



DURHAM COUNTY RECOMMENDED BUDGET

FY 2024-25





Employee Support



Growing Needs



Fiscal Constraints



Direction



Durham County Strategic Plan

Economic Development

RTP

Bond
Ratings

Tourism



Equity

Education

Taxation

Carbon Neutral



ARPA & Opioid
Plans



Affordable Housing



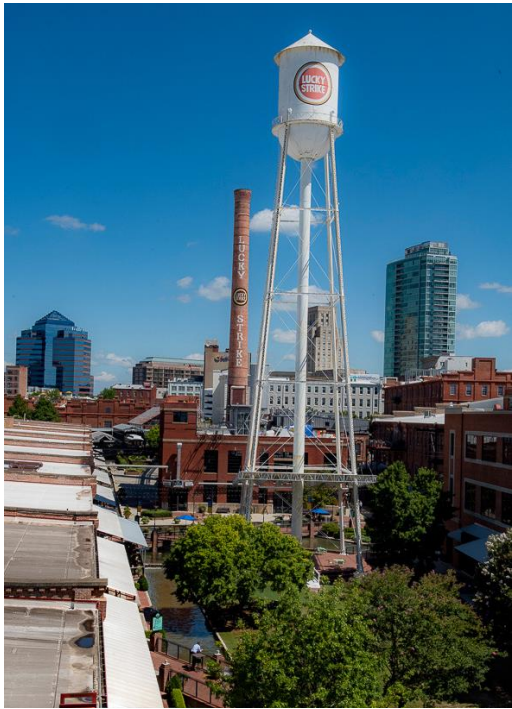
Transportation

Medicaid

Capital Projects

Supplier Diversity





DCO FORWARD 2029

Durham County Strategic Plan Update





FY 2024-25 Manager Budget Priorities

- ❖ Education-focused budget with DPS at the core
- ❖ Support County employees
- ❖ Maintain County's fiscal accountability
 - ❖ Decrease use of Fund Balance to ensure sustainability into the future
 - ❖ Maximize existing revenue and recommend responsible tax rate increase
- ❖ Focus on reallocating existing positions through supporting minimal new additions
- ❖ “Pause” departmental expansion to focus allow future opportunities with the new Strategic Plan

FY 2024-25 Budget Outlook



FY 2024-25 Budget Outlook





FY 2024-25 Budget Outlook

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

- **General Fund Budget Outlook**

Property Tax: \$19.2 million

Sales Tax: \$1.08 million

Med. Hold Harmless: **-\$3.0 million**

Investment Income: \$2.0 million

Reg. of Deeds: **-\$2.0 million**

Fund Balance: **-\$4.7 million**

- **Capital Financing Fund Budget Outlook**

Property Tax: \$3.0 million

Sales Tax: \$2.25 million

Occupancy Tax: \$200K

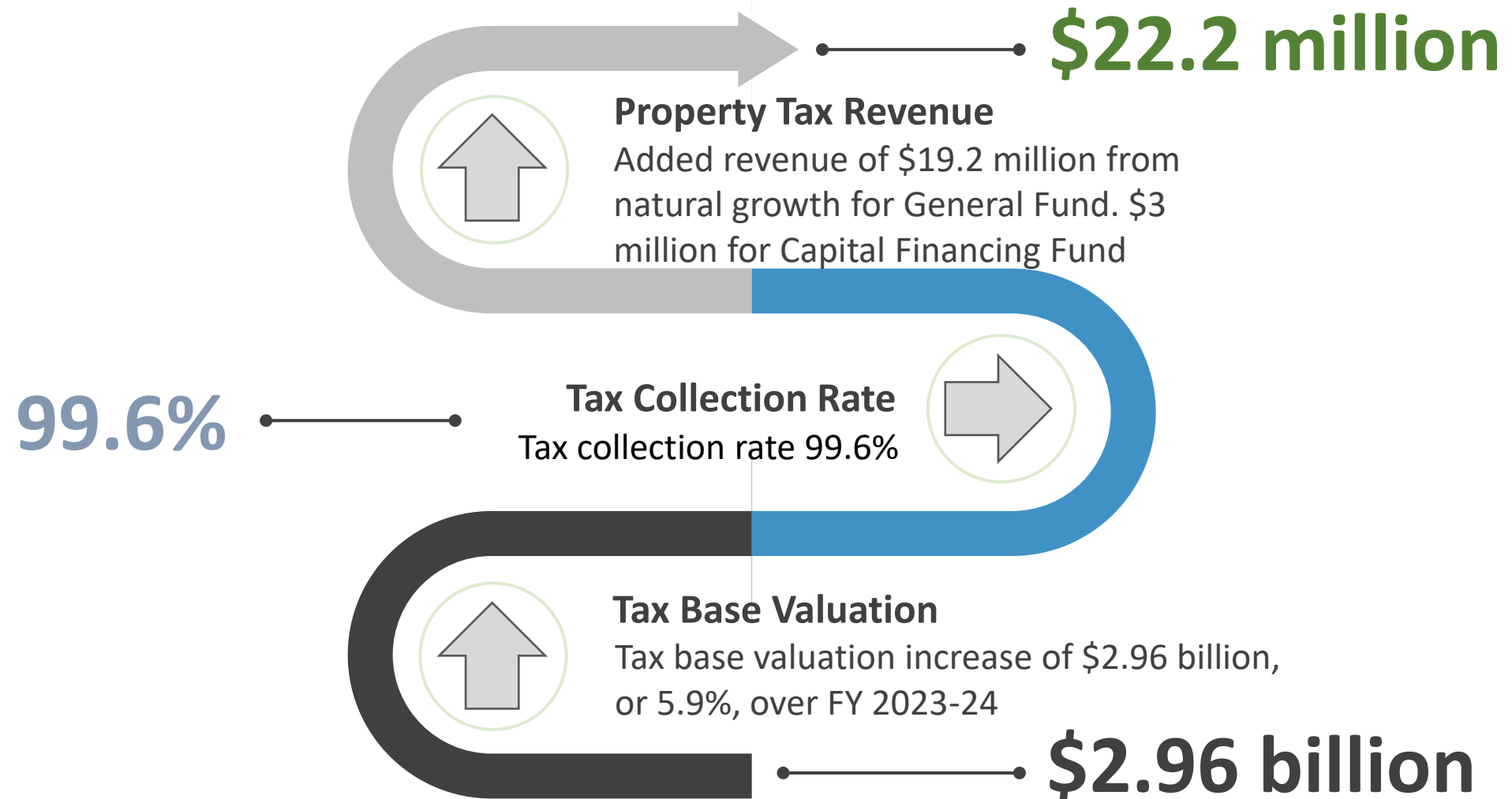


FY 2024-25 Budget Outlook

Priority Expenditures

1. Additional funding support for DPS:		\$13 million
2. Pre-K increased investment:		\$950,000
3. Employee compensation increases:		\$13.3 million
a) Cost of Living Adjustment:	\$7.1 million	
b) Prior year changes:	\$6.2 million	
4. DSS mid – FY 2023-24 new FTEs		\$1.7 million
a) County Cost:	\$700,000	
5. Minimal new positions:		\$685,000
6. Limited hiring of non-crucial personnel next FY		-\$2 million
7. Additional funding for Eviction Diversion		\$780,000
8. Department operating expense reductions		-\$1 million
9. Increased Industrial Extension Policy (IEP)		\$684,000

