



FY 2026-27 MANAGER'S RECOMMENDED BUDGET

May 11, 2026

Durham County Concerns



Job Creation RTP Planning

Education Environmental Protection Medicaid

Aging Economic Transportation

Taxation Development Public Health

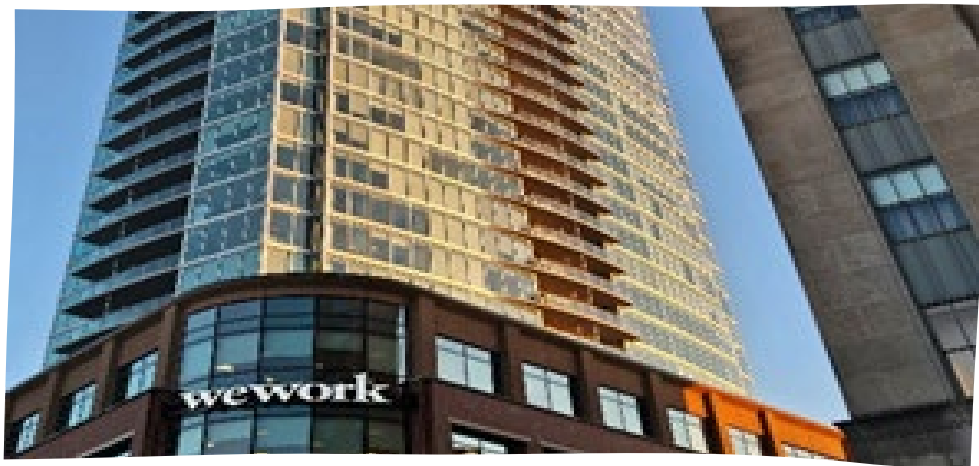
Tourism Community Outreach City/County

Bond Ratings Capital Projects

Affordable Housing Public Safety

Workforce Training Carbon Neutral Open Space

Durham County Strategy



DCO FORWARD 2029



FY 2026-27 Manager Priorities



- Maintain County's fiscal stability
 - Decrease use of Fund Balance to ensure sustainability into the future
 - Maximize existing revenue and recommend responsible tax rate
- Provide adequate funding for Durham Public Schools
- Support existing County employees
- Limiting property tax growth
- Provide services at current levels
- Focus on key Public Safety needs
- Provide adequate funding for planned capital projects

FY 2026-27 Budget Outlook



FY 2026-27 Budget Outlook





- Key “**natural growth**” revenues estimate **are lower than recent years** (*before a tax rate increase*)

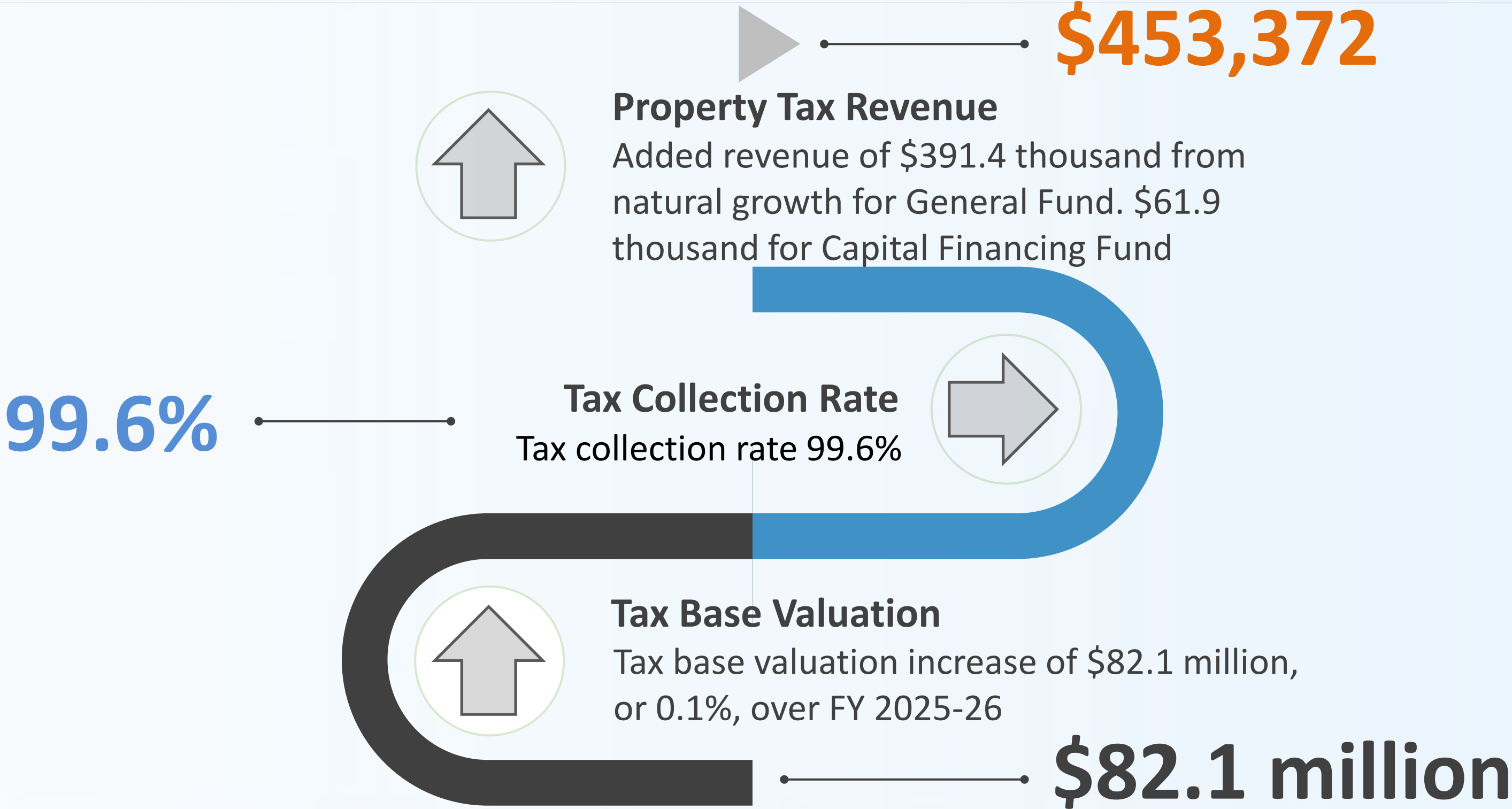
General Fund Budget Outlook

Property Tax:	\$391,400	Investment Income:	\$500,000
Sales Tax:	\$771,000	Reg. of Deeds:	\$1.0 million
Med. Hold Harmless:	-\$1.0 million	Fund Balance:	-\$4.5 million

