



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 2023-24 Actuals	FY 2024-25 Original	FY 2024-25 Estimated	FY 2025-26 Requested	FY 2025-26 Approved	% Change Appr. v. Orig.	Dept. % of Funct. Area
Lebanon Fire District	\$1,655,834	\$1,740,676	\$1,740,676	\$2,054,950	\$2,054,950	18.05%	11.19%
Redwood Fire District	\$1,647,163	\$1,458,595	\$1,458,595	\$1,564,064	\$1,564,064	7.23%	8.51%
New Hope Fire District	\$101,839	\$103,017	\$103,017	\$181,115	\$137,106	33.09%	0.75%
Eno Fire District	\$37,808	\$37,471	\$37,471	\$84,164	\$39,164	4.52%	0.21%
Bahama Fire District	\$2,223,100	\$2,019,380	\$2,019,380	\$2,571,279	\$2,571,279	27.33%	14.00%
Special Park District	\$2,138,746	\$2,618,697	\$2,618,447	\$3,716,650	\$3,716,650	41.93%	20.23%
Special Park District - Transportation	\$572,110	\$707,493	\$707,393	\$1,171,012	\$1,171,012	65.52%	6.37%
Durham Fire And Rescue Serv Tax District	\$5,534,198	\$5,483,555	\$5,317,384	\$5,835,549	\$5,835,549	6.42%	31.77%
Community Health Trust	\$1,250,000	\$1,285,681	\$1,285,681	\$1,280,000	\$1,280,000	-0.44%	6.97%
Total	\$15,160,797	\$15,454,565	\$15,288,044	\$18,458,783	\$18,369,774	18.86%	100.00%



Description

Durham County includes six fire districts that are supported with property tax by residents within each respective district. Fire protection and emergency medical response in these districts are provided by incorporated volunteer fire departments. 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 Office of Emergency Services. The RTP Special Park District is discussed in the next section of this document.

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

Tax Rate by District	FY 2024-25 Approved	FY 2025-26 Revenue Neutral	FY 2025-26 Requested	FY 2025-26 Approved
Lebanon	12.51	7.69	9.19	9.19 (+1.5)
Redwood	12.75	8.33	9.07	9.07 (+0.74)
New Hope	7.56	4.91	8.00	6.41 (+1.50)
Eno	7.86	4.84	4.84	4.84
Bahama	9.87	7.78	8.83	8.83 (+1.05)
Durham County Fire & Rescue	12.99	8.79	8.29	8.29 (-0.5)