FY 2023-24 Property Tax Natural Growth





FY 2024-25 Compensation Changes

3% Pay increase (COLA)

- \$7.1 million

Continued support for prior year commitments

- \$6.2 million

Employee Health Insurance cost increases

- \$3.1 million from County
- \$1.7 million from increased premiums for employees

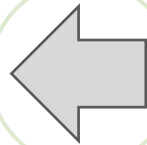
FY 2024-25 Property Tax

3.25 Cent Increase

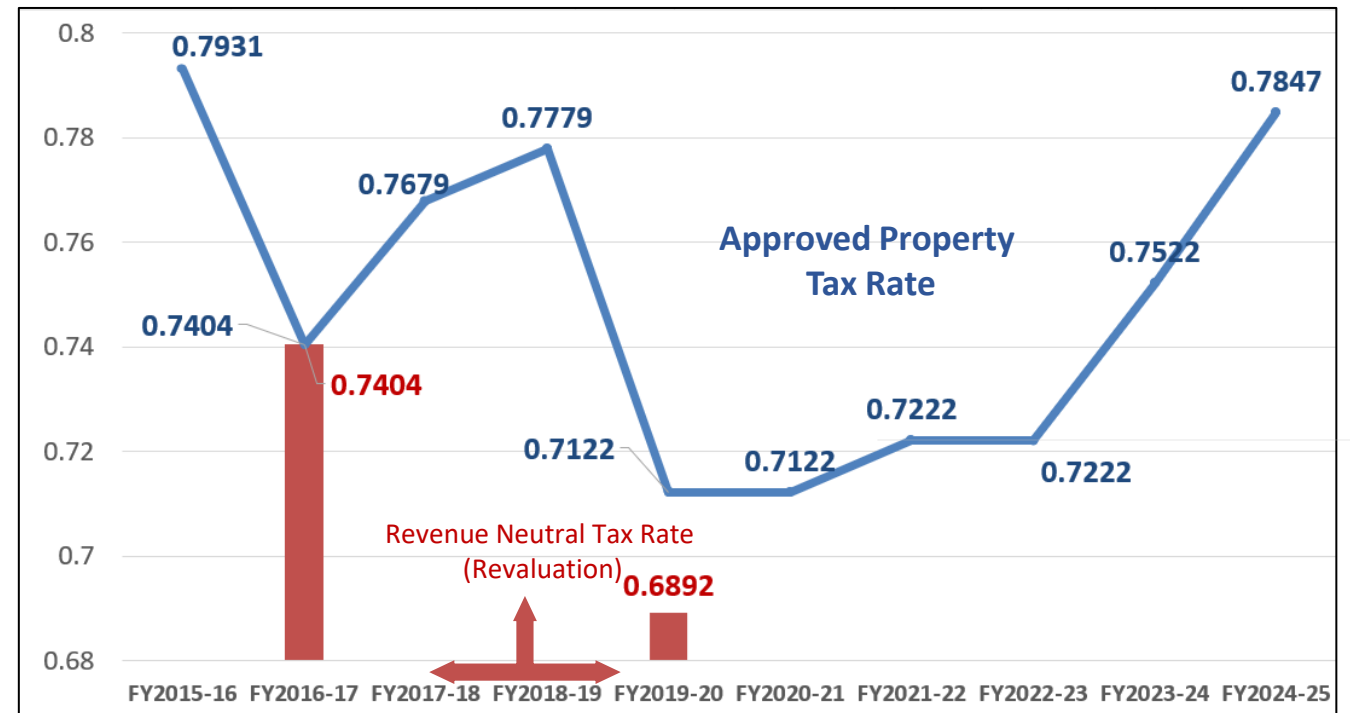


Property Tax Rate 78.47 cents
General Fund (3.25 cents) & Capital Financing Fund (no change)

One Cent of Tax Rate Change
\$5.33 million



Additional Property Tax Revenue
\$17.3 Million
from tax rate change





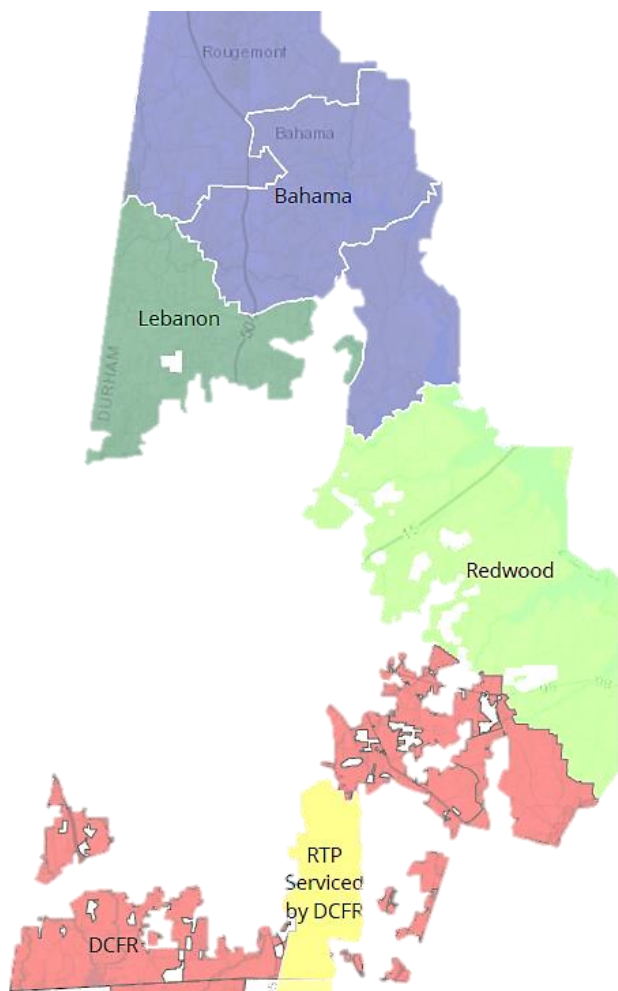
FY 2024-25 Property Tax

PROPERTY TAX	FY 2022-23 Approved Tax Rate	FY 2023-24 Recommended Tax Rate	FY 2023-24 Projected Revenue
General Fund	65.11	68.36	\$364,744,684
Capital Financing Fund	10.11	10.11	\$53,874,186
TOTAL	75.22	78.47	\$418,678,870

