



Special Revenue Funds

Funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The Special Revenue Funds include Fire Districts, the Special Park District and the Community Health Fund.



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Fund Name	FY 2022-23 Actuals	FY 2023-24 Original	FY 2023-24 Estimated	FY 2024-25 Requested	FY 2024-25 Approved	\$ Change Appr. v. Orig.	% Change Appr. v. Orig.
Lebanon Fire District	\$1,849,137	\$1,656,146	\$1,655,663	\$1,740,676	\$1,740,676	\$84,530	5.10%
Redwood Fire District	\$1,230,061	\$1,647,110	\$1,647,095	\$1,458,595	\$1,458,595	(\$188,515)	-11.45%
New Hope Fire District	\$100,110	\$101,872	\$101,839	\$103,017	\$103,017	\$1,145	1.12%
Eno Fire District	\$37,533	\$37,813	\$37,808	\$37,471	\$37,471	(\$342)	-0.90%
Bahama Fire District	\$1,524,033	\$2,259,980	\$2,223,018	\$2,019,380	\$2,019,380	(\$240,600)	-10.65%
Special Park District	\$1,852,415	\$2,139,109	\$2,138,593	\$2,524,874	\$2,618,697	\$479,588	22.42%
Special Park District - Transportation		\$573,610	\$572,839	\$680,903	\$707,493	\$133,883	23.34%
Durham Fire And Rescue Serv Tax District	\$5,418,769	\$5,630,608	\$5,534,107	\$5,483,555	\$5,483,555	(\$147,053)	-2.61%
Community Health Trust	\$1,250,000	\$1,250,000	\$1,250,000	\$1,285,681	\$1,285,681	\$35,681	2.85%
Total	\$13,262,058	\$15,296,248	\$15,160,962	\$15,334,152	\$15,454,565	\$158,317	1.04%

FIRE AND SPECIAL TAXING DISTRICTS

Description

Fire protection in Durham County is provided within six fire districts, which are property tax-supported by residents of each respective district. Fire protection services are provided by incorporated volunteer fire departments, and in addition provide emergency medical services within their districts. All departments respond to requests for assistance to surrounding departments and counties under mutual aid agreements. Coordination of these fire and rescue services is provided by the Fire Marshal’s Office and Emergency Medical Services. The RTP Special Park District is discussed in the next section of this document.

The following table displays tax rates (per \$100 valuation) for the upcoming fiscal year:

Tax Rate by District	FY 2023-24 Original	FY 2024-25 Requested	FY 2024-25 Approved	Change Rec. v. Orig.
Lebanon	12.51	12.51	12.51	
Redwood	12.25	12.75	12.75	0.50
New Hope	7.56	7.56	7.56	
Eno	7.86	7.86	7.86	
Bahama	9.87	9.87	9.87	
Durham County Fire & Rescue*	14.49	12.99	12.99	-1.50

*The Durham County Fire and Rescue Service District was created in June of FY 2014-15. This combined district covers both the former Bethesda and Parkwood Fire Districts and allows better distribution of services across both districts. Starting in FY 2018-19, the fire protection and first response services for this district are provided through an Inter-local agreement with the City of Durham. This consolidation provides an economically sustainable method to deliver these life safety services to the citizens of this district.

Budget

The operating expenditures seen in the accompanying tables most often comprise two different expenses:

- Fire District funds dispersed directly to the corresponding fire department for their annual operating expenses as approved by the Fire Marshal.
- State fees for vehicle tax collection under the North Carolina Vehicle Tax System (NCVTS) (these amounts are relatively small depending on the district and valuation of vehicles).

The “Transfers Out” seen in the accompanying tables, when applicable, refer to funds that are held for small variances in annual District expenses. These small amounts allow for a small degree of flexibility within budget projections.

Where applicable, the “Transfers In” seen in the accompanying tables refers to a fund balance allocation to be used as a revenue source (potentially in lieu of a tax rate increase request). These funds are utilized to cover capital type (or one-time) expenses in a department’s operating budget.

For each District, the revenues and expenditures are directly offsetting reflecting a balanced budget for each. In prior year actuals:

- Where there is an over-collection of revenue in relation to expenditure, those funds are maintained in fund balance and dedicated to future use only for expenses related directly to those districts.
- Where the table shows an over-expenditure versus revenue, there is actually a fund balance appropriation that was done in the background to ensure the revenue is equal to the expense (these amounts can be found in the year-end Annual Comprehensive Financial Reports, commonly referred to as ACFR).