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 equal, reflecting a balanced budget. 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 a fund balance appropriation 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 2023-24 Actuals	FY 2024-25 Original	FY 2024-25 Estimated	FY 2025-26 Requested	FY 2025-26 Approved	% Change Appr. v. Orig.
Lebanon Fire District						
Expenditure	\$1,655,834	\$1,740,676	\$1,740,676	\$2,054,950	\$2,054,950	18.05%
Operating	\$1,286,677	\$1,740,676	\$1,740,676	\$2,054,950	\$2,054,950	18.05%
Transfers Out	\$369,157					
Revenue	\$1,709,568	\$1,740,676	\$1,724,005	\$2,054,950	\$2,054,950	18.05%
Taxes	\$1,697,437	\$1,675,676	\$1,723,733	\$2,054,950	\$2,054,950	22.63%
Investment Income	\$12,132		\$272			
Transfers In		\$65,000				-100.00%
Redwood Fire District						
Expenditure	\$1,647,163	\$1,458,595	\$1,458,595	\$1,564,064	\$1,564,064	7.23%
Operating	\$1,647,163	\$1,458,595	\$1,458,595	\$1,564,064	\$1,564,064	7.23%
Revenue	\$1,457,905	\$1,458,595	\$1,455,990	\$1,564,064	\$1,564,064	7.23%
Taxes	\$1,434,660	\$1,458,595	\$1,455,815	\$1,564,064	\$1,564,064	7.23%
Investment Income	\$23,245		\$175			
New Hope Fire District						
Expenditure	\$101,839	\$103,017	\$103,017	\$181,115	\$137,106	33.09%
Operating	\$101,839	\$103,017	\$103,017	\$181,115	\$137,106	33.09%
Revenue	\$106,257	\$103,017	\$103,881	\$181,115	\$137,106	33.09%
Taxes	\$104,673	\$103,017	\$103,873	\$171,115	\$137,106	33.09%
Investment Income	\$1,584		\$8			
Transfers In				\$10,000		
Eno Fire District						
Expenditure	\$37,808	\$37,471	\$37,471	\$84,164	\$39,164	4.52%
Operating	\$37,808	\$37,471	\$37,471	\$84,164	\$39,164	4.52%
Revenue	\$40,167	\$37,471	\$38,951	\$84,164	\$39,164	4.52%
Taxes	\$38,699	\$37,471	\$38,945	\$39,164	\$39,164	4.52%
Investment Income	\$1,468		\$6			
Transfers In				\$45,000		
Bahama Fire District						
Expenditure	\$2,223,100	\$2,019,380	\$2,019,380	\$2,571,279	\$2,571,279	27.33%
Operating	\$2,223,100	\$1,956,624	\$1,956,624	\$2,571,279	\$2,571,279	31.41%
Transfers Out		\$62,756	\$62,756			-100.00%
Revenue	\$2,203,954	\$2,019,380	\$2,263,486	\$2,571,279	\$2,571,279	27.33%
Taxes	\$2,180,771	\$2,019,380	\$2,263,374	\$2,571,279	\$2,571,279	27.33%
Investment Income	\$23,183		\$112			
Durham Fire And Rescue Serv Tax District						
Expenditure	\$5,534,198	\$5,483,555	\$5,317,384	\$5,835,549	\$5,835,549	6.42%
Operating	\$5,114,448	\$5,317,384	\$5,317,384	\$5,723,493	\$5,723,493	7.64%
Transfers Out	\$419,750	\$166,171		\$112,056	\$112,056	-32.57%
Revenue	\$6,077,649	\$5,483,555	\$5,870,583	\$5,835,549	\$5,835,549	6.42%
Taxes	\$6,007,484	\$5,438,555	\$5,820,270	\$5,785,549	\$5,785,549	6.38%
Investment Income	\$70,164	\$45,000	\$50,313	\$50,000	\$50,000	11.11%

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 Fire Tax District is increasing the tax rate by 1.5 cents to cover increased personnel costs in salaries to remain competitive in the region, and increased vehicle maintenance and insurance costs.

Redwood Fire District

- Redwood Fire Tax District is increasing the tax rate by 0.74 cents to address staffing and competitive pay, computer equipment, an increase in professional fees, equipment, and increased insurance costs.

New Hope District

- New Hope Fire Tax District requested a tax rate increase of 3.09 cents, but an increase of only 1.5 cents is approved to cover increases in personnel and associated operating costs (vehicle maintenance/repair, training). The volume of responses this Fire Department makes into Durham County is approximately 25% of their calls, while the prior tax rate only covered 7% of their revenue. The lower approved tax rate increase, rather than the requested rate, reflects a plan to phase in the increase over a few fiscal years to spread out the impact on taxpayers.

Bahama Fire District

- Bahama Fire Tax District is increasing the tax rate by 1.05 cents to continue staffing and maintaining competitive pay, continuing training of new and existing personnel, preparing for equipment and vehicle replacement, and replacing personal protective equipment for their staff.

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 by 0.5 cents 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.

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



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 2025-26, the total rate for RTP is 18.59 per \$100 valuation.

