



FY 13-14 BUDGET PRESENTATION

May 28, 2013

Live, Grow, Thrive.

Vision: *“A thriving, vibrant, diverse community with abundant opportunity for all residents to live, work, learn, play, and grow.”*



Accolades

- *“Tastiest Town in the South”* – Southern Living
- *#1 Public High School in North Carolina (Durham School of the Arts)* – U.S. News and World Report
- *5th Most Attended Theater in the U.S. (DPAC)* – Pollstar
- *#1 U.S. Metropolitan Area in “Creative Class”* – The Rise of the Creative Class Revisited



Accolades

- *12th Strongest Economy in America* – American City Business Journal
- *#1 in Large Counties Best Positioned for Growth* – Fourth Economy Community Index
- *6th in America's Top 10 Cities for Small Business* – The Washington Post



A Great Community



Sources: Scientific Properties and DCVB

Dedicated Staff



Challenges

- Slow economy producing insufficient revenue, as service demand rises
- DPS funding needs increase as state continues cuts
- Debt service management
- Maintaining strong fiscal position



Budget Summary

All 18 Funds	\$525,783,524
General Fund	\$359,677,234
General Fund Change (since FY13)	3.23%
Full-Time Equivalents	2.58 net increase
Non-profit Funding	\$798,976
Non-profits Funded	46 (11 are new)



Welton's Departments

- **General Government:** Tax, Register of Deeds, Elections, General Services, Library
- **Health & Human Services:** Public Health, Social Services, Mental Health, Veterans Services, Cooperative Extension
- **Economic Development**



Staff Recognition

Gayle Harris,
Public Health

- Duke University School of Nursing's "2012 Distinguished Alumna Award"

Kim Simpson,
Tax

- North Carolina Tax Collectors Association's "2012 Tax Collector of the Year"

Delphine
Sellars,
Cooperative
Extension

- "Distinguished Community Extension Development Service Award"

Alliance
Behavioral
Healthcare

- North Carolina Council for Community "Program of Excellence" awards



Social Services

- Mission:
 - *“To partner with families and communities in achieving well-being through prosperity, permanence, safety, and support”*
- Since 2008...
 - Service-related phone calls up.....**70%**
 - Food Stamps recipients up.....**104%**
 - Medicaid enrollment up.....**54%**



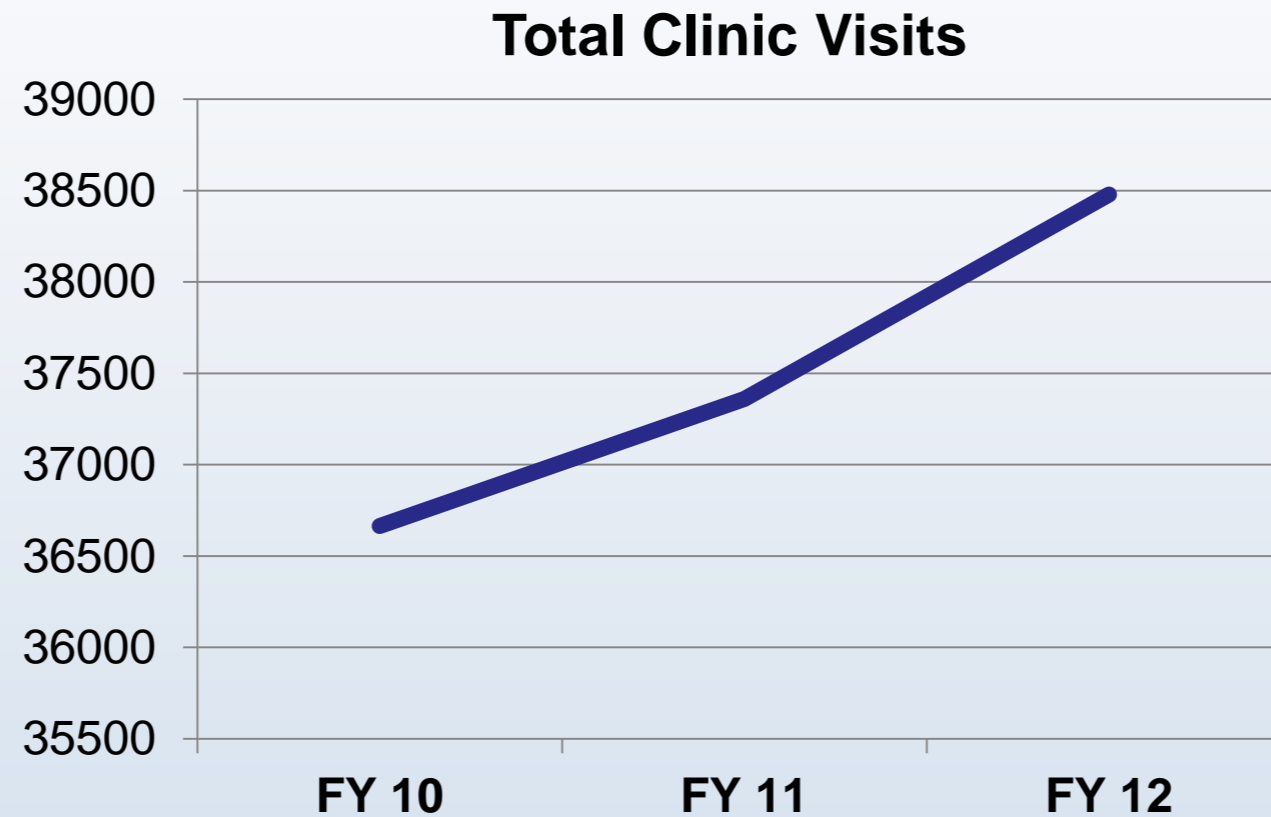
Social Services

- Increased demand for services and for NC FAST (a state-mandated computer system)
- Affordable Care Act
 - Should result in 6,000 more people (mostly children) eligible for Medicaid
- Recommendation: 13 positions to meet demand
 - At least 50% of salaries offset by outside dollars; six positions using lapsed salaries



Public Health

- Visits increasing, patients see long lines
- Proposal to make Physician Extender full-time



Public Health

- About 30% of patients speak Spanish
- Recommendation: Increase Spanish interpreter to full-time
- Will improve access to Public Health services for Spanish speakers



Public Health

Food Code Changes

- Updates to state law
- Require staff to spend about 50% more time on-site for inspections
- Recommendation: New Environmental Health Specialist position



Public Health

Smoking Rule

- Recommendation: New Public Health Educator position
- Funded by Home Health Agency sale proceeds



Solid Waste

Convenience Sites and Roadside Recycling Services

- Durham County residents pay.....**\$105**
- Cost to provide services.....**\$122**
- FY12-13 General Fund subsidy.....**\$17**



Solid Waste

Convenience Sites and Roadside Recycling Services

- Recommendations:
 - Eliminate \$17 subsidy
 - Begin analysis to make Solid Waste an enterprise fund



Animal Tax

- Levied on dogs and cats
- Challenges of the tax:
 - Low rate of collection
 - High cost of collection
 - Inaccurate billing database
- Recommendation:
 - Animal Tax repeal to go before the Board at June 3 worksession



Source: Animal Protection Society

Economic Development

Greater Durham Chamber of Commerce

- An instrumental partner in our economic development efforts
- Chamber-assisted impact in 2012:
 - \$330 million in investment
 - 955 new jobs
- Recommendation: Increase County contract with Chamber by \$55,000, from \$140,000 to \$195,000



