



ANNUAL BUDGET ORDINANCE
Durham County
North Carolina
FY 2025-26

WHEREAS the proposed budget for Fiscal Year 2025-26 (FY 2025-26) was submitted to the Board of Commissioners on May 12, 2025, 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 27, 2025, the Durham County Board of Commissioners held a public hearing on the budget pursuant to G.S. 159-12;

WHEREAS, on June 9, 2025, 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, 2025, and ending June 30, 2026, there are hereby appropriated from taxes and other revenues the following by function and fund.

Section 1: Summary of Appropriations by Fund and Function - Fiscal Year 2025-26

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	\$193,312,411	\$2,500,000	\$126,101,344		\$978,914	\$750,027	\$1,280,000	\$116,589,842	\$1,500,000	\$443,012,538
Public Safety	\$95,104,406						\$12,202,112			\$107,306,518
Transportation	\$4,544,472									\$4,544,472
Environmental Protection	\$7,866,848			\$300,000					\$4,475,696	\$12,642,544
Econom. & Physical Devlp.	\$10,419,457						\$4,887,662			\$15,307,119
Human Services	\$114,315,668									\$114,315,668
Education	\$246,826,645									\$246,826,645
Cultural & Recreational	\$17,317,877									\$17,317,877
Utilities									\$19,883,590	\$19,883,590
Total	\$689,707,784	\$2,500,000	\$126,101,344	\$300,000	\$978,914	\$750,027	\$18,369,774	\$116,589,842	\$25,859,286	\$981,156,971

Section 2: Summary of Revenues by Fund and Revenue Category - Fiscal Year 2025-26

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	\$544,353,416		\$64,657,126				\$16,768,853		\$2,000	\$625,781,395
Licenses and Permits	\$364,000								\$788,500	\$1,152,500
Intergovernmental	\$75,615,972						\$1,250,000		\$500,000	\$77,365,972
Contributions and Donations	\$216,000									\$216,000
Investment Income	\$7,815,000		\$500,000				\$50,000	\$1,597,442		\$9,962,442
Rental Income	\$673,550									\$673,550
Sewer Connection Fees									\$1,570,000	\$1,570,000
Service Charges	\$31,988,959							\$500,000	\$12,000	\$32,500,959
Enterprise Charges	\$17,500								\$22,986,286	\$23,003,786
Other Revenues	\$494,600	\$500,000							\$500	\$995,100
Transfers In	\$28,168,787	\$2,000,000	\$60,944,218	\$300,000	\$978,914	\$750,027	\$300,921	\$114,492,400		\$207,935,267
Total	\$689,707,784	\$2,500,000	\$126,101,344	\$300,000	\$978,914	\$750,027	\$18,369,774	\$116,589,842	\$25,859,286	\$981,156,971

Section 3. In accordance with G.S. 159-13.1, the following financial plans for intragovernmental service funds are hereby approved.

RISK MANAGEMENT FUND

Revenue	\$6,684,746
Expense	\$6,684,746

BENEFITS PLAN FUND

Revenue	\$50,630,558
Expense	\$50,630,558

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, 2025, at an anticipated collection rate of 99.60%. Rates are per \$100.00 of assessed valuation of taxable property.

District	Rate
Durham County-countywide	\$0.5542

Section 5. 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, 2025, 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	\$0.0883	99.0%	Redwood Fire District	\$0.0907	98.5%
Eno Fire District	\$0.0484	99.0%	Durham Fire & Rescue		
Lebanon Fire District	\$0.0919	98.75%	Service District	\$0.0829	98.75%
New Hope District	\$0.0641	99.0%			

Section 6. There is hereby levied a tax at the rate shown below, per \$100.00 valuation of property listed for taxes as of January 1, 2025, 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 99.0%.

	Tax Rate	Appropriation
Research & Production Service District	\$0.0780	\$3,496,173
Research & Production Service District – Public Transportation	<u>\$0.0250</u>	<u>\$1,120,568</u>
Total Research and Production Service District Tax Rate	\$0.1030	\$4,616,741

There is hereby appropriated to the Durham-Wake Counties Research and Production Service District from the net proceeds of these taxes the amount of \$4,565,323 for use in said district. \$3,457,661 for the Service District and \$1,107,662 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 7. Charges for services and fees by county departments are levied in the amounts set forth in the attached Fee and Other Charges Schedules. (See Fee Schedules)

Section 8. The following authorities shall apply to transfers and adjustments within the budget:

