



ANNUAL BUDGET ORDINANCE

Durham County

North Carolina

FY 2018-19

WHEREAS, the proposed budget for FY 2018-19 was submitted to the Board of Commissioners on May 14, 2018 by the Durham County Manager and filed with the Clerk to the Board on that date pursuant to G.S. 159-11;

WHEREAS, on June 11, 2018, the Durham County Board of Commissioners held a public hearing on the budget pursuant to G.S. 159-12;

WHEREAS, on June 25, 2018, 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, 2018 and ending June 30, 2019, there are hereby appropriated from taxes and other revenues the following by function and fund:

Section 1. Summary of Appropriations by Fund and Function - FY 2018-19

Function	General Fund	Swap Fund	Capital Financing Fund	Reappraisal Reserve Fund	Special Revenue Funds	Debt Service Fund	Enterprise Fund	Total Appropriation
General Government	\$115,885,679	\$3,162,949	\$75,397,976	\$1,476,006	\$5,567,439	\$73,821,688	\$750,000	\$276,061,737
Public Safety	\$62,370,410	---	---	---	\$7,473,068	---	---	\$69,843,478
Transportation	\$512,500	---	---	---	---	---	---	\$512,500
Environmental Protection	\$5,054,486	---	---	---	---	---	---	\$5,054,486
Economic and Physical	\$7,204,000	---	---	---	\$1,091,706	---	---	\$8,295,706
Human Services	\$80,560,102	---	---	---	---	---	---	\$80,560,102
Education	\$150,213,073	---	---	---	---	---	---	\$150,213,073
Cultural and Recreation	\$12,952,703	---	---	---	---	---	---	\$12,952,703
Utilities	---	---	---	---	---	---	\$9,630,080	\$9,630,080
Total Appropriations	\$434,752,953	\$3,162,949	\$75,397,976	\$1,476,006	\$14,132,213	\$73,821,688	\$10,380,080	\$613,123,865

Section 2. Summary of Revenues by Fund and Revenue Category - FY 2018-19

Category	General Fund	Swap Fund	Capital Financing Fund	Reappraisal Reserve Fund	Special Revenue Funds	Debt Service Fund	Enterprise Fund	Total Appropriation
Taxes	\$341,369,595	---	\$35,881,693	---	\$9,282,822	---	---	\$386,534,110
Licenses and Permits	\$1,052,000	---	---	---	---	---	\$10,000	\$1,062,000
Intergovernmental	\$44,948,614	---	---	---	\$2,600,000	---	---	\$47,548,614
Contributions and Donations	\$65,093	---	---	---	---	---	---	\$65,093
Investment Income	\$950,000	---	\$10,000	---	---	\$368,221	\$35,000	\$1,363,221
Rental Income	\$253,470	---	\$586,628	---	---	---	---	\$840,098
Service Charges	\$22,226,423	---	---	---	---	\$500,000	---	\$22,726,423
Enterprise Charges	\$14,000	---	---	---	---	---	\$9,541,000	\$9,555,000
Sewer Connection Fees	\$5,000	---	---	---	---	---	\$794,080	\$799,080
Other Revenues	\$513,391	\$1,250,000	---	---	---	---	---	\$1,763,391
Other Financing Sources	\$23,355,367	\$1,912,949	\$38,919,655	\$1,476,006	\$2,249,391	\$72,953,467	---	\$140,866,835
Total Revenue	\$434,752,953	\$3,162,949	\$75,397,976	\$1,476,006	\$14,132,213	\$73,821,688	\$10,380,080	\$613,123,865

Section 3. For 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, 2018 at an anticipated collection rate of 99.60 percent. Rates are per \$100.00 of assessed valuation of taxable property.

District	Rate
Durham County-countywide	\$.7779

Section 4. For 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, 2018 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	\$.0987	98.7%	Parkwood Fire District	\$.0000	
Eno Fire District	\$.0778	98.3%	Redwood Fire District	\$.1344	98.3%
Lebanon Fire District	\$.1156	98.7%	Bethesda Fire & Rescue		
			Service District	\$.0000	
New Hope District	\$.0874	98.7%	Durham Fire & Rescue		
			Service District	\$.1451	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, 2018, 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 percent.

	Tax Rate	Appropriation
Research & Production Service District	\$.0629	\$1,091,656

There is hereby appropriated to the Durham-Wake Counties Research and Production Service District from the net proceeds of this tax the amount of \$1,080,454 for use in said district in such manner and for such expenditures as is permitted by law from the net proceeds of this tax. In the event the actual net proceeds from the tax levy of the Research and Production Service District exceed the appropriated amount, the actual net proceeds from the tax shall constitute the appropriation from said tax levy.

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 Attachment 1)

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 readvertise 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, and reclassifications.
- f) Transfers between funds and transfers from the 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	\$7,210,703
Capital Outlay	\$347,500
Total Appropriation	\$7,558,203

- 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 \$1,354,275 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 2018-19 is as below:

Current Expense*	\$137,350,717	*Includes Article 46 Sales Tax Revenue:	DPS	Pre-K
Capital Outlay	\$1,370,000	<i>FY 2016-17 Over-collection</i>	\$669,743	\$0
Total Appropriation	\$138,720,717	<i>FY 2018-19 Estimated Revenue</i>	\$9,463,920	\$0
		<i>Board Policy Pre-K amount</i>		\$508,140
		<i>FY 2018-19 Article 46 Total</i>	\$10,133,663	\$508,140

- 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.

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

Section 10. In addition, it is the intent of the Durham County Board of Commissioners in appropriating these funds that the Board of Education allocates sufficient funds to continue the teacher supplement at a rate of 12.5 percent for teachers with less than 10 years' experience; 13.50 percent for teachers with 10 years' experience; and 0.25% annual incremental increases for each year after 10 years maxing out at 18.5% for teachers with 30 years or more experience.

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 \$3,641,863

Expense \$3,641,863

BENEFITS PLAN FUND

Revenue \$27,185,058

Expense \$27,185,058

Section 12. In accordance with G.S. 159-14, the following trust funds are established and the proceeds are estimated as follows:

Law Enforcement Officers Trust Fund	\$685,396
George Linder Memorial Fund	\$250

Section 13. 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 2018-19, the County Contribution is designated at 17.07%.

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 25th day of June 2018.

Wendy Jacobs, Chair

Terri Hugie, Clerk to the Board