on Memorial Day, America undertakes its solemn duty to remember the courageous men and women who made the ultimate sacrifice in defense of our nation and the cause of freedom around the world; and

WHEREAS, on May 5, 1868, Major General John A. Logan established Decoration Day as a time to decorate the graves of war dead with flowers; and

WHEREAS, in 1971, the US Congress declared Memorial Day a federal holiday and decreed that it be observed on the last Monday of each May; and

WHEREAS, as we honor those who have died in our Nation’s service so that war might end, we understand and appreciate the values of patriotism, citizenship, commitment, honor and duty; and

WHEREAS, we must pledge to never forget the names of the 376 known soldiers, sailors, Marines, airmen and airwomen of Durham County who gave the ultimate sacrifice in defending our freedoms.

NOW, THEREFORE, BE IT RESOLVED, that the Durham Board of County Commissioners hereby resolve May 25, 2026, as Memorial Day in Durham County. We urge all citizens to observe Memorial Day 2026 by displaying respect and gratitude for our veterans, both living and deceased, participating in remembrance ceremonies, and observing a moment of silence at 3p.m. during the National Moment of Remembrance.

This the 11th day of May 2026.

Dr. Mike Lee, Chair

Nida Allam, Vice Chair

Stephen Valentine, Commissioner

Jonathan Crooms, Durham County Veteran Services Supervisor thanked the Board for recognizing the Memorial Day resolution. He invited the community to attend the Memorial Day Remembrance Event on Monday, May 25, 2026, at 9 a.m. in Conference Room 126 of the William V. Bell Building. Mr. Crooms added the ceremony would honor the more than 350 Durham County veterans who gave their lives in service to the nation.

The Board thanked the Veteran Services Department for providing valuable services and programs to Durham Veterans and their families.

26-0207 Proclamation – Emergency Medical Services (EMS) Week 2026

EMERGENCY MEDICAL SERVICES WEEK PROCLAMATION | 2026

- WHEREAS,** emergency medical services is an essential public service in Durham County; and
- WHEREAS,** the members of emergency medical services team are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and
- WHEREAS,** access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and
- WHEREAS,** emergency medical services fills healthcare gaps by providing important, out-of-hospital care, including preventative medicine and follow-up care through our community paramedics; and
- WHEREAS,** the emergency medical services system consists of first responders, emergency medical technicians, advanced emergency medical technicians, paramedics, community paramedics, 911 telecommunicators, firefighters, police officers, educators, administrators, emergency nurses, emergency physicians, trained members of the public, and other out-of-hospital medical care providers; and
- WHEREAS,** the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their patient care and lifesaving skills; and
- WHEREAS,** it is appropriate to recognize the value and the accomplishments of emergency medical services providers in the Durham County emergency medical services system by designating Emergency Medical Services Week.

NOW, THEREFORE, I, Dr. Mike Lee, Chair and on behalf of the Durham Board of County Commissioners, do hereby proclaim May 17 – 23, 2026, as

“EMERGENCY MEDICAL SERVICES WEEK”

in Durham County and recognizing 2026 is the 52nd anniversary of EMS Week with the theme “EMS WEEK: Improving Outcomes, Together”. We call upon the community to observe this week with

appropriate recognition of the vital and essential services provided by members of the Durham County emergency medical services system to care for our residents and visitors.

This 11th day of May 2026.

Dr. Mike Lee, Chair
Durham Board of County Commissioners

Seth Kormansky, Chief Paramedic Office of Emergency Services – Emergency Medical Services (OES-EMS) thanked the Board for their continued support of EMS Week. He added the national theme for EMS Week was “Improving Outcomes, Together” because it highlighted the critical role of communication, coordination, and collaboration.

The Board thanked the OES-EMS Department for their professional services provided to residents during times of urgent needs.

26-0227 Proclamation – Mental Health Awareness Month

MENTAL HEALTH AWARENESS MONTH | 2026

WHEREAS, Durham County recognizes that early support is critical to promoting lifelong mental wellbeing, and that identifying signs of mental health challenges in children and youth allows families, schools, and communities to intervene early and provide the care and resources needed for healthy development; and

WHEREAS, mental health is a fundamental component of overall health and wellbeing, and by joining together to increase public awareness and reduce the stigma surrounding mental health treatment, we can enhance the lives of individuals and families experiencing mental health challenges; and

WHEREAS, Durham County recognizes the importance of equipping the community with resources such as HEART that responds with compassion to individuals experiencing a mental health crisis, and offer support, connecting individuals to appropriate resources to promote safety and stabilization; and

WHEREAS, Justice Services Department leads and supports a range of initiatives—including Pretrial Services, Jail Transitions, Diversion programming, Specialty Courts, and Reentry programs—that reduce recidivism, promote stability, and help individuals successfully reintegrate into the community; and

WHEREAS, Durham County’s Jail Mental Health team provides essential screening, assessment, crisis intervention, and treatment to individuals housed in the Durham County Detention Center, ensuring that detainees experiencing mental health challenges receive timely, appropriate, and compassionate care; and

WHEREAS, the Stepping Up Initiative in Durham County brings together county leaders, justice partners, behavioral health providers, and community organizations to identify gaps, enhance resources, and ensure individuals with mental health and substance use needs receive appropriate care rather than unnecessary incarceration; and

WHEREAS, Durham County recognizes the essential role of the Crisis Intervention Team (CIT), a collaborative partnership between law enforcement, detention center, behavioral health professionals, and community agencies that equips first responders with specialized training to safely and effectively support individuals experiencing mental health crises.