Worsley's Departments

- **Planning & Development:** Soil & Water Conservation; Forest Protection; Planning; Engineering & Environmental Services; Inspections; GIS
- **Public Safety:** Fire Marshal/Emergency Management; EMS; Youth Home; Sheriff's Office; Emergency Communications (911); Criminal Justice Resource Center
- **IT & SAP Enterprise Resource Planning**



EMS

Accolades

- Recognized at three industry meetings this year
- STEMI Activation HOTLINE is a model for other states
- Participated in 12 Lead Electro Cardiogram Studies and transmission of Electro Cardiograms to area hospitals
- Durham Model adopted by American Heart Association
- Recognized for excellent service by Durham residents



EMS

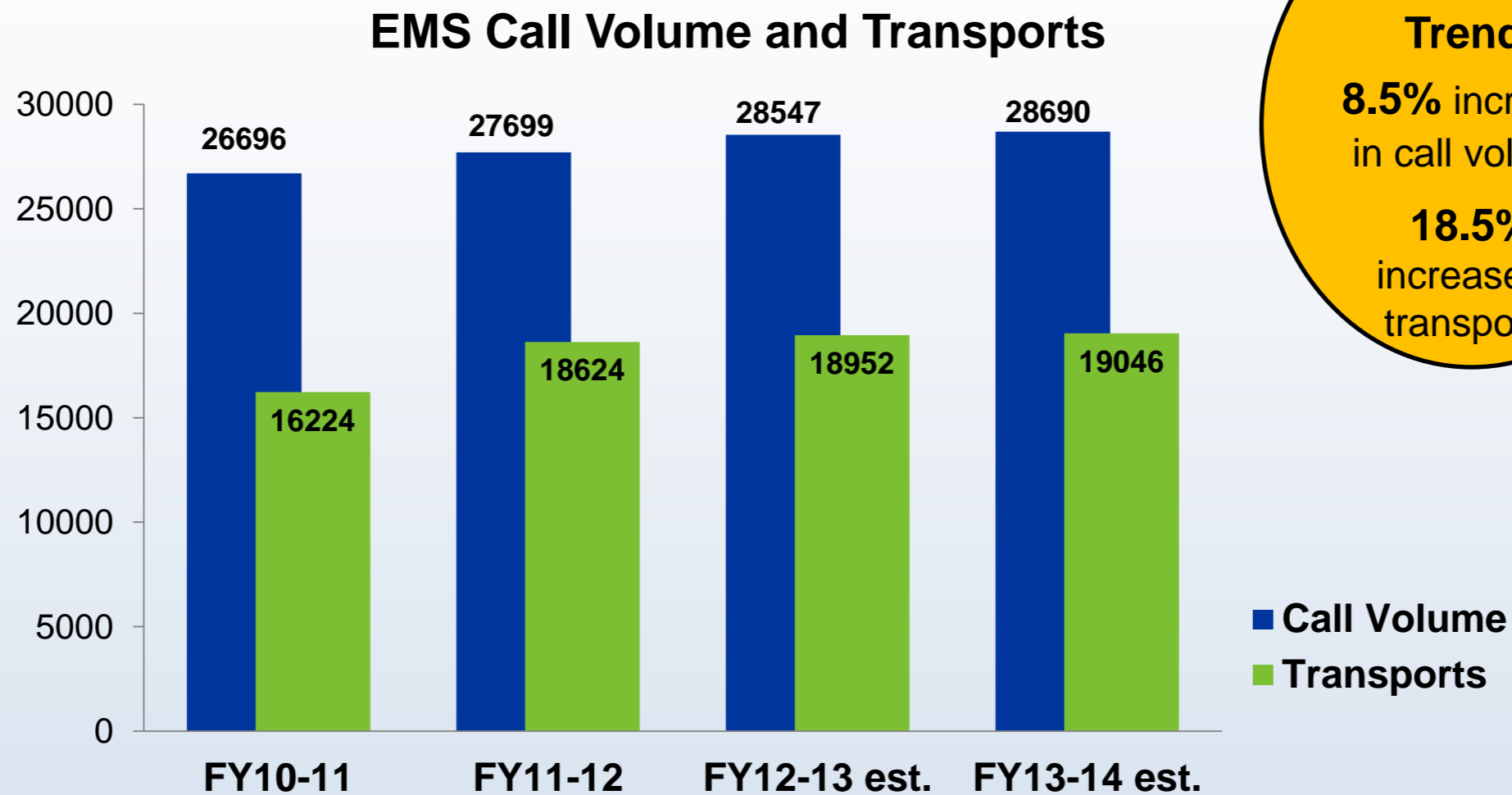
EMS Director Mike Smith

- 38 years of service
- Retiring June 28, 2013



EMS

- High performing, but increasingly busy



Four-Year Trend:
8.5% increase in call volume
18.5% increase in transports



EMS

Recommended Budget

- Proposed \$1 fee increase from \$9 to \$10 to maintain service levels and keep property tax from funding EMS

Durham County EMS: Proposed Fee Increase

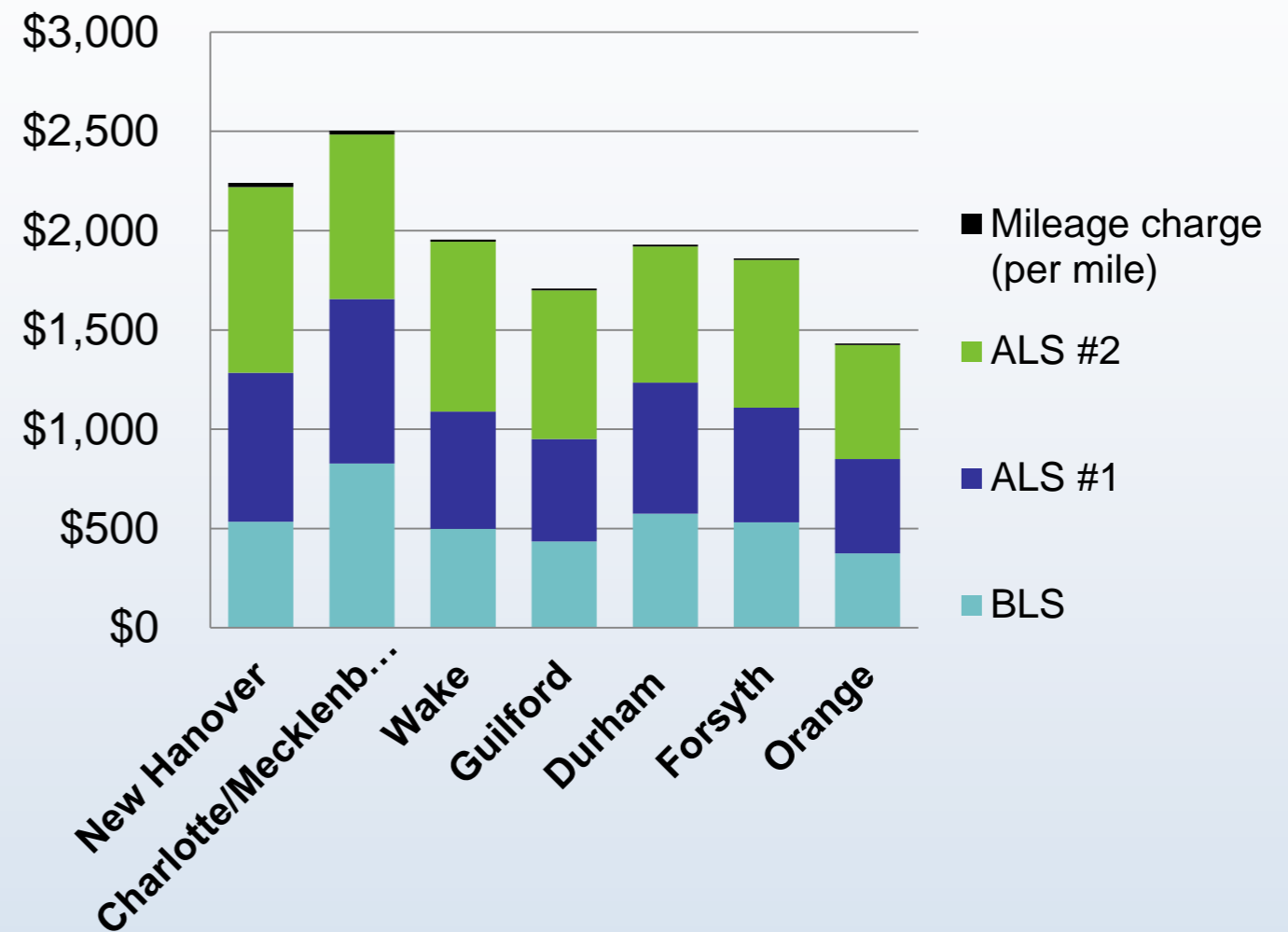
	Basic Life Support w/ Mileage	Advanced LifeSupport #1 w/ Mileage	Advanced LifeSupport #2 w/ Mileage
Current	\$525.00	\$610.00	\$635.00
Proposed	\$575.00	\$660.00	\$685.00



