



ANNUAL BUDGET ORDINANCE
Durham County
North Carolina
FY 2026-27

WHEREAS the proposed budget for Fiscal Year 2026-27 (FY 2026-27) was submitted to the Board of Commissioners on May 11, 2026, 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 26, 2026, the Durham County Board of Commissioners held a public hearing on the budget pursuant to G.S. 159-12;

WHEREAS, on June 8, 2026, 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, 2026, and ending June 30, 2027, 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 2026-27

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 Gov.	\$198,496,258	\$500,000	\$125,210,369		\$1,058,134	\$760,000	\$1,250,000	\$111,634,693	\$1,500,000	\$440,409,454
Public Safety	\$94,363,587						\$12,938,906			\$107,302,493
Transportation	\$3,379,501									\$3,379,501
Env. Protection	\$6,698,086			\$300,000					\$4,806,556	\$11,804,642
Econ. & Phys. Devlp.	\$10,480,754						\$5,026,195			\$15,506,949
Human Services	\$110,606,026									\$110,606,026
Education	\$263,281,318									\$263,281,318
Cultural & Rec.	\$16,938,710									\$16,938,710
Utilities									\$21,827,590	\$21,827,590
Total	\$704,244,240	\$500,000	\$125,210,369	\$300,000	\$1,058,134	\$760,000	\$19,215,101	\$111,634,693	\$28,134,146	\$991,056,683

Section 2: Summary of Revenues by Fund and Revenue Category – Fiscal Year 2026-27

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
Taxes	\$567,824,261		\$64,719,049				\$17,730,512		\$2,000	\$650,275,822
Licenses & Permits	\$264,500								\$786,500	\$1,051,000
Intergovernmental	\$70,676,732						\$1,250,000		\$800,000	\$72,726,732
Cont. & Donations	\$318,317									\$318,317
Investment Income	\$7,915,030		\$500,000				\$170,000	\$1,803,553		\$10,388,583
Rental Income	\$654,200									\$654,200
Sewer Connection Fees									\$1,570,000	\$1,570,000
Service Charges	\$34,448,586							\$500,000	\$12,000	\$34,960,586
Enterprise Charges	\$17,425								\$24,963,646	\$24,981,071
Other Revenues	\$468,050	\$500,000								\$968,050
Transfers In	\$21,657,139		\$59,991,320	\$300,000	\$1,058,134	\$760,000	\$64,589	\$109,331,140		\$193,162,322
Total	\$704,244,240	\$500,000	\$125,210,369	\$300,000	\$1,058,134	\$760,000	\$19,215,101	\$111,634,693	\$28,134,146	\$991,056,683

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	\$6,523,861
Expense	\$6,523,861

BENEFITS PLAN FUND

Revenue	\$52,176,867
Expense	\$52,176,867

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, 2026, at an anticipated collection rate of 99.60%. Rates are per \$100.00 of assessed valuation of taxable property.

District	Rate
Durham County-countywide	\$0.5792

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, 2026, at the anticipated collection rates noted below. Rates are per \$100.00 of assessed valuation of taxable property.

District	Tax Rate	Collection Rate	District	Tax Rate	Collection Rate
Bahama Fire District	\$0.0883	99.00%	Redwood Fire District	\$0.0932	98.50%
Eno Fire District	\$0.0684	99.00%	Durham Fire and Rescue Service District	\$0.0829	98.75%
Lebanon Fire District	\$0.0919	98.75%	Mangum Fire Protection Service District	\$0.0470	98.00%
New Hope Fire District	\$0.0791	99.00%			

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, 2026, 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%.

District	Tax Rate	Tax Revenue
Research & Production Service District	\$0.0780	\$3,760,808
Research & Production Service District – Public Transportation	<u>\$0.0250</u>	<u>\$1,205,387</u>
Total Research and Production Service District Tax Rate	\$0.1030	\$4,966,195

There is hereby appropriated to the Durham-Wake Counties Research and Production Service District from the net proceeds of these taxes and other revenues in the amount of \$4,971,283 for use in said district. \$3,769,650 for the Service District and \$1,201,633 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 annual salary for members of the Board of County Commissioners shall be \$47,078. The annual salary of the Board Chair shall be \$55,421. Each member of the Board of County Commissioners, including the Chair, shall receive a travel allowance of \$3,300 per year and a technology allowance of \$1,740 per year. These amounts are included in the above appropriations.

Section 9. 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 for merit, pay plan adjustments, health benefits, and reclassifications, and LEO Separation Allowance with a report to the Board of Commissioners at the subsequent regular meeting of the Board.
- g) Transfers between funds and transfers from the Commissioner contingency account may be executed **only** by the Board of Commissioners.

Section 10. 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	\$12,467,305
<u>Capital Outlay</u>	<u>\$530,000</u>
Total Appropriation	\$12,997,305

- 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 \$2,108,837, 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 11. 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 2026-27 is as below:

Current Expense	\$233,078,901	*Includes Article 46 Sales Tax Revenue:	<u>DPS</u>	<u>Pre-K</u>
Capital Outlay	\$6,000,000	<i>FY 2024-25 Over-collection</i>	\$0	\$0
Total Appropriation	\$239,078,901	<i>FY 2025-26 Estimated Revenue</i>	<u>\$15,779,834</u>	\$202,024
		<i>Board Policy Pre-K amount</i>		<u>\$508,140</u>
		FY 2024-25 Article 46 Total	\$15,779,834	\$710,164

The annual local appropriation (including debt service) exceeds the required merger agreement rate of \$1,960 per pupil. The FY 2026-27 budgeted per pupil expense is: \$5,998

- 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	Appropriation
Regular Instructional Services	\$53,038,703
Special Populations Services	\$15,798,855
Alternative Programs and Services	\$9,268,792
School Leadership Services	\$16,890,572
Co-Curricular Services	\$2,495,981
School-Based Support Services	\$11,084,607
Subtotal Instructional Services	\$108,577,509
Purpose: System-wide Support Service	
Support and Development Services	\$2,901,900
Special Population Support and Development Services	\$736,625
Alternative Programs and Services Support and Development Services	\$1,104,849
Technology Support Services	\$5,267,128
Operational Support Services	\$42,093,226
Financial and Human Resource Services	\$6,300,886
Accountability Services	\$689,448
System-wide Pupil Support Services	\$1,672,195
Policy, Leadership and Public Relations Services	\$3,870,306
Subtotal System-wide Support Services	\$64,636,562
Purpose: Ancillary Services	
Community Services	\$511,392
Nutrition Services	\$280,249
Subtotal Ancillary Services	\$791,640
Purpose: Non-programmed Charges	
Payments to Other Governmental Units	\$60,910,398
Subtotal Non-programmed Charges	\$60,910,398
Total Current Expense	\$234,916,110

Purpose: Local Funding Support	Revenue
County Appropriation	\$232,570,761
Fines and Forfeitures	\$1,700,000
Interest Earned on Investments	\$645,349
Total Local Funding Support	\$234,916,110

Section 12. 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 13. 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 8th day of June 2026.

A handwritten signature in blue ink, appearing to read "Mike Lee", written above a horizontal line.

Dr. Mike Lee, Chair - Board of Commissioners

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

Monica Wallace, Clerk to the Board