FY 2024-25 Total GF and CFP property tax revenue increase = **\$39.5 million**



Special Tax Districts

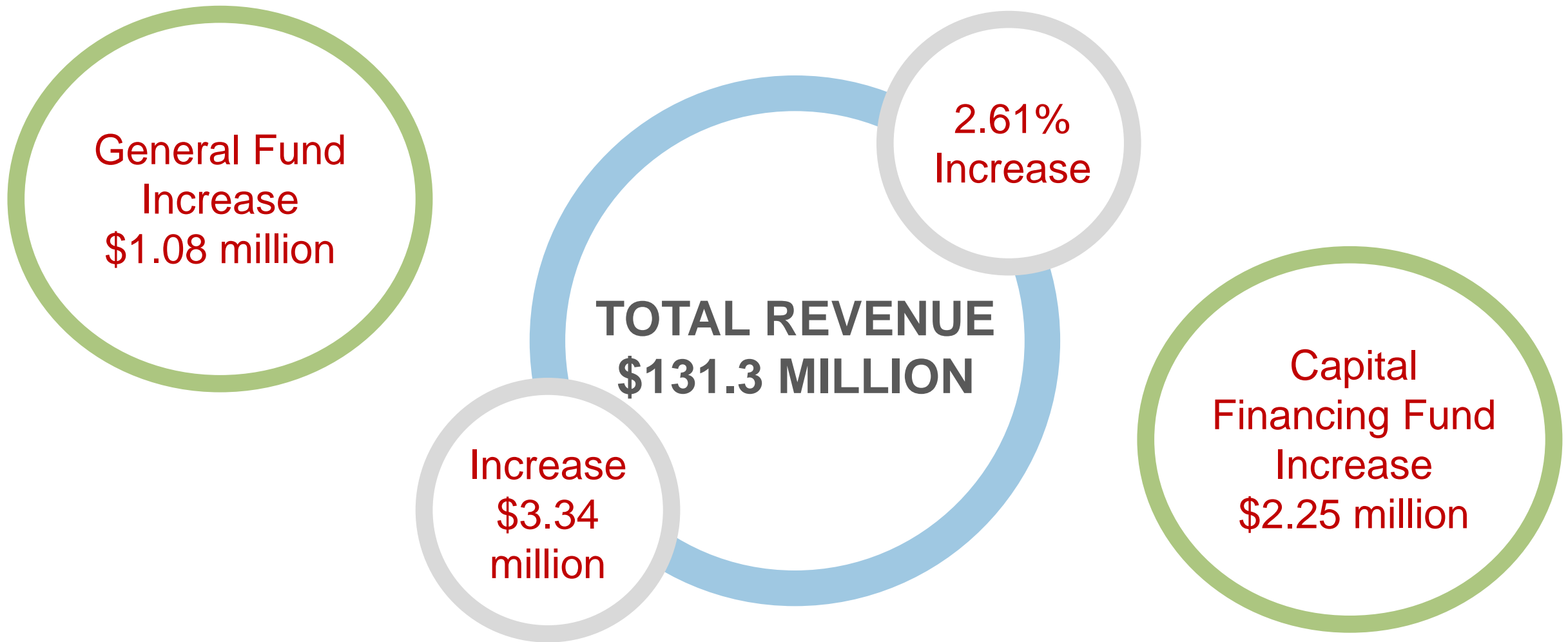


FY 2024-25 Recommended Property Tax Rates

BAHAMA	9.87 tax rate	No increase
LEBANON	12.51 tax rate	No increase
REDWOOD	12.75 tax rate	1½ cent increase
DCFR	12.99 tax rate	1 ½ cent decrease
RTP	Service Fund 8.80 tax rate Transportation Fund 2.50 tax rate	No increase