EMS

- Fee increase helps EMS continue to be a self-sustaining, high quality service while remaining comparable to other counties

EMS Rate Comparison



Sheriff's Office

Transition of Animal Services to Sheriff's Office

- Average response time: 43 minutes
- Increased on-duty hours for Animal Services Officers
- Impact of sworn deputies serving as Animal Services Officers



Sheriff's Office



- Strategic use of social media
- DCo brand launch
- Recommendation: Funding for in-car cameras



Fire Service

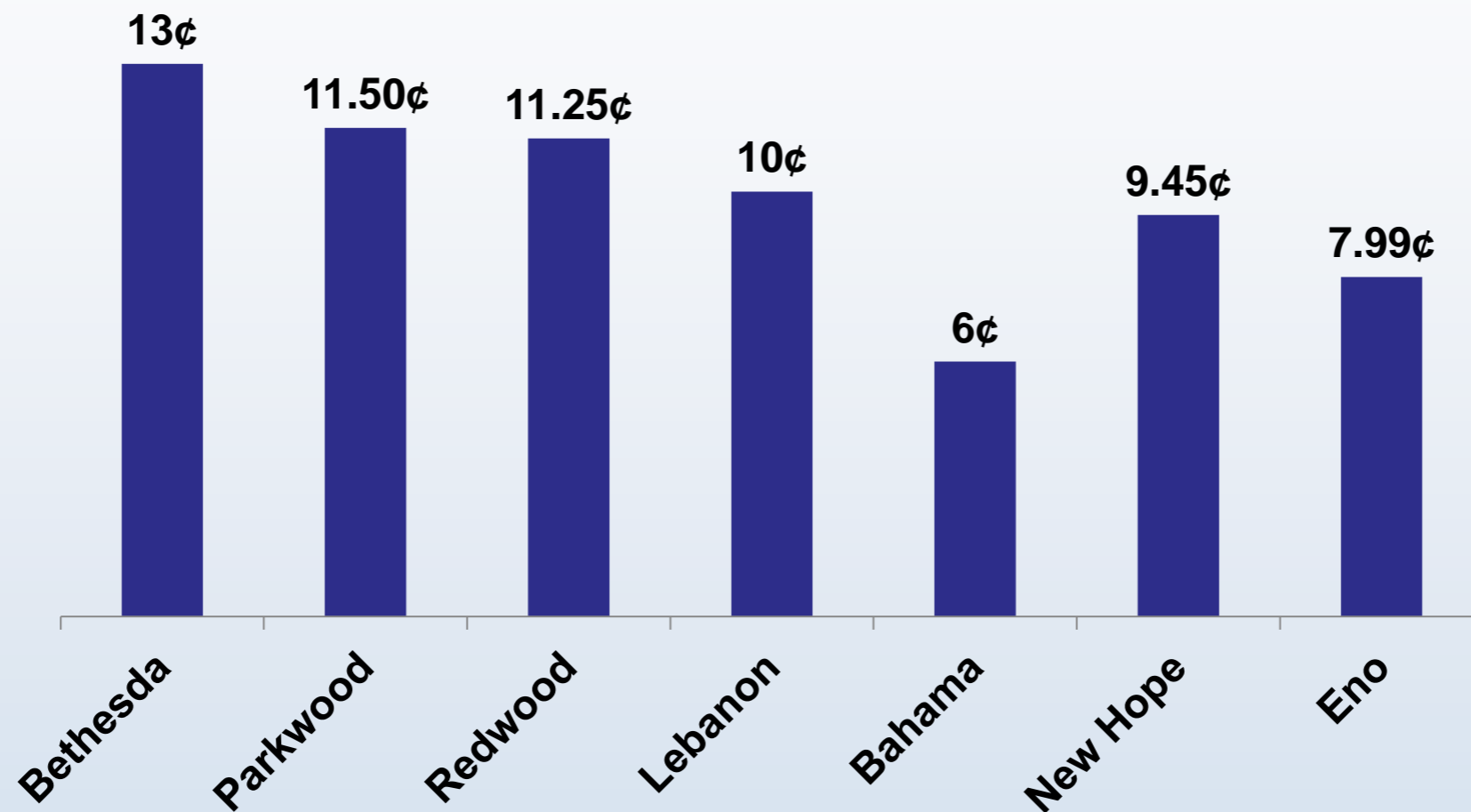
Overview

- 7 non-profit contracted fire departments
- Fire study of districts and services approved in April 2012
- Recommendations prepared for November 2013 worksession



