



### **Agenda Action Form Overview**

The Board is requested to approve Budget Ordinance Amendment No. 19BCC00051, which appropriates \$110,000 of Lebanon Fire Tax District Fund Balance and transfers these funds to the General Fund to offset Lebanon Volunteer Fire Department employee expenses related to the implementation of the Classification and Compensation Study, as well as increased expenses related to paying employees for annual accrued time rather than reserving it for later use

### **Background/Justification**

Further, Lebanon contracts with the County for firefighters (County employees) who are governed by County benefits and pay policies. With the implementation of the Classification and Compensation Study for all Public Safety Employees as part of the FY2018-19 approved budget, these employees received pay increases. In addition, the County policy is to pay Lebanon employees for holiday time not taken on the holiday (due to the requirements of their work and mandatory staffing regardless of day of the year) as opposed to accruing it to be taken off a later date. This latter factor was not recognized as needing to be budgeted in prior years due to their not having been fully staffed, which they were for all of FY2018-19 (lapse salaries covered this expense).

### **Policy Impact**

This requested budget amendment is in keeping with common practice and represents no new policy changes or action required of the Board of County Commissioners.

### **Procurement Background**

N/A

### **Fiscal Impact**

This budget amendment requests distribution of fire district fund balance to cover expenditures in the General Fund and is in accordance with the normal procedure for these expenditures. The funds are expended in the Lebanon Fund Center in the Fire Marshal Business Area in the General Fund. The Fire District reimburses the General Fund for all expenditures related to these employees. This amendment ensures adequate district funds are budgeted to cover the increased expenditure resulting from the Classification and Compensation Study and the payout of holiday time as opposed to accruing it for later use.

Annually only actual expenditures are reimbursed as reconciled by the Finance Department on a monthly basis. This request also complies with Durham County Fiscal Policy mandating a minimum of 4% of prior year expenditures be maintained in the Durham County's District Fund Balance (if all budgeted expenditures are realized Lebanon Fire District would have an end of year fund balance of approximately \$140,000, above the \$52,385 required by County policy).

### **Recommendation**

The County Manager recommends that the Board approve Budget Ordinance Amendment No. 19BCC00051, which appropriates \$110,000 of Lebanon Fire Tax District Fund Balance and transfers these funds to the General Fund to offset Lebanon Volunteer Fire Department employee expenses related to the implementation of the Classification and Compensation Study, as well as



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**Agenda Action Form Supplemental Document – Non-contract**

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increased expenses related to paying employees for annual accrued time rather than reserving it for later use.