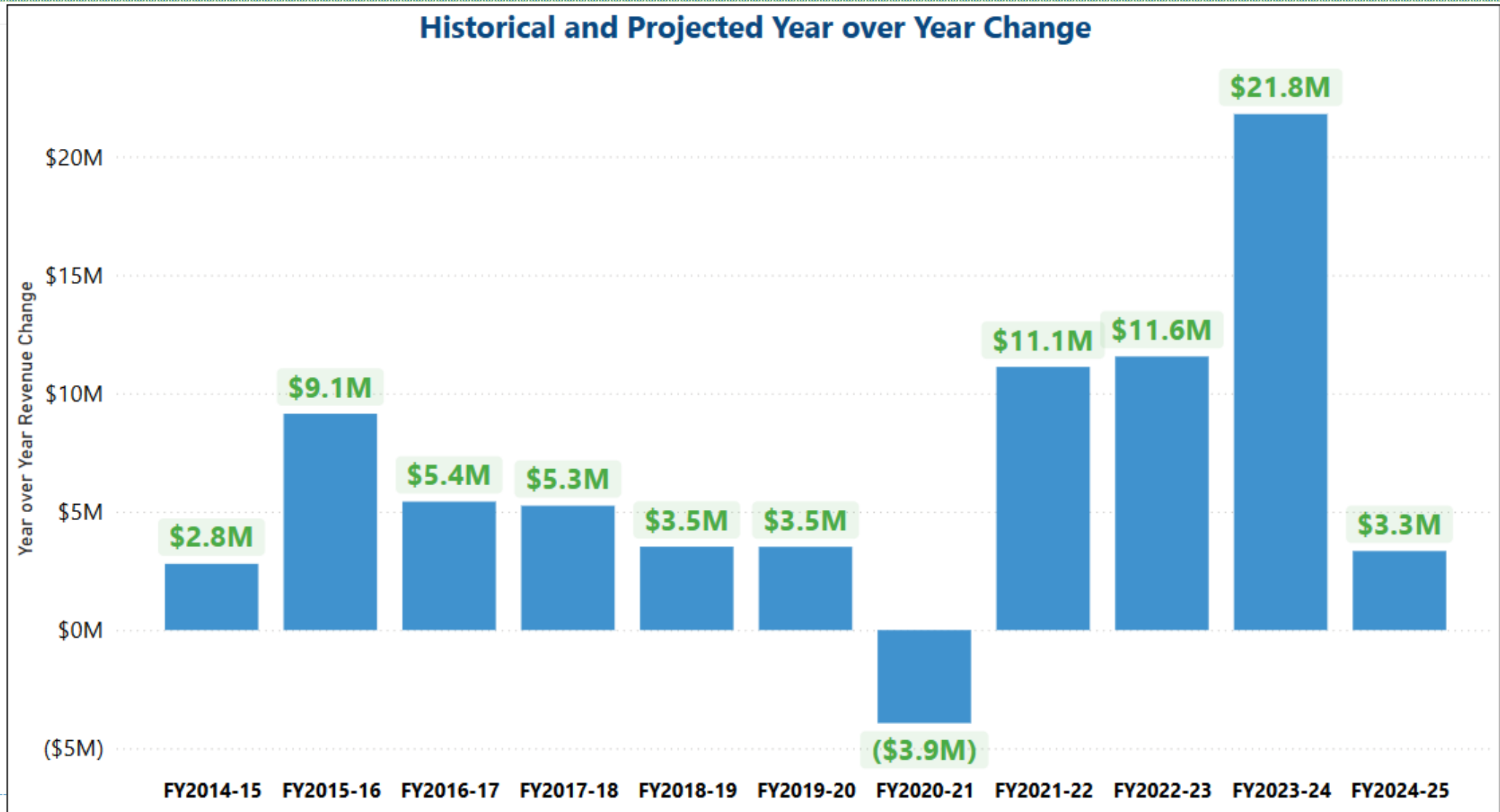


FY 2024-25 Sales Tax





FY 2024-25 Sales Tax

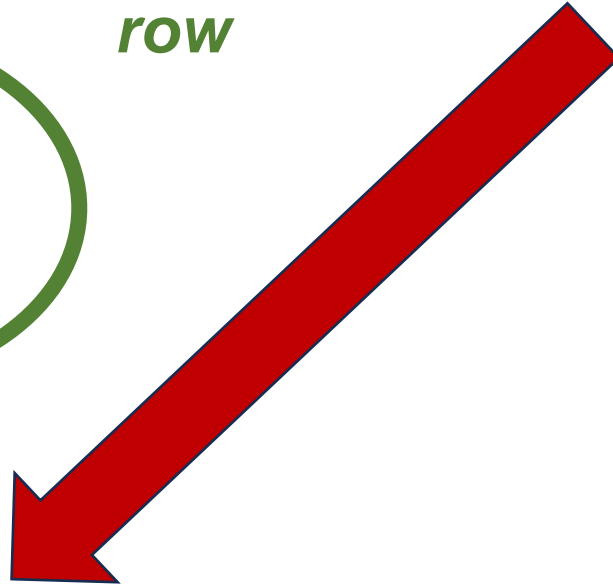


State Medicaid Hold Harmless

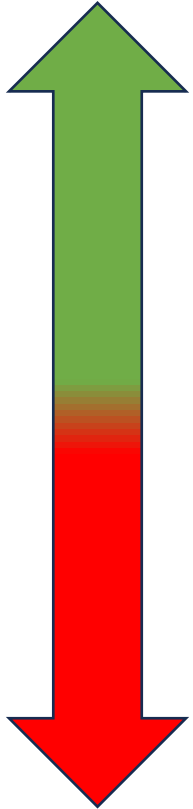
State Medicaid Hold Harmless Revenue	
FY 2007-08 to FY 2013-14	\$0
FY 2014-15	\$967,362
FY 2015-16	\$2,209,666
FY 2016-17	\$2,207,970
FY 2017-18	\$4,698,898
FY 2019-20	\$4,507,538
FY 2020-21	\$9,581,459
FY 2021-22	\$10,639,082
FY 2022-23	\$12,274,930
FY 2023-24 (projected)	\$9,365,555
Total	\$56,452,460
FY 2024-25 (budgeted)	\$9,000,000

Medicaid Hold Harmless Funds

- **Decrease of (\$3 million)**
 - Total revenue budget of **\$9 million**
- *Had seen significant increases 4 years in a row*



FY 2024-25 Other Major Revenue Sources



Investment Revenue

- Increase of **\$2 million**, total revenue budget of **\$5 million**

EMS Patient Fees

- Increase of **\$1.4 million**, total revenue budget of **\$17.8 million**

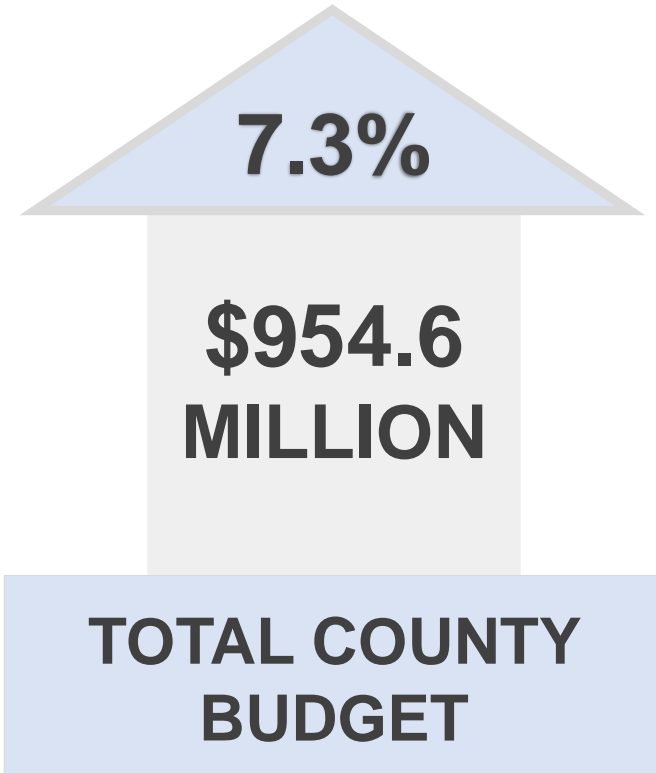
Register of Deeds

- Decrease of **(\$2 million)**, total revenue budget of **\$6.0 million**

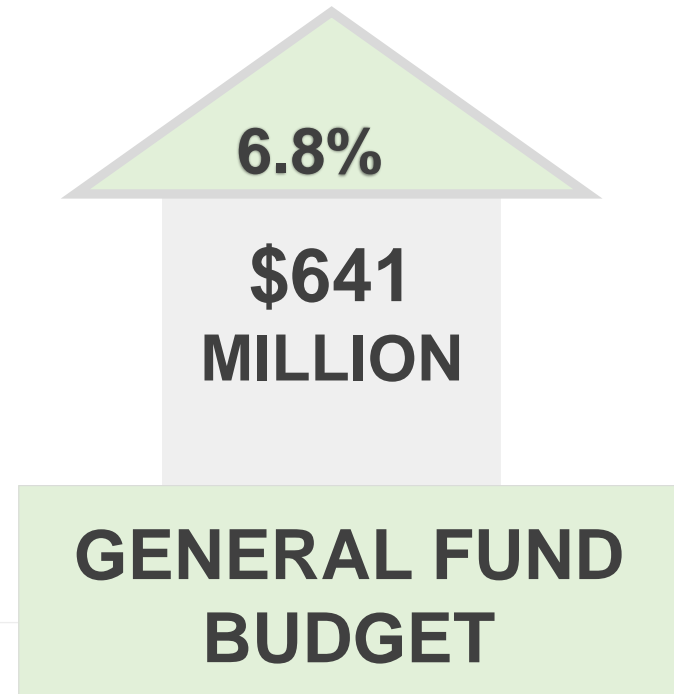
Lower Fund Balance Appropriation Included

