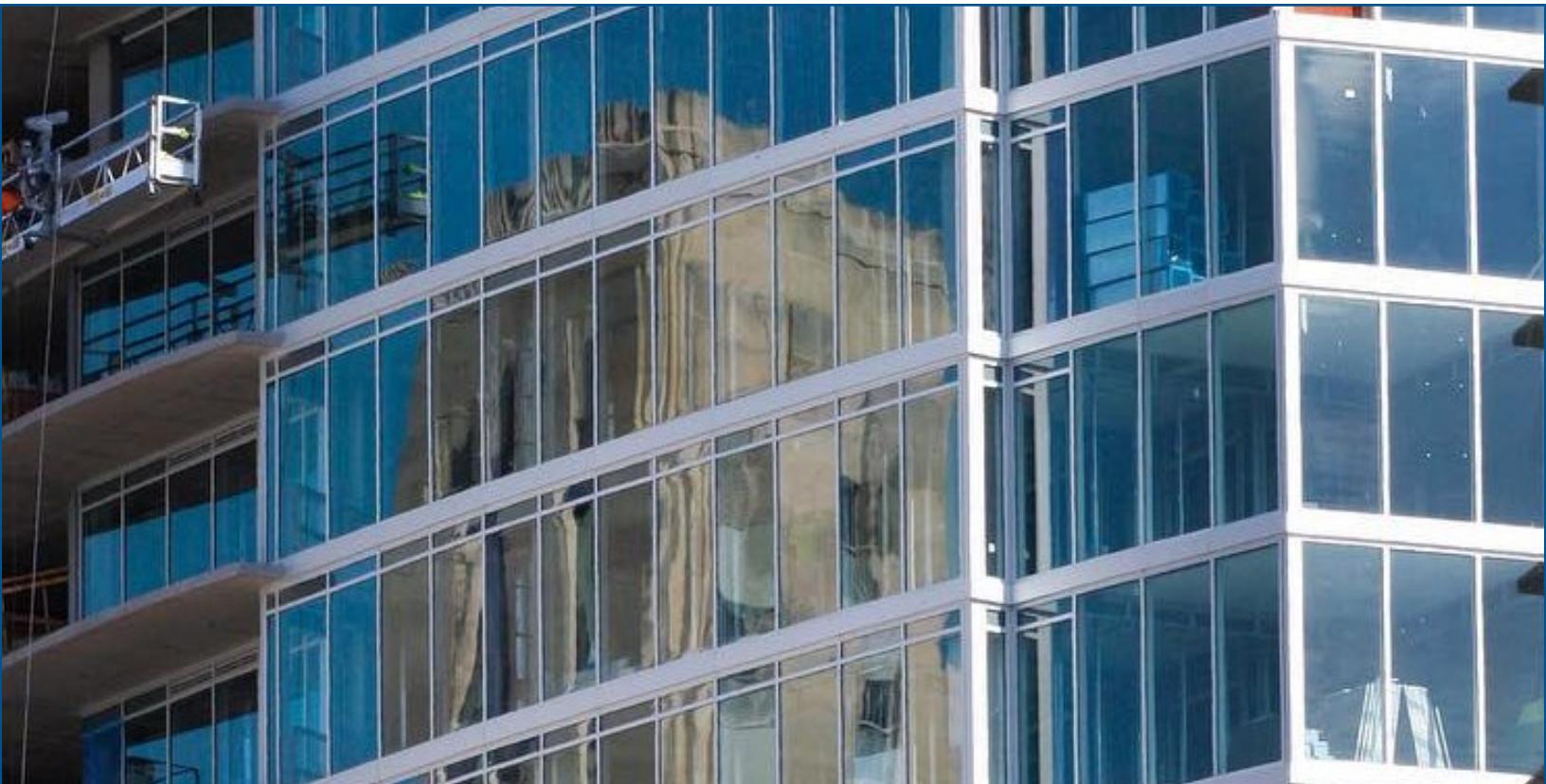




Fiscal Year 2018-2019 Adopted Budget

July 1, 2018—June 30, 2019





City of Durham, North Carolina Budget

Fiscal Year 2018 - 2019



Durham – Where Great Things Happen



City Vision Statement

Durham is the leading city in providing an excellent and sustainable quality of life.

City Mission Statement

To provide quality services to make Durham a great place to live, work and play.

Council Goals

- ❖ Shared Economic Prosperity
- ❖ Creating a Safer Community Together
- ❖ Connected, Engaged and Diverse Communities
- ❖ Innovative & High Performing Organization
- ❖ Sustainable Natural and Built Environment

About the Cover

The theme of this year's budget presentation to the City Council was "refresh," and the cover of the Fiscal Year 2019-2020 Budget Book represents this theme and the City's continued growth.

Durham's City Council, shown on the top half of the cover, includes several new Council Members and a new Mayor. The new Council provided a vital role in shaping the City's budget process and refreshed Strategic Plan which will guide the City's upcoming activities, programs, and services.

Also represented on the cover is part of Durham's skyline including the upcoming One City Center building. The City's growth downtown and beyond have expanded the City's tax base and created new opportunities for serving Durham residents.

2018-19 City Council

Steve Schewel, Mayor

Vernetta Alston
Jillian Johnson, Mayor Pro Tempore
Charlie Reece

Mark-Anthony Middleton
Javiera Caballero
DeDreana Freeman



City Manager's Office

Thomas J. Bonfield, City Manager
Keith Chadwell, Deputy City Manager

Wanda Page, Deputy City Manager
Bo Ferguson, Deputy City Manager

Budget and Management Services Staff

Bertha T. Johnson, Director, Budget and Management Services
John Allore, Assistant Director, Budget and Management Services
Christina Riordan, Corporate Principal Budget and Management Analyst
Christina Tookes, Corporate Senior Budget and Management Analyst
Melinda Squires-Nelson, Corporate Senior Budget and Management Analyst
Ben Kittelson, Corporate Senior Budget and Management Analyst
Pat Madej, Corporate Budget and Management Analyst
Josh Edwards, Strategic Initiatives Manager
Shari Metcalfe, Sr. Performance Analyst
Caley Patten, Management Analyst
Cherine Robinson, Senior Executive Assistant
Sharron Rose, Administrative Assistant

Durham – Where Great Things Happen



The Government Finance Officers association of the United States and Canada (GFOA) presented an award for Distinguished Presentation to the City of Durham for its annual budget for the fiscal year beginning July 1, 2017. This award is valid for a period of one year only.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Durham
North Carolina**

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morrell

Executive Director



CITY OF
DURHAM



Schewel



Alston



Caballero



Freeman



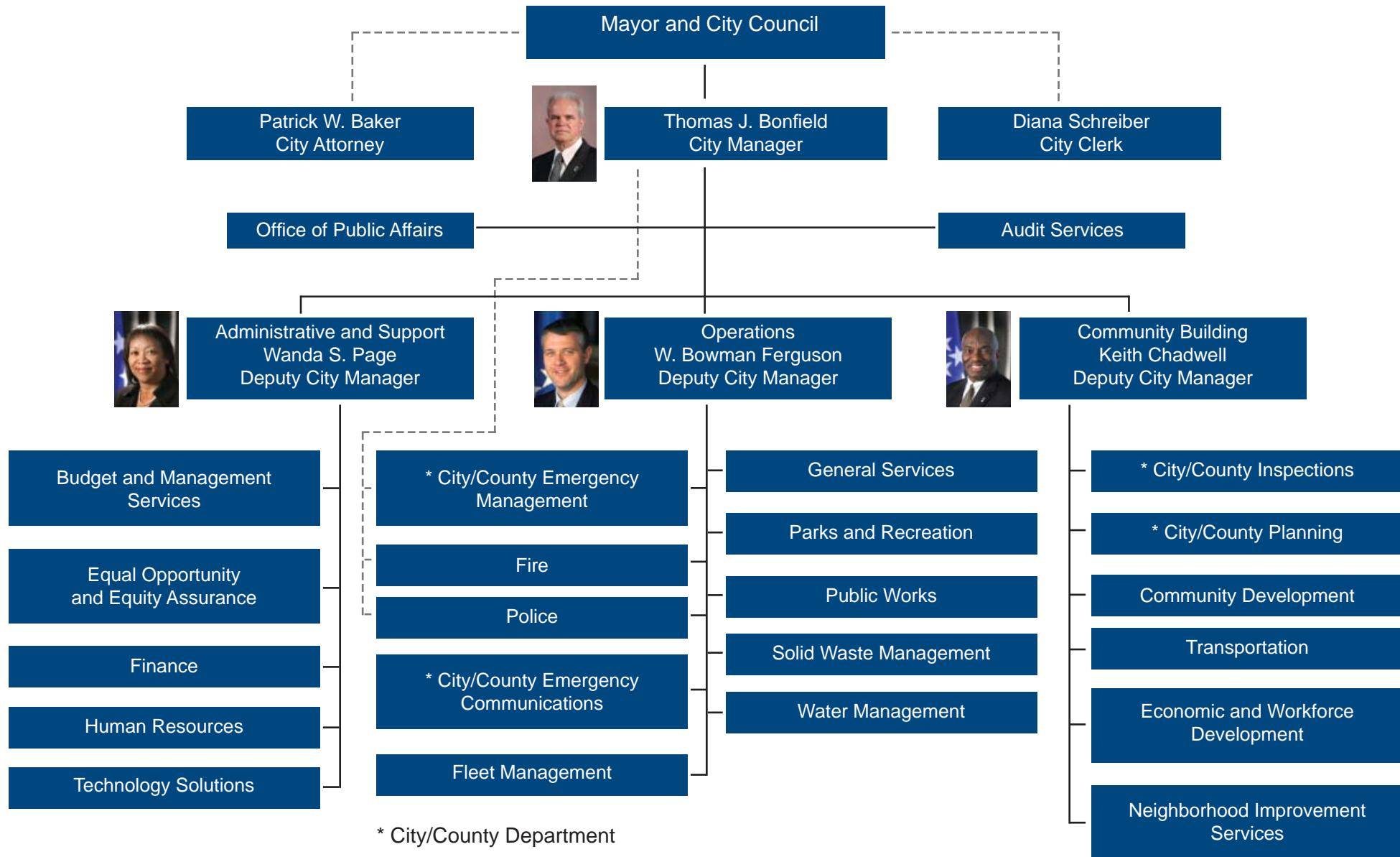
Johnson



Middleton



Reece





CITY OF
DURHAM

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Introduction

The budget document is the annual financial plan for City operations for the period covering a fiscal year, July 1 - June 30. This plan describes sources of revenues and how funds will be spent during the year.



The Annual Budget has four basic functions. First, it expresses the policy of the City Council. Through the budget, the City Council exercises its authority

to allocate resources. As a part of the budget review process, the City Council determines the tax rate for each fiscal year. Other fees, such as water and sewer rates, tipping fees, parking rates and cemeteries fees, may be reviewed and adjusted if necessary. At that time, the Council also makes appropriate salary adjustments.

Secondly, the budget is a management and planning tool. The budget and subsequent accounting reports allow managers to isolate potential problems and ensure that City resources are used effectively and efficiently. The process of preparing the budget provides the opportunity for managers to evaluate their operations and to formulate goals and objectives for the upcoming year. The budget system also provides a means of monitoring progress toward those goals throughout the year.

Thirdly, the Annual Budget is a means of communicating the City's spending plan to the citizens of Durham and others. The budget is a tangible expression of the City Council's policy direction. To citizens, the budget is a symbol of the policy of the City Council and the actions of the City Administration.

Finally, the budget is the foundation for the proper accounting of City funds. It expresses in financial terms the goals and plans of the City Council.

The types and amounts of authorized expenditures and the means for financing them are set forth in the budget. Once the budget is recorded in the accounting system, it serves as a control device to keep spending within authorized limits.

Budget Document Organization

The **Letter of Transmittal** is an overview of the budget. It serves as the City Manager's roadmap to moving the organization towards achieving the Strategic Plan goals adopted by the City Council. It provides the City Council and residents a narrative of significant trends and factors affecting the budget and highlights budget priorities. Also included in the letter is an outline of the Capital Improvement Plan for the following fiscal year. In addition, the operational issues that the administration has faced in the current fiscal year are addressed.

Another indication of the City's plan for service is expressed in the **City Priorities and Policies** section. This section contains the performance indicators that measure the City's success in achieving the community's goals as well as strategies that departments will employ for the upcoming fiscal year.

The actions that a city takes in one year may affect its ability to fund other initiatives in future years. The **Multi-Year Fund Projections** section includes five-year projections for the General Fund and the Enterprise Funds.

The next two sections, **Budget Summaries** and **Fund Summaries**, show the actual amount spent in each of the funds during Fiscal Year 2017, the budget for Fiscal Year 2018, an estimate of revenues received and expenditures made at June 30, and the budget as proposed by the City Council for Fiscal Year 2019. The Budget Summaries look broadly at revenues and expenditures on a fund level. The sections are provided to give the reader an overview of the adopted budget. Although the budget ordinance represents the official adopted ordinance, the total revenues and appropriations in terms of actual dollars is net of intrabudget transactions. This prevents counting the transfer amounts twice, once in the receiving fund and once in the sending fund.

The Fund Summaries look more specifically at revenues and expenditures by appropriation categories and revenue categories.

The next five sections show budgetary performance and operational information by functional category: Governance, Administrative and Support Community Building, Public Safety and Public Services. Each department describes its mission statement, overall performance and context indicators and service changes requested for the proposed budget. A budget summary is provided on appropriation and program revenue information by departments for the previous year (actual), the current year (budgeted and estimated) and the new budget year (adopted).

The **Debt Management** section is provided to give the reader an overview of the city's debt service obligations, both for the following fiscal year and in the future. The section also provides information on the City's legal debt limit and the City's overlapping debt (County debt borne by City taxpayers).

The **Capital and Grant Project Information** section of the budget describes the capital projects that have been approved as part of the Capital Improvements Program (CIP). The CIP is the companion document to the budget and outlines the plan of capital improvements over a six-year cycle. In order to be included in the CIP, a project must require the expenditure of at least \$100,000 in any one of the six years. Projects associated with normal scheduled maintenance activities are not included in the CIP.

Supplemental Information provides information on the Budget Ordinance and the Financial Plan that the City Council adopts in June. Also, information on the City of Durham and a glossary are provided in this section.

Adherence to State Statutes

The General Statutes of North Carolina require that the City adopt an annual balanced budget. The annual budget is prepared using the modified accrual basis of accounting. This basis of accounting recognizes revenues either when they are received in cash (such as licenses or fines) or when the collection of the amount can be reasonably estimated to be received in the near future (such as property taxes). Expenditures in a

modified accrual system are generally recognized in the period in which goods or services are received or when a liability is incurred.

The General Fund has an officially adopted annual budget. The appropriations in the budget ordinance for the various operating funds are on a functional basis. Although General Statutes and generally accepted accounting principles do not require an annual balanced budget for the remaining funds, they do have legally adopted balanced budgets.

The adopted Budget Ordinance includes the budget for the General Fund, the Enterprise Funds and the Fiduciary Funds. The Special Revenue Funds are comprised of grant funds that are included in grant project ordinances. State Statutes give local governments the option of either including grant funds in the operating funds or approving grants through grant project ordinances. Financial plans for each of the City's internal service funds are adopted by the City Council in a separate document that conforms to State Statutes.

The General Statutes also require balanced project ordinances for the life of projects, including both capital and grant activities, which are expected to extend beyond the end of the fiscal year. The descriptions of capital projects included in the budget document are also provided in order to conform to State Statutes that require the inclusion of this information.





June 18, 2018

Mayor Schewel and Members of the Durham City Council:

I am pleased to present the fiscal year 2018-19 budget. This is the culmination of months of work from City staff at every level of the organization, and I truly appreciate the effort and dedication they have shown to making it possible. This year's budget was a unique challenge, because as we developed this budget, we were also drafting a new Strategic Plan for the City of Durham. This plan will guide not only budget decisions, but will also provide a roadmap for the Durham community's future.

As we set a vision for Durham's future, we will also celebrate 150 years of Durham history in 2019. Residents of Durham 150 years ago probably could not have dreamed of the community that we have become. We should challenge ourselves to imagine what is possible for Durham in the next 150 years and as we imagine those possibilities, we also need to recognize our own history. Efforts like Bull City 150 challenge us to just that, and ask how we ensure that the Durham we love is open to every resident of the city.