NOW, THEREFORE, I, Dr. Mike Lee, Chair and on behalf of the Durham Board of County Commissioners, do hereby proclaim May 2026 as

“MENTAL HEALTH AWARENESS MONTH”

in Durham County, North Carolina, and urge all citizens, government agencies, public and private institutions, businesses, faith communities, and schools throughout Durham, North Carolina to join in promoting awareness and understanding of mental health, reducing stigma, and recognizing the critical need for accessible and appropriate mental health services for all residents of Durham County.

This 11th day of May 2026.

Dr. Mike Lee, Chair
Durham Board of County Commissioners

Roshanna Humphrey, Justice Services Department Directors stated she was proud of the work and services provided to residents in the community by the Justice Services Department. Carolyn Shaw, Mental Health/ Substance Use Disorder Program Manger, Justice Services Department gave a brief overview of the events and programs the department was offering to celebrate Mental Health Awareness Month. Rayburn Strange, Clinical Services Manager, Justice Services Department gave an overview of how the department assisted a client and the positive outcome of the client and their family.

The Board thanked the Justice Services Department for saving clients’ lives, evidence-based programs and the use of best practices to keep residents out of the detention centers.

26-0228 Proclamation – Treatment Court Month

TREATMENT COURT MONTH | 2026

WHEREAS, according to All Rise, a training, membership and advocacy organization for justice innovation addressing substance abuse and mental health at every intercept; treatment courts are the most successful justice system intervention in our nation’s history for reducing crime by addressing substance use and mental health disorders; and

WHEREAS, All Rise is a standard of justice that measures success by the number of lives saved, families reunited, and communities made safer; and

WHEREAS, there are now more than 4,000 treatment courts nationwide; and

WHEREAS, Justice Services Department has successfully implemented an Adult Recovery Court and Mental Health Court that are both operational and providing much needed treatment services to Durham County residents; and

WHEREAS, treatment courts provide a range of economic benefits to a community, such as reduced costs in court and prison expenditures, increased tax revenues, lowered foster care expenses, and decreased costs related to victimization; and

WHEREAS, treatment courts combine accountability with evidence-based treatment; and

WHEREAS, treatment courts annually refer more than 150,000 people to life-saving treatment and recovery support services; and

WHEREAS, according to All Rise, treatment courts significantly improve substance use and mental health disorder treatment outcomes and prevent fatal overdoses; and

WHEREAS, treatment courts facilitate community-wide partnerships, bringing together public safety and public health; and

WHEREAS, treatment courts demonstrate that when one person rises, we all rise.

NOW, THEREFORE, I, Dr. Mike Lee, Chair and on behalf of the Durham Board of County Commissioners, do hereby proclaim May 2026 as

“TREATMENT COURT MONTH”

in Durham County and urge all citizens, government agencies, public and private institutions, businesses, faith communities, and schools throughout Durham, North Carolina to join in promoting awareness and understanding the importance of treatment courts for accessible and appropriate treatment services for all residents of Durham County.

This 11th day of May 2026.

Dr. Mike Lee, Chair
Durham Board of County Commissioners

Lentora Duncan, Recovery Court Coordinator, Justice Service Department gave an overview of the events scheduled to celebrate Treatment Court Month. She highlighted services and programs offered by treatment courts.

The Board thanked Ms. Duncan the Justice Services Department for offering programs to residents in Durham and for being recognized as national program leaders.

To Be Recognized

26-0252 Proclamation - Professional Clerks to the Boards of County Commissioners Week

Chair Dr. Lee read the following resolution:

PROFESSIONAL CLERKS TO THE BOARDS OF COUNTY COMMISSIONER WEEK | 2026

WHEREAS, the role of the clerk to the board of county commissioners is crucial for maintaining an informed community and facilitating effective local governance through communication among citizens, governing bodies, and administrative departments; and

WHEREAS, the position of clerk, one of the oldest in local government, continues to be essential as the official recordkeepers of their counties, with responsibilities that are deeply rooted in history; and

WHEREAS, North Carolina General Statute 153A-111 requires every board of county commissioners to appoint or designate a clerk to the board to perform any duties that may be required by law or the board of commissioners including, but not limited to, the preparation, filing, and protection of local government records, which are vital for accountability and transparency; and

WHEREAS, clerks enhance their professional skills through active participation in the North Carolina Association of County Clerks to Boards of Commissioners, which, in partnership with the University of North Carolina at Chapel Hill School of Government and the International Institute of Municipal Clerks, offers nationally recognized certification programs and continuous professional education; and

WHEREAS, clerks, through their dedication to professional development, not only improve the efficacy of their offices but also bring positive recognition to their counties by participating in advanced education and obtaining profession related certifications.