Capital Financing Fund Budget Outlook

Property Tax:	\$61,900	Occupancy Tax:	-\$1.4 million
Sales Tax:	\$2.3 million		

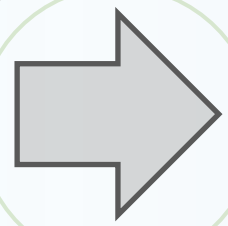
FY 2026-27 Property Tax Natural Growth



FY 2026-27 Property Tax

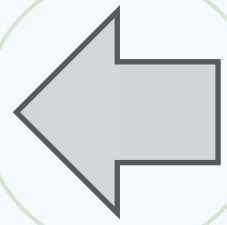


2.0 Cent Increase

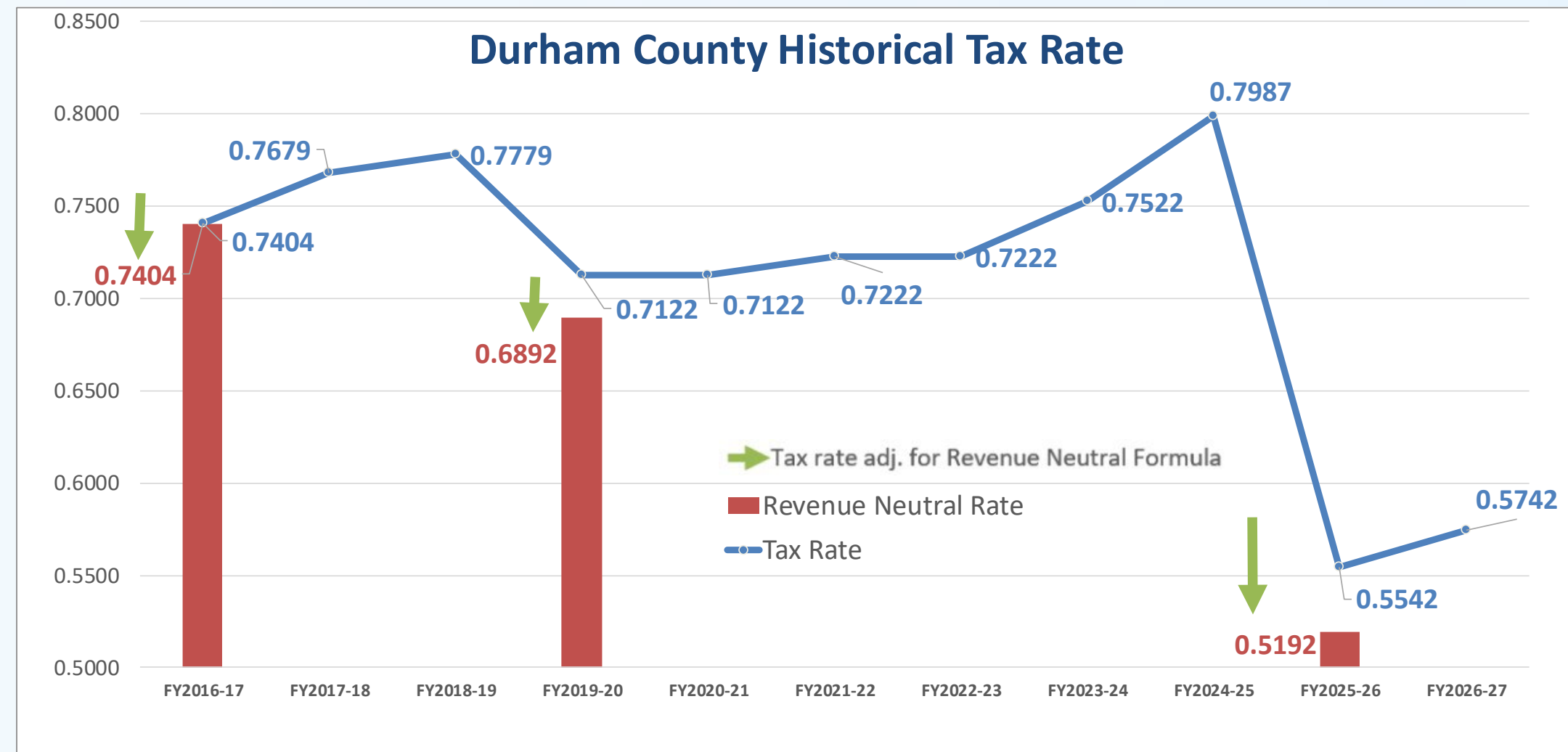


Property Tax Rate 57.42 cents
General Fund (2.0 cents)