It's projected that 15 people a day, or about 5,500 people per year, are moving to Durham. There are currently 300 plans under review in the Development Services Center, bringing our total to over 800 for the year. While all this growth increases demand for services, it also brings an expanded tax base. FY 2018-19 property values are estimated to be \$1.2 billion dollars, an increase of 4.46 percent, which is over twice what we originally predicted. This results in an increase of \$7.27 million dollars of revenue. This additional revenue helps the City respond to increased service demands, such as two new solid waste crews and an additional fire engine company for downtown. It also provides resources to pay for affordable housing, park enhancement initiatives, and new programs like participatory budgeting.

As we welcome the rapid growth, one of the biggest challenges facing our city is how everyone can benefit from our growing economy. This value is most apparent in one of our new Strategic Plan goal of **Shared Economic Prosperity**. Our focus will be to better connect the most vulnerable in our community to the fruits of the Durham economy – jobs, business opportunities and quality of life. We will do this through removing barriers, improving the capacity of residents to compete in this economy, and better linking residents to the opportunities emerging in Durham. This is a fundamental shift in how we want to think about economic development and inclusive growth.

We want to continue to engage with residents and connect neighbors. This budget includes funding to begin the planning and implementation of a participatory budgeting process that will encourage more residents to decide how their tax dollars are spent. This new effort along with

Neighborhood Improvement Services engagement work and funding for a Spanish-speaking engagement coordinator, will allow us to work toward more **Connected, Engaged and Diverse Communities**, another new goal in the Strategic Plan.

A shift in how we think about public safety is also part of the new Strategic Plan. We recognize that we have to work alongside residents and community organizations in **Creating a Safer Community Together**. Our Police Department's efforts in community policing and engagement will continue to build toward this vision. The consolidation of Fire service with the County, included in this budget, is an example of thinking beyond our traditional roles in public safety. By consolidating our efforts, the City and County will better serve our residents and save taxpayers money.

The new sustainability roadmap, developed by staff, has informed one of the Strategic Plan goals: **Sustainable Natural and Built Environment**. Besides new efforts to enhance how sustainable our organization can be, our operational departments like Solid Waste and Water Management continue to work toward a more sustainable Durham. Together, Solid Waste and Water Management will be piloting an organics composting program to compost yard and food waste, and both departments continue to provide great service while our population rapidly grows.

Supporting all our processes is perhaps the City's most important goal, to continue to be an **Innovative and High Performing Organization**. We will build on the work done by our Office of Performance and Innovation to create a culture of innovation and never settle for doing things the way we've always done them. Innovate Durham is a great example of this. In its first year the program brought four local startup companies into City Hall to help us rethink engagement using virtual reality, enhance training using gamification, improve the parking we provide with smart technology and connect buildings to City Hall using optical wireless technology. The work of the Bloomberg Innovation Team is pushing our organization and our partners to find new ways to help our residents who have been impacted by the criminal justice system. As a result, the City hosted its first Amnesty Day that allowed residents with suspended or revoked driver's licenses to get them restored. This small initiative can make a world of difference to a resident in getting a job or taking care of their family. Besides these high profile efforts, we also recognize that our employees are doing great work to innovate and streamline the work they do every day. Examples of this include, organizing trucks in Public Works to streamline work, taking our email to the cloud thanks to the Technology Solutions department, improving routes in Inspections and adding placemaking furniture to the Black Wall Street garden.

All of this change is exciting and is only possible thanks to your leadership and guidance through this Strategic Plan refresh and budget development process. With your vision and the five goals staff have developed, we will continue to be a City that serves as a model for local governments across the country, and creates a welcoming community for all of our residents.

THE BUDGET DEVELOPMENT & STRATEGIC PLAN UPDATE PROCESS

Durham has an outstanding reputation for resident participation in the budget process, and this year we improved on our efforts from previous years. As always, this year's budget deliberation process included many opportunities for discussion and community input. Although the request of every resident is not in the budget, we used community feedback during our Community Conversations, feedback from City Council and data from our resident survey to develop a sound budget that reflects the priorities of the residents of Durham. These priorities can be seen in both the FY 2018-19 budget as well as the FY 2019-21 Strategic Plan. Two public hearings were used to receive comments from residents. The first hearing was held on March 6th and the second public hearing was held on June 4th to receive feedback on the City Manager's proposed budget.

This year we introduced a new collaborative community engagement effort. In January and February, we worked with Durham County and Durham Public Schools to host three **Community Conversations** on important topics impacting our residents. The intention of each meeting was to gather ideas and feedback directly from residents on: Public Safety; Affordable Housing, Transportation & Human Services; and, Education and Economic Development. We received 1,640 comments from about 345 residents and that input really helped us draw out themes to inform both the updated Strategic Plan and the FY 2018-19 budget. We are grateful to the County and Schools for working together with us on this engagement, because without their help the events would not have been possible.

The **City Council budget retreats** were held in February and March, which provided an opportunity for City Council members to hear from staff on financial projections, feedback from residents, and major initiatives in the upcoming budget. With the refresh of the City's Strategic Plan, a considerable amount of time was dedicated to City Council discussing the main themes of the updated plan and ensuring that your priorities are reflected.

In addition to the engagement efforts undertaken as part of the budget process, the City also worked with a consultant to conduct the annual **Resident Satisfaction Survey** to get a representative snapshot of how the City of Durham is providing services to our residents. In 2017 Durham continues to deliver, 81 percent of residents feel that Durham is a good-to-excellent place to live, and 72 percent are satisfied with the overall quality of life in their neighborhood. In 2015, the City began partnering with Durham County to conduct the survey and added Durham Public Schools as a third contributor in 2016.

The Resident Satisfaction Survey assesses how well the City is achieving its vision and mission with both quality of life and quality of service questions. It also provides feedback on what services or priorities need to be addressed from the residents' perspective. Since it is administered annually, departments can assess how well their work is impacting key targets and implement new ideas to make better progress. Through our performance management software

system, departments now have the capability to better track performance related to the resident survey and are better able to communicate results. A full report of the results of the 2017 survey can be found here: durhamnc.gov/Archive.aspx?AMID=40.

The priorities we heard from these different sources generally fall into one or more of the goals outlined in the Strategic Plan:

- Shared Economic Prosperity
- Creating a Safer Community Together
- Connected, Engaged and Diverse Communities
- Innovative and High Performing Organization
- Sustainable Natural and Built Environment

BUDGET GUIDELINES

The City Council adopted budget guidelines to inform the development of the budget. These guidelines, along with the Strategic Plan, served as the framework for developing the budget, and include:

- The tax rate for the **General Fund** will be at least **32.99 cents** (per \$100 assessed value).
- The tax rate for **debt service and cash funded capital** will remain at the current rate of **13.02 cents** (per \$100 assessed value) including fleet replacement.
- **Fund balance** in the **General Fund** will not be projected to fall below **16.7%** at the end of **FY 2018-19**.
- The tax rate for the **Solid Waste Fund** will remain at **6.29 cents** (per \$100 assessed value).
- The tax rate for the downtown **Business Improvement District (BID)** will remain at **7 cents** (per \$100 assessed value).
- The tax rate for the **Dedicated Housing Fund** will remain at **2 cents** (per \$100 assessed value).
- The **Transit Operating Fund** tax rate allocation will remain at **3.56 cents** (per \$100 assessed value).
- **Non-recurring funds will not be directed toward recurring uses.**

- Proposed **water and sewer rate** increases will not exceed an average of **3.0%**.
- A tax rate increase may be considered to **fund new initiatives** (with recurring cost) that cannot be otherwise funded.
- **Fee adjustments** will be considered, as appropriate, to align fee revenues with cost of services for better cost recovery rates.
- **Stormwater rates will remain unchanged** for the **FY 2018-19** fiscal year.
- City employees are at the core of City services. One objective under the “Innovative and High Performing Organization” goal of the City’s Strategic Plan is to **“cultivate a diverse, engaged, and healthy workforce dedicated to public service.”** Attracting, training and retaining a competent, high quality workforce is essential to being a high performing organization. Therefore, we will continue to consider employee compensation adjustments as a priority.

The following pay and benefit components will be proposed:

- Pay for Performance (P4P) pay plan for General employees - 4.0% average (flat with FY 2017-18).
- Pay Plan for sworn Police employees – 5.0% average.
- Pay Plan for sworn Fire employees – 5.0% average.
- Funding included at 5% as a placeholder for general employees pay and compensation study implementation.
- Supplemental Retirement - 401K – 5.0% (flat with FY 2017-18).
- Medical Insurance for all employees – 9.9% average increase for the City.
- Dental insurance – cost will remain flat for both the City and employees.
- The dedicated **street resurfacing fund** will be increased by at least **\$1,000,000** from **\$4,000,000** for FY 2017-18 to **\$5,000,000** for FY 2018-19, and an additional **\$2,000,000 from fund balance** will be allocated for FY 2018-19.
- Funding for the **Maintenance Replacement Project Plan** will be increased by **\$100,000** from **\$800,000** for FY 2017-18 to **\$900,000** for FY 2018-19.
- **Fleet replacement funding** for the General Fund will be provided in accordance with the Fleet department’s **10-year recommendation plan** within the debt model.
- General Fund balance will be used to fund the third and final phase of the **sworn Police take home vehicle initiative**.

- New funding priority will be given to those requests that support the **strategic plan**, including **initiatives that address quality of life issues**.
- Funding will be included to support a community budgeting process, i.e. **Participatory Budgeting**.

BUDGET OVERVIEW

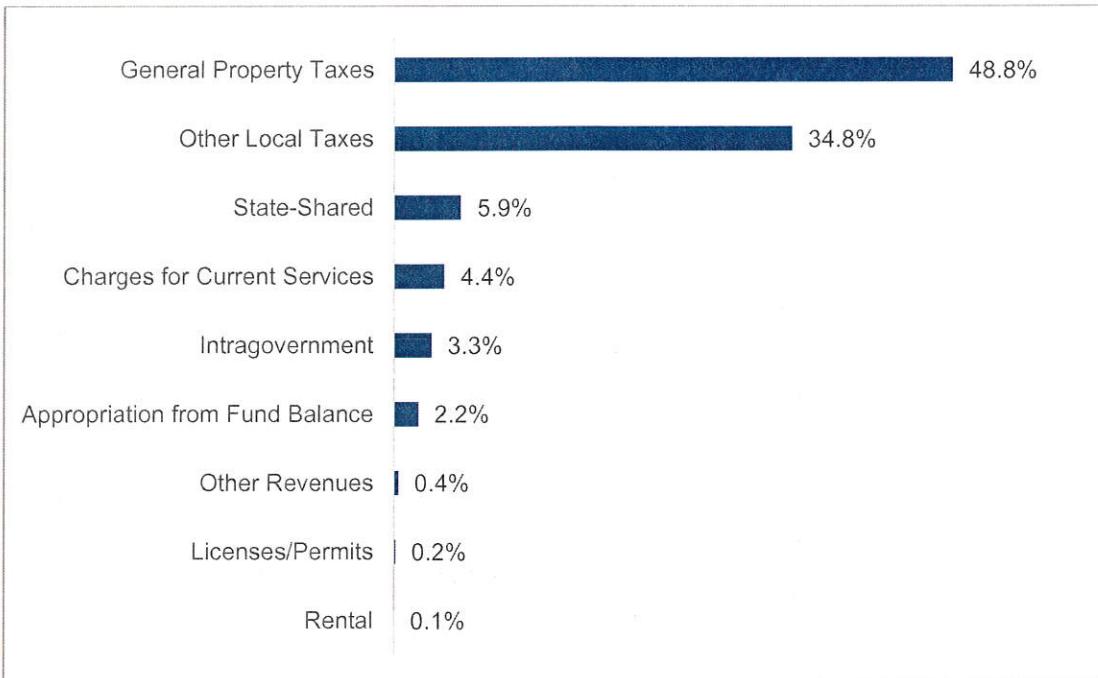
The total **budget** for FY 2018-19 is **\$510.9 million** compared to **\$429.4 million** for FY 2017-18, an **increase of \$81.5 million (16.0%)**.

GENERAL FUND

The General Fund budget (which provides funding for core city services) is **\$201.6 million** and represents an **\$12.2 million (6.04%) budget increase** from the **FY 2017-18 budget of \$180.5 million**.

Revenues (budget-to-budget)

- A 4.46% increase in property tax revenues recognized in the General Fund.
- A 5.1% increase in Other Local Taxes.
 - A 5.0% increase in sales tax revenue
 - A 7.0% increase in Hotel Occupancy Tax
- A 0.9% increase in State Collected Local Government Revenues.
 - A 0.0% increase in Powell Bill revenue (flat)
 - A 2.0% increase in Beer and Wine tax
 - A 2.0% increase in Telecommunications Franchise tax
 - A 2.0% increase in Video Utility Franchise tax
 - A 2.0% increase in ABC revenues
- A 11.1% increase in Charges for Services.
 - A 23.9% increase in development fees (Planning)
 - A 10.7% increase in technology surcharge fee (related to inspections activity)



This budget appropriates \$4.4 million from fund balance which is a 27.9% decrease from Fiscal Year 17-18. With savings projected in Fiscal Year 2017-18, the City is projected to have a 22.56% general fund reserve to safeguard against economic uncertainty or emergency conditions at Fiscal year-end 2018-19.

Property Tax Rate

- The **property tax rate is 57.86 cents** per \$100 of assessed value.
- The **tax rate is allocated** as follows:
 - 33.29 cents per \$100 for General Fund operations
 - Increase of 0.30 cents per \$100
 - 12.72 cents per \$100 for Debt and Capital Projects
 - Decrease of 0.30 cents per \$100
 - 6.29 cents per \$100 for Solid Waste
 - 3.56 cents per \$100 for Transit
 - 2.0 cent per \$100 for Dedicated Housing Fund

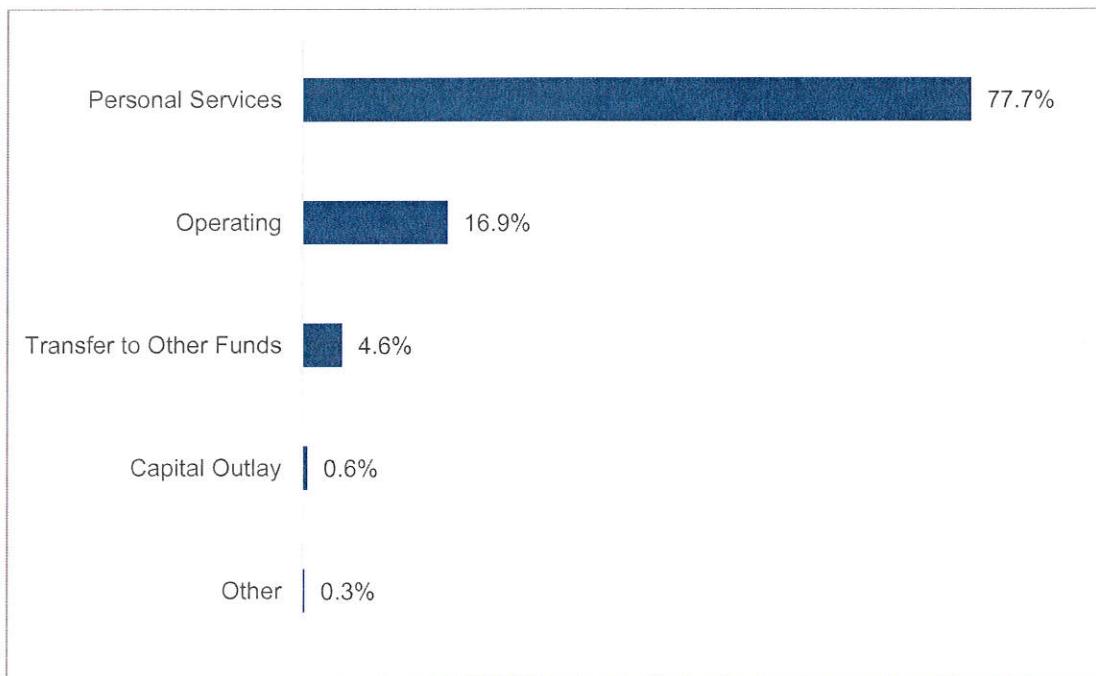
Because of substantial growth in the tax base (4.46%), the City was able to increase the tax allocation to the General Fund to provide resources for General Fund needs, while offsetting the

increase with a reduction to the tax rate in the Debt Fund. The growth allowed for adequate coverage of Debt Fund needs (capital projects).