NOW, THEREFORE BE IT RESOLVED, I, Dr. Mike Lee, Chair and on behalf of the Durham Board of County Commissioners, do hereby proclaim the May 3 – 9, 2026, as

“PROFESSIONAL CLERKS TO THE BOARDS OF COUNTY COMMISSIONER WEEK”

in Durham County, North Carolina and extends its appreciation to Clerk to the Board Monica W. Wallace and Deputy Clerk to the Board Macio Carlton, and to all county clerks and deputy clerks for the vital services they perform and their exemplary dedication to the county they represent.

This 11th day of May 2026.

Dr. Mike Lee, Chair
Durham Board of County Commissioners

The Board thanked Monica Wallace, Clerk to the Board and the Clerk Department for their professionalism, assistance with schedules, meetings, agendas and dedication to the County.

Other Business

26-0242 FY 2026-27 Manager’s Recommended Budget Presentation

County Manager Claudia Hager Shared the “2026-2027 County Manger’s Recommended Budget” and provided the following summary:

Good evening, Chair Lee, members of the Board, County staff, and residents. It is an honor to present my recommended budget for fiscal year 2026-27.

This proposed budget continues a delicate balancing act between limited resources, resident economic stress, and nearly infinite needs, and is presented while Durham County is navigating a new and challenging environment.

After a decade and more of exceptional progress and significant revenue growth based off strong population growth, robust employment, and sustained local investments---growth has moderated significantly. This recommended budget, and the near future, must be planned accordingly.

This budget is also the result of thousands of hours of work across all departments, shared city and county agencies, and a significant number of partner agencies that support vital goals.

So, to all employees and partner agencies that helped with this process, you have my deepest appreciation!

Board meetings tell a story about the breadth of county government. In a single session, the Board may act on contract approvals, receive agency updates, engage in long range planning discussions, consider substantial budget amendments, and hear directly from the residents they serve. The range is not incidental; it is a reflection of what governing actually requires.

That breadth connects directly to the balancing act mentioned earlier. Dozens of priorities compete for a pool of resources that continues to shrink, which means strategic focus and well-informed management are not simply good practices but genuine necessities. Every dollar allocated in one direction is a dollar unavailable somewhere else, and the Board must weigh those tradeoffs constantly.

The priorities on the dais are the priorities of the residents, and those priorities continue to grow even as the resources available to meet them do not. That pressure demands more than good intentions; it demands discipline, direction, and a clear framework for decision making.

That is precisely what DCO Forward 2029 provides. The strategic plan serves as the County's blueprint, anchoring decisions in data, performance, and shared goals rather than reaction alone. Whatever challenges arise, and they will arise, that foundation keeps the County oriented toward a stronger future for everyone it serves.

Durham County has been fortunate to have a strong economy, but the past has no guarantee of the future. The current and near future fiscal environment continues to tighten. As a result, the key priorities built into this recommended budget are focused on providing the best outcomes with limited resources.

Given the current economic climate, maintaining the County's fiscal stability remains my foremost priority.

Simultaneously, we must provide robust public safety services to our growing population while creating comprehensive educational and workforce opportunities for all residents, with Durham Public Schools as the cornerstone of these efforts.

But any and all additional priorities must be evaluated through the lens of long-term financial stability and affordability.

Every year, fiscal stability and fiscal constraints frame the competing needs for revenue and expenditure growth. The budget development process tries to adapt to current needs while ensuring fiscal stability through prudent revenue projections, while also supporting sustainable expenditure growth through strategic choices. The unpredictability of budget development comes from predicting the future with limited data.

As County Manger, one of my essential duties and top priorities is to ensure the County's long term fiscal viability, through good or challenging times. Our financial foundation must be solid every year. Year after Year. And decade upon decade.

Every decision made and every proposal offered to the Board, including this budget, has been vetted

through this priority. Our new fiscal realities will require a shift in the organization's expenditure growth to align with projected revenues.

And while the current budget climate for the County is different than it has been, I am absolutely confident that Durham County can and will continue to prosper.

But, remember, a successful key to prosperity is judicious planning and long-term focus. The recommended budget provides the County with the necessary resources to adapt and react to near-term volatility while supporting the key services that are investments in keeping our County such an amazing place to thrive.

What's driving some of the budget decisions? Slowing to nonexistent "natural" growth in key revenue sources. Growth amounts in key revenues, usually in the tens of millions, are now less than \$1 million.