One Cent of Tax Rate Change
\$8.55 million



Additional Property Tax Revenue
\$17.1 Million General Fund
from tax rate change



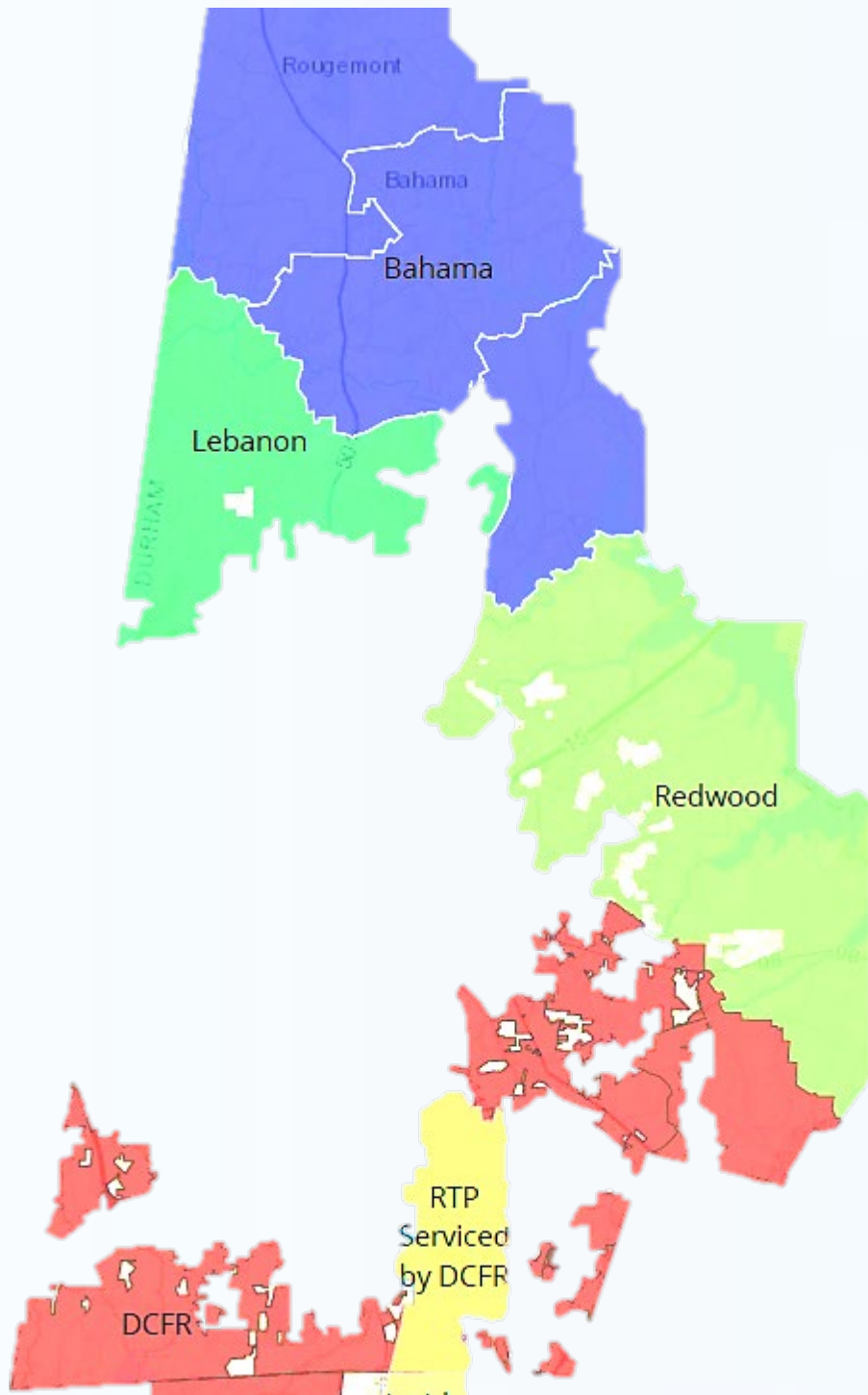
FY 2026-27 Property Tax



PROPERTY TAX	FY 2025-26 Approved Tax Rate	FY 2026-27 Recommended Tax Rate	FY 2026-27 Projected Revenue
General Fund	47.85	49.85	\$426,688,200
Capital Financing Fund	7.57	7.57	\$64,719,049
TOTAL	55.42	57.42	\$491,407,249

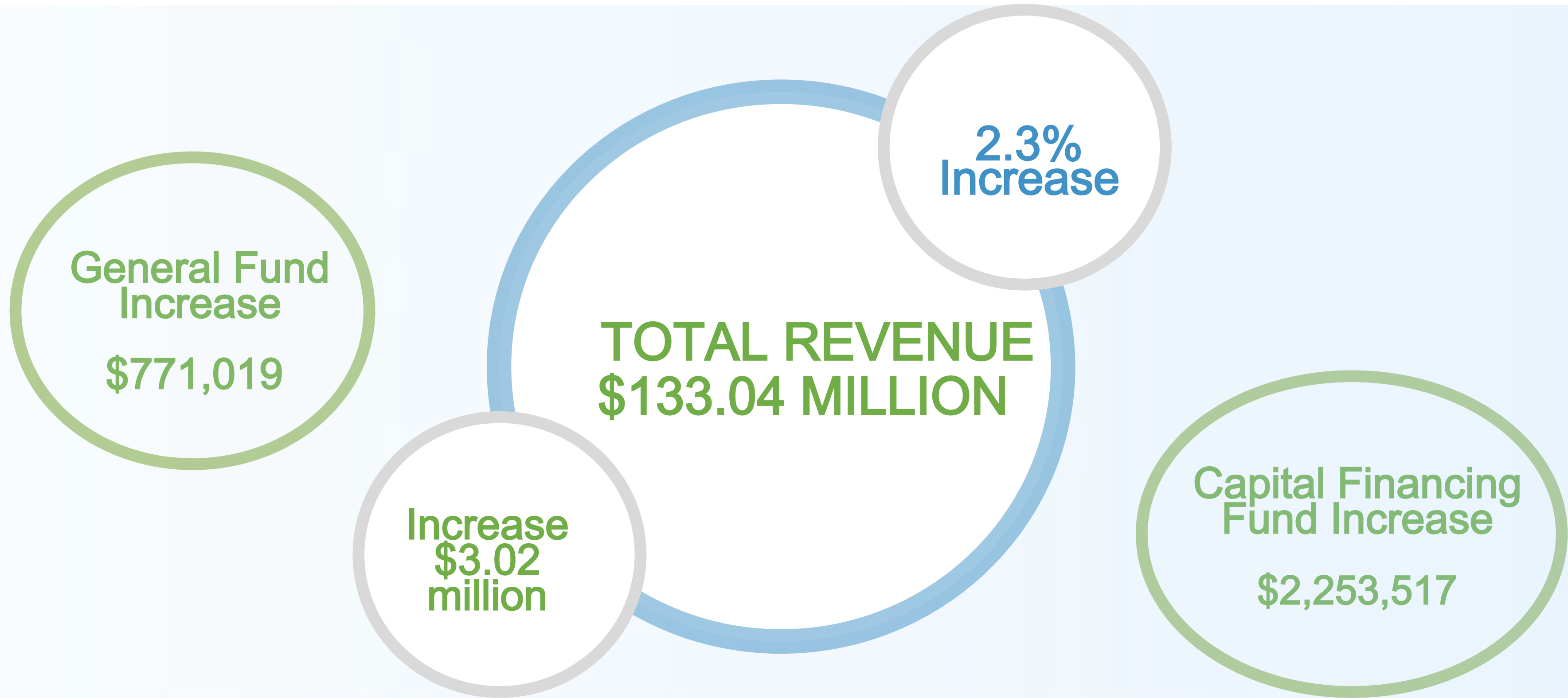
FY 2026-27 Total General Fund property tax revenue increase = \$17.5 million