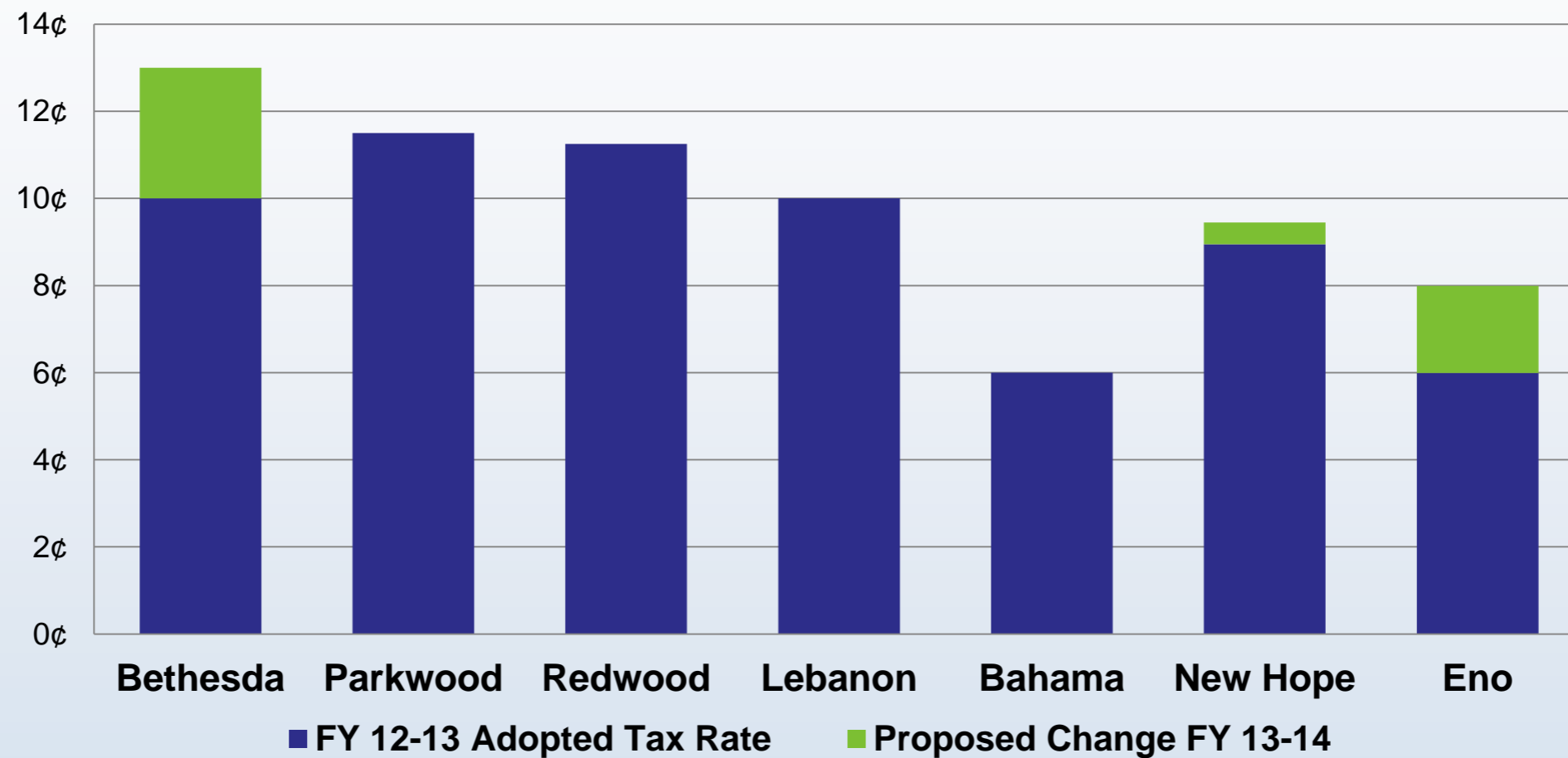
Fire Service

FY13-14 Recommended Tax Rates



Fire Service

Comparison of Fire Tax Rates



Fire Service

Bethesda Fire Department

- Asked Durham County to assume operations in July 2013
- Tax increase needed to maintain current service levels
- Public hearing scheduled for June 10, 2013



Triangle Wastewater

- Serves RTP and surrounding areas
- Total of 10,700 customers
- No property tax dollars used for operations or capital needs



Triangle Wastewater

- Recommendation: 1.8% increase in sewer rates
- Sewer bill for family of 4 remains lowest in the area

Provider	Service Charge	Sewer Use	Total Sewer Bill
Durham County	\$ 3.93	\$ 25.86	\$ 29.80
City of Durham (inside city)	\$ 7.02	\$ 25.06	\$ 32.08
City of Raleigh (inside city)	\$ 6.56	\$ 25.53	\$ 32.09
OWASA	\$ 12.00	\$ 32.40	\$ 44.40
Town of Cary (inside town)	\$ 3.07	\$ 46.19	\$ 49.25
City of Durham (outside city)	\$ 14.04	\$ 50.12	\$ 64.16
City of Raleigh (outside city)	\$ 13.12	\$ 51.06	\$ 64.18
Town of Cary (outside town)	\$ 9.21	\$ 138.57	\$ 147.78



Technology

- SAP and IT have merged
- New Initiatives:
 - Open data to engage public
 - Collaboration between public and private sectors
 - Improving capacity for computer applications
 - Recommendation: Additional Database Administrator to manage workload



Economy in Rebound

- Investment keeps coming as leaders continue to promote job creation



Economy in Rebound

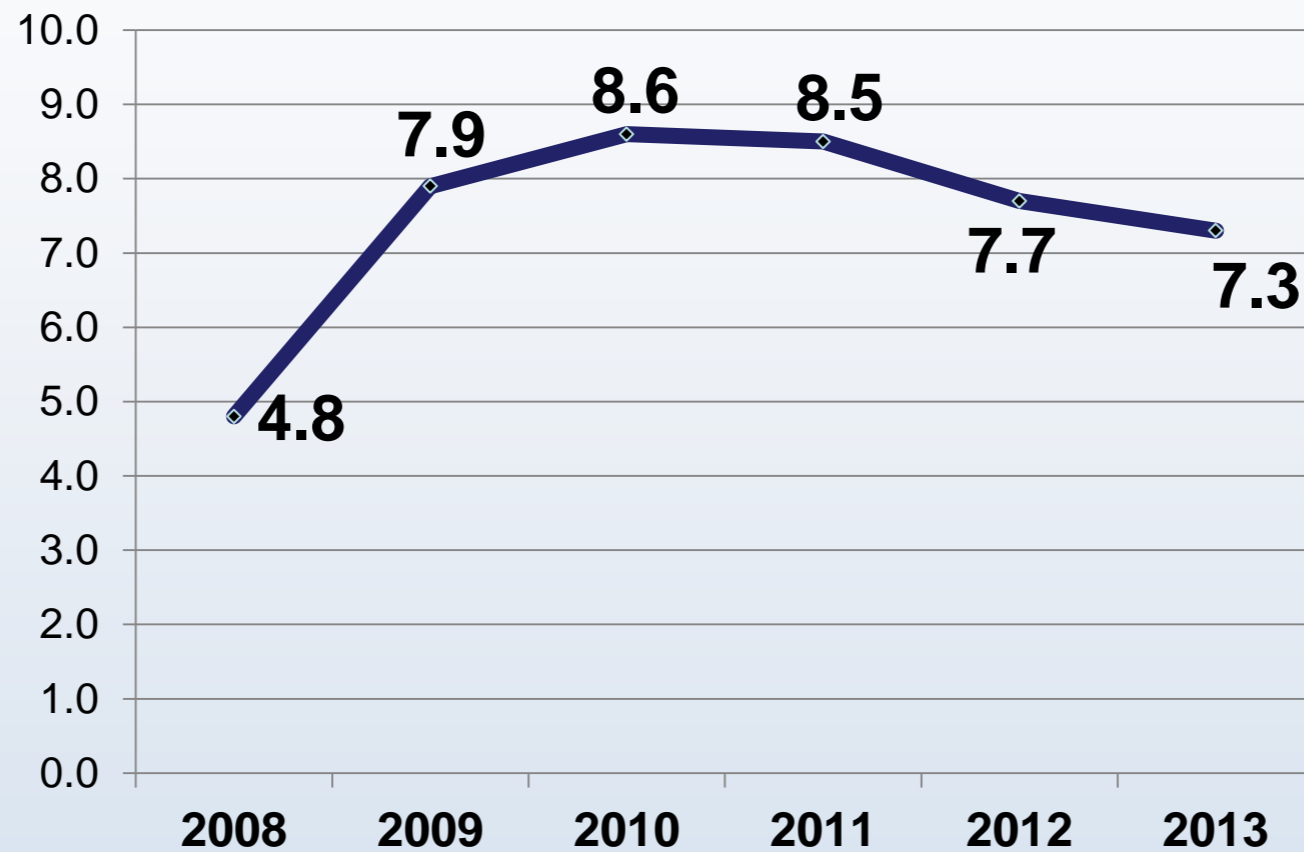
- \$318 million in new investment
- 2,100 new jobs