A view of revenue increases and decreases shows almost no growth in property tax revenue, before any property tax rate increase. This is largely due to a high number of appeals of recently revalued commercial property. The net effect is lower property valuation growth than was expected, which in turn reduces natural growth in property tax revenue.

When looking at other major revenues, the growth is significantly lower, with a number of key revenues decreasing, year over year. General Fund sales tax growth is anemic, while several other revenue sources are also seeing a reduction.

These key revenue sources and their natural growth, support many "built in" costs. Without higher annual natural growth in revenue sources, the County must raise the property tax rate to collect more revenue, or slow expenditure growth, or a combination of both options. I'll go into more detail in later slides.

Current year projections of property tax collections have the County under-collecting budgeted amounts due to significant commercial appeals of revalued property estimates. This lowering of the floor of actual valuations versus budgeted valuations means that growth in budgeted valuation from the current year to next year is very low.

The net effect is that what is normally a multi-million dollar "natural growth" increase in property tax revenue is, for the upcoming year, less than \$500,000.

Where possible, I have tried to limit property tax rate increases and their impact on residents. We do this by maximizing efficiencies and limiting the expansion of services to areas that provide the highest return on investment for all residents.

But when slowing growth in other revenue sources competes with higher service demand or higher costs, the options to fill those gaps are limited to property tax increases.

With those realities, I am proposing a two-cent property tax rate increase for this recommended budget. This increase will add \$17 million in new revenue to specifically support increased Durham Public School funding, increased Pre-K support, and meet increased service demands in key mandated areas such as EMS.

We budget property tax revenue in two areas, one to support the General Fund and the other to support the Capital Financing Fund, which pays for capital projects and debt service.

As noted earlier, I am recommending a two-cent property tax rate increase for the General Fund.

I would like to remind the Board and residents that the property tax rate is the primary revenue source controlled by the Board. And, it is the only significant way to raise additional revenue.

Future tax rate increases may also be needed to support ongoing County goals, including our significant commitment to Durham Public Schools, capital planning, and other priorities.

Our special tax districts continue to provide financial support for specific services in various parts of the County, such as for area volunteer fire departments, through property tax revenue collected within the district boundaries.

The Board recently approved a new Mangum Fire Protection District for northern Durham County. The County is working towards completing a contract with the Moriah Fire Department to provide fire protection services within this district. After discussions with Moriah VFD, I am recommending a new tax rate be established at 4.7 cents, bringing in roughly \$30,000 to provide vital funding to support this department.

Other fire districts--New Hope, Eno, and Redwood-- are also recommended for tax rate increases from a quarter cent to 2 cents. Additional funding from these property tax rate increases will allow these departments to continue to service levels that keep residents safe and home insurance rates stable.

Sales tax revenue is our second-largest revenue source and is dependent on economic activity. Sales tax revenue for next fiscal year is projected at \$133 million. For perspective, this is the equivalent to 15.6 cents of property tax revenue.

After unprecedented revenue growth during the pandemic, last year and the current fiscal year have seen dramatically slower growth. In fact, sales tax revenue growth has only grown a total of 4% over the last three years compared to annual growth of well over 5% annually for a number of years before.

I say all this to emphasize how the County's two main revenue sources -- 80% of all General Fund revenue - - are growing at a much slower pace, in turn forcing the County to make tough decisions.

The effect of slower sales tax growth can clearly be seen here. For three years starting in FY 2021-22, sales tax revenue grew by over \$11 million, with FY 2023-24 seeing close to \$22 million in new growth. That growth in revenue funded a host of high- priority County needs, before adding any pressure to increase the property tax rate.

But last year saw a retraction in budgeted sales tax revenue growth, while the upcoming fiscal year is expected to see only minimal growth again. In fact, over the last three years, total growth in sales tax revenue has only been 5.1 million, matching one year growth for many of the years pictured.

Remember, sales tax revenue is the County's second-largest revenue source.

We will continue to watch the sales tax patterns carefully as we navigate the current fiscal climate.

It is also essential to recognize some other revenue trends for the upcoming year.

While we are projecting increases in investment revenue, EMS patient fees, and Register of Deeds collections-----Medicaid hold harmless funds are projected to decrease.

The allocation of fund balance as a revenue source will need to be reduced for a second year to align with the projected revenue and expenditure trends, and to ensure reserves are maintained at levels that keep the County in a sound fiscal position.

These decreasing revenue factors contribute to the limited growth of the expenditure budget.

In summary, miniscule revenue growth from property taxes and sales tax revenue, along with a net decrease in other key revenues, means significantly less available funds for new or expanded programs and services.

While the General Fund is where the vast majority of activity and spending occurs, there are a number of other funds that serve specific County purposes. These include the already-mentioned special tax district funds, the Debt Service fund, and our Sewer Utility fund.

The total County budget, including all of these funds, increases less than 1% to just a little over \$1 billion.