A tax rate of 57.86 cents (per \$100 assessed value) generates a tax bill of \$1,048 on a house valued at \$181,104, which is the median house value for the City of Durham according to the Durham County Office of Tax Administration.

Expenditures (budget-to-budget)

- Personnel expenditures increased by \$9.1 million (6.2%).
- Operating expenditures increased by \$2.3 million (7.3%).
- Transfers increased by \$615K (7.1%).



WATER AND SEWER FUND

The **Water and Sewer Fund budget of \$157.8 million** supports water and sewer operations as well as an increase in the capital projects related to replacing and upgrading the City's water infrastructure.

Revenues

Moderate increases for water and sewer volume charges and service charges are budgeted for FY 2018-19. **The total rate increase to the average customer is about 1.7%**. Rate changes become effective July 1, 2018, with implementation in the August and September billings.

	FY 18 Rates	FY 19 Rates
<u>Monthly Water Rates (inside)</u>		
Service Charge	\$7.15	\$7.32
Volume Charge - Tiered Rates (per 100 cubic foot - ccf)		
Tier 1 (0 - 2 ccf)	\$1.93	\$1.95
Tier 2 (>2 - 5 ccf)	\$2.91	\$2.94
Tier 3 (>5 - 8 ccf)	\$3.19	\$3.22
Tier 4 (>8 - 15 ccf)	\$4.16	\$4.21
Tier 5 (>15 ccf)	\$6.23	\$6.30
<u>Monthly Sewer Rates (inside)</u>		
Service Charge	\$7.91	\$8.09
Volume Charge (per ccf)	\$4.16	\$4.20

These rate changes account for the increase in water and sewer user revenues over the FY 2018-19 budget. Overall Water and Sewer Fund operating revenues are budgeted to increase 2.4%.

Expenditures

Water and wastewater Capital Improvement Program (CIP) projects total **\$114.7 million to improve the infrastructure** required to ensure adequate water supply, treatment and delivery. A \$85.6 million transfer to the CIP is planned for FY 2018-19.

HIGHLIGHTS OF THE FY 2018-19 BUDGET

As stated earlier, the City aligns all of its activities with the citywide Strategic Plan goals: **Innovative and High Performing Organization; Creating a Safer Community Together; Connected, Engaged and Diverse Community; Shared Economic Prosperity; and Sustainable Natural and Built Environment.**

The City's last Strategic Plan was adopted by City Council on June 15, 2015, and by December of 2017 had over 67 percent of initiatives completed. During FY 2017-18, city staff have been working diligently to refresh the plan to make sure it is better aligned with current resident and Council priorities. During the update process, goals, objectives, initiatives, and key priorities were all assessed, with new measures and initiatives added. An important component of the Strategic Plan is engagement of residents, stakeholders, and City staff in an effort to understand their vision of the five Strategic Plan goals, and their ideas for specific projects and activities.

The Strategic Plan's new objectives, measures, and initiatives will be reported for the first time during FY 2018-19 at DurhamNC.gov/StrategicPlan. Later this year, city staff will start prototyping a new review process with an emphasis on implementation and accountability with the goal of carrying the momentum of the new plan into the next three years.

INNOVATIVE AND HIGH-PERFORMING ORGANIZATION

Provide professional management that encourages a culture of innovation, collaboration and transparency to deliver quality services through an exceptional, healthy, diverse and engaged workforce.

Promote Organizational Sustainability

Last year, **Bloomberg Philanthropies recognized the City of Durham as a new member of its Innovation Team Program**. Beginning in July, the i-team has sought to understand the challenges that residents face when they come home to Durham from jail or prison, and work with the community to identify and test ideas that will help in their transition to sustainable employment. The power of data can only be harnessed if you connect it to listening to the people experiencing the challenge. Numbers can't capture what it's like to lose your license or to be buried in fines with no hope of finding a job. Qualitative data is essential to addressing root problems and developing solutions that work. Having a Strategic Plan goal focused on creating a high performing and innovative organization has laid the groundwork for successfully receiving the Bloomberg Innovation Team grant and becoming a Mayor's Challenge finalist.

IT Fiber Project: In collaboration with Duke University and Durham County, the City will allocate \$6 million in funding to build a robust fiber optic network connecting City facilities. The network will provide broadband capabilities needed to become more innovative through the utilization of information technology.

IdeaStarter: Funding of \$10,000 is provided in FY 2018-19 to support a third round of employee idea generation and prototyping. These ideas have the potential to create a cost savings for the City, make a process or service more efficient or effective, and/or improve the overall community. For the second round, ideas were collected from employees during November and December 2017. Over 30 ideas were submitted from Durham employees, and five were selected as finalists to be prototyped during FY 2017-18. Also, as mentioned in the new Strategic Plan, **during FY 18-19, IdeaStarter will look to expand, based on lessons learned from the first three years, to allow more opportunities for innovation and risk-taking**.

IdeaLab: During FY 2018-19, the City and County of Durham are continuing to jointly make time and space for innovation. The focus of FY 2018-19 will continue to build off the hands-on workshop style that IdeaLab has developed into, and teach concepts such as prototyping, behavioral economics, and design thinking. The vision of IdeaLab is for employees to take the concepts they learn back to their departments, thereby empowering employees to

look for ways to continuously improve and innovate. The Office of Performance and Innovation supports this effort through staff time, and working with departments to identify and facilitate innovations.

Continuous Improvement Model: During FY 2018-19 the City of Durham will develop and implement a continuous improvement program that includes evaluation and process improvement to analyze the effectiveness and efficiency of current programs. The goal is to identify and complete four process improvement projects in FY19. During FY 2017-18, the Office of Performance and Innovation went through Lean training, and piloted a process improvement model with a few departments, including Public Works, where they worked with the concrete division to reduce a backlog of sidewalk repairs.

Also, the FY 2018-19 budget continues to allocate funding for the City's **Diversity Recruitment Initiative** which will use targeted advertising to increase the applicant pool of qualified females and/or minorities for positions in which they are underrepresented.

Employee Compensation and Benefits:

The City offers comprehensive benefits to all employees. Funding is provided to support general employee pay increase of 4.0% and to support a budgeted average police and fire employee pay increase of 5.0%. In accordance with State Statute, the city's contribution to the Local Government Employees Retirement System (LGERS) for general employees is increasing from 7.50% to 7.75%. Law enforcement officers will increase from 8.25% to 8.50%. The City also provides additional retirement savings through an employee 401(k) which remains funded at a rate of 5.0% of eligible employees' salary. State statute requires local governments to contribute 5% for sworn law enforcement officers.

The City will transition to Aetna for health insurance this year. Many employees will have an opportunity to save on their premiums while having access to Aetna's wide coverage network. There are no rate changes for dental insurance premiums for FY 2018-19. **All general pay plan jobs are being evaluated and benchmarked**, so that the City can determine an appropriate compensation strategy to maintain competitiveness in the regional labor market. In addition, **the annual performance appraisal system, which determines employee salary increases, is being redesigned** to improve the accuracy, effectiveness, and efficiency of the evaluation process. Both of these initiatives will be implemented in FY19.

Leadership & Employee Development:

The City's professional and organizational development strategies have evolved to include increased developmental options for all City of Durham employees. This budget includes continued funding to implement the Strategic Training Plan. Highlights for the FY 2018-19 fiscal year include:

- Training for all employees on the City's core values, essential job behaviors and safety.

- Training on competencies to strengthen the City's culture.
- Executive Leadership Training to enhance the leadership capacity for Directors and Assistant Directors.
- Customized academies for leaders at all levels, including front-line supervisors and middle managers.
- Revised Diversity, Inclusion and Unconscious Bias curriculum.
- Delivery of an enterprise-wide leadership conference.
- Assessments to better understand the strengths and development needs of our employees.

Awards and Recognitions

The City of Durham has won three national recognitions for its financial accountability and reporting to Durham's residents, **which makes it one of only two North Carolina cities to hold all three major awards from the Government Finance Officers Association of the United States and Canada (GFOA)**.

- **The City of Durham has been recognized for the 29th consecutive year for its budget reporting by the Government Finance Officers Association (GFOA)**, a professional association of more than 18,000 members throughout North America that has served the public finance profession since 1906. The GFOA's Distinguished Budget Presentation Awards Program is the only national awards program and the highest form of recognition in governmental budgeting.
- **For the 14th consecutive year**, the GFOA recognized the City for outstanding achievement in **Popular Annual Financial Reporting for its annual publication, the Citizens' Financial Report**. The Citizens' Financial Report provides an overview of the City's financial condition and summary of the City's progress during the previous fiscal year. This year's award is for the fiscal year that ended June 30, 2017.
- In addition, **for the 33rd consecutive year**, the GFOA has also awarded the **Certificate of Achievement for Excellence in Financial Reporting for the City's Comprehensive Annual Financial Report (CAFR)**. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

Durham Named 2017 Digital Cities Survey Winner. The survey recognizes cities using technology to improve citizen services, enhance transparency, and encourage citizen engagement. Durham won 2nd place this year in its population category.

The City's Fleet Management Department has been named to the 100 Best Fleets in the Americas™ for 2018. Durham ranked in seventh place, which is the highest ranking North Carolina city on the list and the highest ranking achieved to date by the department. The 100 Best Fleets Program recognizes and rewards peak-performing fleet operations in North America. This awards program identifies and encourages ever-increasing levels of performance

improvement within the fleet industry. The 100 Best Fleets award is based on numerous criteria including standard operating procedures, business plans, emergency operations planning, service level agreements, insourcing guidance, cost analysis, safety, audit criteria, and benchmarking.

Durham Recognized in Top 50 Leading Fleets for 2018 by Government Fleet magazine and the American Public Works Association. The awards program recognizes operations that are performing at a high level, particularly in fleet leadership, competitiveness and efficiency, planning for the future, and overcoming challenges.

CREATING A SAFER COMMUNITY TOGETHER

Steward a community that allows residents to live, work, and play safely, free from harm and hazards.

Public Safety

Effective July 1, the **City and County Fire Departments will merge** the Bethesda and Parkwood Fire Districts to better serve a large portion of South Durham. Durham County will transfer 53 positions from Durham County Fire Rescue (DCFR) consisting of Captains, Firefighters and Drivers and fund 2 new FTEs, a Facility Maintenance Technical position and a Supply Officer, in support of the consolidation (interlocal agreement).

Effective January 1, the Fire Department will add a **new fire company to the downtown area** to proactively address the current and projected increase in population density (15 FTEs).

Funding is included for year three of the **Take Home Car Program** to encourage City residency and provide increased police presence within the community.

The FY 2018-19 Transportation Department budget aims to create a safe, interconnected, vibrant, affordable, and innovative City. In FY 2018-19, the Department plans to demonstrate its continued commitment to **Vision Zero Durham**, a traffic safety program that aims to eliminate roadway deaths and serious injuries among users of all transportation modes.

Funding is included to support contracts with the Administrative Office of the Courts (AOC) for a **Domestic Violence Judge, Domestic Violence Assistant District Attorney, Witness/Victim Legal Assistant, and Gang Assistant District Attorney**.

Funding is included for the joint City/County **Gang Reduction Strategy** initiative, with additional focus given to bi-lingual outreach efforts. The City contributes 50% for this initiative.

CONNECTED, ENGAGED AND DIVERSE COMMUNITIES

Foster cohesive, engaged and diverse communities where residents have equitable access to community resources, and the opportunity for a high quality of life.

Affordable Housing

The FY 2018-19 budget includes **2 cents of dedicated property tax rate** (per \$100 assessed value) for the Dedicated Housing Fund. In addition, it also includes **\$6.5M of appropriated fund balance and a transfer of \$932k from bond program income to support the Five Year Affordable Housing Plan**. In FY 2018-19 the initiatives that additional funding will support include the Jackson-Pettigrew Street development and support for the Durham Housing Authority. The Affordable Housing plan will allow the City to create, preserve or repair 1,150 affordable units over five years. Each year the plan aims to create 75 affordable rental homes, preserve 70 rental homes and create or repair 70 owner occupied homes. The budget also includes \$200,000 to support eviction diversion efforts.

Community Engagement

The administrative cost of implementing a **Participatory Budgeting (PB) program** which includes 2 FTE to administer the program, operating costs, as well as \$72,000 in part time salary to pay for community outreach workers. PB is a democratic process in which community members directly decide how to spend part of a public budget. It enables taxpayers to work with government to make the budget decisions that affect their lives.

Arts and Culture

Durham's arts and culture is enriched by its history, heritage, and diversity. Thoughtful investment in arts and culture initiatives also generate significant economic benefits for cities. For the adopted budget year funding will continue for **public art at the allocation of \$75,000**.

Funding in the amount of **\$45,400** has been allocated again for the **Annual Durham Holiday Parade**. The hugely successful Holiday Parade returned in 2016, and it is expected that this long-standing tradition **will again be a positive, safe, family-friendly, and entertaining event to promote pride in our community**.

Parks and Recreation

Successful collaboration with community partners continues to be critical to the department's operations. DPR is continuing agreements with the Achievement Academy for their usage of the W. I. Patterson Recreation Center, the Bicycle Cooperative for their usage of the facilities at Duke Park (previously used by the department's Park Maintenance unit), the East Durham Children's Initiative for their usage of East Durham Recreation Center, Duke Healthy Lifestyles Clinic's Bull City Fit at the Edison Johnson Recreation Center, Durham Housing Authority at the T. A. Grady Recreation Center, KidzNotes at the Holton Career and Resource Center, Special

Olympics North Carolina, Durham Central Park, Inc., and Durham Public Schools (joint use agreement). DPR continues to work alongside the Durham Parks Foundation, an independent non-profit organization to advocate and collect funding for parks, programs, special events, trails, and open space. These and many other partners allow DPR to provide outstanding enrichment opportunities for our community.

This budget includes funding to expand the piloted “My Durham” teen program to another recreation center. It will also add a summer camp component that will be offered in the summer of 2019. This funding will also allow for expansion of marketing efforts of all programs for teens by converting a part-time with benefits Marketing Coordinator position to a full-time position.

The City will continue its management agreements with the **Carolina Theatre**, the **Durham Arts Council** and **St. Joseph's Historic Foundation** for \$654,053, \$685,715 and \$292,000 respectively.

SHARED ECONOMIC PROSPERITY

Enable an environment in which human and workforce development and business growth occur to encourage an inclusive economy.

In April of 2017, the Development Services Center (DSC) was established with the intent of better coordinating the development review process and ensuring that high quality, timely information is provided to customers. One of the most beneficial aspects of the DSC has been having Inspections, Planning, and Public Works staff in one location, to better assist customers. In order to ensure high quality service to customers, the Department is adding a Civil Engineer III position to assist with a very high volume of Floodplain Development reviews, and to assist with screening and evaluation of Construction Drawing and other Public Works submittals. These programs’ areas have experienced very high demand and significant delays due to workload volumes. In addition, two new programs are being offered: an after hours inspection program and an expedited review pilot program to address continued growth.

The Office of Economic and Workforce Development is developing their own updated departmental strategic plan, and will have three priority areas that will impact Shared Economic Prosperity. **Priority one is Workforce Development, including initiatives to identify and connect residents to valuable training, partnering with Durham Tech and developing alternative funding sources.** The second priority area is Small and Minority Businesses, initiatives include engaging with these businesses to understand their needs, capitalizing on federal grant funding we already receive, and improving NC Works. The third priority area is the Durham Youth Internship Program, which has a stretch goal of increasing participation from 200 to 1,000 participants over the course of the next three years.

SUSTAINABLE NATURAL AND BUILT ENVIRONMENT

Guide equitable, efficient, and environmentally sound investments in the City's built and green infrastructure assets.

Based on the unprecedented volume of growth in the Durham community since the adoption of the previous Comprehensive Plan in 2005, we are recommending that a **new Comprehensive Plan be developed to guide growth in Durham**. The focus of the new Comprehensive Plan will be better coordinating of City and County services and infrastructure with growth, and ensuring that the costs of growth are adequately managed. This will require significant community engagement to help ensure we understand and reflect residents' concerns and priorities regarding growth.