Special Tax Districts

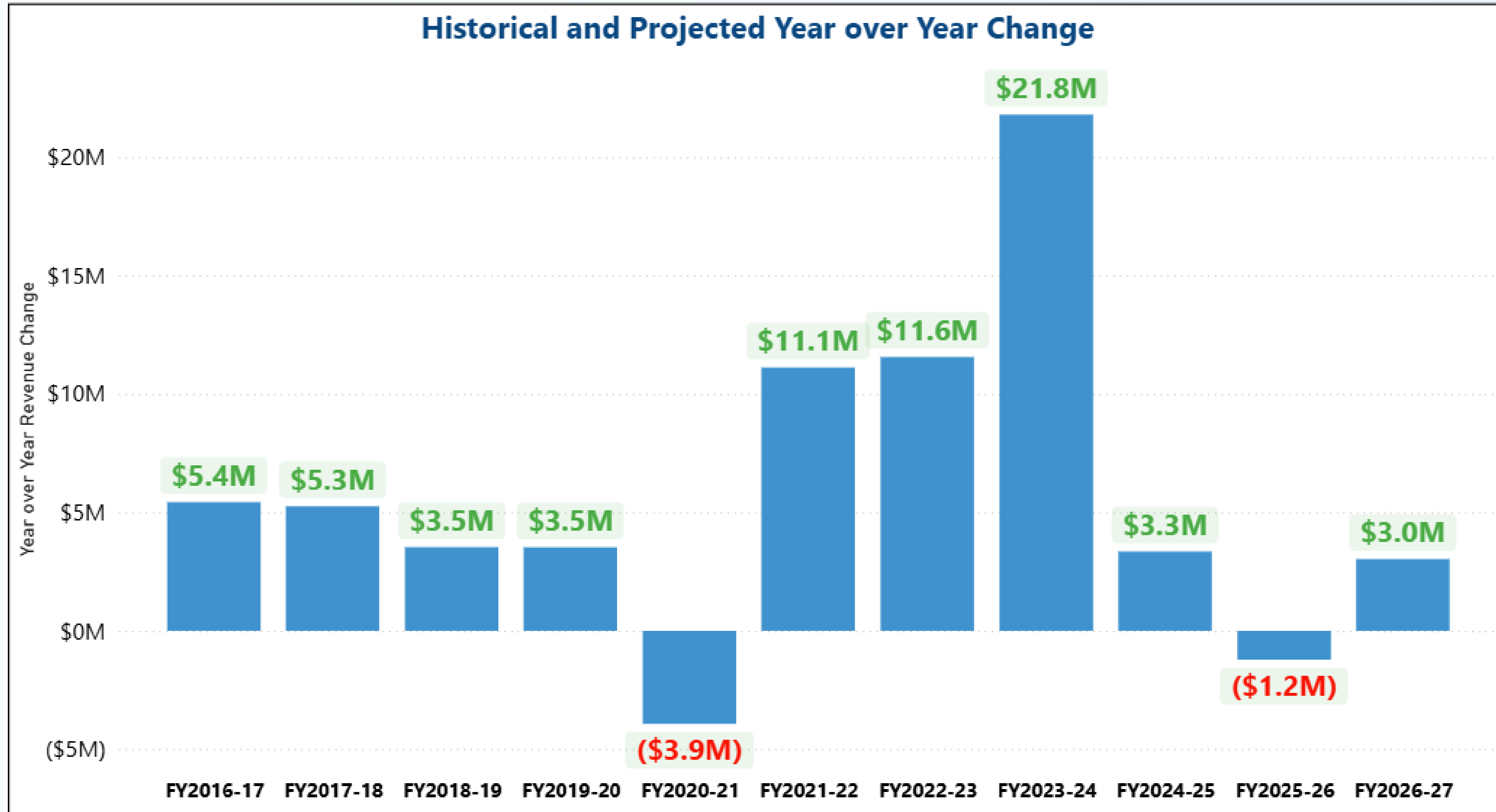


FY 2026-27 Recommended Property Tax Rates		
Bahama	8.83 tax rate	No change
Lebanon	9.19 tax rate	No change
New Hope	7.91 tax rate	1 ½ cent ↑
Eno	6.84 tax rate	2 cent ↑
Redwood	9.32 tax rate	¼ cent ↑
Mangum	4.70 tax rate	NEW Tax District
DCFR	8.29 tax rate	No change
RTP	Service Fund 7.80 tax rate Transportation Fund 2.50 tax rate	No change

