



## **ANNUAL BUDGET ORDINANCE**

**Durham County**

**North Carolina**

**FY 2024-25**

WHEREAS the proposed budget for Fiscal Year 2024-25 (FY 2024-25) was submitted to the Board of Commissioners on May 13, 2024, 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 28, 2024, the Durham County Board of Commissioners held a public hearing on the budget pursuant to G.S. 159-12;

WHEREAS, on June 10, 2024, 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, 2024, and ending June 30, 2025, there are hereby appropriated from taxes and other revenues the following by function and fund.

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	\$181,607,958	\$500,000	\$115,928,165	\$0	\$753,619	\$683,700	\$1,285,681	\$108,841,636	\$750,000	<b>\$410,350,759</b>
Public Safety	\$89,138,365						\$10,842,694			<b>\$99,981,059</b>
Transportation	\$4,657,932									<b>\$4,657,932</b>
Environmental Protection	\$6,901,858			\$500,000					\$3,376,000	<b>\$10,777,858</b>
Econom. & Physical Devlp.	\$9,804,532						\$3,326,190			<b>\$13,130,722</b>
Human Services	\$113,243,104									<b>\$113,243,104</b>
Education	\$230,521,600									<b>\$230,521,600</b>
Cultural & Recreational	\$16,595,836									<b>\$16,595,836</b>
Utilities									\$16,568,580	<b>\$16,568,580</b>
<b>Total</b>	<b>\$652,471,185</b>	<b>\$500,000</b>	<b>\$115,928,165</b>	<b>\$500,000</b>	<b>\$753,619</b>	<b>\$683,700</b>	<b>\$15,454,565</b>	<b>\$108,841,636</b>	<b>\$20,694,580</b>	<b>\$915,827,450</b>

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	\$510,166,291		\$53,874,186				\$13,765,175		\$2,000	<b>\$577,807,652</b>
Licenses and Permits	\$367,000								\$643,500	<b>\$1,010,500</b>
Intergovernmental	\$73,076,834						\$1,250,000			<b>\$74,326,834</b>
Contributions and Donations	\$301,650									<b>\$301,650</b>
Investment Income	\$5,030,000		\$500,000				\$45,000	\$890,823		<b>\$6,465,823</b>
Rental Income	\$760,200									<b>\$760,200</b>
Sewer Connection Fees									\$2,560,000	<b>\$2,560,000</b>
Service Charges	\$31,866,150							\$500,000	\$12,000	<b>\$32,378,150</b>
Enterprise Charges	\$17,000								\$17,476,580	<b>\$17,493,580</b>
Other Revenues	\$587,225	\$500,000							\$500	<b>\$1,087,725</b>
Transfers In	\$30,298,835		\$61,553,979	\$500,000	\$753,619	\$683,700	\$394,390	\$107,450,813		<b>\$201,635,336</b>
<b>Total</b>	<b>\$652,471,185</b>	<b>\$500,000</b>	<b>\$115,928,165</b>	<b>\$500,000</b>	<b>\$753,619</b>	<b>\$683,700</b>	<b>\$15,454,565</b>	<b>\$108,841,636</b>	<b>\$20,694,580</b>	<b>\$915,827,450</b>

**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, 2024, at an anticipated collection rate of 99.60%. Rates are per \$100.00 of assessed valuation of taxable property.

District	Rate
Durham County-countywide	\$0.7987

**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, 2024, at the anticipated collection rates noted below. Rates are per \$100.00 of assessed valuation of taxable property.

District	Rate	Collection Rate		Rate	Collection Rate
Bahama Fire District	\$0.0987	98.7%	Redwood Fire District	\$0.1275	98.3%
Eno Fire District	\$0.0786	98.3%	Durham Fire & Rescue		
Lebanon Fire District	\$0.1251	98.7%	Service District	\$0.1299	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, 2024, 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	\$2,361,578
Research & Production Service District – Public Transportation	<u>\$0.0250</u>	<u>\$670,903</u>
<b>Total Research and Production Service District Tax Rate</b>	<b>\$0.1130</b>	<b>\$3,032,481</b>

There is hereby appropriated to the Durham-Wake Counties Research and Production Service District from the net proceeds of these taxes the amount of \$2,997,081 for use in said district. \$2,334,537 for the Service District and \$662,544 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	\$11,872,083
<u>Capital Outlay</u>	<u>\$560,000</u>
<b>Total Appropriation</b>	<b>\$12,432,083</b>

- 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 up to \$2,350,207, 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 2024-25 is as below:

Current Expense	\$206,601,332	*Includes Article 46 Sales Tax Revenue:	<u>DPS</u>	<u>Pre-K</u>
Capital Outlay	\$2,000,000	<i>FY 2022-23 Over-collection</i>	\$1,879,360	\$60,760
<b>Total Appropriation</b>	<b>\$208,601,332</b>	<i>FY 2024-25 Estimated Revenue</i>	<u>\$15,706,579</u>	\$199,656
		<i>Board Policy Pre-K amount</i>		<u>\$508,140</u>
		<b>FY 2024-25 Article 46 Total</b>	<b>\$17,585,939</b>	<b>\$768,556</b>

- 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, per their approved budget request, allocate current expense funding of \$6,578,595 for anticipated state salary/benefit increases, \$3,955,135 for teacher supplement increases, \$1,259,806 to support master’s pay, and \$8,881,105 to support classified salary increases as conveyed in the Board of Education FY 2024-25 budget request to the Board of County Commissioners.
- 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 2024-25 local teacher salary supplement schedule starts at \$7,250 in the first two years for a teacher with a Bachelor’s degree and subsequently increases by \$155 per year up to \$11,900 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        \$6,004,558

Expense        \$6,004,558

**BENEFITS PLAN FUND**

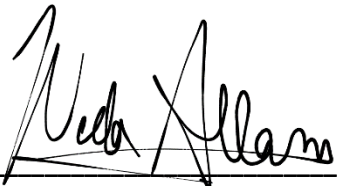
Revenue        \$44,343,109

Expense        \$44,343,109

**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 2024-25, the County Contribution is designated at 12.87%.


**Section 13.** 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 10<sup>th</sup> day of June 2024.**



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Nida Allam, Chair - Board of Commissioners



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Monica Wallace, Clerk to the Board