The focus of our budget initiative request (requesting \$250,000 over three (3) budget years) will be to engage a professional planning consulting firm to assist with an intensive program of community engagement, with a focus on engaging people in an environment where they are comfortable (e.g., online, an existing civic organization they participate in, etc.). We will also engage the Triangle J Council of Governments (TJCOG) to assist us with software to develop and present detailed growth scenarios that will vary based on the land use and infrastructure investment choices we make as a community. Planning staff, in partnership with staff from other Departments, will complete the remaining scope of the new Comprehensive Plan.

In FY19, **DPR will continue to utilize a half-penny tax (initially approved by City Council in FY15) dedicated to long-deferred maintenance** (parks and trails) on items such as driveways and parking lots that require paving, park restrooms in need of renovation, damaged fencing, and the many other amenities requiring attention in the parks. This funding has provided for a crew dedicated to ball field maintenance, increased mowing, a crew dedicated to basic maintenance of park landscaping, and a crew for trails maintenance. Facility Maintenance Technicians are inspecting all parks regularly and handling minor repairs. This project is making a huge difference in the park and trail facilities that the residents of Durham value and utilize. We will also continue the management of the Trails Action Group (TAG) comprised of representatives from all City departments that have responsibilities regarding trails. This allows for efficiencies in project management and funding of the City's trail system. Also, a Trails Condition Assessment initiative of our 30+ miles of existing trails was completed in FY18. DPR helped Stormwater facilitate their initiative to complete a storm water structure assessment in parks, trails, and cemeteries, scheduled for completion later this fiscal year. Both of these projects provide much needed data required for the City to develop a plan to repair and maintain critical infrastructure systems.

Solid Waste

A major priority for the Department is keeping up with the growth of the City. Operations staffing is at times inadequate. The Department has requested 3 FTE's to meet this challenge. In addition to FTEs the department will also be rebalancing collection routes in order to keep up with growth. Over the years, solid waste routes have become un-balanced, with some having significantly more collection points than others. Two of the requested FTE's will be utilized in the rebalancing along with two additional automated trucks. Rebalancing becomes problematic and complex because it involves changing the collection days for some residents, however, it is necessary in order to even out the collection points.

In FY18, the Department rolled out enhanced web services for customers through the Solid Waste website. This new web service allows customers to identify materials that can be recycled and sign up for collection notifications.

Facility and Asset Maintenance

To continue to address maintenance needs outside of the CIP, General Services has refreshed its five-year maintenance replacement plan with 14 projects proposed in FY19. Funding in the amount of \$900,000 is included in this budget.

Transportation

The budget includes 3.56 cents per \$100 assessed value of the property tax rate to provide continued funding of core transit services. In FY 2018-19, the Transportation Department will increase the number of networked parking meters and payment options. The Department will also continue to implement performance parking in high-demand parking areas. Additionally, construction of the new City-owned parking garage will be completed during FY 2018-19, adding over 600 parking spaces to downtown Durham.

The Transportation Department will engage a consultant to lead its expanded **TDM program**, MoveSmartDurham. This position will conduct culturally-responsive outreach, and lead education programs that encourage individuals to walk, bike, ride transit, carpool, and car share in order to increase the efficiency of Durham's transportation system and improve public health. MoveSmartDurham will be funded by a Triangle J Council of Governments grant, which provides 50% federal funds and requires a 50% local match.

Through the **Mayors Challenge Grant**, Bloomberg Philanthropies awarded a grant to test ideas around alternative transportation options for employees commuting downtown. The City of Durham was one of 35 cities (out of 350) selected to receive \$100,000.

The Transportation Department has identified a savings opportunity by **in-sourcing parking administration**. This will be a mid-year implementation/transition of contractual duties to the City. With this transition, 23 FTEs will be added to the City's authorized personnel count.

Sidewalks are important to advancing pedestrian safety and supporting the mobility of Durham residents and visitors. While the Transportation Department has made progress in improving sidewalk infrastructure in FY 2016-17, there are significant sidewalk gaps and substandard sidewalks in many locations throughout the City. In FY 2018-19, the Transportation Department will continue to refine its process for identifying, prioritizing, and constructing new sidewalks.

Protecting the Environment

The City will transform the way it measures and analyzes energy and water use in its buildings to improve efficiency and save tax payer dollars. Furthermore, the City-County Sustainability Office plans to update its 2007 Greenhouse Gas Plan in FY19.

Solid Waste Management has replaced **downtown dumpsters with compactors** in an effort to enhance efficiency and aesthetics. To date, two compactors have been purchased and are fully operational at two separate locations downtown—City Hall and the Ramseur Street parking lot. Three additional compactors will also be purchased and placed in additional downtown locations between FY18 and FY19.

The Department officially internalized cart services on November 1, 2017. The transition was relatively seamless. The improvement in meeting benchmarks for service requests was immediate. In FY17, only 76.4% of cart related service requests were closed within benchmark. In November, after SWM took over, 95.15% of requests were closed within benchmark.

The **Waste Characterization Study** was completed two years ago. Now that the data from the study has been analyzed, three significant factors were recognized that must be addressed: textile recycling, finding a use for food waste other than landfilling and capturing recyclable materials that are still being placed in the trash stream. The Department received a State permit for a **compost pilot program** utilizing food waste and yard waste. Upon completion of the pilot composting program, the Department will undertake a full-scale compost program utilizing food waste, yard waste and bio-solids. Utilizing bio-solids requires a Type 4 State permit and the Department has already begun the application process. The Department is monitoring a pilot program another municipality has started, for collection of textiles curbside for recycling/reuse. They are also considering a collection program at the Transfer Station Facility.

CAPITAL IMPROVEMENT PROGRAM (CIP) AND DEBT

The FY 2019-24 Capital Improvement Program (CIP) is presented to the City Council in a companion document to the FY 2018-19 annual budget. **The capital improvement budget includes \$178.5 million for new projects and to complete existing projects.** Funding is provided through Water and Sewer revenues and revenue bonds, General Fund financings, pay-as-go funding, Parking and Stormwater fees.

Funding is included for \$56 million in General Fund capital projects for projects that were deemed a priority and essential to the City's capital infrastructure needs. The remaining \$122.5 million of CIP funding was dedicated to Water and Sewer and Stormwater, and other enterprise projects. The City is committed to providing complete and ongoing communications to residents and the City Council about the progress of all projects. To monitor the status of any capital project, citizens can visit our website at <http://www.durhamnc.gov/cip>.

The FY 2018-19 budget includes **12.72 cents** per \$100 assessed value tax for debt and capital projects, to continue to fund capital and infrastructure needs.

The FY 2019-2024 Capital Improvement Program (CIP)

General Capital Projects FY18-19:

- \$0.49 million for Athletic Courts (address tennis court, baseball field and basketball court maintenance)
- \$1.63 million for CM Herndon Pk. Soccer Field and Parking Lot (address the addition of soccer field)
- \$0.266 million for Crest Street Park (address restroom replacement)
- \$2.08 million for Dirt Street Paving Projects (address City owned street that are petitioned to be paved)
- \$2.39 million for Duke Belt Line Trail (address priority recreational trail needs)
- \$8.95 million for Hoover Rd. Athletic Park Project (address soccer field needs)
- \$2.0 million for Public Safety Radio Replacements
- \$0.075 million for Public Art
- \$0.30 million for sidewalk repair (citywide sidewalks and curb/gutter repairs)
- \$0.90 million for New sidewalk projects (address BikeWalk Plan)
- \$7.41 million for Public Works Operations Center Renovation
- \$0.258 million for Red Maple Park (address restroom replacement)
- \$0.50 million for Rock Quarry Park (address Ph. II renovations)
- \$0.10 million for Rail Safety Improvement Projects
- \$0.85 million for Miscellaneous Thoroughfares (installation of pedestrian signals at various intersections)
- \$6.01 million for Fiber Network Project

Impact Fee Project:

- \$0.24 million for Federal/State Match Project (Infinity Rd/Roxboro)

Stormwater Projects:

- \$7.88 million to address flood plain management, drainage repairs, retrofits and major storm water infrastructure

Water and Sewer Projects:

- \$114.7 million for water and sewer improvements including water and sewer rehabilitation, distribution, water residuals, and construction

Fleet:

- \$13.2 million for General Fund, Inspections Fund, Solid Waste, Stormwater, Transit, and Water Management fleet vehicles.

Street Maintenance:

- \$7.0 million to address annual ongoing maintenance of streets. In FY18, there was one-time fund balance of \$2.6M added to address this effort. In FY19, there is \$5M designated as ongoing (\$1M more) and \$2M from one-time fund balance.

CONCLUSION

This is an exciting time to be in Durham. Whenever we update the Strategic Plan, it's an opportunity to dream about what Durham can be. City staff has taken full advantage of that opportunity. I believe that the vision they have laid reflects what we have heard from the community and from you. This vision will help us become the organization and community we want to be. However, that does not mean it will be easy, Durham faces challenges to achieving our vision for a diverse, innovative and inclusive community.

As we have become a community where people want to live, work and play new problems have emerged. Downtown has become an entirely different place than it was 20, 10 or even 5 years ago. But with that growth and demand, we have to be vigilant to ensure all Durham residents share in our prosperity. With new businesses starting here and moving to Durham we need to make sure our longtime residents have access to affordable housing and the training and opportunities to compete for job openings. As more people move to Durham we have to make sure people can get around our city, that includes excellent roads but also new thinking about public transportation, sidewalks and bike routes. As we grow we have to make sure our departments and programs have the resources they need to continue providing excellent service to our residents. This includes things like the Water facilities currently under construction, route realignment for Solid Waste and more staff for the Development Services Center.

We are beginning to address these challenges and will continue to do so over the next fiscal year, the three years of our new Strategic Plan, and beyond. I believe this budget shows we are

being strategic to building our vision for Durham and that we're being practical in ensuring we provide excellent services to our growing community. Change and uncertainty is scary, but it also represents a great opportunity. We have taken this chance to dream big about Durham's future and the community we want to be. I know our innovative and high-performing staff will help us become a community with shared economic prosperity, connected neighbors, a sustainable environment, and a safe community that we all build together.

I want to extend my appreciation and thanks to the management team for their creativity and prudent administration, to all City employees who have continued to provide excellent service, and to all departments for their great work in developing this budget. In closing, special recognition and thanks to Budget and Management Services Director, Bertha Johnson, and the entire Budget and Management Services staff for their leadership in the development of the budget and continued execution of our Strategic Plan. The updated Strategic Plan embodies the vision of our City Council showing how every employee contributes to making Durham the leading city in providing an excellent and sustainable quality of life.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Thomas Bonfield".

Thomas J. Bonfield
City Manager

UPDATING THE CITY OF DURHAM STRATEGIC PLAN FY 2019-2021

City of Durham employees work hard every day to provide the quality services that make Durham a great place to live, work, and play. The City of Durham has a strategic plan that serves as a road map pointing the organization from its firm foundation to become the leading city in providing an excellent and sustainable quality of life.

At the June 18th, 2018 Council Meeting the Durham City Council adopted the FY 2019-2021 Strategic Plan for the City and five over-arching goals:

1. Innovative and High Performing Organization
2. Creating a Safer Community Together
3. Shared Economic Prosperity
4. Connected, Engaged, and Diverse Communities
5. Sustainable Natural and Built Environment

The Strategic Plan continues to serve as the framework for accomplishing priorities. To ensure success, the organization will continue to integrate the plan into annual budgets, daily operations, and organizational measurements in an effort to direct our financial resources and planning in almost every area of government.

To monitor the refreshed Strategic Plan, the performance dashboard will be updated following its adoption. Residents can easily view progress made on specific citywide measures and initiatives, while also identifying potential trends. The performance dashboard is updated biannually with data displayed from the first six months of the fiscal year as well as year-end results. To learn more, visit www.DurhamNC.gov/StrategicPlan and dive into the performance dashboard to explore the organizations success factors. Please find the current FY 2019-2021 Strategic Plan on the following pages.



CITY OF
DURHAM



FY 2019-2021

Strategic Plan

Durham: What's Next?



One Vision, Five Goals

The City of Durham Strategic Plan serves as a roadmap to make Durham a diverse, welcoming and innovative community. Over 2,600 City of Durham employees provide services every day that make Durham a great place to live, work, and play. While our mission remains the same, the City's Strategic Plan and the five goals that are the framework for the activities, programs, and services associated with them, are new – **changed to build on how Durham is transforming to meet the needs of the growing, diverse, and inclusive community that we strive to be.** Over the past year the Strategic Plan has been undergoing a refresh, getting input from our employees who serve on strategic goal teams, and reflecting the feedback provided by residents. This plan will serve as the **guiding vision and action plan for the City of Durham over the next three years.**

Our Goals

- Innovative and High-Performing Organization
- Creating a Safer Community Together
- Shared Economic Prosperity
- Connected, Engaged, and Diverse Communities
- Sustainable Natural and Built Environment

GOAL

Innovative and High Performing Organization

Provide professional management that encourages a culture of innovation, collaboration, and transparency in order to deliver quality services through an exceptional workforce.

OBJECTIVES

- **Promote Internal and External Collaboration to Deliver Outstanding Service to All Customers**
The City achieves better results when departments work together to ensure seamless service delivery.
- **Promote Organizational Sustainability**
Improve Durham by encouraging innovation and strategically utilizing resources to achieve efficiency, resiliency and adaptability.
- **Enable the Community to Effectively Engage with Local Government**
Effectively involve the community in decision making, problem solving and continuous improvement through information sharing, collaboration and partnerships.
- **Cultivate a Diverse, Engaged, and Healthy Workforce Dedicated to Public Service**
Attract and retain high performing employees with diverse talents, skills, abilities, backgrounds and experiences who are committed to excellence.

OBJECTIVE

Promote Internal and External Collaboration to Deliver Outstanding Service to All Customers

Innovative and High Performing Organization

INITIATIVES

- Develop and implement customer service improvements for Durham One Call, Water Management, and Solid Waste with a focus on **process**.
- Develop and implement customer service improvements for Durham One Call, Water Management, and Solid Waste focusing on **people**.
- Develop and implement customer service improvements for Durham One Call, Water Management, and Solid Waste with the focus on **technology**.

OBJECTIVE

Promote Organizational Sustainability

Innovative and High Performing Organization

INITIATIVES

- Develop and implement a continuous improvement program that includes evaluation and process improvement to analyze and improve City services.
- Utilize lessons learned from IdeaStarter to increase funding and develop training for employees to expand innovation and process improvement.
- Develop a Data Academy to create a common set of skills in research, data visualization, experimentation, data gathering and analysis.
- Create opportunities for strategic and collaborative leadership development.
- Develop and implement a citywide STAT model to better use data and implement the Strategic Plan.
- Enhance partnerships with businesses and community organizations to solve organizational problems and test new technologies.
- Identify internal structure and implementation framework for the City's racial equity program.

OBJECTIVE

Enable the Community to Effectively Engage with Local Government

Innovative and High Performing Organization

INITIATIVES

- Make all legally available data freely accessible to public, share tools on how to use it.
- Create new opportunities for youth to engage in local government planning and decision-making processes.
- Develop a democratic process to give residents direct decision-making power over a portion of the budget.
- Develop and implement a Language Access Plan to provide guidance to departments to help prioritize efforts to improve access.
- Reconvene Neighborhood College to provide residents an opportunity to learn about local government services.
- Provide internal support to departments so they can disaggregate data to understand racial disparities to ensure equitable provision to all communities.

OBJECTIVE

Cultivate a Diverse, Engaged, and Healthy Workforce dedicated to Public Service

Innovative and High Performing Organization

INITIATIVES

- Create and implement an organization-wide process to define core values.
- Identify groups that the City should recruit to address inequities or align with City values (i.e., justice involved, local residents).
- Lead the City in strategic workforce and succession planning.
- Develop an outcome based wellness program.

GOAL

Creating a Safer Community Together

Build a community that allows residents to live, work, and play safely, free from harm and hazards.

OBJECTIVES

- **Reduce Harm**

Keep our residents safe.

- **Prioritize Building Relationships**

Strengthen community relations and improve public perception through proactive community engagement.

- **Improve Operational Efficiency**

Improve departmental effectiveness through increased operational and administrative efficiency.

- **Improve Public Safety Outcomes**

Facilitate high survivability of fire, medical, and other hazardous emergencies.