FY 2026-27 Sales Tax



FY 2026-27 Sales Tax



EMS Patient Fees

- Increase of **\$2 million**, total revenue budget of **\$18.07 million**

Register of Deeds

- Increase of **\$1 million**, total revenue budget of **\$6.9 million**

Investment Revenue

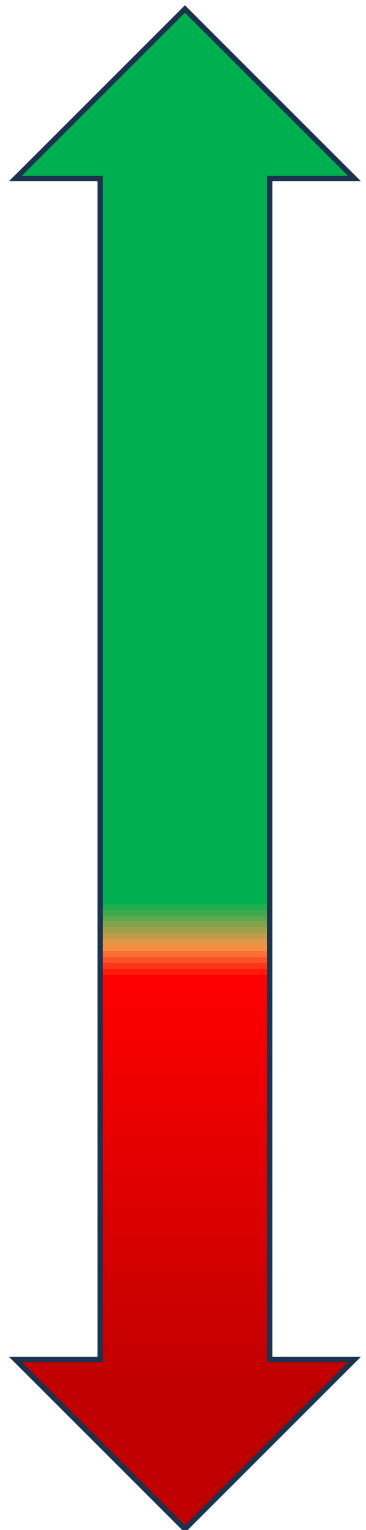
- Increase of **\$500,000**, total revenue budget of **\$7.8 million**

State Hold Harmless

- Decrease of **(\$1 million)**, total revenue budget of **\$9 million**

Lower Fund Balance Appropriation Included

- Decrease of **(\$4.5 million)**, total revenue budget of **\$19.4 million**



FY 2026-27 Expenditure Summary



0.67%

**\$1.045
BILLION**

**TOTAL COUNTY
BUDGET**

Functional Area Name	FY 2024-25 Actuals	FY 2025-26 Original	FY 2025-26 Estimated	FY 2026-27 Requested	FY 2026-27 Recommend	\$ Change Rec. v. Orig.	% Change Rec. v. Orig.
General Government	\$157,608,714	\$193,312,411	\$200,132,095	\$205,352,503	\$198,495,560	\$5,183,149	2.68%
Public Safety	\$84,759,982	\$95,104,406	\$91,190,451	\$100,991,777	\$94,304,587	(\$799,819)	-0.84%
Transportation	\$1,541,844	\$4,544,472	\$4,753,125	\$3,540,686	\$3,379,501	(\$1,164,971)	-25.63%
Environmental Protection	\$6,048,888	\$7,866,848	\$10,991,046	\$7,082,487	\$6,698,784	(\$1,168,064)	-14.85%
Econom. & Physical Devlp.	\$9,458,279	\$10,419,457	\$10,501,211	\$11,101,018	\$10,478,754	\$59,297	0.57%
Human Services	\$101,200,148	\$114,315,668	\$109,686,862	\$114,802,435	\$109,983,320	(\$4,332,348)	-3.79%
Education	\$229,475,707	\$246,826,645	\$246,329,603	\$278,622,527	\$259,631,318	\$12,804,673	5.19%
Cultural & Recreational	\$16,232,094	\$17,317,877	\$16,243,817	\$18,045,111	\$16,938,710	(\$379,167)	-2.19%
Total	\$606,325,656	\$689,707,784	\$689,828,210	\$739,538,544	\$699,910,534	\$10,202,750	1.48%