- a) The County Manager may authorize transfers between departments within a function up to 15% cumulatively without reporting to the Board.
- b) The County Manager may transfer amounts up to \$100,000 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 shall exercise authority to designate individuals who are authorized to award and execute contracts only by a written memorandum of delegation filed with the Clerk to the Board, the County Attorney, and the Director of Finance, except that the County Manager may designate the Deputy County Managers without filing a written memorandum of delegation.
- e) The County Manager or a designee may enter into the following agreements within funds:
 - i. Form and execute grant agreements within budgeted appropriations;
 - ii. Execute leases of up to \$100,000 for normal and routine business within budgeted appropriations (County as Tenant only);
 - iii. Enter consultant, professional, maintenance, or other service agreements of up to \$100,000 within budgeted appropriations;
 - iv. Approve renewals for service and maintenance contracts and leases;
 - v. Purchase of apparatus, supplies, materials or equipment and construction or repair work not requiring formal bids by law;
 - vi. Reject any and all bids and re-advertise to receive bids;
 - vii. Waive any bonds or deposits, or performance and payment bonds requirements when authorized or permitted by applicable law.
 - viii. On behalf of the Durham County Department of Social Services and Durham County Public Health Department, may award and execute contracts which are not required to be bid or which N.C.G.S. 143-131 allows to be let on informal bids so long as the budget contains sufficient appropriated but unencumbered funds for such purposes, and may execute contracts with outside agencies to properly document budgeted appropriations to such agencies where N.C.G.S. 122C-141, 142 or any similar statutes require such contracts.
- f) County Manager can transfer between functions, and/or funds for merit, pay plan adjustments, health benefits, reclassifications, and LEO Separation Allowance.
- g) Transfers between funds and transfers from the Commissioner contingency account may be executed **only** by the Board of Commissioners.

Section 9. 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	\$12,058,661
<u>Capital Outlay</u>	<u>\$560,000</u>
Total Appropriation	\$12,618,661

- 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 \$2,075,192, 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 10. 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 2025-26 is as below:

Current Expense	\$219,528,912	*Includes Article 46 Sales Tax Revenue:	<u>DPS</u>	<u>Pre-K</u>
Capital Outlay	<u>\$5,000,000</u>	<i>FY 2023-24 Over-collection</i>	<i>\$0</i>	<i>\$0</i>
Total Appropriation	\$224,528,912	<i>FY 2025-26 Estimated Revenue</i>	<u><i>\$15,528,084</i></u>	<i>\$193,885</i>
		<u><i>Board Policy Pre-K amount</i></u>		<u><i>\$508,140</i></u>
		FY 2024-25 Article 46 Total	\$15,528,084	\$702,025

The annual local appropriation (including debt service) exceeds the required merger agreement rate of \$1,960 per pupil. The FY 2025-26 budgeted per pupil expense is: \$5,561

- a) 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.
- b) Transfers between capital outlay and current expense shall be approved by the Board of Commissioners.
- c) 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.
- d) Board of Education members shall receive a monthly stipend of \$1,667 and the Board Chair shall receive a monthly stipend of \$1,875.

- e) In addition, the Durham Public Schools budget should reflect local appropriations by purpose and function. 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 by 15 percent or more.

Purpose: Instructional Services		Total Appropriations
Regular Instructional Services		\$50,719,308
Special Population Services		\$15,150,417
Alternative Programs and Services		\$11,357,526
School Leadership Services		\$17,105,148
Co-Curricular Services		\$2,242,337
School-Based Support Services		\$10,286,307
Subtotal Instructional Services		\$106,861,043
Purpose: System-wide Support Service		
Support and Developmental Services		\$2,358,758
Special Populations Support and Development Services		\$619,182
Alternative Programs and Service Support and Development Services		\$946,993
Technology Support Services		\$5,803,418
Operational Support Services		\$41,414,169
Financial and Human Resource Services		\$7,752,117
Accountability Services		\$1,088,338
System-wide Pupil Support Services		\$1,511,349
Policy, Leadership, and Public Relations Services		\$4,452,922
Subtotal System-wide Support Services		\$65,947,246
Purpose: Ancillary Services		
Community Services		\$384,208
Nutrition Services		\$437,391
Subtotal Ancillary Services		\$821,599
Purpose: Non-programmed Charges		
Payments to Charter Schools		\$47,462,375
Subtotal Non-programmed Charges		\$47,462,375
Total Current Expense		\$221,092,263

Purpose: Local Funding Support		Total Appropriations
County Appropriation		\$219,528,912
Fines and Forfeitures		\$1,563,351
Local Funding Support		\$221,092,263
Total Local Funding Support		\$221,092,263

Section 11. 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.

Section 12. 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 9th day of June 2025.

A handwritten signature in black ink, appearing to read "Nida Allam", written over a horizontal line.

Nida Allam, Chair - Board of Commissioners

A handwritten signature in black ink, appearing to read "Monica Wallace", written over a horizontal line.

Monica Wallace, Clerk to the Board