OBJECTIVE

Reduce Harm

Creating a Safer Community Together

INITIATIVES

- Increase focus on reducing gun crimes through a variety of enforcement strategies and education.
- Expand use of Crisis Intervention Team (CIT) and de-escalation training, thus enabling officers to utilize situationally appropriate response techniques.
- Develop joint community risk reduction activities based on community needs and data trends.
- Develop internal partnerships to create new innovative approaches to reducing harm. (DPR, NIS, WM Code Enforcement Collaborative)
- Address issues related to gang violence through public/private partnerships.
- Create Vision Zero action plan and deliver speed management projects.
- Decrease amount of time from referral for CIT intervention to patient contact.

Proactive Relationship Building

Creating a Safer Community Together

INITIATIVES

- Increase the use of the Police Community Engagement Unit, especially in socio-economically challenged areas and within Durham's housing community, to create meaningful engagement opportunities.
- Expand educational opportunities for both residents and employees to encourage a mutual appreciation and understanding of issues facing Durham.
- Implement strategies aimed to diversify each public safety agency so that they reflect the community.
- Partner with local Hispanic organizations and residents to create opportunities to learn about, and understand, the specific challenges facing the Hispanic community.
- Emphasize the core values and expectations of the public safety departments and encourage employees to demonstrate these through personal interactions with community members.
- Implement strategies to increase mutual appreciation and understanding of vulnerable communities.

Improve Operational Efficiency

Creating a Safer Community Together

INITIATIVES

- Analyze and adjust Police patrol work schedule to align resources with operational demand.
- Analyze beat structure to help improve integrity and “in district” call response.
- Implement quality assurance systems that support divisional programming efforts.
- Develop a program for all public safety non-sworn employees that can aid them in their professional development while also soliciting input on problem solving and innovative ideas.
- Transition to contemporary dispatch methods that allow emergency communications to better process 911 calls and deploy first responders.

OBJECTIVE

Improve Public Safety Outcomes

Creating a Safer Community Together

INITIATIVES

- Evaluate delivery of calls related to emergency medical services to identify opportunities to improve patient outcomes.
- Design and deploy innovative first responder training to ensure preparedness for emerging and evolving threats.
- Improve the quality and speed of fire and medical emergency medical responses.
- Utilize key metrics to identify gaps in response strategies and implement protocols and programs to reduce the occurrence and severity of the community's most detrimental incidents.
- Design, deliver, and deploy effective community risk reduction programs.

GOAL

Shared Economic Prosperity

Enable an environment in which human and workforce development and business growth occur to encourage an inclusive economy.

OBJECTIVES

- **Create an Inclusive Development Environment**
Create an efficient, transparent, and cost effective development environment, which encourages equity, access and inclusion.
- **Build a Talented, Competitive Workforce**
Meet the talent demands of Durham businesses while facilitating career opportunities for residents to be gainfully employed by using innovative work-based learning, career pathways and job training programs.
- **Grow a Civic Infrastructure**
Cultivate public private partnerships toward shared economic prosperity.

Create an Inclusive Development Environment

Shared Economic Prosperity

INITIATIVES

- Evaluate full cost recovery model for the development review program, where program application fees cover the cost of City review.
- Evaluate and propose a grant program or other means of ensuring equitable access to development review program permits and approvals, especially for low and moderate-income homeowners and entrepreneurs.
- Create a dedicated fund for development review activities, which will allow for investments such as digital submittal and review and retention of employees during brief periods of reduced development activity.
- Establish consistent and committed service levels between all development review departments.
- Conduct annual evaluation of the development review program.
- Implement a system of digital submittal, review and approval.
- Evaluate and propose new development review products, such as face-to-face reviews, expedited reviews and after-hours inspections.
- Evaluate and propose an approach and governance program for consolidated records management between development review departments and conversion of historic paper records to digital format.

Build a Talented, Competitive Workforce

Shared Economic Prosperity

INITIATIVES

- Grow the Durham Youth Internship Program from 200 to 1,000 placements.
- Re-design and implement an employment program for justice-involved residents.
- Engage the business community to gather data to understand their workforce needs and employment skill gaps within the local and regional labor market.
- Engage residents as well as internal and external partners to understand the barriers residents face to employment and career advancement.
- Fulfill the workforce needs of the business community by connecting residents to career pathways and work-based learning programs.
- Explore three apprenticeship tracks across non-traditional industry sectors in partnership with Durham Public Schools and Durham Technical Community College.

Grow a Civic Infrastructure

Shared Economic Prosperity

INITIATIVES

- Re-evaluate City's Economic Incentive Policy to create jobs for Durham residents.
- Convene national and international foundations to leverage resources and establish relationships.
- Convene financial institutions to leverage access to capital for small businesses.
- Host private sector roundtables to discuss the potential leveraging of Corporate Social Responsibility (CSR) resources.
- Establish an initiative centered on collaboration with area educational institutions that will focus on talent and technical assistance.
- Improve community capacity to provide economic opportunities for justice-involved individuals.
- Identify and recommend an approach to strategic community partnerships.
- Assess the barriers for small, minority-owned and women-owned businesses.
- Create a financial inclusion strategy with community partners.

GOAL

Connected, Engaged, and Diverse Communities

Foster cohesive, engaged and diverse communities where residents have equitable access to community resources, and the opportunity for a high quality of life.

OBJECTIVES

- Promote Community Capacity through Engagement**

Engage residents and partners to invest in and model collaboration that builds community capacity to solve community issues.

- Advance a More Inclusive and Equitable Durham**

Promote equitable access to community programs and services for all residents.

- Make Durham more Affordable**

Identify and encourage initiatives to make Durham more affordable for all residents.

- Cultivate Stronger Connections between Neighbors**

Create opportunities for residents to build relationships within their neighborhoods to foster social cohesion as Durham grows and changes.

Promote Community Capacity through Engagement

Connected, Engaged, and Diverse Communities

INITIATIVES

- Develop an organizational engagement plan focused on building community capacity.
- Expand outreach to and engagement with residents who have limited English proficiency by developing and executing strategies specifically designed to build relationships and community trust.
- Connect residents to resources to identify and advance community priorities together.
- Partner with Durham Public Schools to better understand and address community issues as they pertain to Durham's youth and families.

Advance a More Inclusive and Equitable Durham

Connected, Engaged, and Diverse Communities

INITIATIVES

- Facilitate the process of defining the terms "Equity" and "Inclusion" that the City will adopt, and work with departments to operationalize.
- Explore and implement strategies to better connect youth and their families to resources and programs.
- Planning when, where, and how we coordinate delivery of City of Durham services and investments at the neighborhood level to expand resident opportunities and increase equity.
- Identify and lower barriers for residents who are justice involved to access programs and services.

Make Durham More Affordable

Connected, Engaged, and Diverse Communities

INITIATIVES

- Identify and reduce regulatory impediments to housing affordability.
- Develop and implement strategies to ensure housing and transportation services support affordability.
- Implement the five year Affordable Housing Plan.
- Increase the use of the Earned Income Tax Credit (EITC) and property tax exemptions.

Cultivate Stronger Connections between Neighbors

Connected, Engaged, and Diverse Communities

INITIATIVES

- Utilize placemaking to facilitate natural interactions among community members to develop connections and build relationships.
- Target specific parks for multi-departmental community-based events. Use parks, centers, and programs to build relationships where multiple neighborhoods intersect.
- Invest in and create public art experiences – both downtown and in neighborhoods – that illuminate residents' history, sparks reflection and dialogue, and enhances daily life.
- Engage residents and community stakeholders to develop strategies to strengthen and stabilize neighborhoods.

GOAL

Sustainable Natural and Built Environment

Guide equitable, efficient, and environmentally sound investments in the City's built and green infrastructure assets.

OBJECTIVES

- **Invest in Sustainable Infrastructure**

Make intentional and sustainable infrastructure investments through comprehensive planning that considers the social, environmental, and economic life cycle costs.

- **Improve Mobility Networks**

Expand equitable access to transportation networks and facilities for all residents in Durham.

- **Create a More Sustainable Durham**

Protect and enhance the natural and built environment through programs, services, and community partnerships that foster a sustainable and resilient city.

OBJECTIVE

Invest in Sustainable Infrastructure

Sustainable Natural and Built Environment

INITIATIVES

- Evaluate and implement maintenance and replacement plans (Street, Park Amenities, Infrastructure and Fleet).
- Reduce energy consumption and expand life cycle of buildings with the use of building automation systems, sensors, and analytics.
- Develop a new Comprehensive Land Use Plan that aligns infrastructure, service standards, and capital and operational budgeting priorities with desired future land uses in Durham.

OBJECTIVE

Improve Mobility Networks

Sustainable Natural and Built Environment

INITIATIVES

- Invest in road network to increase the average Pavement Condition Index (PCI) rating of arterial and residential streets.
- Increase the usage of contracted sidewalk repair to achieve sidewalk repair targets.
- Provide an equitable, accessible, multi-modal transportation service that meets the needs of our growing community and consumer demands.
- Create a more walkable and bike friendly community.
- Expand and enhance trail network of the City.
- Encourage residents and commuters to utilize multi-modal transportation choices.

OBJECTIVE

Create a More Sustainable Durham

Sustainable Natural and Built Environment

INITIATIVES

- Increase amount of green infrastructure in the City of Durham by developing recommendations to reduce regulatory barriers.
- Pilot a cross-departmental composting effort to evaluate scalability of residential composting services.
- Develop and execute urban forestry management plan to achieve the City's goals and priorities for achieving equitable tree canopy goals.
- Improve water quality through stormwater and land use best practices.
- Implement and track progress of the Sustainability Roadmap.



Strategic Plan

FY 2019-2021

CITY OF DURHAM CROSSWALK DEPARTMENT GOALS, OBJECTIVES & STRATEGIES TO CITY GOALS

City department budget pages list departmental goals, objectives and strategies that are tracked and managed at the department level in support of City Council goals in the Strategic Plan.

Departmental goals, objectives and strategies in support of these Council goals are outlined in the crosswalk produced below. The reference noting which Council goals the departmental goals support is as follows (see reference word in parentheses):

Goal 1: Shared Economic Prosperity.
(ECONOMIC)

Goal 2: Creating A Safer Community Together.
(SAFER COMMUNITY)

Goal 3: Connected, Engaged and Diverse Communities.
(COMMUNITIES)

Goal 4: Innovative & High-Performing Organization.
(HIGH-PERFORMING)

Goal 5: Sustainable Natural and Built Environment
(SUSTAINABLE)

Department	Departmental Objective	Budget Page	Council Goals				
			Economic	Safer Community	Communities	High-Performing	Sustainable
City Clerk	To maintain a high level of administrative support to Mayor and City Council	VI-11				█	
City Clerk	To maintain official records and provide access to public records	VI-11				█	
City Manager	Enhance External Communication and Engagement	VI-16				█	
Audit Services	Reduce fraud, waste & abuse for the City	VII-6				█	
Audit Services	Improve efficiencies and effectiveness in the City operations (actual audit engagements)	VII-6				█	
Budget	Align Financial Resources with the City Priorities and promote financial sustainability	VII-11				█	
Budget	Foster a culture of continuous improvement to promote operational efficiencies and deliver the best outcomes for residents	VII-11				█	
EOEA	Increase the number of UBEs participating in the City's marketplace	VII-16	█				
EOEA	Increase the number of small businesses participating in City of Durham contracting	VII-17	█				
Finance	To Promote a Culture of Safety that Will Help Protect the City's Assets	VII-22				█	
Finance	To Execute Core Processes Under Standardized Controls to Protect Financial Assets and Promote Operational Efficiency	VII-22				█	
Finance	To Promote Strong Financial Management to Ensure Adequate Resources to Meet Programmatic and Capital Needs of the City	VII-23				█	
Human Resources	Make the City of Durham a nationally-recognized employer of choice	VII-28				█	
Human Resources	Establish human capital leadership across the organization	VII-28				█	
Human Resources	Create customer experiences that delight and amaze	VII-29				█	
Technology Solutions	Align IT services to provide innovative solutions according to evolving industry standards	VII-34				█	
Technology Solutions	Maintain all the City IT assets governed by Technology Solutions	VII-34				█	
Inspections	Provide Seamless Services to Customers	VIII-7	█				
Planning	Manage a process for reviewing development that is coordinated, efficient, predictable, fair, and transparent	VIII-14	█				

Department	Departmental Objective	Budget Page	Council Goals				
			Economic	Safer Community	Communities	High-Performing	Sustainable
Planning	Enhance the Department's communication with residents, developers, and other customers concerning property, development, and regulations	VIII-14					
Planning	Provide professional planning services in a location and setting convenient and pleasant for customers, marked by ease of access, convenient parking	VIII-15					
Community Development	Preserve and expand supply of affordable rental units and rental assistance, with a focus on households <50% AMI	VIII-20					
Community Development	Maintain affordability and protect very low-income households in neighborhoods experiencing significant housing cost increases	VIII-20					
Economic Development	Facilitate recruitment and expansion of targeted businesses and industries	VIII-31					
Economic Development	Connect job seekers to job and/or job training opportunities.	VIII-31					
Neighborhood Improvement Services	Improve public perception of safety and quality of the total built environment through the removal of public nuisances that contribute to crime, unsafe and unhealthy conditions in neighborhoods	VIII-38					
Neighborhood Improvement Services	Expand engagement with residents to ensure knowledge of and access to services; and to promote and to facilitate resident driven collaboration that improves the quality of neighborhoods	VIII-39					
Neighborhood Improvement Services	Improve housing and other built environment conditions to provide safe and sanitary housing and neighborhoods by increasing community awareness and responsiveness to City ordinances and codes	VIII-40					
Neighborhood Improvement Services	Increase fair and equitable housing opportunities through the enforcement of the federal and local fair housing laws, and by educating citizens and housing providers on these laws	VIII-40					
Neighborhood Improvement Services	Enhance External Communication and Engagement	VIII-41					

Department	Departmental Objective	Budget Page	Council Goals				
			Economic	Safer Community	Communities	High-Performing	Sustainable
Emergency Communications	To provide a quick and accurate response maximizing resident and field unit safety	IX-6					
Fire	Enhance Emergency Response Capabilities	IX-15					
Fire	Increase Code Enforcement and Community Education Efforts	IX-15					
Fire	Increase Staff Preparedness through Training	IX-16				█	
Police	Reduce the impact and fear of crime through effective proactive policing	IX-23					
Police	Meet response time goals to improve service delivery.	IX-23					
Police	Strengthen community relations through proactive community engagement	IX-24					
Police	Effectively recruit, train and retain well qualified and diverse employees	IX-24			█		
Fleet Management	To utilize existing reports in conjunction with an asset index to create a business plan to effectively manage City Resources	X-6					█
Fleet Management	Maintain an acceptable level of vehicle/equipment availability through a comprehensive Preventive Maintenance program and the use of data analytics (descriptive and predictive)	X-6,7					█
General Services	Exceed customer expectations by delivering excellent customer service and demonstrated performance measures outcomes within functional areas	X-13				█	
General Services	Construct, deliver, and maintain sustainable, high-quality, visually appealing infrastructure and facilities	X-14					█
General Services	Promote environmental sustainability to achieve energy efficiency, pollution and litter reduction, and support global warming prevention	X-15					█
Parks & Recreation	Increase connectivity to programs and services through reductions in physical and economic barriers, and increasing relationships and awareness	X-22			█		
Parks & Recreation	Creating opportunities to connect youth to health, wellness, the outdoors and to continue lifelong learning by developing and implementing a Teen (13-18) Strategy for Durham	X-22			█		

Department	Departmental Objective	Budget Page	Council Goals				
			Economic	Safer Community	Communities	High-Performing	Sustainable
Parks & Recreation	Attract and retain a talented and dedicated workforce that values innovation, excellence, and customer focused service	X-23					
Parks & Recreation	Continue developing and improving current facilities and parks according to current departmental plans in an effort to eliminate deferred maintenance, harden, and update dated equipment	X-24					
Public Works	Manage a proactive street maintenance program that is cost effective at an accepted level of service	X-31					
Public Works	Build a sidewalk network that meets community needs and creates a connected community	X-31					
Public Works	Maintain a stormwater system to meet or exceed all federal, state and local stormwater and environmental requirements	X-32					
Solid Waste	Develop and implement strategies to promote environmentally sound practices (to include the diversion of reusable and recyclable products from the waste stream thus increasing the diversion rate)	X-37					
Solid Waste	Improve collaboration with partner departments increasing resident education to deliver high quality services	X-38					
Solid Waste	Reduce carbon footprint and improve operational efficiencies	X-38					
Transportation	Enhance safety and accessibility of crosswalks, walkways, school zones, trails and bikeways for residents and visitors to get from one point to another	X-44					
Transportation	Promote zero fatalities on our roadways through the Vision Zero program, a program where community members share responsibility for ensuring the safety of the community	X-44					

Department	Departmental Objective	Budget Page	Council Goals				
			Economic	Safer Community	Communities	High-Performing	Sustainable
Transportation	Promote multi-modal transportation options that are environmentally sustainable, affordable, clean, safe, and efficient	X-45					
Transportation	Proactively address situations associated with single occupant vehicles, such as parking and congestion, with hired vehicle usage and transportation delivery to reduce vehicle miles traveled	X-46					
Water Management	Maintain satisfied customers	X-54					
Water Management	Maintain water/wastewater systems to an acceptable level of effectiveness and quality	X-54					
Water Management	Develop and build water/wastewater systems to meet growth needs and regulatory requirements	X-55					

BUDGET AND FINANCIAL POLICIES

The City of Durham's budget and financial policies serve as the basis for developing the annual operating budget and the six-year Capital Improvement Program. The policies also serve as the basis for the City's overall financial management.