FIRE DISTRICTS

Fund Name	FY 2022-23 Actuals	FY 2023-24 Original	FY 2023-24 Estimated	FY 2024-25 Requested	FY 2024-25 Approved	% Change Appr. v. Orig.
Lebanon Fire District						
Expenditure	\$1,849,137	\$1,656,146	\$1,655,663	\$1,740,676	\$1,740,676	5.10%
Operating	\$1,003,662	\$1,249,902	\$1,286,506	\$1,740,676	\$1,740,676	39.26%
Transfers Out	\$845,475	\$406,244	\$369,157			-100.00%
Revenue	\$1,679,917	\$1,656,146	\$1,697,198	\$1,740,676	\$1,740,676	5.10%
Taxes	\$1,673,803	\$1,656,146	\$1,696,962	\$1,675,676	\$1,675,676	1.18%
Investment Income	\$6,114		\$236			
Transfers In				\$65,000	\$65,000	
Redwood Fire District						
Expenditure	\$1,230,061	\$1,647,110	\$1,647,095	\$1,458,595	\$1,458,595	-11.45%
Operating	\$1,230,061	\$1,647,110	\$1,647,095	\$1,458,595	\$1,458,595	-11.45%
Revenue	\$1,437,426	\$1,647,110	\$1,647,814	\$1,458,595	\$1,458,595	-11.45%
Taxes	\$1,420,593	\$1,430,347	\$1,412,859	\$1,458,595	\$1,458,595	1.97%
Investment Income	\$16,833		\$156			
Transfers In		\$216,763	\$234,799			-100.00%
New Hope Fire District						
Expenditure	\$100,110	\$101,872	\$101,839	\$103,017	\$103,017	1.12%
Operating	\$100,110	\$101,872	\$101,839	\$103,017	\$103,017	1.12%
Revenue	\$104,323	\$101,872	\$104,902	\$103,017	\$103,017	1.12%
Taxes	\$102,872	\$101,872	\$104,895	\$103,017	\$103,017	1.12%
Investment Income	\$1,451		\$7			
Eno Fire District						
Expenditure	\$37,533	\$37,813	\$37,808	\$37,471	\$37,471	-0.90%
Operating	\$37,533	\$37,813	\$37,808	\$37,471	\$37,471	-0.90%
Revenue	\$39,547	\$37,813	\$38,335	\$37,471	\$37,471	-0.90%
Taxes	\$38,413	\$37,813	\$38,330	\$37,471	\$37,471	-0.90%
Investment Income	\$1,134		\$5			
Bahama Fire District						
Expenditure	\$1,524,033	\$2,259,980	\$2,223,018	\$2,019,380	\$2,019,380	-10.65%
Operating	\$1,524,033	\$2,223,249	\$2,223,018	\$1,956,624	\$1,956,624	-11.99%
Transfers Out		\$36,731		\$62,756	\$62,756	70.85%
Revenue	\$1,813,185	\$2,259,980	\$2,224,446	\$2,019,380	\$2,019,380	-10.65%
Taxes	\$1,795,059	\$1,770,109	\$2,174,349	\$2,019,380	\$2,019,380	14.08%
Investment Income	\$18,126		\$97			
Transfers In		\$489,871	\$50,000			-100.00%
Durham Fire And Rescue Serv Tax District						
Expenditure	\$5,418,769	\$5,630,608	\$5,534,107	\$5,483,555	\$5,483,555	-2.61%
Operating	\$4,872,519	\$5,138,696	\$5,114,357	\$5,317,384	\$5,317,384	3.48%
Transfers Out	\$546,250	\$491,912	\$419,750	\$166,171	\$166,171	-66.22%
Revenue	\$6,020,192	\$5,630,608	\$6,014,800	\$5,483,555	\$5,483,555	-2.61%
Taxes	\$5,961,253	\$5,610,607	\$6,006,905	\$5,438,555	\$5,438,555	-3.07%
Investment Income	\$58,939	\$20,001	\$7,895	\$45,000	\$45,000	124.99%

Budget Highlights

Lebanon District

- Beginning on December 1, 2023, the district requested that they no longer have County employed firefighters. This decision is a result of rising County personnel costs, and natural growth in property tax that is unable to keep pace with these increasing expenses. Similar to other fire districts, the Lebanon Fire district will now be responsible for all firefighter coverage for its residents.
- Lebanon VFD is planning to use a one-time Fund Balance appropriation in FY 2024-25 to support the purchase of a new vehicle for the Chief of the Department.