1.48%

**\$699.9
MILLION**

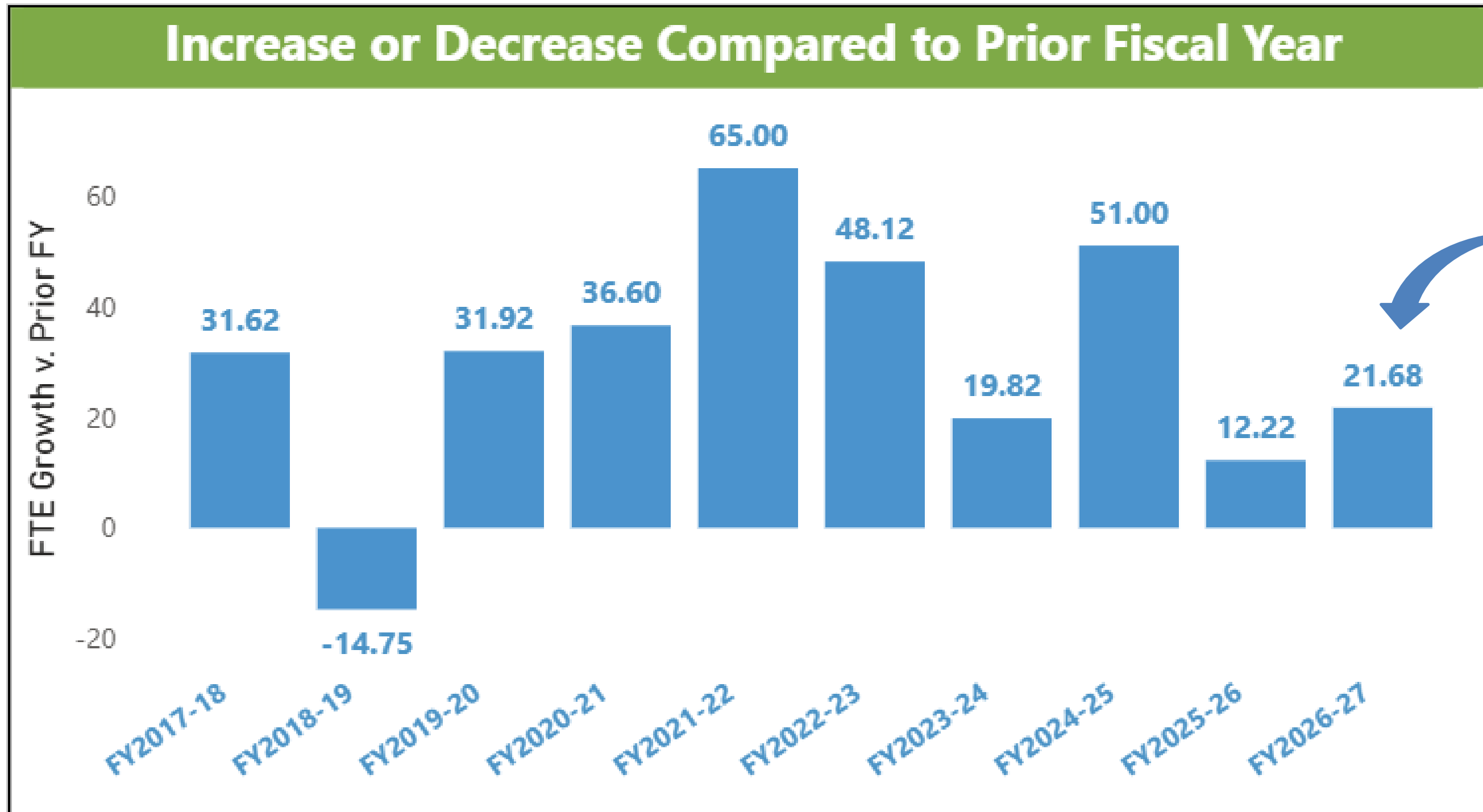
**GENERAL FUND
BUDGET**

All Funds Summary	FY 2024-25 Actuals	FY 2025-26 Original	FY 2025-26 Estimate	FY 2026-27 Requested	FY 2026-27 Recommend	\$ Change Rec. v. Orig.	% Change Rec. v. Orig.
General Funds	\$766,033,966	\$877,653,373	\$872,377,577	\$928,121,037	\$886,439,765	\$8,786,392	1.00%
Special Revenue Funds	\$16,322,069	\$18,369,774	\$18,306,330	\$19,102,089	\$19,215,101	\$845,327	4.60%
Debt Service Funds	\$103,059,190	\$116,589,842	\$110,439,044	\$113,147,262	\$111,634,693	(\$4,955,149)	-4.25%
Enterprise Funds	\$32,401,378	\$25,859,286	\$27,482,082	\$28,134,146	\$28,134,146	\$2,274,860	8.80%
Total	\$917,816,603	\$1,038,472,275	\$1,028,605,033	\$1,088,504,534	\$1,045,423,705	\$6,951,430	0.67%

Priority Expenditures

- | | |
|--|------------------------|
| 1. Additional funding support for DPS: | \$10.89 million |
| 2. Additional funding support for Pre-K | \$1.27 million |
| 3. Employee Benefits (Insurance): | \$1.6 million |
| 4. Employee compensation increases: | \$3.6 million |
| COLA: 2% | |
| 5. Public Safety Needs | \$1.23 million |
| • EMS: New Ambulance Unit - \$1.23 million | |
| • Five new LEO positions reallocated from vacant Detention Officer positions | |
| 5. Departmental Reductions | (\$6.2 million) |

New Position Growth



**7.03 New FTEs in
FY 2026-27 Budget**

*14.65 FTEs added during
FY 2025-26*

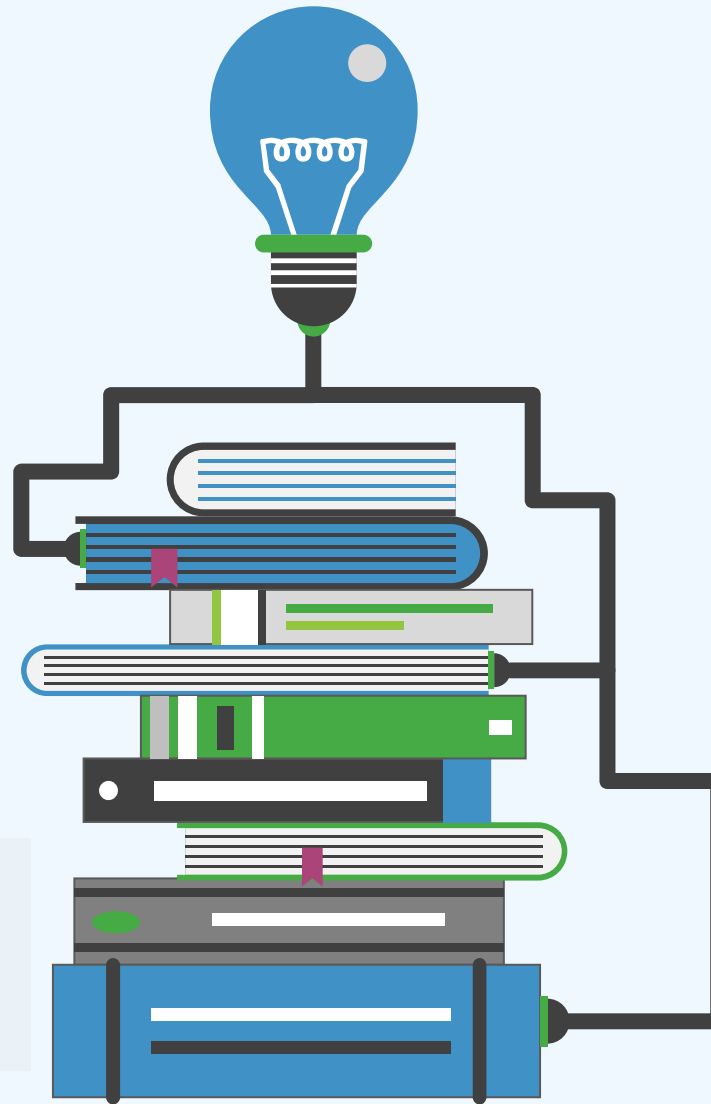
Durham County's population grew by 15.4% over the past decade. Additional staffing supported increased service demands. Some positions are offset by revenues.