The Local Government Budget and Fiscal Control Act governs much of the activities that occur in budget preparation and execution. The City has instituted other policies voluntarily in order to address issues that are specific to Durham. Both types of policies are noted below.

Operating Budget Policies

State Statutes:

- The City of Durham will operate under an annual balanced budget ordinance in which the sum of estimated net revenues and appropriated fund balance is equal to appropriations.
- By State Statute, the annual budget for all City funds, including enterprise funds, is prepared using the modified accrual basis of accounting. This basis of accounting recognizes revenues either when they are received in cash (such as licenses or fines) or when the collection of the amount can be reasonably estimated to be received in the near future (such as property taxes). Expenditures in a modified accrual system are generally recognized in the period in which goods or services are received or when a liability is incurred. Beginning with the FY 2001-02 Comprehensive Annual Financial Report, the City is accounting for its funds on both a full accrual and a modified accrual basis, in compliance with GASB 34.
- The General Fund has an officially adopted annual budget. The appropriations in the budget ordinance within the General Fund are shown at the fund level. Although General Statutes and generally accepted accounting principles do not require an annual balanced budget for the remaining funds, all governmental and enterprise funds have legally adopted balanced budgets.
- The City may establish and operate one or more internal service funds. At the same time that it adopts the budget ordinance, the City Council must approve a balanced financial plan for each internal service fund. A financial plan is balanced when estimated expenditures do not exceed estimated revenue.
- All grants received from the federal or state governments for operating or capital purposes will be recognized in separate grant project ordinances. A balanced grant project ordinance must be adopted prior to beginning the project. A grant project ordinance is balanced when estimated expenditures do not exceed estimated revenue. Information on each grant project ordinance is included in the Annual Budget.
- The City's budget ordinance will cover a fiscal year beginning July 1 and ending June 30. In order to have the budget ordinance approved by July 1, the Preliminary Budget, together with a budget message, will be submitted to the City Council no later than June 1.
- A public hearing will be held on the Preliminary Budget prior to adoption of the budget ordinance. Notice of this public hearing will be published in the Herald-Sun. This notice will

also state that the Preliminary Budget has been submitted to the City Council and that a copy of the budget is available for review in the City Clerk's office.

City Policies:

- The City's budget will be presented in a program budget format that includes program summaries, current year accomplishments, proposed year budgetary changes, proposed strategies to be employed, and performance measures for each major program or service.
- The City's budget will include five-year revenue and appropriation projections for the General Fund and major enterprise funds. These projections integrate the current financial picture with the outlook over the next five years.
- The City Manager has the authority to transfer funds within a departmental budget or within a fund as set in the budget ordinance. The Budget and Management Services Department staff reviews all budget transfer requests and authorizes all transfers. All administrative budget transfers are documented by the Budget and Management Services Department and tracked in the City's general ledger.
- A budget ordinance amendment is necessary whenever a change is required in the original Budget Ordinance. Those changes primarily involve changes to a fund total. Any amendment must ensure that revenues and appropriations remain balanced. Budget ordinance amendments must be approved by the City Council. All budget ordinance amendments are documented by the City Clerk and the Budget and Management Services Department and tracked in the City's general ledger.

Fund Balance Levels

General Fund

- Fund balance and reserve maintenance are important because they provide financial safety nets in the event of emergencies, economic downturns, or other unforeseen circumstances. Fund balance and reserve maintenance are also major factors considered by bond rating agencies when evaluating the City's credit worthiness.
- To maintain Unassigned Fund Balance ("UFB") in an amount no less than the greater of 12% of the current year's originally adopted Adjusted Budgeted Expenditures, or the amount required by the Local Government Commission (LGC).
- UFB could fall to a level below 12% only at the direction of Council and if it is determined that it is prudent to do so to mitigate current or future risks (e.g., significant revenue shortfalls or unanticipated expenditures), to address unforeseen opportunities or for other emergency purposes.
- If Council directs actions which result in a UFB of less than 12%, then the next year's budget must include a plan to restore the UFB to the minimum level within a reasonable amount of time.
- Any portion of the UFB in excess of 12% of Adjusted Budgeted Expenditures may be considered only for one-time (i.e., non-recurring) expenditures.

Capital Improvement Program

State Statutes

- The City will appropriate all funds for capital projects with a capital project ordinance in accordance with State Statutes.

City Policies

- The Capital Improvement Program (CIP) is a statement of the City of Durham's policy regarding long-range physical development. This plan is developed for a six-year period and is updated and revised annually. To be included in the CIP, each project must require a total expenditure of \$100,000.
- In all likelihood, the completion of capital projects will impact the departments' operating budgets as projects are completed and require maintenance and upkeep. Consequently, the impacts of capital projects on the annual operating budget are estimated and noted in the CIP.
- It is essential that CIP project proposals support, rather than contradict, plans and policies previously adopted by the City Council in order to coordinate and direct the physical development of the City. In evaluating each CIP proposal, particular attention is given to conformity of proposals with the Comprehensive Plan, the City's broadest overall policy and planning tool for managing growth.
- The CIP assumes the use of installment sales financing exclusively for either facilities that house City functions or facilities that are joint private-public ventures. This assumption is consistent with the stated goals of maintaining the existing infrastructure and providing City services in an effective and efficient manner.
- The CIP assumes the dedication of investment income toward general capital projects. By City Council resolution, all investment income derived by the General and Capital Projects Funds is dedicated to the Capital Projects Fund. This allows the City flexibility to accelerate or decelerate the spending schedules for capital projects funded on a pay-as-you-go basis, depending on the rate of return received for the City's pooled cash.
- The City will plan the use of Water and Sewer Operating Fund appropriations to capital projects on a multi-year basis to ensure that any future rate increases will be as level as possible throughout the planning period.



Fund Balance Policy for
General Fund and
Subject: Operating Reserve
Requirement for Water
and Sewer Fund
Effective Date: 3/28/2018
Department: Finance
Revised Date: [Policy Revised Date]

Revision: 2

Policy Number: FP-112
Rescinded Date: [Policy Rescinded Date]

DocuSigned by:

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City Manager

To All City Employees:

I. Purpose

The purpose of this policy is to establish a fund balance target for the General Fund and an operating reserve requirement for the Water and Sewer Fund. Fund balance and reserve maintenance are important because they provide financial safety nets in the event of emergencies, economic downturns, or other unforeseen circumstances. Fund balance and reserve maintenance are also major factors considered by bond rating agencies when evaluating the City's credit worthiness.

II. Policy

For the General Fund: To maintain Unassigned Fund Balance ("UFB") in an amount no less than the greater of 12% of the current year's originally adopted Adjusted Budgeted Expenditures ("ABE") or the amount required by the Local Government Commission (LGC). UFB could fall to a level below 12% only at the direction of Council and if it is determined that it is prudent to do so to mitigate current or future risks (e.g., significant revenue shortfalls or unanticipated expenditures). An additional amount equal to 4.7% of ABE shall be maintained to serve as a funding reserve for unforeseen opportunities and other non-emergency needs that may arise during any fiscal year for which other sources are not available, thus bringing the total UFB target level to 16.7% of ABE.

If Council directs actions which results in a UFB of less than 16.7% of ABE, then the next year's budget must include a plan to restore the UFB to 16.7% of ABE within a reasonable amount of time.

Projections of UFB levels will be made as part of the annual budget process and any portion of the UFB projected to be in excess of 16.7% of ABE shall be evaluated for

potential appropriation in the context of that process, but should generally be used only for non-recurring purposes.

For the Water and Sewer Fund: To maintain an Operating Reserve equivalent to 50% of annual Operating and Maintenance (O&M) Expenses. If the operating reserve is projected to fall below the target of 50%, then appropriate action, including rate increases and/or reductions in spending, will be taken to restore the reserve to the target level.

III. Definitions

Unassigned Fund Balance (UFB) – Fund balance amounts within the General Fund that are properly reported in the City’s financial statements as Unassigned as defined by the Governmental Accounting Standards Board (GASB) statement number 54. This amount represents fund balance that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Adjusted Budgeted Expenditures (ABE) – Total General Fund appropriations less any amounts appropriated within the fund for debt service and transfers to other funds. Calculations shall be made based upon the original annual budget adopted by City Council.

Operating Reserve - Current assets less inventories, accounts payable, accrued payroll and deposits held in escrow as reported in the City’s financial statements within the Water & Sewer Fund.

Operating and Maintenance Expenses – Total operating expenses less depreciation as reported in the City’s financial statements within the Water & Sewer Fund.

IV. Procedure

The Finance Department and the Budget & Management Services Department shall jointly develop projections of revenue and expenses to ensure that the City Manager’s recommended budget presented to Council each year is in compliance with this policy.

At the end of each fiscal year and upon completion of the audit of the financial statements, the Finance Department shall calculate the actual year-end UFB and Operating Reserve levels and report these amounts to the City Manager and City Council.

V. Other

This policy supersedes Council resolution #9789 regarding the level of fund balance in the General Fund of the City of Durham's annual budget.

The Finance Department is responsible for revisions and updates to this policy.

VI. Attachments



Multi-Year Fund Projections

The City includes fund projections in the annual budget. These projections incorporate the current year budget information with the budget outlook over the next five years. Projections include only the current levels of activity and do not include estimates of future service expansions.

Multi-year projections are prepared for the General Fund, the Debt Fund, and major Enterprise Funds.

**GENERAL FUND
PROJECTION**

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Revenues						
General Property Taxes	\$ 97,105,542	\$ 98,155,873	\$ 100,120,401	\$ 102,124,845	\$ 104,170,029	106,256,791
Taxes: Prior Year Levy/Interest	1,204,527	1,172,854	1,189,688	1,206,796	1,224,182	1,241,852
Other Local Taxes	70,141,404	72,683,095	75,320,586	78,057,709	80,898,464	83,847,026
State-Shared Revenues	11,851,475	12,044,104	12,076,338	12,192,153	12,310,284	12,430,779
Licenses and Permits	348,000	349,780	351,596	353,448	355,337	357,264
Investment/Rental Income	116,661	116,661	116,661	116,661	116,661	116,661
Charges for Current Services	8,930,425	9,100,137	9,204,230	9,310,404	9,418,702	9,529,168
Intragovernmental Services	6,694,530	7,008,308	7,276,998	7,643,309	7,996,048	8,040,839
Other Revenues	844,050	844,050	844,050	844,050	844,050	844,050
Additional Revenues	4,399,038	2,400,000	2,000,000	2,400,000	2,000,000	2,400,000
Total Revenues	\$ 201,635,652	\$ 203,874,862	\$ 208,500,548	\$ 214,249,375	\$ 219,333,757	225,064,430
Appropriations						
Personal Services	\$ 156,592,143	\$ 157,948,364	\$ 162,124,152	\$ 164,865,877	\$ 168,062,836	171,470,333
Operating	34,082,916	36,061,752	37,491,905	38,865,352	39,358,209	41,384,671
Capital Outlay	1,163,932	1,210,489	1,258,825	1,309,095	1,359,297	1,413,670
Others	521,765	165,903	165,903	165,903	165,903	165,903
Transfers to Other Funds	9,274,896	8,902,808	8,966,018	8,979,889	8,994,453	9,009,747
Total Appropriations	\$ 201,635,652	\$ 204,289,316	\$ 210,006,803	\$ 214,186,116	\$ 217,940,699	\$ 223,444,323
Property Taxes Needed	\$ 97,105,542	\$ 98,570,327	\$ 101,626,656	\$ 102,061,586	\$ 102,776,970	\$ 104,636,685
Projected Levy	97,105,542	98,155,873	100,120,401	102,124,845	104,170,029	106,256,791
Surplus/(Shortfall)	\$ -	\$ (414,454)	\$ (1,506,255)	\$ 63,259	\$ 1,393,059	\$ 1,620,106
One Cent on Tax Rate	\$ 2,916,958	\$ 2,975,322	\$ 3,034,871	\$ 3,095,630	\$ 3,157,624	\$ 3,220,879
Tax Rate (General Fund Only)	0.3329	0.3299	0.3299	0.3299	0.3299	0.3299
Tax Rate Equivalent	0.0000	0.0014	0.0050	-0.0002	-0.0044	-0.0050
Tax Rate (cents)	0.3329	0.3313	0.3349	0.3297	0.3255	0.3249
Undesignated Fund Balance	\$ 43,403,670	\$ 41,003,670	\$ 39,003,670	\$ 36,603,670	\$ 34,603,670	\$ 32,203,670
12% Undesignated Fund Balance	\$ 23,083,291	\$ 23,446,381	\$ 24,124,894	\$ 24,624,747	\$ 25,073,549	\$ 25,732,149
16.7% Undesignated Fund Balance	\$ 32,124,246	\$ 32,629,547	\$ 33,573,811	\$ 34,269,440	\$ 34,894,023	\$ 35,810,574
Fund Balance %	22.56%	20.99%	19.40%	17.84%	16.56%	15.02%

GENERAL FUND PROJECTION

Revenue Assumptions FY2020 – FY2024

- Property Tax Base is projected to grow at 2.00% annually overall.
- Other Local Taxes: Sales tax is projected at 5.00% growth annually. Hotel / Motel Occupancy Tax is projected at 7.00% growth annually.
- Intergovernmental projection: State Collected Revenues are assumed to have slow growth of 1.00%.
- Licenses & Permits are projected to have slow growth (between 1% and 2%).
- Rental Income is projected to have slow growth (between 1% and 2%).
- Charges for Current Services are projected to have slow growth (between 1% and 2%).

Appropriation Assumptions FY2020 – FY2024

- Personal Services (all salaries and benefits) appropriations are projected to grow at 4.5% - 5% per year over the next five years.
- Allowance in FY2020-21 for the full costs associated with the transition of 16 COPS grant positions awarded in FY2016-17.
- Operating appropriations are generally projected to grow at 1%. Other periodic costs such as election year expenses, as well as gradual increases for deferred maintenance and street maintenance funding are also included in future years.
- Capital outlay is projected to stay flat.
- Transfers to Other Funds are generally projected to grow overall by 2%, but fund subsidies are also included with best estimates based upon multi-year projections for those funds.

**DEBT FUND
PROJECTION**

	FY 2018-19	FY 2019-20	FY 2020-2021	FY 2021-22	FY 2022-23	FY 2023-24
Revenues						
Property Taxes	\$ 37,103,710	\$ 38,738,693	\$ 39,514,023	\$ 40,305,107	\$ 41,112,270	\$ 41,935,842
Other Revenue	576,480	549,309	-	-	-	-
Interest	23,000	-	-	-	-	-
Appropriation from Fund Balance	2,337,900	-	3,856,579	462,824	-	3,034,437
Total Revenues	\$ 40,041,090	\$ 39,288,002	\$ 43,370,602	\$ 40,767,931	\$ 41,112,270	\$ 44,970,279
Appropriations						
Debt Service	\$ 35,507,977	\$ 34,837,676	\$ 38,466,492	\$ 37,131,692	\$ 36,196,897	\$ 40,866,684
Tax Collection Fee	407,935	426,126	434,654	443,356	452,235	461,294
Transfer to Capital	-	1,663,202	2,661,488	1,433,445	2,033,906	1,977,491
Transfer to Other Funds	4,125,178	1,853,518	1,807,968	1,759,438	1,709,887	1,664,810
Appropriation to Fund Balance	-	507,480	-	-	719,345	-
Total Appropriations	\$ 40,041,090	\$ 39,288,002	\$ 43,370,602	\$ 40,767,931	\$ 41,112,270	\$ 44,970,279

DEBT PROJECTION

Revenue Assumptions

- Property Taxes – Property Tax Base is projected to grow at 2.00% annually.
- Other Revenue – Subsidy payments from Build America Bonds (BABs).
- Interest – Revenue earned through the commitment of City's funds to investments.
- Intergovernmental – Transfers from Durham County to pay for a portion of a communications infrastructure project.
- Appropriation from Fund Balance – Any portion not covered by revenues must be covered by fund balance.