Durham County Fire and Rescue District

- When the consolidation with the city to provide fire protection for the District was being put into place, there were staggered tax rate increases projected in order to maintain adequate funding to support the DCFR District long term. Due to the strong growth in that District over the past few fiscal years, the District is able to sustain continued expenses and actually decrease the tax rate this fiscal year.
- RTP Special Park District and DCFR District both experienced very strong property tax collections during the recent fiscal years. The new construction, conversion of older spaces to higher value uses (such as laboratories) and significant commercial growth is captured in Real Property valuation increases, creating significant natural growth to support continues needs in those districts.

Redwood Fire District

- A ½ cent tax rate increase for FY 2024-25 will allow Redwood VFD to cover increased expenses related to personnel costs, inflation, and other pressures on the department.

Bahama Fire District

- To plan for future capital purchases, Bahama VFD is requesting to reserve a small portion of available new tax collections in FY 2024-25 for future use.

For Performance Measures related to these Fire Departments see the Office of Emergency Services section of this document.

SPECIAL PARK DISTRICT FUND

Description

In 1986, the Board of County Commissioners established a research and production service district coterminous with the portion of the Research Triangle Park (RTP) located within Durham County. The purpose of the district is to provide and maintain certain services and facilities in addition to services and facilities currently provided by the County. Per State statute, the District is authorized to collect taxes for two different purposes. One to support the overall Service District and the other dedicated solely to Public Transportation projects or infrastructure within the District. Both tax rates in this District are allowed at a maximum of ten cents per \$100 valuation.

Note that the RTP Special Park District is within the boundaries of the Durham County Fire & Rescue Service District; therefore, those residents Tax Rate is the combination of all tax rates for both Districts; for FY 2024-25, the total rate for RTP is 23.79 per \$100 valuation.

Tax Rate by District	FY 2023-24 Original	FY 2024-25 Requested	FY 2024-25 Approved	Change Rec. v. Orig.
RTP Special Park Service District	8.80	8.80	8.80	
RTP Special Park Public Transportation District	2.00	2.00	2.00	
<i>Durham County Fire & Rescue</i>	<i>14.49</i>	<i>12.99</i>	<i>12.99</i>	<i>-1.50</i>

Budget

The Operating expenditures seen in the accompanying tables most often comprise two different expenses:

- District funds dispersed directly to the corresponding District for the specific use of that tax rate for their annual operating expenses or to be held by the District for future large expenditures.
- State fees for vehicle tax collection under the North Carolina Vehicle Tax System (NCVTS) (these amounts are relatively small depending on the district and valuation of vehicles).

The “Transfers Out” seen in the accompanying tables, when applicable, refer to funds that are held for small variances in annual District expenses. These small amounts allow for a small degree of flexibility within budget projections.

Where applicable, the “Transfers In” seen in the accompanying tables refers to a fund balance allocation to be used as a revenue source (potentially in lieu of a tax rate increase request). These funds are utilized to cover capital type (or one-time) expenses in a department’s operating budget.

The revenues and expenditures for this district are directly offsetting reflecting a balanced budget for each. In prior year actuals:

- Where there is an over-collection of revenue in relation to expenditure, those funds are maintained in fund balance and dedicated to future use, only for expenses related directly to this District.
- Where the table shows an over-expenditure versus revenue, there is a fund balance appropriation that was done in the background to ensure the revenue is equal to the expense (these amounts can be found in the year-end Annual Comprehensive Financial Reports, commonly referred to as ACFR).

Fund Name	FY 2022-23 Actuals	FY 2023-24 Original	FY 2023-24 Estimated	FY 2024-25 Requested	FY 2024-25 Approved	% Change Appr. v. Orig.
Special Park District						
Expenditure	\$1,852,415	\$2,139,109	\$2,138,593	\$2,524,874	\$2,618,697	22.42%
Operating	\$1,852,415	\$2,136,109	\$2,138,593	\$2,521,874	\$2,615,697	22.45%
Transfers Out		\$3,000		\$3,000	\$3,000	0.00%
Revenue	\$1,776,079	\$2,139,109	\$2,294,145	\$2,524,874	\$2,618,697	22.42%
Taxes	\$1,756,507	\$2,019,109	\$2,294,139	\$2,361,578	\$2,361,578	16.96%
Investment Income	\$19,572		\$6			
Service Charges	\$0					
Transfers In		\$120,000	\$0	\$163,296	\$257,119	114.27%
Special Park District - Transportation						
Expenditure		\$573,610	\$572,839	\$680,903	\$707,493	23.34%
Operating		\$572,110	\$572,839	\$679,403	\$705,993	23.40%
Transfers Out		\$1,500		\$1,500	\$1,500	0.00%
Revenue		\$573,610	\$648,748	\$680,903	\$707,493	23.34%
Taxes		\$573,610	\$648,747	\$670,903	\$670,903	16.96%
Investment Income			\$1			
Transfers In				\$10,000	\$36,590	