Durham Public Schools Funding



**4.85% increase
over FY 2025-26
Budget**

\$5 million recurring Capital Funding



Other DCo spending to support DPS

SROs \$2.6 million

Public Health \$3.7 million

Non-Profits \$177,050

DPS Debt Service \$70.3 million

Project Build Support \$1.2 million

Pre-K Support \$9.6 million

Total = \$87.57 million

\$10.9 million current expense increase

Total Funding = \$235,428,901

Durham Public Schools Per -Pupil Funding



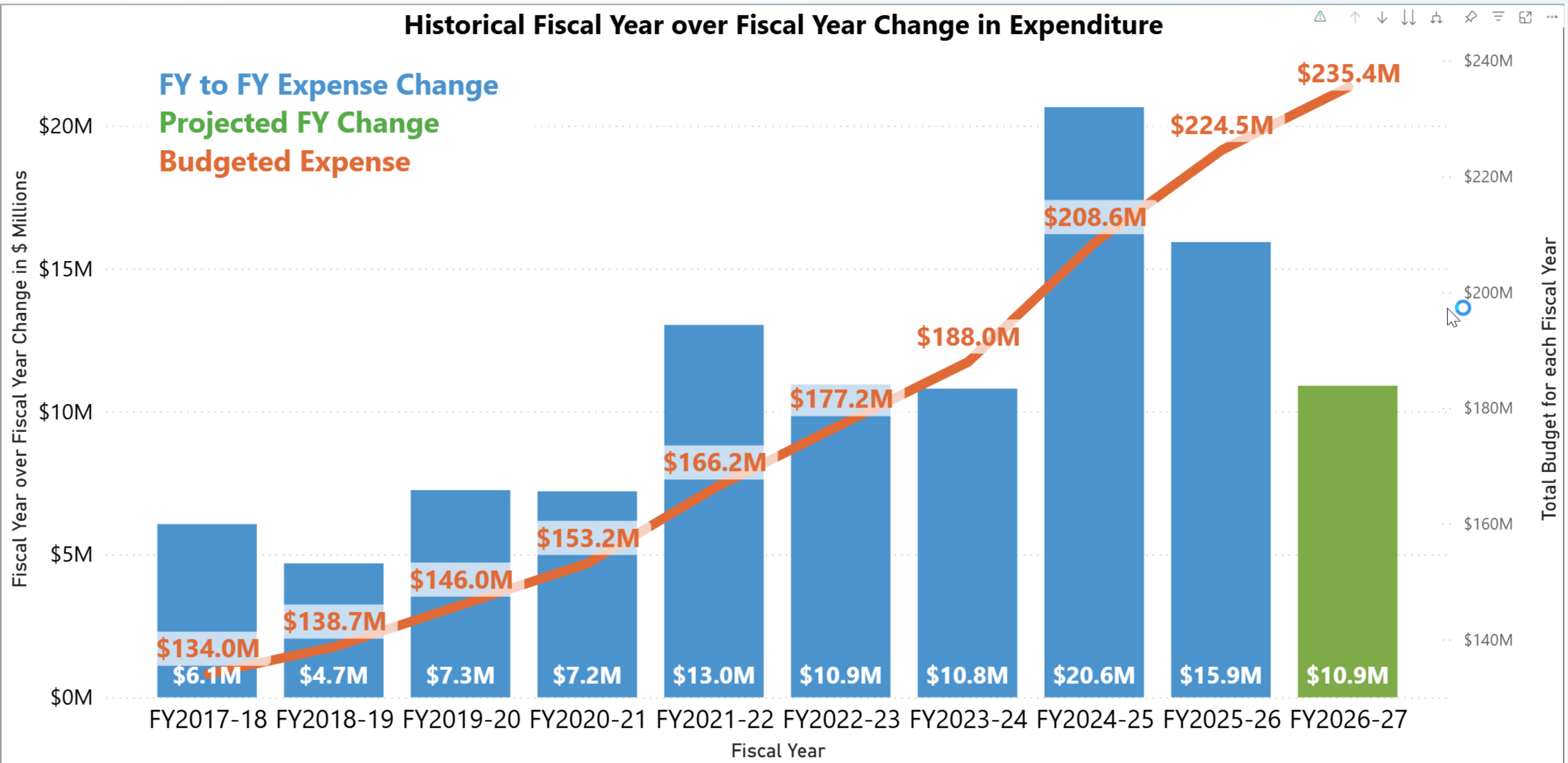
Per Pupil Funding Increases
\$368 (6.6%) to \$5,929



Durham Public Schools Allocations Historical Trends



Historical Fiscal Year over Fiscal Year Change in Expenditure



Durham Public Schools, CIP Funding



- County staff will continue collaborating with Durham Public Schools administration to evaluate short- and long-term capital needs.
- Additional discussions are anticipated in Fall 2026 in conjunction with the County's update of the FY 2027–FY 2036 Capital Improvement Plan.