The General Fund budget, a subset of that total amount, increases 1.5% to almost \$700 million.

These are much smaller annual budget increases than in the recent past. In fact, if Education-related increases of almost \$13 million are not included, the rest of the General Fund budget actually decreases \$2.5 million compared to last year.

I hope to impress upon everyone watching or listening how limited overall growth in the County's budget is for this upcoming fiscal year.

Slower revenue growth presents a challenge, but when combined with spending adjustments, it creates potentially significant budget imbalances. This budget process started with over \$55 million in expenditure requests above projected revenues.

As always, education remains a high funding priority, and to that end, I am recommending a Durham Public Schools funding increase of over \$10 million and \$1.27 million more for Pre-K support.

Equally important are Durham County Government's hardworking employees, with funds budgeted to support a small COLA pay increase. Additionally, \$1.6 million supports the increased cost of employee benefits.

These three spending categories alone far exceed the natural revenue growth the County normally experiences. In fact, the two-cent property rate increase directly supports additional DPS funding, Pre-K expansion, and Public Safety needs.

Speaking of Public Safety, this budget provides a funding increase for 10 new positions to address increased EMS service demands by adding another 24/7 ambulance unit.

This budget also maintains ongoing support for many important community initiatives while managing inflationary pressures.

Finally, before any property tax rate increase was considered, I asked departments to find reductions within their budgets to cover basic increases such as a COLA and any Benefits cost increases. To their credit and with my sincere appreciation, departments came up with \$6.2 million in reductions to help offset lost revenue and general expenditure increases.

Historically, new position growth within the County has been significant. New positions reflect growing needs pushed by an increasing population and are funded with additional revenue.

Recognizing recent financial pressures, my goal over the last two years has been to limit the number of new positions created, with the understanding that increasing efficiency is valuable and necessary as revenue growth slows. I would like to thank departments for their efforts to realign and adjust operations to meet this goal.

With that in mind, I am recommending a small net increase of 6.03 new positions in the General Fund and one new position in the Risk Management Fund, while another 14.65 positions were added to various Funds during the current year.

The County's commitment to education continues to be unwavering. The recommended budget, while recognizing the many needs of Durham Public Schools, supports an additional \$10.9 million for Current Expense funding, bringing total DPS support to a little over \$235 million, a 4.8% increase.

The County also provides approximately \$87.5 million in additional indirect support for DPS through a number of different departments and programs, the largest of which is annual debt service payments for school buildings.

Per pupil funding for next year, increases \$368 to \$5,929 per student.

Once again, we proudly ranked in the top five in North Carolina for local per-pupil spending.

A designation that has been maintained for decades.

With the recommended appropriation, Durham Public Schools' annual County funding will have increased by \$69 million over the last five years and \$101 million over the last nine years.

While we have made substantial progress with these funds, I am aware of the remaining funding gaps within the district.

But there are also limits to what the County can annually fund for DPS without either significantly limiting available resources for other County services or needing to increase the property tax rate every year.

Deferred maintenance, repairs, and renovations across Durham public schools remain an ongoing concern and priority.

Discussions about how best to address these needs will continue through the fall, with the aim of producing an updated 10-year Capital Improvement Plan by the end of the fiscal year.

Durham County will continue to address time-sensitive infrastructure needs as they arise, while strategically planning for larger debt offerings, through limited obligation bonds or general obligation bonds, when the scope of investment requires it.

Durham County demonstrates its commitment to education and workforce development through robust support for Durham Technical Community College. DTCC offers diverse educational pathways, skills development, and specialized training, while serving as a critical partner in providing market-responsive training programs that support economic upward mobility for our residents.

Recognizing the County's fiscal limitations, the recommended budget includes a 3 percent increase in total funding for the institution.

Notably, \$2.1 million of County funding allocated to DTCC is specifically designated for Durham student scholarships as well as academic advisor support and success coaches, financed through dedicated sales tax revenue. As with DPS, County Leadership will continue planning and coordinating CIP projects in the upcoming months.

This budget also sees the County supporting an increase of \$1.27 million for Pre-K. \$770 thousand of this

additional funding backfills one-time use of ARPA funding and also adds an additional \$500 thousand for additional seat expansion and operational support costs. The goal of our Board has been to reach universal Pre-K for all Durham County children.

In total, the County is supporting education with over \$258 million dollars directly allocated between DPS, DTCC, and Pre-K.

We have, and we continue to offer, possibility and independence for all residents through our support of education.

As our County population continues to grow, so does our need for increased Public Safety services. For this reason, the majority of new positions I am recommending are related to public safety.

In the current budget the Board approved 12 new paramedic and EMT positions to improve shift coverage, reduce provider workload, and increase ambulance availability, in the face of that population growth.

And for next year I am recommending 10 additional paramedic positions, which will staff another complete EMS unit to help keep response times to an absolute minimum.