Budget Highlights

- Research Triangle Foundation, on behalf of the District, requests no tax rate changes for FY 2024-25.
- In FY 2023-24, the Research Triangle Foundation requested on behalf of the District, and the Board of Commissioners approved, implementation of a new tax rate for the District dedicated solely to Public Transportation projects or infrastructure within the District. This tax is requested to remain in place for FY 2024-25.
- In FY 2023-24, RTP Special Park District was approved for a one cent tax rate increase to its general fund to support ongoing and future safety and security needs, and a 2.5 cent tax to provide support for Public Transportation work in the District. The tax increases are designated to support the anticipated growth in the district over the coming years as led by the Research Triangle Foundation.
- For FY 2024-25, the District is projected to receive a distribution of \$2,591,656 to support the overall Service District. The District is also projected to receive \$699,134 from the transportation tax to be used solely to support public transportation needs in the District. The remaining amount noted under expenditures is used to offset motor vehicle tax collection (NCVTS) fees and a 1% collection fee paid directly out of district receipts.
- The distribution amounts noted above for the Service District comprises of two different items:
 - The District's annual distribution is \$2,334,537 and \$662,544 (respectively for their General Fund and Transportation Fund) which supports annual ongoing operations and needs.
 - One-time Fund Balance distributions of \$257,119 and \$36,590 will be made early in the fiscal year to support the general fund and transportation fund, respectively. These funds are available due to the significant growth seen the past several years in the District. This one-time distribution adheres to the County Fund Balance policy ensuring 4% of prior year amounts are maintained.
- Routine operating expenses are budgeted to be relatively consistent with the prior year. The large capital project(s) continue to be improvements to the Park trail system. Most of the trail system has aged and the items being addressed are deferred maintenance items relating to safety concerns, trail widening, and trail extensions to connect the RTP trails to surrounding communities.
- RTP Special Park District and DCFR District both experienced very strong property tax collections during the past several fiscal years. The new construction, conversion of older spaces to higher value uses (such as laboratories), and significant commercial growth is captured in Real Property valuation increases, creating significant natural growth to support continued needs in those districts.

COMMUNITY HEALTH FUND

Description

The Community Health Fund was established in FY 1998-99 as a result of a lease agreement with Duke University Health System. Revenue from the trust fund must be used to support health-related programs. The original balance in the trust fund was \$23 million. Due to revisions in the lease agreement for Durham Regional Hospital, beginning in FY 2009-10 Duke University Health System began paying Durham County \$3,950,000 annually for health-related costs. This amount was reduced to \$1,250,000 for FY 2019-20 and will continue at this amount annually through the conclusion of the agreement in FY 2030-31.

Community Health Fund funds are being used to support Emergency Medical Services (EMS) net expenditures, EMS employee health benefits, and replacement ambulances. FY 2019-20 was the final year that there was significant fund balance available in this fund to provide additional support for EMS related expenditures.

Budget

Category	FY 2022-23 Actuals	FY 2023-24 Original	FY 2023-24 Estimate	FY 2024-25 Requested	FY 2024-25 Approved	% Change Orig. v. Appr.
Expenditure	\$1,250,000	\$1,250,000	\$1,250,000	\$1,285,681	\$1,285,681	2.85%
Transfers Out	\$1,250,000	\$1,250,000	\$1,250,000	\$1,285,681	\$1,285,681	2.85%
Revenue	\$1,278,841	\$1,250,000	\$1,266,469	\$1,285,681	\$1,285,681	2.85%
Intergovernmental	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	0.00%
Investment Income	\$28,841		\$16,469			
Transfers In				\$35,681	\$35,681	
Net County Cost	(\$28,841)	\$0	(\$16,469)	\$0	\$0	

Budget Highlights

- An additional component of the Duke – County Agreement provides dedicated support to EMS. These funds are received, and can be seen, in that respective page. This contribution started in 2009 at \$2.2 million and increases annually for inflation (by the CPI). For FY 2024-25, this agreement is projected to provide \$3,085,153 to directly support the EMS division operations.
- The funding for the Oakleigh building that was previously provided by Duke had a 10-year term that expired in FY 2017-18. No funds have been budgeted in subsequent fiscal years.
- Funding for the Lincoln Community Health Center goes directly to Lincoln and is not recorded in the County’s Budget.
- The amounts listed under the Transfers In category reflect Fund Balance that is held by the County for this purpose. The total shown will be used this fiscal year to ensure maximizing use of these dedicated funds.

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