Tax Rate by District	FY 2024-25 Approved	FY 2025-26 Revenue Neutral	FY 2025-26 Requested	FY 2025-26 Approved
RTP General Fund Tax	8.80	6.31	7.80	7.80 (+1.49)
RTP Public Transportation Tax	2.50	1.79	2.50	2.50 (+0.71)
Durham County Fire & Rescue	12.99	8.79	8.29	8.29 (-0.50)

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 equal, 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 2023-24 Actuals	FY 2024-25 Original	FY 2024-25 Estimated	FY 2025-26 Requested	FY 2025-26 Approved	% Change Appr. v. Orig.
Special Park District						
Expenditure	\$2,138,746	\$2,618,697	\$2,618,447	\$3,716,650	\$3,716,650	41.93%
Operating	\$2,138,746	\$2,615,697	\$2,615,447	\$3,713,650	\$3,713,650	41.98%
Transfers Out		\$3,000	\$3,000	\$3,000	\$3,000	0.00%
Revenue	\$2,327,208	\$2,618,697	\$2,547,649	\$3,716,650	\$3,716,650	41.93%
Taxes	\$2,301,724	\$2,361,578	\$2,547,641	\$3,496,173	\$3,496,173	48.04%
Investment Income	\$25,484		\$8			
Service Charges	\$0					
Transfers In		\$257,119		\$220,477	\$220,477	-14.25%
Special Park District - Transportation						
Expenditure	\$572,110	\$707,493	\$707,393	\$1,171,012	\$1,171,012	65.52%
Operating	\$572,110	\$705,993	\$705,893	\$1,169,512	\$1,169,512	65.65%
Transfers Out		\$1,500	\$1,500	\$1,500	\$1,500	0.00%
Revenue	\$656,896	\$707,493	\$721,764	\$1,171,012	\$1,171,012	65.52%
Taxes	\$651,254	\$670,903	\$721,762	\$1,120,568	\$1,120,568	67.02%
Investment Income	\$5,642		\$2			
Service Charges	\$0					
Transfers In		\$36,590		\$50,444	\$50,444	37.86%
Net County Cost	\$5,694,960	\$6,652,380	\$6,595,253	\$9,775,324	\$9,775,324	46.94%

Budget Highlights

- Research Triangle Foundation, on behalf of the District, requested a general fund tax rate of 7.8 cents per \$100 valuation for FY 2025-26. This rate was approved, and is a one cent decrease from the FY 2024-25 rate, but a 1.49 cent increase from the FY 2025-26 revenue neutral rate.
- In FY 2023-24, the Research Triangle Foundation requested on behalf of the District, and the Board of Commissioners approved, the implementation of a new tax rate for the District dedicated solely to Public Transportation projects or infrastructure within the District. A rate of 2.5 cents per \$100 valuation was set and the same rate is requested for FY 2025-26. This represents a 0.71 cent increase over the revenue neutral rate. The accumulated tax revenue from inception will be held in a reserve until future projects are identified.
- Both tax increases over the revenue neutral rates are designated to support the anticipated growth in the district over the coming years as led by the Research Triangle Foundation.
- For FY 2025-26, the District is projected to receive a distribution of \$3,678,138 to support the overall Service District. The District is also projected to receive \$1,158,106 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 is comprised of two different items:
 - The District's annual distribution is \$3,457,661 and \$1,107,662 (respectively for their General Fund and Transportation Fund) which supports annual ongoing operations and needs.
 - One-time Fund Balance distributions of \$220,477 and \$50,444 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. Additionally, a new public safety initiative is projected to begin in FY 2025-26 after accumulating funding over a three-year period.
- 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.



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 2023-24 Actuals	FY 2024-25 Original	FY 2024-25 Estimate	FY 2025-26 Requested	FY 2025-26 Approved	% Change Orig. v. Appr.
Expenditure	\$1,250,000	\$1,285,681	\$1,285,681	\$1,280,000	\$1,280,000	-0.44%
Transfers Out	\$1,250,000	\$1,285,681	\$1,285,681	\$1,280,000	\$1,280,000	-0.44%
Revenue	\$1,278,849	\$1,285,681	\$1,285,681	\$1,280,000	\$1,280,000	-0.44%
Intergovernmental	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000	0.00%
Investment Income	\$28,849		\$20,000			
Transfers In		\$35,681	\$15,681	\$30,000	\$30,000	-15.92%
Net County Cost	(\$28,849)	\$0	\$0	\$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 2025-26, this agreement is projected to provide \$3,103,526 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.