That's 22 direct lines of service positions in two years. We must always keep our mandated and important services at the highest levels in support of resident safety.

Also included in the Recommended budget are 5 new Law Enforcement Officer positions for the Sheriff's Office, providing additional coverage to the County's growing population. These position increases, achieved from position realignments, mark the second year in a row where the Sheriff has worked, through interdepartmental reallocation, to meet the changing needs of the community.

This workforce enhancement delivers dual benefits: faster response times in the high-demand RTP area and improved service throughout the county, as resources are distributed more effectively.

I am also recommending an additional \$630,000 in funding for the Detention Center food contract, as the County is also not immune to rising food costs.

As the County and regional population continues to grow, concerns and planning around transporting that population increase as well. The myriad transport possibilities include bus transit, commuter rail, biking, walking, and vehicle. How to best integrate those modes that meet the needs of the population, the environment, economy, and financial ability, all intersect in our transportation department.

It's a complicated set of variables that have a profound effect on the livability of an area and lends itself to a long-term outlook.

With that in mind our Durham County transportation department has an additional \$700 thousand for a Durham Transit Plan update. However, that additional cost is fully reimbursable through dedicated Article 43 sales tax reimbursement for no new net cost to the County.

While there is limited budget growth across much of the Durham County organization there are still some key areas of funding in our Human Service departments.

Public Health has \$300 thousand -- half from the County, half from the City -- for ongoing Master Aging Plan implementation support. Their budget also includes \$653 thousand to support the increased health costs for individuals within the detention facility.

I am recommending \$500 thousand to support a joint partnership with the City of Durham to develop a Homelessness Strategic Plan, a multi-phase effort aimed at reimagining our community's coordinated response to homelessness. This investment builds on a foundation of existing County support for individuals experiencing homelessness, including \$535 thousand for Urban Ministries' ongoing shelter operations and the \$350 thousand Homeless Day Shelter and Services Center pilot launched in March 2026.

It is also important to note, in FY 2024–25, the BOCC approved an \$18 million placeholder in the capital improvement plan to expand the infrastructure needed to strengthen our homelessness response systemwide.

Continuing our partnership with the City of Durham, \$250 thousand is included for the development and implementation of a joint comprehensive violence reduction plan aimed at reducing community violence through coordinated, evidence-based strategies.

Employee benefits, particularly healthcare, represent a critical component of our compensation package. Across the nation, governments, private sector entities and others are grappling with the rising cost of health care insurance and evaluating approaches to reduce expenses.

To contain costs, a competitive Request for Proposal process is being carried out in the current year to limit future projected cost growth. Next year's budget requires an additional \$1.6 million to support increased health care plan expenses, bringing the total cost of our benefits plan to slightly over \$52 million.

Controlling external healthcare costs demands a proactive approach, therefore, I am strongly recommending investing an additional \$250 thousand investment to expand services at our onsite wellness clinic. The focus is on strengthening both employee physical and mental health access, which will not only improve the quality of life for staff but also reduce long-term healthcare costs and improve overall organizational effectiveness.

Additionally, we are conducting and will continue to conduct ongoing enhanced analysis of benefits and benefit providers to evaluate the level of healthcare coverage the County can sustainably support over the long term.

I would like to point out two fees that are worth highlighting.

With a significant number of major water and sewer capital projects planned in and around RTP, and user fees supporting those costs, the Sewer Utility monthly consumption rate is recommended to increase 10%.

I am happy to report that there is no increase in the Stormwater Utility Fee for the first time in several years. This fee, largely supported by rural residents, is the Fund's primary revenue source which covers the cost of complying with the Falls Lake and Jordan Lake state requirements.

As we look out over the budget horizon, guiding our organization through the current and future fiscal climate presents a significant challenge. We must make decisions that avoid creating burdens on our residents AND we must make sustainable decisions that provide services, regardless of the current environment. Often those two goals are in competition.

However, I remain confident that by focusing on core services, evaluating approaches to increase organizational efficiency, and maintaining fiscal discipline, we can weather future volatility while preserving what makes Durham such a fantastic and desirable place to live. We must also acknowledge and support our workforce who provide the core services that, in turn, benefit all of us.

I would like to thank the Board of County Commissioners for their continuous input, effort, and ultimately their heartfelt desire to make and keep Durham County the amazing place it is.

Now comes the hard part, deliberation of infinite needs offset by finite resources.

With this recommended budget, Durham County is committed to advancing Public Safety, supporting education, and investing in employees. We will monitor progress through measurable goals and transparent evaluations, ensuring that every decision strengthens our community and aligns with our strategic vision.

I will continue to caution Durham residents and the Board that we are more likely to experience a growing gap between available resources and growing needs over the next several years as economic volatility and Federal and State policies continue to create obstacles.

But together, we will foster a stable, thriving Durham, equipped to meet future challenges and provide exceptional services for all residents.

I want to share some key dates so you can mark your calendars!