- Decrease of **(\$4.7 million)**, total revenue budget of **\$23 million**

FY 2023-24 Expenditure Summary

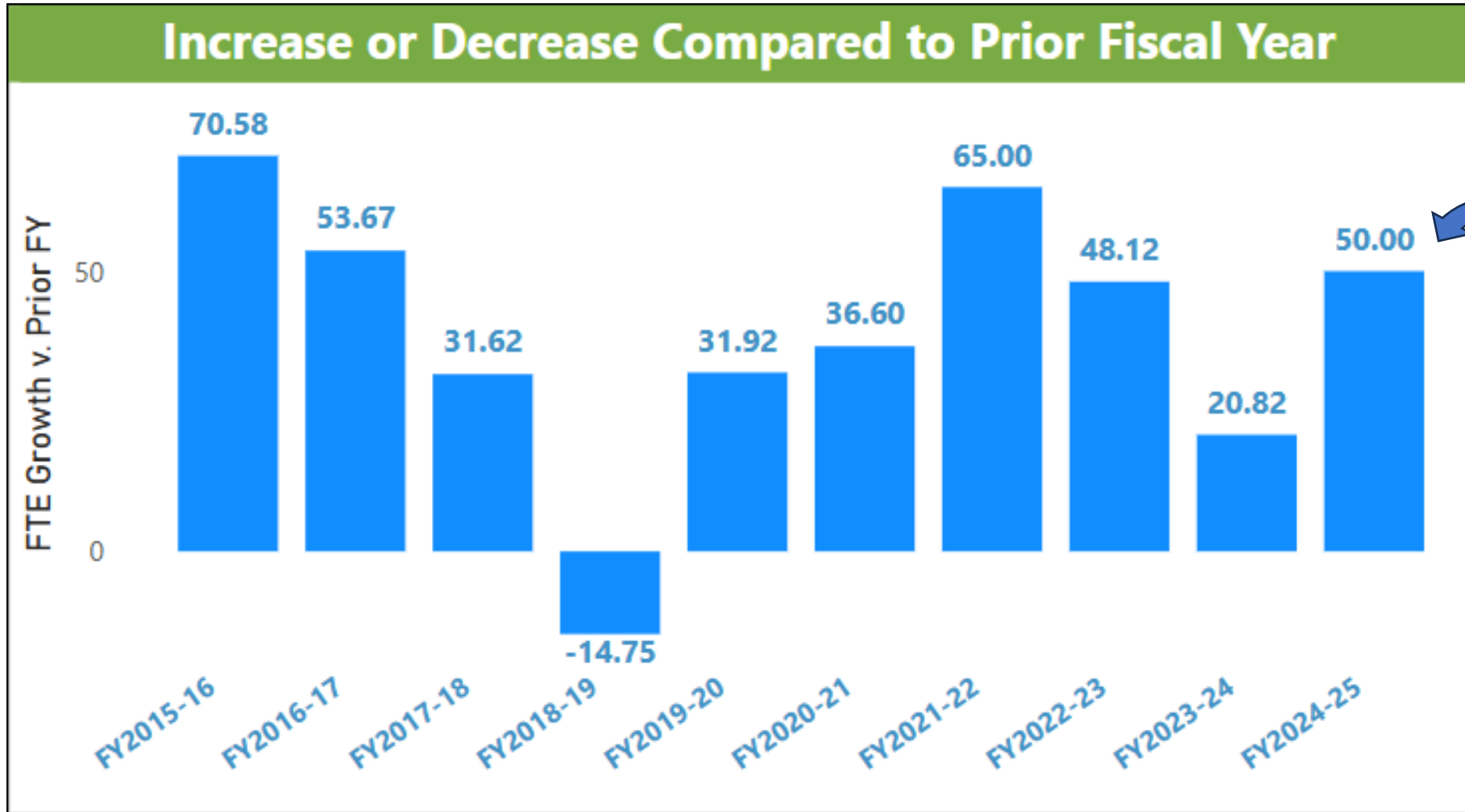


General Fund Expenditure Summary	FY 2022-23 Actuals	FY 2023-24 Original	FY 2023-24 Estimate	FY 2024-25 Requested	FY 2024-25 Recommended	\$ Change Rec. v. Orig.	% Change Rec. v. Orig.
General Government	\$166,491,677	\$170,156,301	\$187,750,357	\$182,767,461	\$180,835,125	\$10,678,824	6.28%
Public Safety	\$74,739,329	\$84,016,143	\$82,945,247	\$91,272,203	\$89,138,365	\$5,122,222	6.10%
Transportation	\$901,734	\$1,679,083	\$1,852,964	\$4,774,432	\$4,657,932	\$2,978,849	177.41%
Environmental Protection	\$5,326,980	\$6,183,333	\$8,480,311	\$6,478,409	\$6,901,858	\$718,525	11.62%
Econom. & Physical Devlp.	\$8,589,171	\$8,459,637	\$8,758,977	\$10,145,937	\$9,644,671	\$1,185,034	14.01%
Human Services	\$97,660,895	\$106,644,638	\$114,317,880	\$116,108,254	\$112,243,104	\$5,598,466	5.25%
Education	\$195,680,759	\$208,253,197	\$213,783,695	\$236,847,020	\$220,959,606	\$12,706,409	6.10%
Cultural & Recreational	\$15,813,342	\$14,671,852	\$16,125,116	\$16,865,836	\$16,595,836	\$1,923,984	13.11%
Total	\$565,203,887	\$600,064,184	\$634,014,549	\$665,259,552	\$640,976,497	\$40,912,313	6.82%



Fund SubCategory	FY 2022-23 Actuals	FY 2023-24 Original	FY 2023-24 Estimated	FY 2024-25 Requested	FY 2024-25 Recommend	\$ Change Rec. v. Orig.	% Change Rec. v. Orig.
General Funds	\$732,500,968	\$757,275,219	\$788,579,434	\$833,429,136	\$809,689,648	\$52,414,429	6.92%
Special Revenue Funds	\$13,262,058	\$15,296,248	\$15,160,962	\$15,334,152	\$15,334,152	\$37,904	0.25%
Debt Service Funds	\$279,452,646	\$97,525,519	\$140,595,254	\$107,749,942	\$108,841,636	\$11,316,117	11.60%
Enterprise Funds	\$15,652,158	\$19,417,636	\$19,561,618	\$20,694,580	\$20,694,580	\$1,276,944	6.58%
Total	\$1,040,867,829	\$889,514,622	\$963,897,268	\$977,207,810	\$954,560,016	\$65,045,394	7.31%

New Position Growth



**10 New FTEs in
FY 2024-25
Budget**

*Other 40 created
during FY 2023-24 w/
35 in DSS*

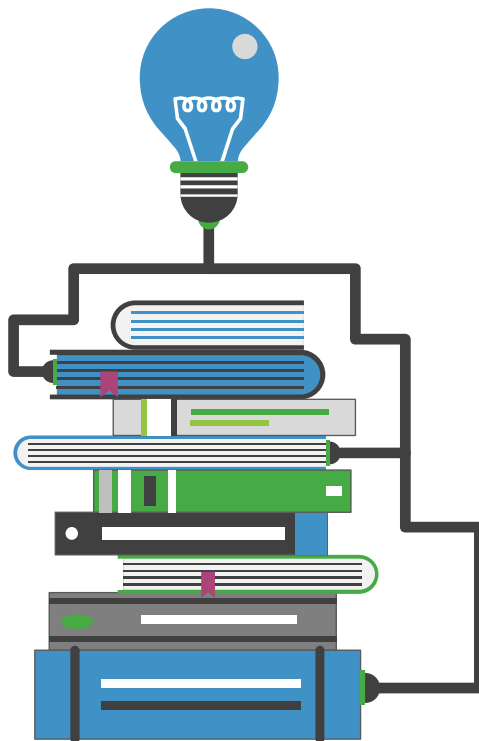
Durham County's population grew by 20% since 2014. Additional staffing supported increased service demands. Some positions are offset by revenues.