Sources: Advanced Aerial
Photography and Durham Convention
& Visitors Bureau

Unemployment Rate

- The picture is improving

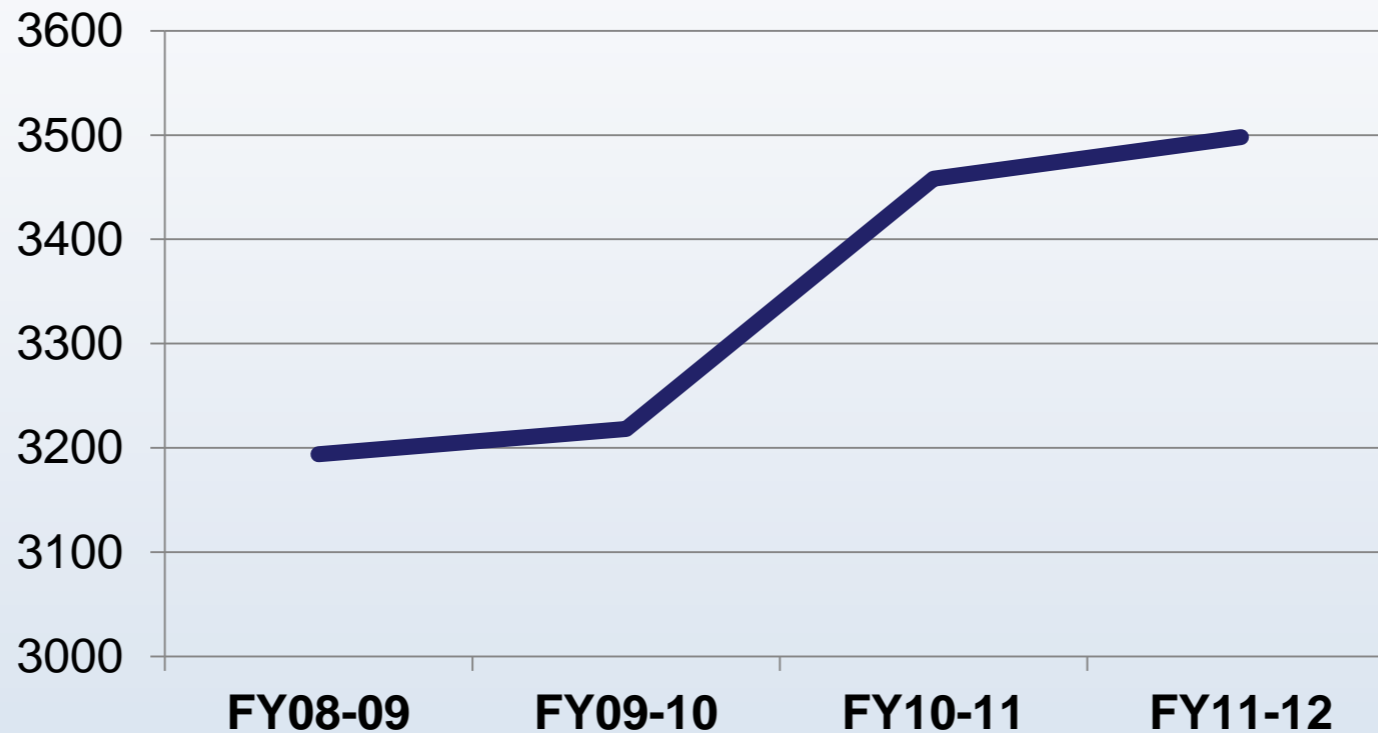


2013 rate covers only January through March



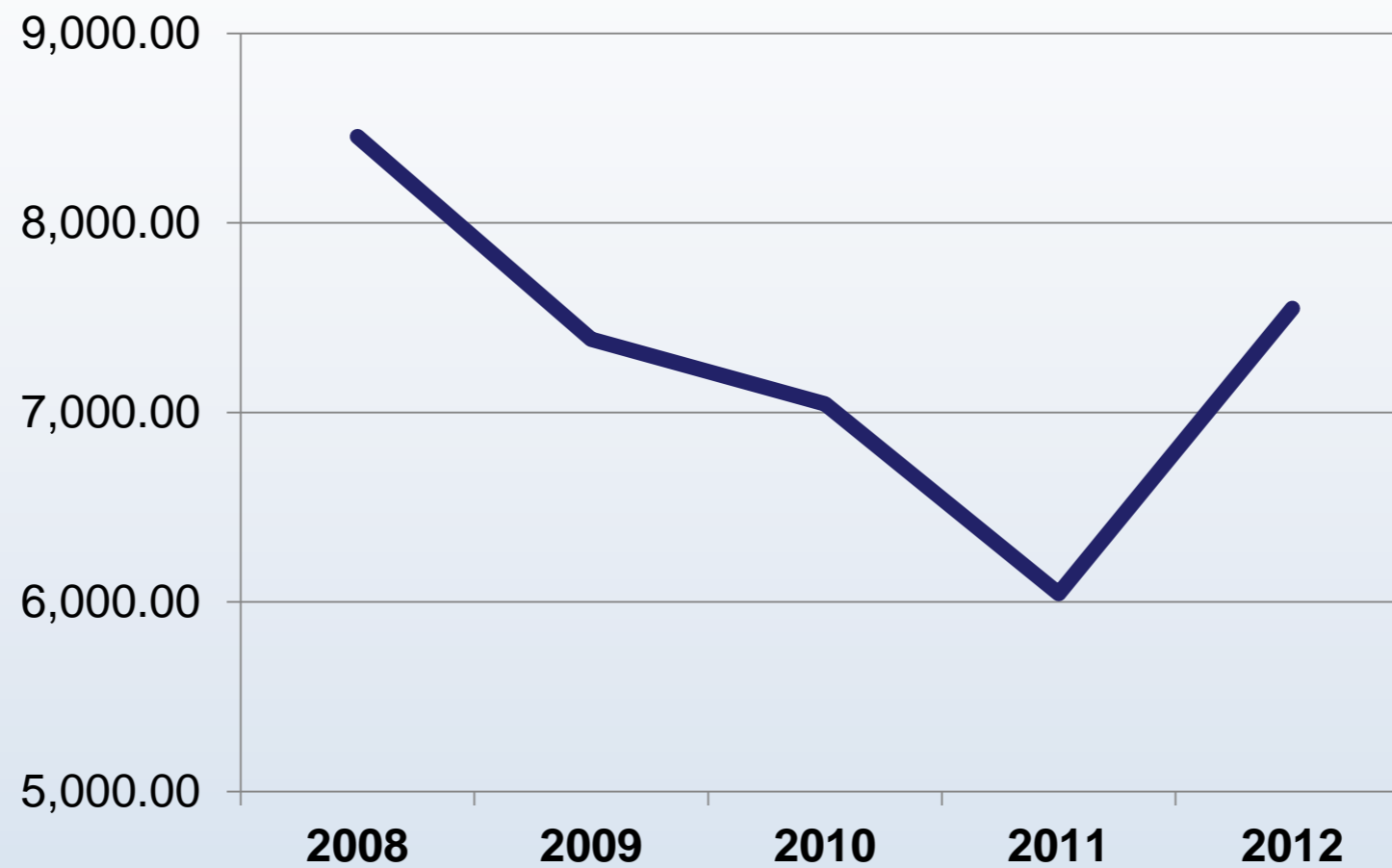
Building Permits

- Number of building permits is growing across the City and County.