Tuesday, May 26th, the Board will hold a Public Hearing where residents will have the opportunity to speak on the proposed budget. There are also other opportunities to provide feedback that can be found on the County's website.

Budget work sessions will begin on Tuesday, May 19th, with additional work sessions scheduled for May 21st, May 28th, and June 2nd. If needed, an additional work session will be held on June 4th.

Budget adoption is planned for Monday, June 8th.

I look forward to the Board's deliberations on this recommended budget. Our staff and I will be at your service to answer questions, explain our vision, describe the limitations of some choices versus others, and provide data that helps every Commissioner feel confident when voting to approve a FY 2026-27 budget.

Again, I want to acknowledge the Executive Leadership Team, Department Heads, and staff for their support, difficult though it may be, throughout this process. Most importantly, I would like to acknowledge the Budget and Management Services Department staff. Thank you all for your hard work, research, and responsiveness in working through so many questions and outcomes. I would also very much like to thank our Organizational Effectiveness team under the leadership of John Keefer. They have done tremendous work collaborating with departments to develop and explain key performance measures for nearly every department. A lot of ground was covered in a short amount of time.

The link to this presentation and other budget document materials can be found on our website at DCONC.GOV

Thank you.

The Board thanked County Manger Hager for the Recommended Budget Presentation

Consent Agenda

Chair Dr. Lee asked the Board if they requested to pull or comment on any items on the Consent Agenda.

- Item 25-0250 – Commissioner Burton inquired about the large amount of refunds. Keyar Doyle, Tax Administrator stated the large refunds reflected commercial adjustments from appeals processed over the last two months.

Hearing no additional comments, Chair Dr. Lee entertained a motion for approval.

Commissioner Jacobs moved, seconded by Commissioner Valentine to approve the following items on the Consent Agenda.

The motion carried unanimously.

26-0140 Approval of Freese and Nichols (FNI) Contract Amendment for Engineering Services for Triangle Wastewater Treatment Plant Expansion Study in the Amount of \$388,046 Bringing the Contract Amount from \$547,900 to \$935,946 with a Not to Exceed Amount of \$990,000

26-0141 Adoption of the Local Water Supply Plan for Rougemont Water System

26-0176 Approval of Sole Source Contract with Father's on the Move, Inc., (FOTM) for the Durham County Sheriff's Office in the amount of \$36,000 for Services to Improve Outcomes for Detainees During Reentry

26-0198 Approval of Contract Amendment with Carolina Civilworks, Inc. for Emergency and Scheduled Collection System Repair Services in the Amount of \$186,257.85, Bringing the Contract Amount from \$610,289.02 to \$796,547.87 and to Execute Contract Amendments Not to Exceed \$875,000

26-0200 Approval of Contract with Tritech Software Systems, a CentralSquare Technologies Company (CentralSquare Technology) in the Amount of \$226,203 for Computer-Aided Dispatch and Report Management Systems for the Sheriff's Office

*26-0204 Approve Budget Appropriating Ordinance General Amendment No. 26BCC083 Fund Restricted Fund Balance Totaling \$1,168,009 to Increase Expenditure Authority for Social Services

26-0208 Approval of a Contract Amendment in the amount of \$44,000 for Psychiatric Services and Consultation, P.C. dba Patricia Knautd for a new total of \$205,757. The contracted services provide mental health services in the Detention Center through the end of the FY 25-26 fiscal year

26-0209 Approve and Authorize the Manager to Execute Documents Conveying a Non-Exclusive Easement to Duke Energy Over the County's Property at 1211 Shiloh Glenn Drive to Provide Electricity to the County's New Shiloh Glenn Lift Station

26-0218 Adopt a Resolution Declaring Intent of Durham County to Participate in the Commercial Property Assessed Capital Expenditure (C-PACE) Program and Announcing a Public Hearing on May 26, 2026

26-0229 Departmental - Proposed Planning & Development Department FY27 Work Program

26-0231 Approve Change Order No. 001 for the Installation of a Generator for Northern Convenience Site under IFB 25-13R2 in the amount of \$5,304.07 and Approve a Construction Contingency in the Amount of \$39,541.36 for a Total Project Amount of \$440,259.07 and authorize the Manager to approve subsequent Change Orders within the project budget

26-0232 Approve Execution of Construction Contract with Trifecta Services Company for Asbestos Remediation and Furniture Removal for 220 E. Main Street is the amount of \$290,300 plus ten percent (10%) contingency in the amount of \$29,030 for a total contract not to exceed \$319,330

26-0244 Approval of Contract Amendment with J&A Engineering, LLC. in the Amount of \$7,440 for New Total of \$152,960 for Security Engineering Design and Construction Administration at the Durham County Jail

*26-0250 Approval of Property Tax Releases and Refunds for April 2026

26-0258 Amendments to Durham County Finance Policy - Fund Balance Provisions

Consent Agenda Item #26-0204

**Durham County, North Carolina
2025-2026 Budget Ordinance
Amendment Number 26BCC083**

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the 2025-2026 budget ordinance is hereby amended to reflect budget adjustments.