Durham Public Schools Funding

Per Pupil Funding
increases \$413
(8.9%) to \$5,063

\$6 million recurring Capital Funding



Other DCo spending to support DPS

SROs \$2.5 million

Public Health \$4.0 million

Non-Profits \$177,050

DPS Debt Service \$51.7 million

Total Pre-K Support \$8.9 million

Total = \$62.3 million

\$13 million current expense increase

Total Funding = \$200,911,433

6.9% increase

Fiscal Year 2022-23 Current Expense Allocation / Per ADM

County	Current Expense / Per ADM Rank	Current Expense / Per ADM \$	Assessed Valuation Per Capita	Assessed Valuation Per Capita Rank
ORANGE	1	\$4,808	\$150,452	19
DARE	2	\$4,375	\$454,809	1
DURHAM	3	\$4,374	\$147,137	22
TRANSYLVANIA	4	\$4,014	\$209,687	8
MECKLENBURG	5	\$3,905	\$179,018	13
WAKE	6	\$3,389	\$173,139	15
BRUNSWICK	7	\$3,336	\$220,784	7
CARTERET	8	\$3,320	\$232,749	5
BUNCOMBE	9	\$3,277	\$178,375	14
GUILFORD	10	\$3,047	\$127,450	31
WARREN	11	\$2,988	\$128,529	30
BEAUFORT	12	\$2,988	\$139,721	24
FORSYTH	13	\$2,693	\$114,108	38
UNION	14	\$2,568	\$154,354	16
POLK	15	\$2,487	\$185,317	11
HENDERSON	16	\$2,453	\$149,578	21
WILSON	17	\$2,292	\$100,561	45
JOHNSTON	18	\$2,224	\$103,018	42
JACKSON	19	\$2,195	\$276,153	4
CHEROKEE	20	\$2,191	\$137,155	28

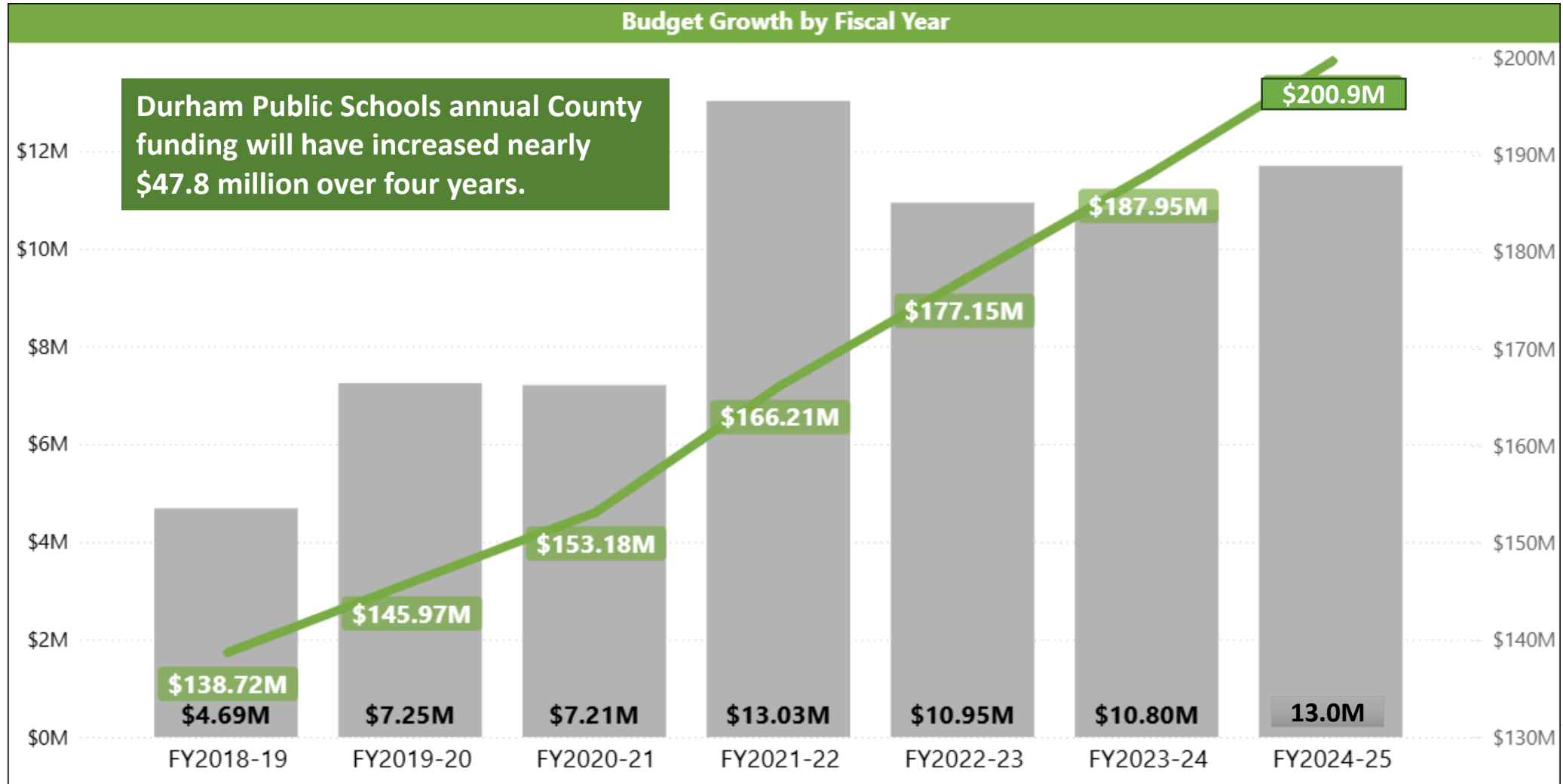
- For decades Durham County has funded Durham Public Schools among the highest in the state for current expense allocations.
- The table reflects the current expense allocations per student and the current assessed valuations per County capita for Fiscal Year 2022-23.
- Durham County's current expense funding per student was ranked No. 3 in FY 2022-23.
- Durham County's property valuation per capita is 22nd in the state, and 9th out of the top ten local per pupil funding counties

Sources:

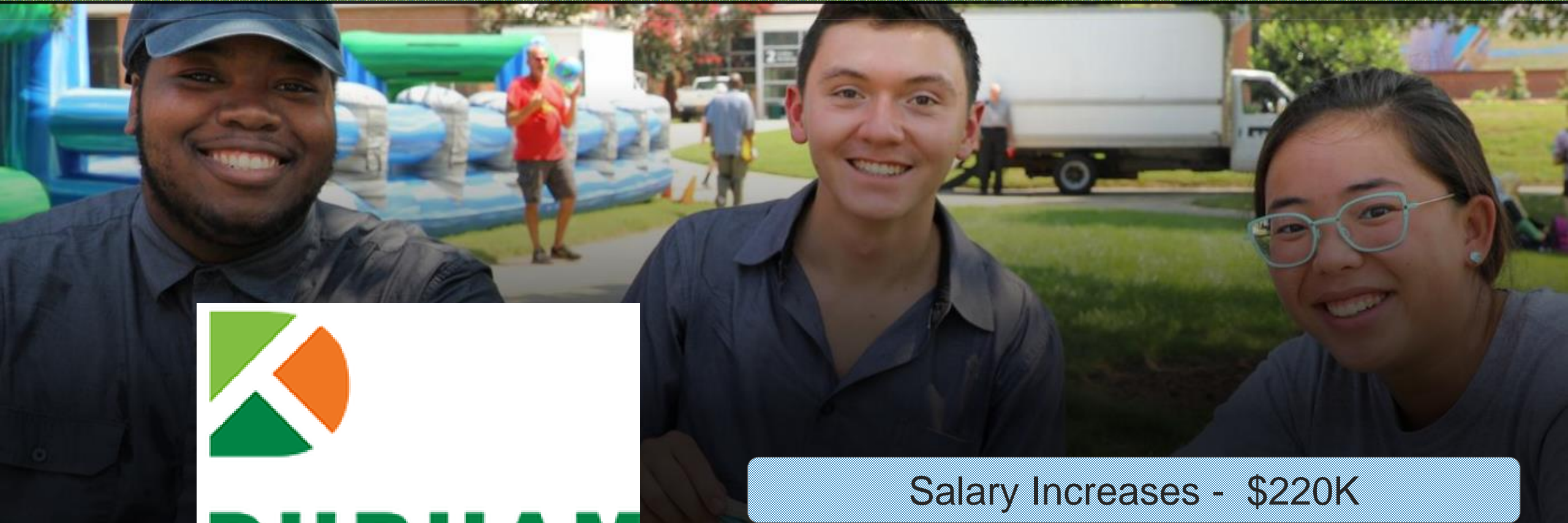
NC Association of County Commissioners Annual Tax and Budget Survey
<https://www.ncacc.org/research-and-publications/research/county-budget-and-tax/>

NC Department of Public Instruction
<https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/student-accounting-data#ADM>

Durham Public Schools Allocations Historical Trends



Durham Technical Community College



Salary Increases - \$220K

Total Funding = \$11,927,294

1.88% increase

\$2,350,207 for student scholarship support

Durham Technical Community College

Work Pipeline Funding = \$500,000

Enjoy great career opportunities in Durham and improve the health of people around the world! Local employers include:



LOCAL TRAINING RESOURCES:

HIGH SCHOOL:



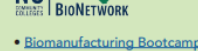
- Exploring Biotechnology
- Biomedical Technology
- Biomedical Science
- Skilled Trades



CERTIFICATES & CONTINUING EDUCATION:



- BioWork
- BioPharma Laboratory Assistant
- Advanced Manufacturing



- Biomanufacturing Bootcamp
- Aseptic Processing
- ...and more

ASSOCIATE'S DEGREE PROGRAMS:



- College transfer program
- Industrial Systems Technology-Advanced Manufacturing
- Electrical Systems Technology
- Electronics Engineering Technology



BACHELOR'S/MASTER'S DEGREE PROGRAMS:

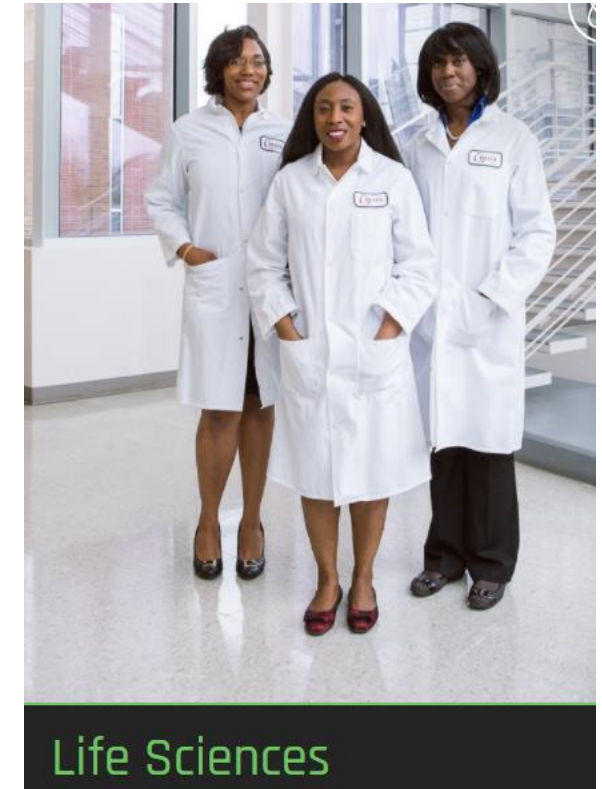


- Biomanufacturing Research Institute and Technology Enterprise (BRITE)
- Biomanufacturing Training & Education Center (BTEC)



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Life Sciences

Durham Pre-K Support

ABOUT Durham PreK

Durham County contracts with Child Care Services Association (CCSA) to manage the expansion of Durham PreK in collaboration with Durham's Partnership for Children (DPfC) and many other community partners.

Number of Spaces (Seats) =
Approximately 670

Fiscal Year	Pre-K Expansion \$	Total Annual Pre-k Budget
FY 2017-18	\$1,500,000	\$1,500,000
FY 2018-19	\$2,150,000	\$3,650,000
FY 2019-20	\$1,600,000	\$5,250,000
FY 2020-21	\$164,915	\$5,414,915
FY 2021-22	\$713,602	\$6,128,517
FY 2022-23	\$951,200	\$7,079,717
FY 2023-24	\$847,364	\$7,927,081
FY 2024-25	\$965,448	\$8,892,529

Community Prosperity



Cooperative Extension (2 FTE)



Food security is when
people have reliable access
to sufficient, affordable, nutritious
food to support a healthy life.