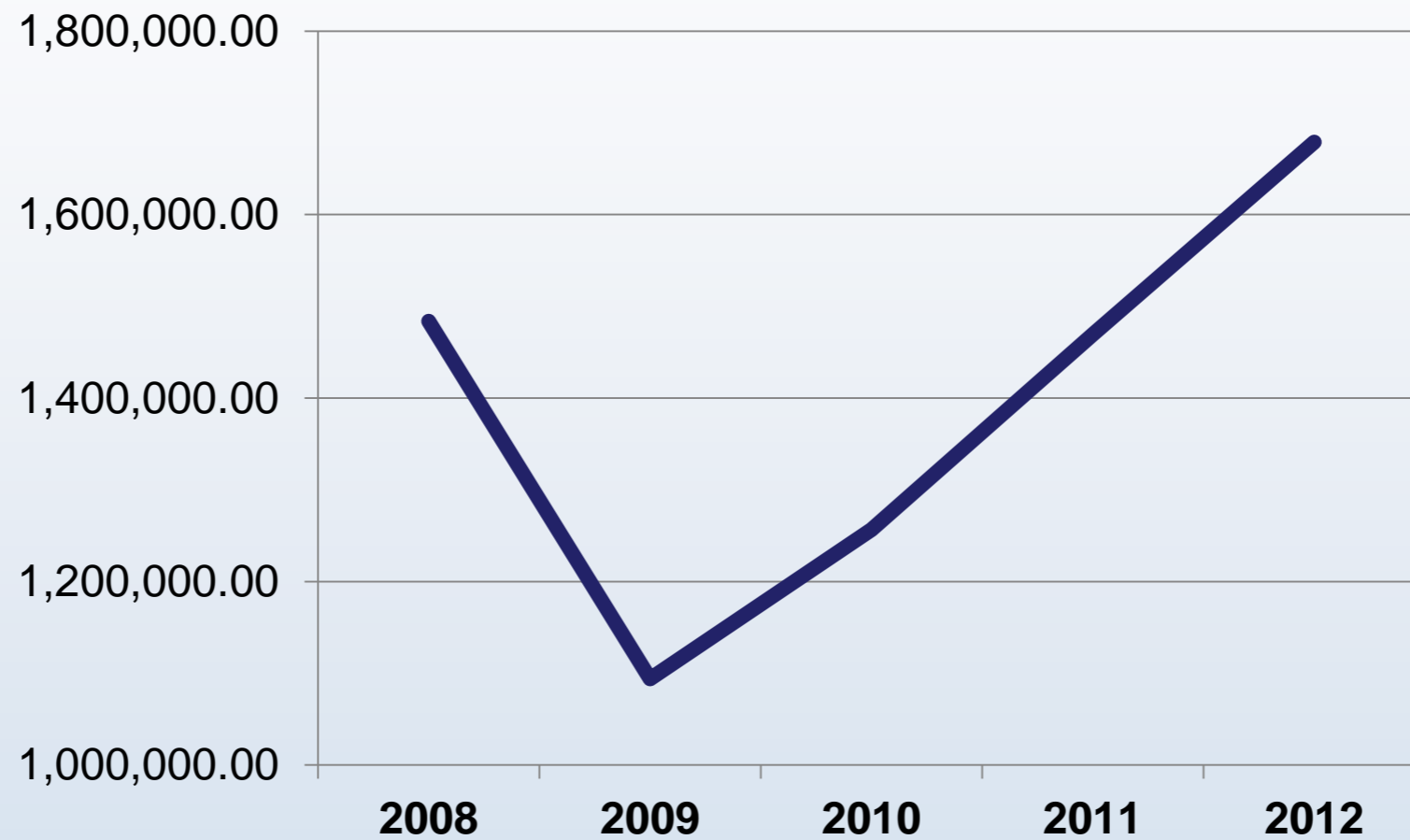
Deeds Recorded

- Real estate market is improving



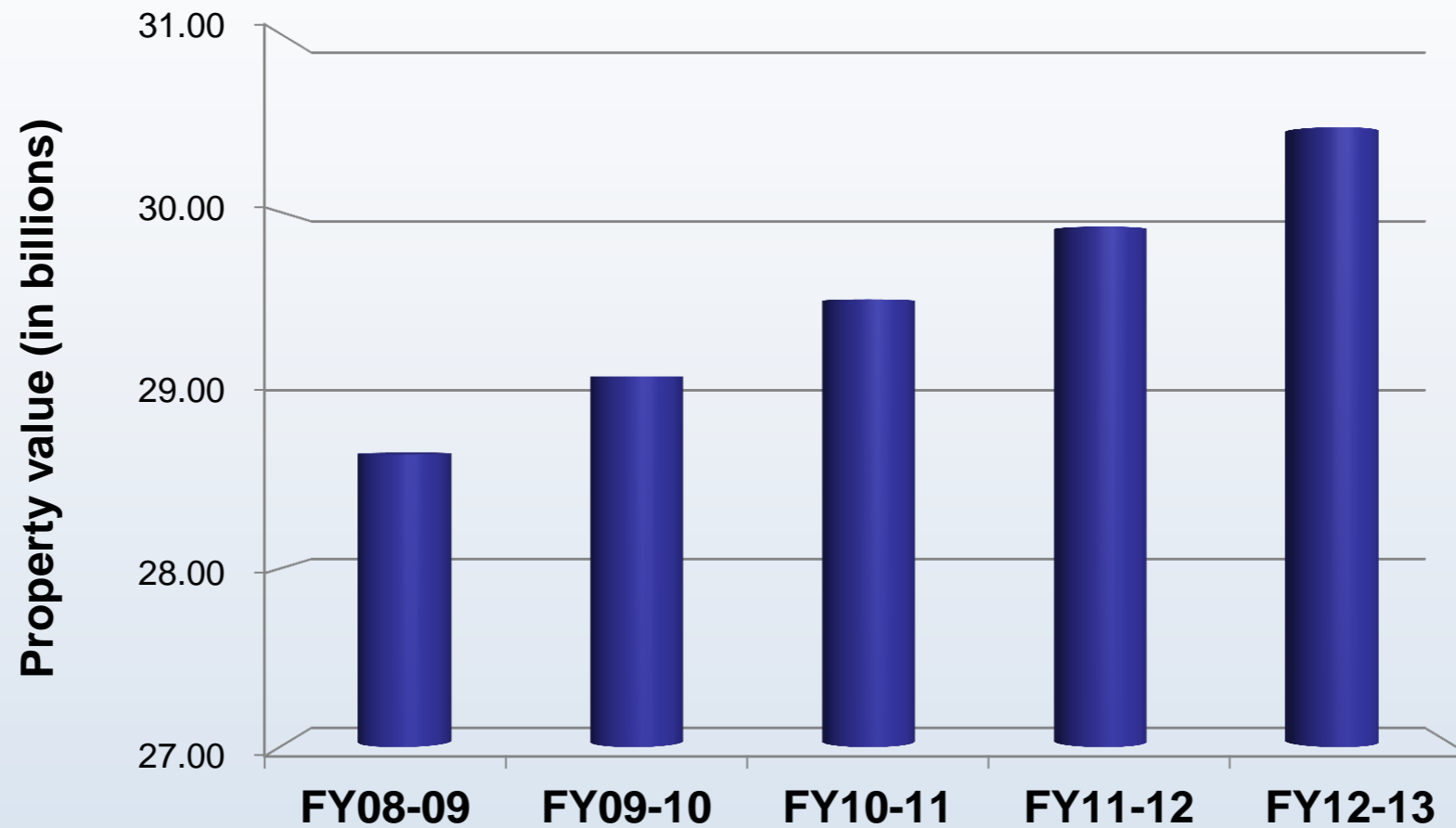
More Excise Tax Funds

- Revenue growth for property transfers



Property Tax Base

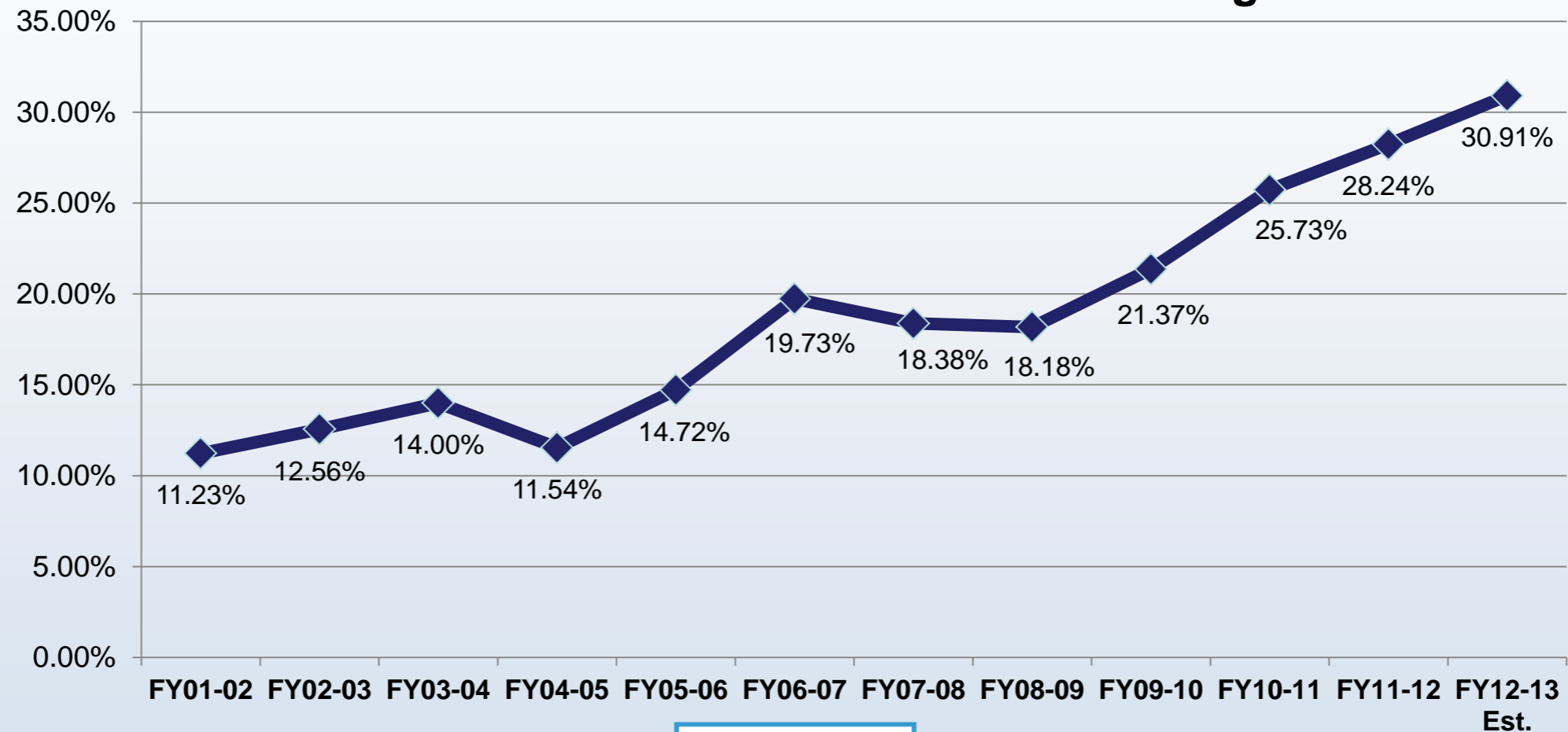
- Tax base is increasing steadily



Fund Balance

- Projected to be 30.91% at end of FY12-13

General Funds Fund Balance Percentage



Financial Health

- Higher fund balance has helped maintain Triple-A bond rating
- Our fiscal strength will continue, even if \$9.9 million IBM refund required
- But, must continue strong management
 - Risk losing Triple-A rating if debt not addressed