<u>Fund Name</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
GENERAL FUND			
<u>Expenditure</u>			
Human Services	\$119,663,808.77	\$1,168,009.00	\$120,831,817.77
<u>Revenue</u>			
Other Financing Services	\$48,914,252.26	\$1,168,009.00	\$50,082,261.26

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

Approved May 11, 2026

Consent Agenda Item #26-0250

RELEASES AND REFUNDS – April 15 – April 30, 2026

Current Year 2025 Taxes	Releases	Refunds	
Real Property	\$26,335,483.59	\$ 22,26,602.55	
Personal Property	\$ 184.91	\$ 0.00	
Motor Vehicle	\$ 0.00	\$ 0.00	
Solid Waste	\$ 0.00	\$ 0.00	
Stormwater Utility	\$ 0.00	\$ 0.00	
Public Service	\$ 0.00	\$ 0.00	
VTS Refunds	\$ 0.00	\$ 24,083.38	
Gross Rec. /Bev. Lic.	\$ 0.00	\$ 150.00	
SUB – TOTAL	\$26,335,668.50	\$22,284,835.93	\$48,620,504.43

Prior Year 2015-2024	Releases	Refunds
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Real Property	\$	0.00	\$	1,143.75		
Personal Property	\$	0.00	\$	0.00		
GAP Vehicles	\$	0.00	\$	221.19		
Motor Vehicle	\$	0.00	\$	0.00		
Solid Waste	\$	0.00	\$	0.00		
Stormwater Utility	\$	0.00	\$	0.00		
VTS Refunds	\$	0.00	\$	0.00		
Gross Rec. /Bev. Lic.	\$	0.00	\$	0.00		
SUB - TOTAL	\$	0.00	\$	1,3647.94	\$	1,364.94
GRAND TOTAL		\$26,335,668.50		\$22,286,200.87		\$48,621,869.37

Public Hearings

26-0230 Public Hearing - Ordinance - Evaluation and Assessment Report (A2500002A, A2500002B, A2500002E, A2500002F), Place Type Map Amendments

Chair Dr. Lee opened the public hearing.

Aaron Cain, Senior Planning Manager, Planning and Development share the A2500002 – *Evaluation and Assessment Report (EAR)* presentation which highlighted the following: What is the EAR? Phase One, Phase Two, Place Type Map Updates and Community Input.

The Board asked if the Planning Commission saw the same presentation after denying the amendments. Mr. Cain replied no changes were made to the presentation and added the Planning Commission's concern was about expanding the Urban Growth Boundary. The Board inquired about how much of the 193 acres would be developed. Mr. Cain responded approximately 66 acres would be developed, as the remaining acres were covered by conservation easements.

The Board asked if the property was originally intended to be zoned for Industrial Light and included with Treyburn Corporate Park. Mr. Cain responded the site was originally zoned Research and Research Applications and was oversights under the 2023 Durham Comprehensive Plan. He added Treyburn Corporate Park was waiting for a suitable company to consider developing the site. The Board stated the County invested in the Treyburn Corporate Park and the Durham-to-Roxboro Rail Trail would be a viable commuting route to Treyburn Corporate Park.

Chair Dr. Lee closed the public hearing.

Motion 1:

Commissioner Jacobs moved, seconded by Commissioner Burton to adopt a resolution amending the Place Type Map by taking property identified in Attachment F out of the Rural and Agricultural place type and establishing the same as the Rural and Agricultural Reserve and Employment Campus and including these parcels within the Urban Growth Area.

The motion carried.

Motion 2:

Commissioner Burton moved, seconded by Commissioner Valentine to adopt a resolution amending the Place Type Map by taking property identified in Attachment G out of the Apartment and Townhouse Neighborhood place type and establishing the same as the Utility and Public Works Facility place type.

The motion carried.

Motion 3:

Commissioner Valentine moved, seconded by Commissioner Jacobs to adopt a resolution amending the Place Type Map by taking property identified in Attachment H out of the Rural and Agricultural Reserve and Community Institution place types and establishing the same as the Community Institution place type.

The motion carried.

Motion 4:

Commissioner Burton moved, seconded by Commissioner Valentine to adopt a resolution amending the Place Type Map by taking property identified in Attachment I out of the Utility and Public Works place type and establishing the same as the Rural and Agricultural Reserve place type.

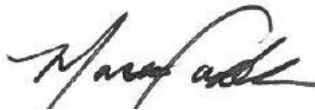
The motion carried.

Adjournment

Vice Chair Allam moved, seconded by Commissioner Burton to adjourn the Regular Session meeting at 9:04 p.m.

The motion carried unanimously.

Respectfully Submitted,



Macio Carlton
Deputy Clerk to the Board