Appropriation Assumptions

- Debt Service – Principal and interest payments on the City's debt service. Interest is projected at 4.5%.
- Tax Collection Fee - A portion of the tax collection interlocal contract with the County is allocated in this fund.
- Transfer to Capital / Other Funds – Transfers to funds that have debt obligations.
- Appropriation to Fund Balance – Any surplus in the fund is returned to fund balance.

**WATER AND SEWER FUND
PROJECTION**

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2013-24
Revenues						
Investment/Rental	\$ 767,980	\$ 783,340	\$ 799,007	\$ 814,987	\$ 831,287	\$ 847,913
Water & Sewer Sales	99,894,487	103,515,662	107,369,550	109,982,925	115,331,395	121,097,964
Other Operating Revenues	1,312,000	1,338,240	1,365,005	2,842,756	2,899,611	1,815,156
Licenses and Permits	139,750	142,545	145,396	148,304	151,270	154,295
Frontage Fees/Assessments	16,000	16,320	16,646	16,979	17,319	17,665
Other Revenues	20,000	20,400	20,808	21,224	21,648	22,081
Transfers From Other Funds	-	-	-	-	-	-
Appropriation from Fund Balance	55,607,213	-	-	-	-	-
Total Revenues	\$ 157,757,430	\$ 105,816,507	\$ 109,716,412	\$ 113,827,175	\$ 119,252,530	\$ 123,955,075

Appropriations						
Personal Services	\$ 30,592,718	\$ 31,816,427	\$ 33,089,084	\$ 34,412,647	\$ 35,789,153	\$ 37,220,719
Operating	28,742,820	29,748,819	30,790,028	31,867,679	32,983,048	34,302,370
Capital Outlay	23,000	24,035	25,117	26,247	27,428	28,662
Transfer to CIP	\$ 85,600,000	28,950,000	22,900,000	23,200,000	21,000,000	21,000,000
Transfer to Other Funds	3,565,102	3,725,532	3,893,181	4,068,374	4,251,451	4,442,766
Debt Service	9,233,790	10,412,619	12,411,889	17,582,821	25,201,450	26,960,558
Appropriation to Fund Balance	-	1,139,075	6,607,113	2,669,407	-	-
Total Appropriations	\$ 157,757,430	\$ 105,816,507	\$ 109,716,412	\$ 113,827,175	\$ 119,252,530	\$ 123,955,075

Debt Coverage Ratio:

Parity Debt	7.21	5.84	3.82	2.58	2.41	2.10
All Debt	4.86	4.44	3.23	2.31	2.21	1.98

Revenue Assumptions

- The projection reflects a reserve for debt coverage that is intended to ensure that the City meets or exceeds the revenue bond rate covenants contained in the water and sewer revenue bonds. Adverse conditions such as water restrictions due to drought, or unseasonably wet years, place the City in jeopardy of not recognizing sufficient revenues to meet these covenants. The coverage ratio that must be maintained for parity debt is 1.25 and for all debt 1.0. Generally, only operating revenues can be utilized for computation of the coverage ratio.
- A rate increase for water and sewer service charges is included for FY 2018-19. This rate increase equates to about a 1.3% increase for the average residential customer.
- The rate model utilized for the projection includes future rate increases based on growth in operating expenses. The rate model also assumes full funding of the proposed CIP by utilization of funds from capital facility fees, pay-as-you-go transfers from the operating fund, and revenue and/or General Obligation bond issues.
- Water and Sewer Sales include both consumption and service fee charges to all direct water and sewer customers, inside and outside the City. It does not include contractual water sales to other utilities.
- All non-rate revenue sources are projected to increase by 2% annually.

Appropriation Assumptions

- All Operational and Maintenance costs including operating and capital increase by 3.5% each year to cover expected system expansions and increased regulatory requirements, and personnel increases by 4% each year.
- Transfer to CIP represents the amount of cash projected to be transferred from the Water and Sewer Fund to the Capital Projects Fund for water and sewer construction projects.
- Transfers to Other Funds include a transfer of capital funds to pay for fleet needs.
- Debt Service projections, provided by the City's Finance Department, include all existing and estimated future debt service to be paid by the Utility System.
- Appropriation to Fund Balance builds the reserves in the Water and Sewer Fund in order to be able to continue to meet debt covenants.

SOLID WASTE FUND PROJECTION

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Revenues						
General Property Taxes	\$ 18,347,668	\$ 18,714,775	\$ 19,089,340	\$ 19,471,515	\$ 19,861,457	\$ 20,259,328
Interest and Rental Income	18,000	18,000	18,000	18,000	18,000	18,000
Charges for Services	7,588,291	7,521,539	7,726,576	7,939,447	8,160,456	8,539,235
Intergovernmental Revenues	167,322	167,322	167,322	167,322	167,322	167,322
Landfill Gas	140,000	137,200	134,456	131,767	129,132	126,549
Other Financing Sources	300	-	-	-	-	-
Transfers From Other Funds	82,422	82,422	82,422	82,422	82,422	82,422
Appropriation From Fund Balance	59,371	466,896	809,263	865,787	597,599	798,401
Total Revenues	\$ 26,403,374	\$ 27,108,154	\$ 28,027,379	\$ 28,676,260	\$ 29,016,388	\$ 29,991,257
Appropriations						
Personal Services	\$ 8,040,128	\$ 8,408,616	\$ 8,810,011	\$ 9,233,844	\$ 9,681,557	\$ 10,068,820
Operating	14,509,794	14,894,815	15,327,881	15,778,168	16,246,470	16,408,935
Capital and Other	18,500	50,000	50,000	50,000	50,000	50,000
Debt Service	3,831,134	3,754,722	3,839,486	3,614,248	3,038,360	3,463,502
Transfers To Other Funds	3,818	-	-	-	-	-
Transfer to Fund Balance	-	-	-	-	-	-
Total Appropriations	\$ 26,403,374	\$ 27,108,154	\$ 28,027,379	\$ 28,676,260	\$ 29,016,388	\$ 29,991,257

SOLID WASTE PROJECTION

Revenue Assumptions

- General Property Taxes represents the portion of the City's tax rate that is dedicated to the Solid Waste Fund. For FY19, this rate is 6.29 cents per \$100 valuation. Future years project the same rate. Consistent with the City's General Fund Multi-Year projection, this revenue is expected to grow 2% per year.
- Interest and Rental Income is revenue earned through the commitment of City funds to investments.
- Charges for Services represents all revenues that are received as a direct result of the department's operations. These revenues include the per ton tipping fee, fees for yard waste collection, brush pickup fees, and white good disposal revenue. These fees are projected to grow or decline at various rates depending upon the specific source.
- Intergovernmental Revenues includes the State Solid Waste Disposal Tax and is projected to be constant.
- Landfill Gas is methane produced by the landfill and sold to a vendor. It is a limited resource, and as production drops, revenue is projected to decrease by 2% annually.
- Other Financing Sources is generally for bond refunding transactions and debt collection related activities.
- Transfers from Other Funds has historically been a \$15K transfer from the Business Improvement District (BID) Fund to partially cover the costs of providing extra services in the downtown area. In FY18, there was an additional \$112,695 for the purchase of the last three of five downtown compactors. This transfer has increased to \$82,422K from \$15K in FY19 to more accurately capture the true costs of providing enhanced services downtown.
- Appropriation from Fund Balance is used when projected expenses exceed projected revenues for the Fund.

Appropriation Assumptions

- Personal Services projections are based upon assumptions in the City's General Fund Multi-Year projection and are projected to grow between 4% per year over the next six years.

- Operating costs are projected to grow due primarily to contractual and vehicle repair costs.
- Capital and Other captures the costs for the three new downtown compactors in FY18 as well as two new box trucks for the carts maintenance insourcing initiative, and equipment for maintenance at the closed landfill.
- Debt Service costs cover most vehicle purchases and other large capital needs that are financed.
- Transfers to Other Funds is a transfer for a Customer Convenience Center Improvements project in FY18 and a small transfer to cover the Solid Waste Fund's portion of a technology project for FY18 and FY19.
- Transfer to Fund Balance is used when projected revenues exceed projected expenses.

STORMWATER MANAGEMENT FUND PROJECTION

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Revenues						
Operating Revenues	\$ 15,316,539	\$ 15,776,035	\$ 16,249,316	\$ 16,736,796	\$ 17,238,900	\$ 17,756,067
Interest and Rental Income	67,000	67,670	68,347	69,030	69,720	70,418
Miscellaneous Revenue	344,000	354,320	364,950	375,898	387,175	398,790
Transfers from Other Funds	109,047	109,047	109,407	109,407	109,407	109,407
Subtotal Revenues	\$ 15,836,586	\$ 16,307,072	\$ 16,792,020	\$ 17,291,131	\$ 17,805,202	\$ 18,334,682
Appropriation from Fund Balance	4,056,931	829,852	840,382	1,306,566	3,653,403	156,268
Total Revenues	\$ 19,893,517	\$ 17,136,924	\$ 17,632,401	\$ 18,597,697	\$ 21,458,605	\$ 18,490,949
Appropriations						
Personal Services	\$ 8,441,367	\$ 8,779,022	\$ 9,130,183	\$ 9,495,390	\$ 9,875,205	\$ 10,270,214
Operating	3,469,137	3,607,902	3,752,219	3,902,307	4,058,400	4,220,736
Transfers to Other Funds	7,983,013	4,750,000	\$ 4,750,000	5,200,000	7,525,000	4,000,000
Transfers to Fund Balance	-	-	-	-	-	-
Total Appropriations	\$ 19,893,517	\$ 17,136,924	\$ 17,632,401	\$ 18,597,697	\$ 21,458,605	\$ 18,490,949

STORMWATER MANAGEMENT PROJECTION

Revenue Assumptions

- Stormwater Charges – Property owners are billed for Stormwater Charges based on the impervious area of their property (measured in Equivalent Residential Units (ERU), or 2,400 square feet). There are no proposed rate increases for FY 2018-19. A rate increase may be needed for FY 2019-20, depending on the rate of capital spending.
- The single-family residential Stormwater monthly fee structure reflects three tiers tied to square footage of impervious surface:
 - \$3.26 for less than 2,000 square feet
 - \$6.75 for more than 2,000 and less than 4,000 square feet
 - \$13.52 for more than 4,000 square feet
- The monthly charge for each commercial ERU is \$6.75. The Stormwater Fee ordinance exempts City streets, but not City buildings, from Stormwater Fees.
- Miscellaneous revenues include permit fees for plan review and inspection of any required Stormwater management facilities (e.g., detention basin, sand filter) associated with development plans. Also included in this category are fees for the removal of dead animals from veterinary hospitals, a service provided by the Street Cleaning division. Increases are budgeted at approximately 3%.
- Transfers from other funds include transfers from the Transit Fund.
- Appropriations from fund balance represents any costs not covered from revenue sources.

Appropriation Assumptions

- Personal Services costs are projected to grow at a rate of approximately 4.5% -5% annually over the next six years.
- Operating costs are projected to grow at approximately 4.0% annually.
- The Transfers to Other Funds includes the transfer from the Stormwater Fund to the CIP fund for private property projects and watershed planning and design and to the Fleet Fund for vehicle replacements.
- Transfer to fund balance is present in years in which revenue are anticipated to exceed expenditures.

**TRANSIT FUND
PROJECTION**

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Revenues						
General Property Taxes	\$ 10,384,372	\$ 10,592,059	\$ 10,803,901	\$ 11,019,979	\$ 11,240,378	\$ 11,465,186
Licenses and Permits	2,750,000	2,805,000	2,861,100	2,918,322	2,976,688	3,036,222
Intergovernmental	5,964,925	5,796,231	5,882,231	5,969,873	6,060,070	6,246,550
Charges for Current Services	2,691,919	2,723,164	2,754,790	2,786,895	2,819,459	2,852,488
Other Revenue	163,727	173,054	176,510	168,099	207,829	175,706
Appropriation from Fund Balance	821,869	1,006,561	1,215,092	1,417,203	1,733,621	1,859,312
Total Revenues	\$ 22,776,812	\$ 23,096,069	\$ 23,693,624	\$ 24,280,371	\$ 25,038,045	\$ 25,635,464
Appropriations						
Operating	\$ 20,804,911	\$ 21,429,058	\$ 22,071,930	\$ 22,734,088	\$ 23,416,111	\$ 24,118,594
Capital	142,673	175,633	125,000	125,000	125,000	125,000
Debt Service	239,451	205,778	205,778	205,778	205,778	205,778
Transfers to Other Funds	1,589,777	1,285,600	1,290,915	1,215,504	1,291,156	1,186,091
Appropriation to Fund Balance	-	-	-	-	-	-
Total Appropriations	\$ 22,776,812	\$ 23,096,069	\$ 23,693,624	\$ 24,280,371	\$ 25,038,045	\$ 25,635,464

TRANSIT PROJECTION

Revenue Assumptions

- This fund does not capture the full revenues or costs associated with Transit operations. Several grants are accounted for in grant funds. Changes in future grant allocations affect overall Transit operations.
- The Transit Fund is proposed to receive 3.56 cents of the tax rate for FY 2018-19. Growth in the tax base is projected at 2.00% annually.
- Licenses and Permits are projected to grow by 2% annually.
- Intergovernmental (State grant) revenue base is projected flat overall, but increases are tied to growth in the transit system as new service is added, based on the funding formula. This line also includes transfers from Triangle Transit for new services and approved transfers for existing service from the half cent sales tax and increased motor vehicle fee approved as part of the Bus and Rail Investment Plan.
- Charges for Services are projected to grow at 1% for Transit Fixed Route services and to grow at 3% for Paratransit services after FY 2018-19.
- Other Revenue is variable based upon expected activities in each fiscal year.
- Appropriation from Fund Balance is budgeted in years where expenses are projected to exceed revenues.

Appropriation Assumptions

- As noted in Revenue Assumptions, some Transit operating costs are captured in grant funds and not shown here. Changes in those grant allocations will also affect Transit operations funding.
- This projection does not include capital costs for significant expansion of the fleet. Those costs are captured in grant and capital projects.
- Transit service operating costs are projected to rise at an annual rate of 3.05% on average without any increase in service levels. The other increases in FY 2019-20 through FY 2023-24 also reflect costs associated with projected new services as part of the Bus and Rail Investment Plan.
- Transfers to Other Funds show grant matches required to leverage grant funding for Transit operations.
- Appropriation to Fund Balance is budgeted in years when revenues are projected to exceed expenses.

**PARKING FACILITIES FUND
PROJECTION**

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Revenues						
Interest and Rental Income	\$ 25,000	\$ 25,500	\$ 26,010	\$ 26,530	\$ 27,061	\$ 27,602
Charges for Current Services	5,676,422	7,256,103	7,165,351	7,381,437	7,366,163	7,366,163
Appropriation from Fund Balance	1,297,444	625,655	1,037,898	747,999	870,694	291,105
Transfers from Other Funds	918,176	894,418	869,075	420,125	404,852	389,457
Total Revenues	\$ 7,917,042	\$ 8,801,676	\$ 9,098,334	\$ 8,576,091	\$ 8,668,770	\$ 8,074,327
Appropriations						
Personal Services	\$ 324,294	\$ 1,454,220	\$ 1,519,660	\$ 1,588,045	\$ 1,659,507	\$ 1,734,185
Operating	4,020,882	3,852,853	3,890,482	3,524,781	3,576,859	2,937,750
Capital	120,000	-	-	-	-	-
Debt Service	3,451,866	3,494,603	3,688,192	3,463,265	3,432,404	3,402,392
Transfer to Fund Balance	-	-	-	-	-	-
Total Appropriations	\$ 7,917,042	\$ 8,801,676	\$ 9,098,334	\$ 8,576,091	\$ 8,668,770	\$ 8,074,327

PARKING FACILITIES PROJECTION

Revenue Assumptions

- Since FY 2002-2003 a private vendor is contracted to operate the City garages and parking lots.
- The Parking Fund has a multi-year financial plan. Some of the significant assumptions include:
 - Bi-annual increases of 10% for monthly and general parking rates are anticipated starting in FY 2019-20.
- Transfers from Other Funds are a subsidy from the Debt Service Fund, covering existing debt service. Any new debt the fund incurs is expected to be covered by the Parking Fund.