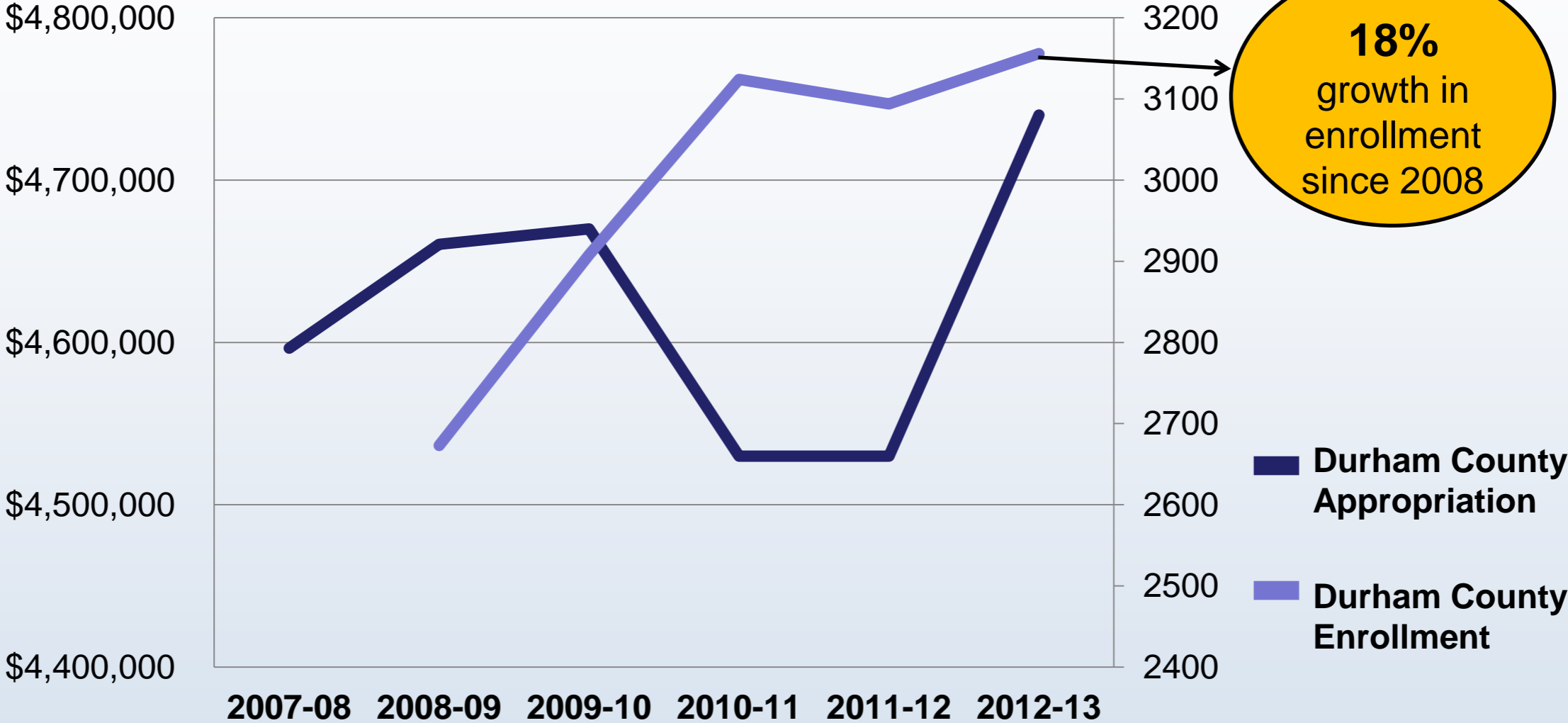


Tax Proposal for Debt

- Recommendation: 3-cent increase
- Still, tax rate remains relatively low
 - FY00-01: 5th highest rate
 - Today: 24th highest rate
- For home valued at \$150,000:
 - \$45 increase per year
- Durham County offers deeper services to address greater needs



Durham Tech: County Appropriations and Enrollment



Durham Tech

- Big part of comprehensive economic development strategy
- New ¼- cent sales tax has meant \$881,000 for local education assistance



Durham Tech

- “Durham ConnectFunds” make a difference
 - Increase educational attainment
 - Raise standard of living
 - Compete for 21st century jobs



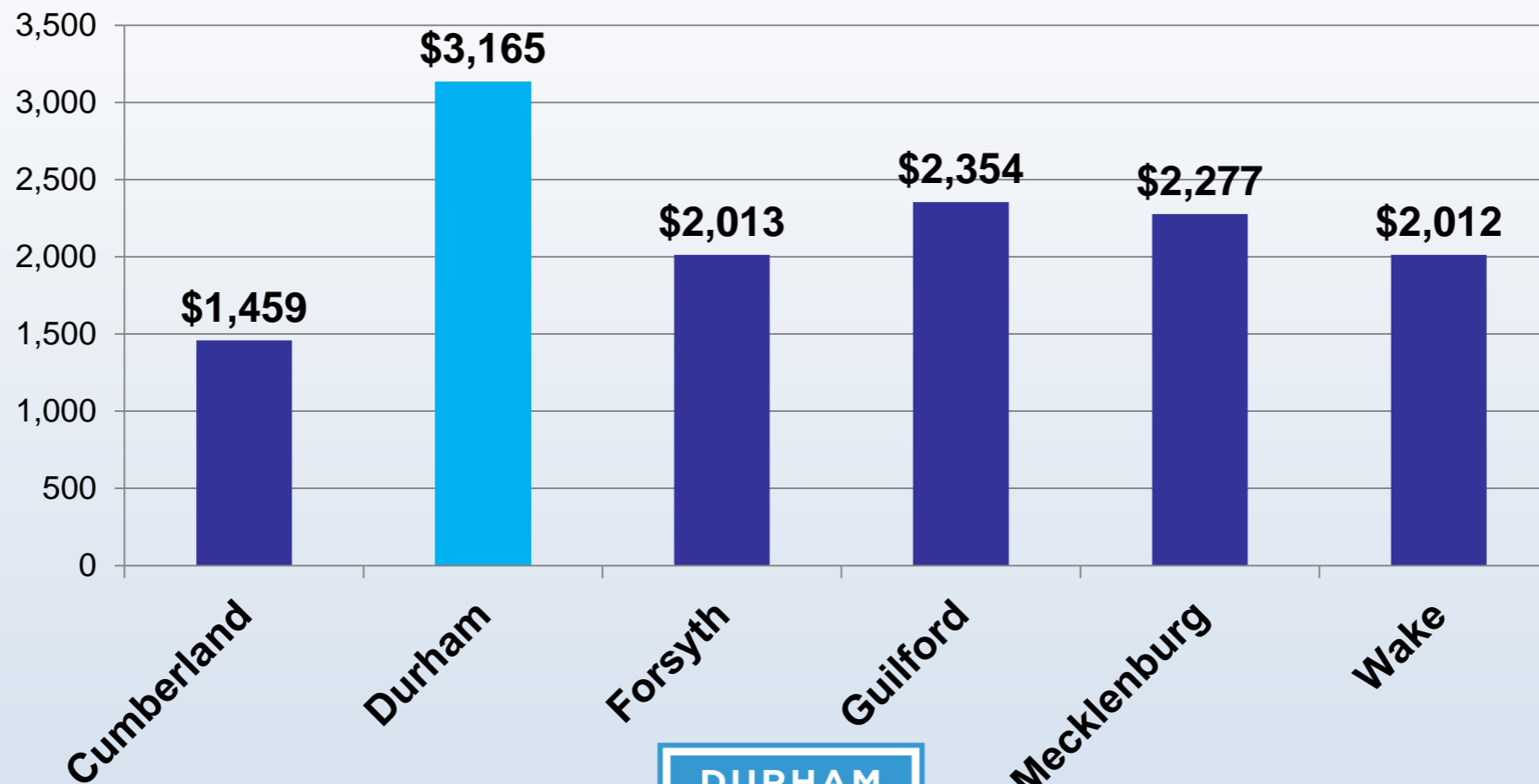
Durham Public Schools

- DPS request: \$4.8 million increase
- Recommendation: Flat funding
- County would back-stop DPS reserves up to \$2.4 million, if needed, to replenish unassigned fund balance reserves to \$4 million
- Schools must rethink funding model



Per-Pupil Spending

- In FY 12-13, per pupil spending in Durham remained higher than peer counties.



Additional Initiatives

1. Potential Youth Home closure
 - Detention is not a best practice
 - \$3-4 million renovation bill imminent
2. Employee Compensation Study
 - 70% of positions paid below market
3. Review of City-County arrangements
4. Elimination of desktop & laser printers
 - Savings: \$25,000 a year in ink



Budget Calendar

- Public Hearing
 - June 10 7 p.m.
- Worksessions
 - May 29 11:30 a.m. to 2:30 p.m.
 - May 30 11:30 a.m. to 4 p.m.
 - June 3 1 p.m. to 3 p.m.
 - June 10 4 p.m. to 6 p.m.
 - June 11 9 a.m. to 11 a.m.
- All sessions in BOCC chambers



For More Information

- Online: www.dconnc.gov
 - Manager's remarks
 - Budget presentation
 - Copy of proposed FY13-14 Budget
- Print copies of budget available for review
 - Clerk's Office
 - Main Library