Durham Technical Community College



**Total Funding =
\$12,997,305**

3% increase

Work Pipeline Funding =
\$500,000

\$2,108,837-student
scholarship support and
other educational
opportunities

DURHAM TECH PROMISE

Our Commitment to College Access

DURHAM & ORANGE COUNTIES

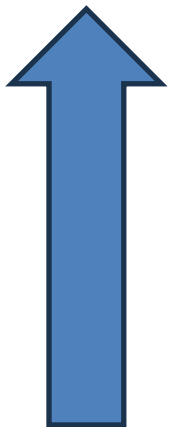


Durham Pre-K Support



**Total Funding =
\$10,162,529**

**\$1.27 Million
Increase**





Office of Emergency Services



6 Replacement Vehicles, include
5 ambulances, 1 SUV
Cost of one ambulance = \$488

10 Paramedic Positions
1 New Ambulance

Sheriff's Office



39 Vehicles:
38 Replacement Units
One Replacement Motorcycle

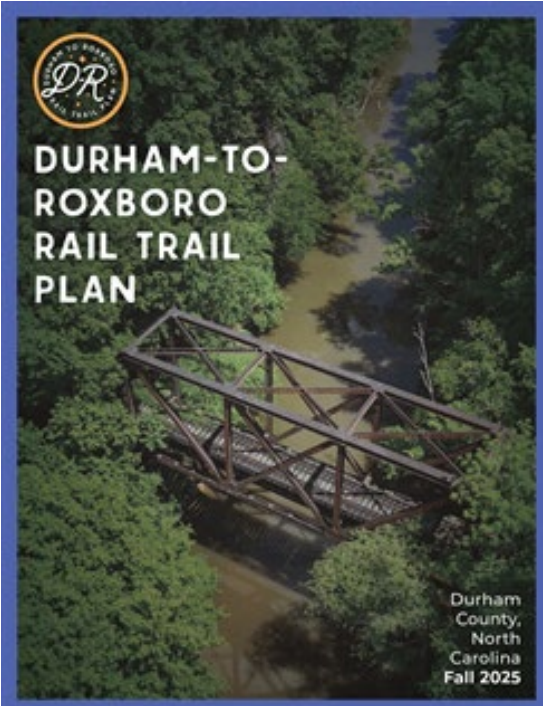


- 5 New LEOs for County Coverage
- Detention Center Food Contract Increase

Transportation



- \$700,000 for services related to the Durham Transit Plan Update
- The costs are fully reimbursable via Durham Transit Plan administrative costs, creating a net-zero increase for County costs



Help determine the future of transit in Durham!

Human Services



Public Health

Master Aging Plan (\$300,000)

Detention Health Care Cost Increase (\$653,179)

Community Intervention Services

Joint Violence Reduction Plan: \$250,000

Homeless Strategic Plan

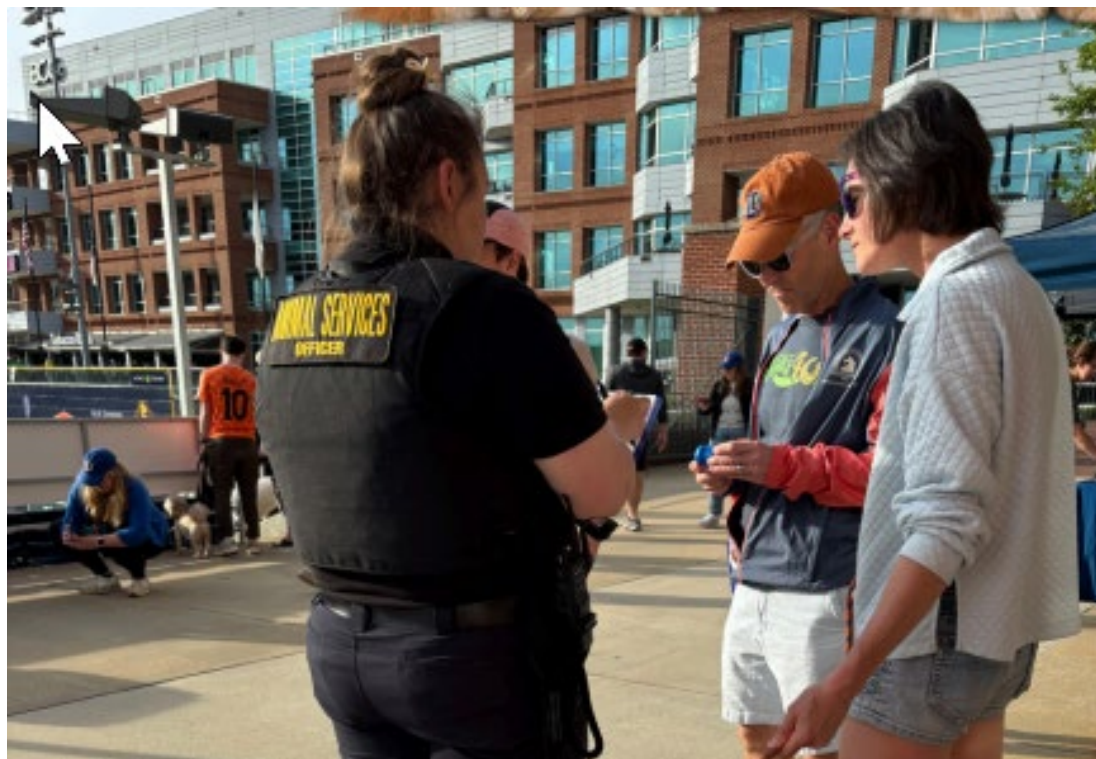
Implementation

\$500,000

Benefits Plan



**Insurance Cost Increase
\$1.6 Million**



County continues 100% premium contribution for employee health insurance at the base plan level

**Additional Employee Wellness Support
\$250,000**



Stormwater & Erosion Control Fund

\$80 to \$96 per ERU

Sewer Utility Fund

Fee increase – 10%

Budget Horizon





DURHAM COUNTY BOARD OF COMMISSIONERS

FY 2026-27 Budget Development
Process



Chair Mike Lee



Vice Chair Nida Allam



Commissioner Michelle Burton



Commissioner Wendy Jacobs



Commissioner Stephen Valentine

FY 2026-27 Budget Timeline



May 19th, May 21st
Budget Work Sessions



May 26th
Public Hearing for FY 2026 -27 Budget



May 28th, June 2nd and 4th (if needed)
Budget Work Sessions



June 8th
FY 2026-27 Budget Approval

BUDGET WORKSESSIONS

MAY 2026

19 WORKSESSION 9:00AM-3:30PM
Board of County Commissioners Chambers

21 WORKSESSION 1:00PM-5:00PM
Board of County Commissioners Chambers

26 PUBLIC HEARING 7:00PM
Board of County Commissioners Chambers

28 WORKSESSION 9:00AM-3:30PM
Board of County Commissioners Chambers

JUNE 2026

2 WORKSESSION 9:00AM-3:30PM
Board of County Commissioners Chambers

4 WORKSESSION 1:00PM-5:00PM
Board of County Commissioners Chambers

8 BUDGET ADOPTION 7:00PM
Board of County Commissioners Chambers

Worksessions provide County Commissioners time to explore citizen feedback and speak with County Management, department leaders, and community partners in order to shape a comprehensive budget for the upcoming fiscal year



Budget Document Online Locations



Durham County Website:
www.dconc.gov

Interactive Reports of
FY 2026-27 Recommended
Budget:

www.dconc.gov **Budget
Department Page** →