Community Safety

27 Replacement Vehicles

Increased Operating Funds - \$845K

Sheriff's Office

Emergency Services

10 Replacement Vehicles, inc. 5 ambulances

Cost of one ambulance = \$488K

Community Safety



Youth Home

Community Well-being



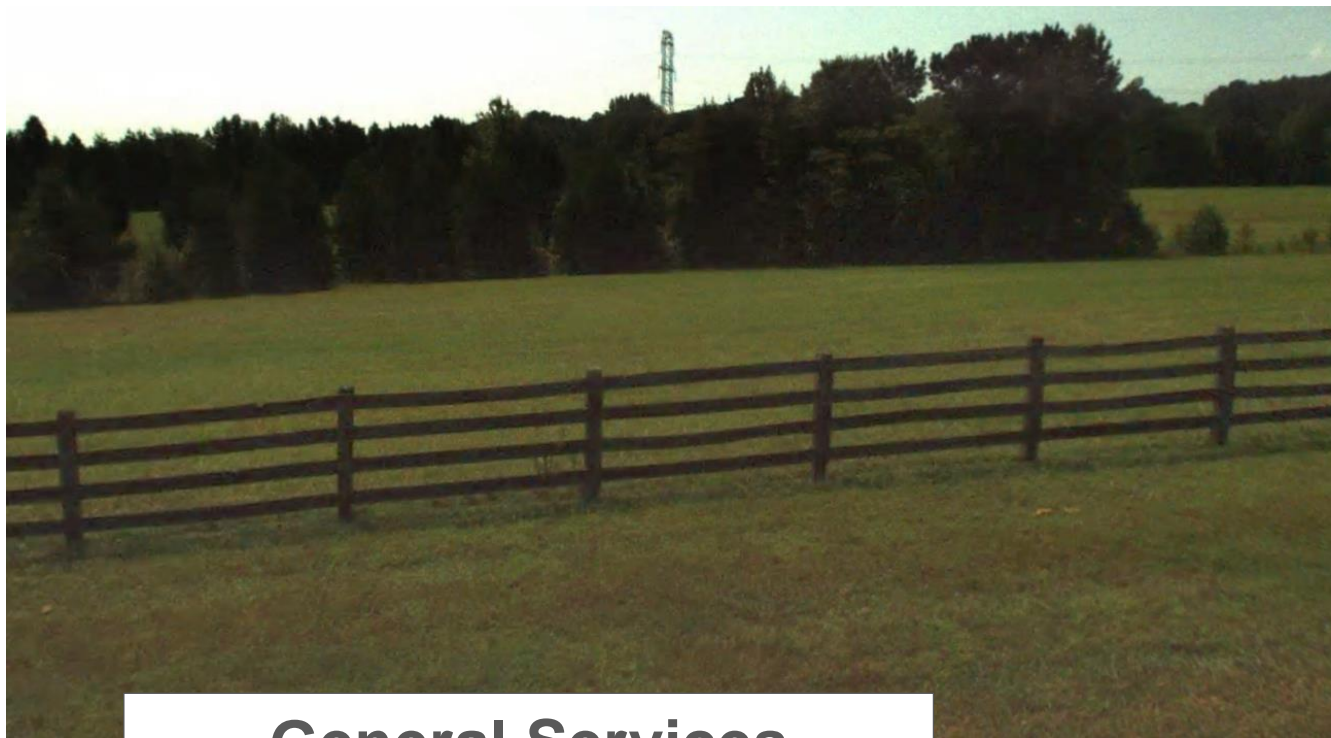
Eviction Diversion Program
County - \$780,000
City - \$650,000

Social Services

Community Stewardship

Engineering

Orange Factory Road Farm - \$500,000



General Services

Security - \$600,000



Soil & Water

Education and Stream Improvement



Community Stewardship

Stormwater & Erosion Control Fund

\$64 to \$80 per ERU

Sewer Utility Fund

Fee Increase – 13%



External Affairs

Durham County Maintains the Distinction of Best Places for Businesses

28,200

Manufacturing Jobs

#5 Top Life Science Cluster in the U.S 2020

#7 Top 10 Cities for Tech Jobs

TOP 5:

Venture Capital Investment Per Capita—Martin Prosperity Institute

TOP 10:

City for Women in the Workforce—Nerd Wallet

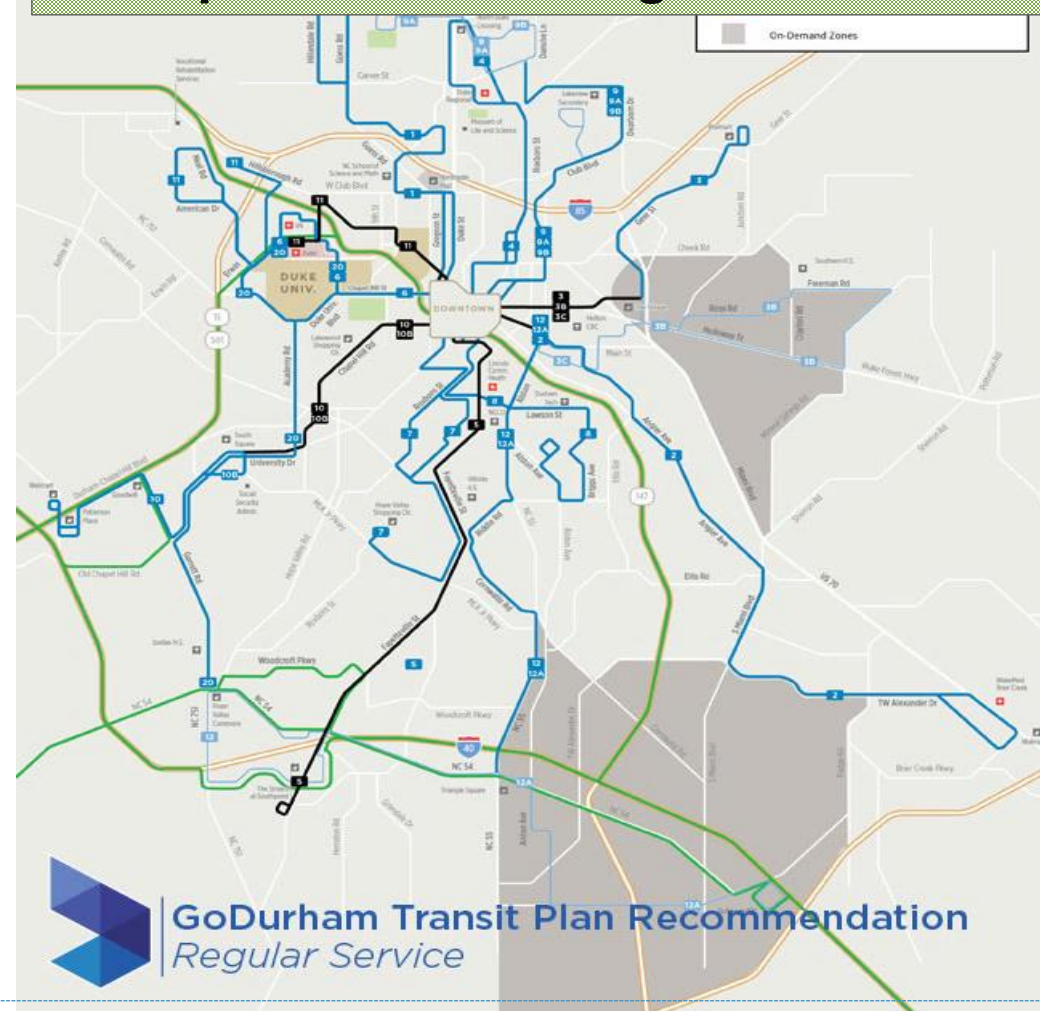
TOP 10:

City for Black Entrepreneurs—Nerd Wallet



Economic Incentives - \$2.65 Million

Transportation Planning - \$2.67 Million



Benefits Plan



**General Fund Insurance Cost
Increase - \$3.1 Million**

Tiered Plans





FY 2024-25 Budget Timeline

- ★ May 23
Budget Work Sessions
- ★ May 28
Public Hearing for FY 2024-25 Budget
- ★ May 30, June 3 and 4 (if needed)
Budget Work Sessions
- ★ June 10
FY 2024-25 Budget Approval

BUDGET WORKSESSIONS

MAY 2024

23 **WORKSESSION 9-4:30PM**
Board of County Commissioners

28 **PUBLIC HEARING 7PM**
Board of County Commissioners

30 **WORKSESSION 9-4:30PM**
Board of County Commissioners

JUNE 2024

3 **WORKSESSION 1:30PM-5PM**
Board of County Commissioners

10 **BUDGET ADOPTION 7PM**
Board of County Commissioners

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

View Public Hearing/worksessions: <https://bit.ly/3nO4B9b>

Budget Document Locations

- ★ Durham County Website:
www.dconc.gov
- ★ Interactive Reports of FY 2024-25
Recommended Budget:
www.dconc.gov [Budget Department Page](#)