Appropriation Assumptions

- Effective January 1, 2019 it is proposed that all parking administration will be insourced, eliminating the need for a private contractor.
- Personal Services are projected to grow by 4.5% per year over the next six years.
- Operating costs are projected based on the timing of the assumptions listed above.
- New debt is anticipated in FY 2020-21 to fund parking deck renovations.

**BALLPARK FUND
PROJECTION**

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Revenues						
Interest Income	\$ 6,667	\$ 6,674	\$ 6,680	\$ 6,687	\$ 6,694	\$ 6,700
Charges for Service	268,259	268,796	269,333	269,872	270,412	270,952
Transfers from Other Funds	1,072,528	1,122,528	1,222,528	1,224,973	1,227,423	1,229,878
Transfer from Reserve	56,044	-	-	-	-	-
Total Revenues	\$ 1,403,498	\$ 1,397,997	\$ 1,498,541	\$ 1,501,532	\$ 1,504,528	\$ 1,507,531
Appropriations						
Debt Service	1,240,787	1,228,320	1,218,752	1,207,017	1,195,126	1,183,175
Capital Repair/Replacement	162,711	169,677	279,790	294,514	309,402	324,356
Total Appropriations	\$ 1,403,498	\$ 1,397,997	\$ 1,498,542	\$ 1,501,531	\$ 1,504,528	\$ 1,507,531

BALLPARK PROJECTION

Revenue Assumptions

- Interest income is revenue earned through the commitment of City funds to investments.
- Charges for Services includes base rental and revenue sharing. Per the lease agreement approved by City Council on June 03, 2013, the City will receive an annual base rent with a projected 2% escalation, based on CPI. Additionally, the City will receive 3% of any gross revenues in excess of \$11,030,904 as well as 1.25% of revenues collected from Third Party and Special Events.
- The Transfers from Other Funds represents a subsidy from the General Fund and Debt Service Fund. The General Fund is providing \$100K in FY19, \$150K in FY20, and then \$200K annually in FY21-FY24. The Debt Service Fund will subsidize the Ballpark Fund approximately \$973K in FY19, and continue to decrease annually through FY24.
- Transfers to reserve represents any surplus transferred back to fund balance.

Appropriation Assumptions

- Debt Service costs account for the issuance of \$12 million in taxable limited obligation bonds per the development agreement approved by City Council on May 22, 2013. These bonds were used to provide \$6 million in deferred maintenance repairs and \$6 million in renovations to the Ballpark, completed in April 2014. Debt Service estimates are supplied by the Finance Department.
- Capital Repair/Replacement captures the anticipated replacement costs of maintenance items, such as electrical equipment, elevators, and HVAC system replacements/upgrades.

**DURHAM PERFORMING ARTS FUND
PROJECTION**

	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2023-24
Revenues						
Other Local Taxes	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000
Other Revenues	1,052,500	1,000,000	1,052,500	1,017,500	956,250	956,250
Interest Income	44,599	39,385	46,456	46,640	51,134	53,562
Operating Revenues	1,841,948	1,611,219	1,806,437	1,699,222	1,446,190	1,414,253
Appropriation from Fund Balance	-	-	-	-	-	-
Total Revenues	\$ 4,339,047	\$ 4,050,604	\$ 4,305,393	\$ 4,163,362	\$ 3,853,574	\$ 3,824,065
Appropriations						
Operating	549,013	456,507	469,456	482,879	496,796	511,227
Capital and Other	215,528	1,164,390	180,763	1,406,358	216,250	586,164
Debt Service	2,236,225	2,231,745	2,234,005	2,237,119	2,237,197	2,238,665
Appropriation to Fund Balance	1,338,281	197,962	1,421,168	37,006	903,332	488,009
Total Appropriations	\$ 4,339,047	\$ 4,050,604	\$ 4,305,393	\$ 4,163,362	\$ 3,853,574	\$ 3,824,065

Revenue Assumptions

- Other Local Taxes represents Occupancy Tax collections from Durham County. Durham Performing Arts Center is funded with 1% of collections, up to a maximum of \$1,400,000 annually.
- Other revenues represent Ticket Facility Fee Revenue and Naming Rights. Ticket facility fees are a \$1.50 surcharge charged on each ticket purchased for events and performances held at DPAC. Naming Rights fluctuate year to year as organizations' contractual rights to naming change.
- Operating revenues represents the City's share of the net operating revenue of the facility. The City of Durham receives a percentage of net operating revenue, based upon how much revenue falls into various reimbursement tiers. The current reimbursement schedule is as follows:
 - Tier 1: 40% of revenue below \$2,000,000
 - Tier 2: 30% of revenue between \$2,000,000 and \$2,300,000
 - Tier 3: 40% of revenue between \$2,300,000 and \$3,000,000
 - Tier 4: 20% of revenue above \$3,000,000
- Interest Income represents revenues gained through the commitment of City funds to investment instruments allowed under State Statute.
- Appropriations from Fund Balance represents any costs not covered from revenue sources.

Appropriation Assumptions

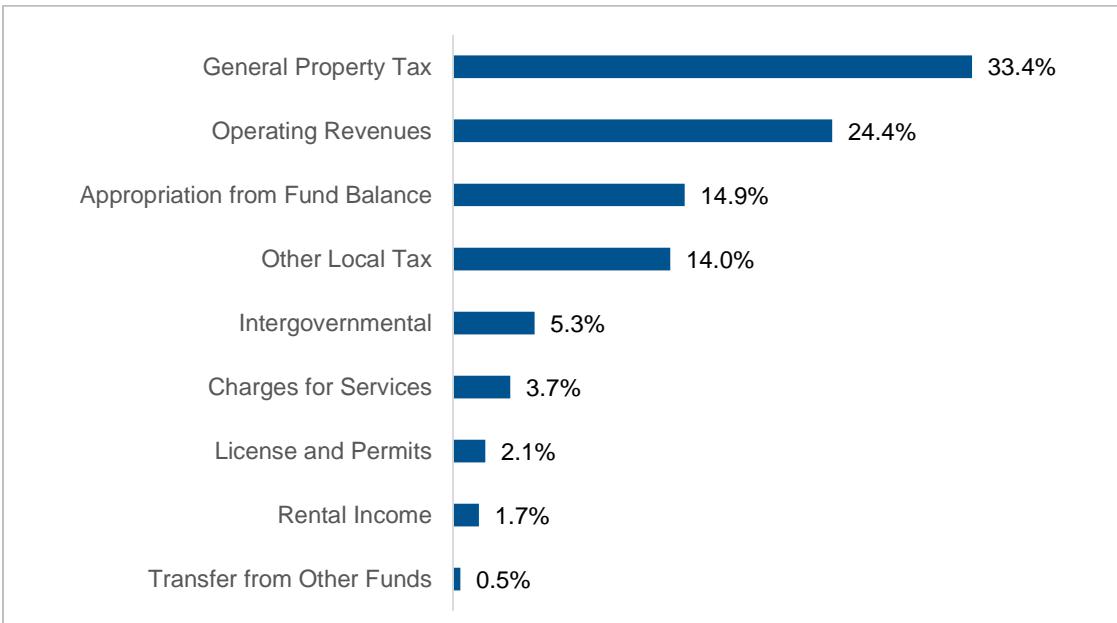
- Operating costs represent commissions and fees to meet contractual obligations for the operation of the facility and are projected to grow at 3% annually.
- Capital and other represents expenses related to the maintenance, improvement, and repairs to the facility. These expenses were previously captured in the DPAC Capital Facilities fund, which was consolidated with the annual operating fund for the 2014-15 fiscal year.
- Debt service represents expected debt service on Certificates of Participation issued to finance the theatre.
- Appropriation to Fund Balance represents transfers for any surplus revenue beyond expenditures.

**SUMMARY OF REVENUES AND APPROPRIATIONS
FOR ALL FUNDS**

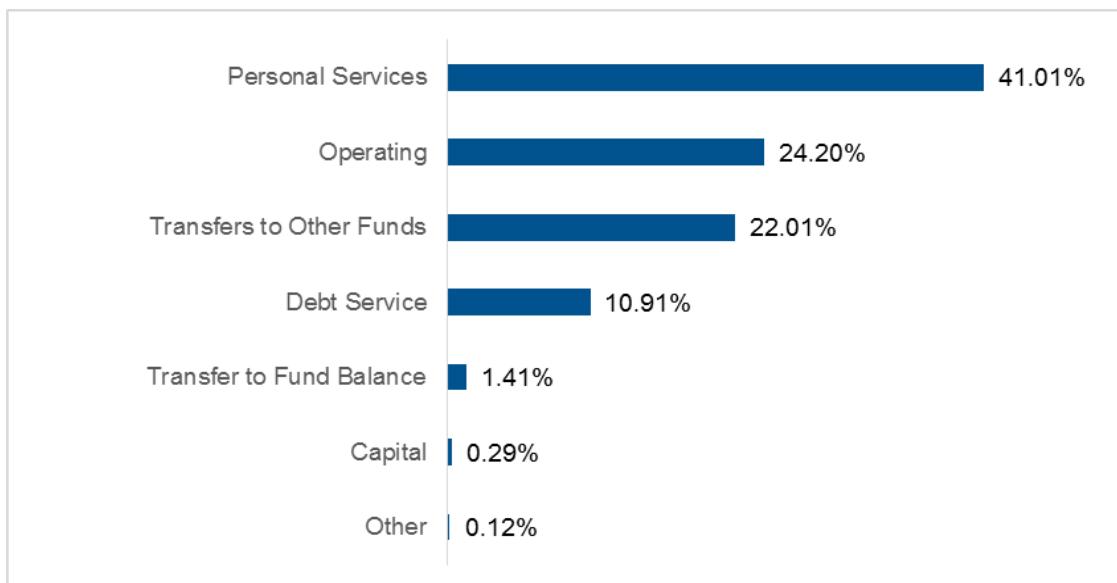
	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19
General Property Taxes	\$ 157,483,810	\$ 163,330,381	\$ 163,842,699	\$ 170,755,800
Other Local Taxes	65,106,503	68,166,579	68,414,536	71,541,404
Intergovernmental	22,225,835	23,871,804	22,979,124	26,887,435
Licenses and Permits	11,085,252	10,129,407	10,160,590	10,664,945
Rental and Other Income	16,135,796	13,971,162	14,487,488	8,625,854
Charges for Current Services	19,150,634	17,465,032	18,391,178	18,925,555
Operating Revenues	120,750,435	121,685,434	112,287,731	124,806,600
Transfers from Other Funds	3,569,039	2,557,124	2,557,124	2,432,173
Appropriation from Fund Balance	78,776,977	8,216,119	43,934,542	76,296,420
Total Revenues	\$ 494,284,281	\$ 429,393,042	\$ 457,055,011	\$ 510,936,186
Personal Services	\$ 175,700,579	\$ 195,355,615	\$ 191,004,366	\$ 209,554,349
Operating	102,461,567	109,035,583	117,132,717	123,643,607
Capital	8,278,112	2,025,206	6,200,963	1,722,219
Debt Service	65,777,200	48,236,069	48,236,069	55,741,230
Transfers To Other Funds	63,287,654	55,803,724	56,146,712	112,461,914
Other	-	3,468,505	194,410	601,835
Transfer to Fund Balance	78,779,169	15,468,340	38,139,774	7,211,032
Total Appropriations	\$ 494,284,281	\$ 429,393,042	\$ 457,055,011	\$ 510,936,186

SUMMARY OF REVENUES AND APPROPRIATIONS FOR ALL FUNDS

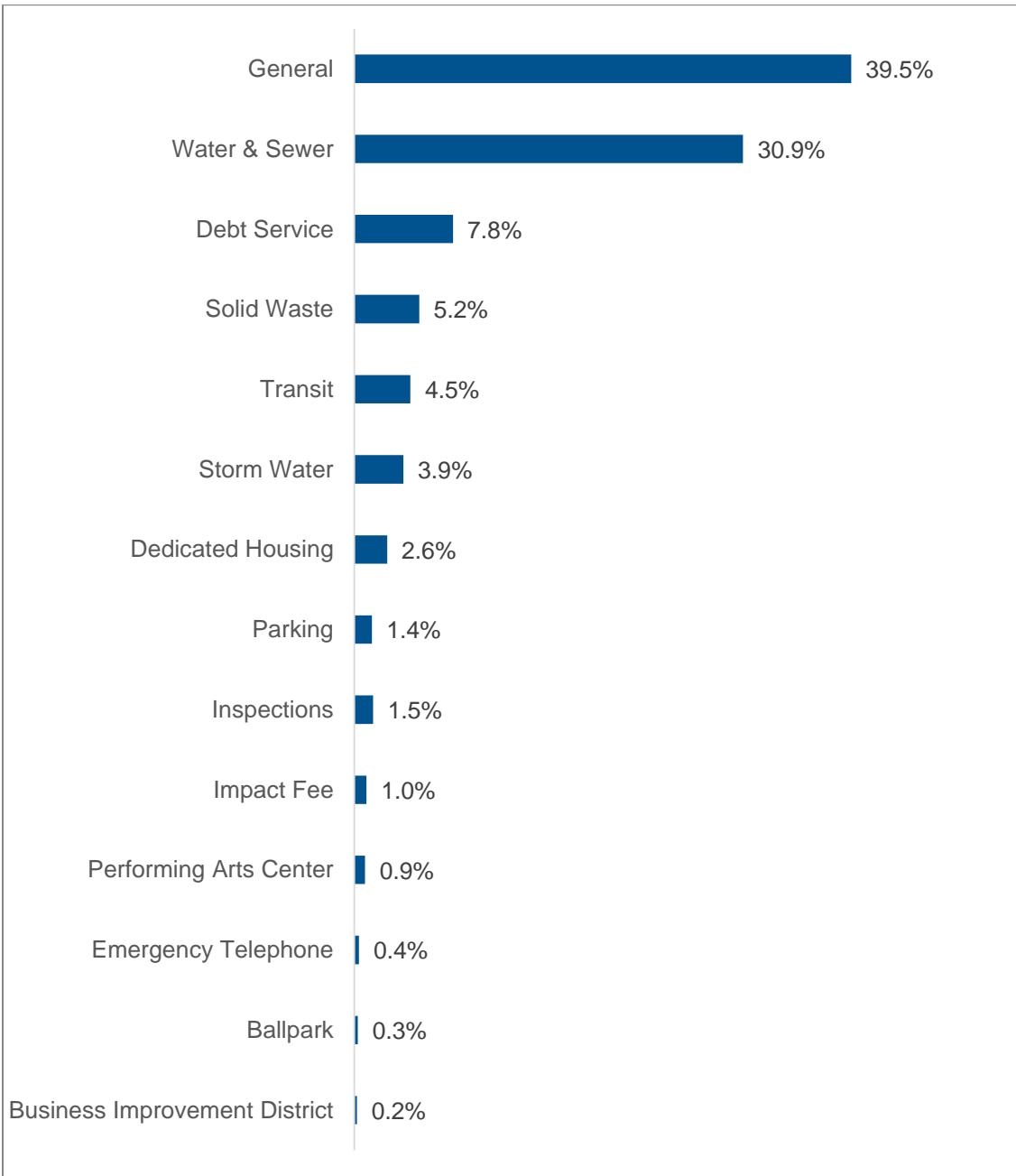
FY 2018 2019 REVENUES



FY 2018-2019 APPROPRIATIONS



SUMMARY OF ALL FUNDS RECOGNIZED IN THE BUDGET ORDINANCE



**SUMMARY OF REVENUES FOR ALL
FUNDS RECOGNIZED IN BUDGET ORDINANCE**

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19
General Fund				
General Property Taxes	\$ 89,150,239	\$ 93,184,096	\$ 93,463,648	\$ 98,310,069
Other Local Taxes	63,615,107	66,766,579	67,014,536	70,141,404
State-Shared Revenues	11,784,600	11,742,340	11,670,112	11,851,475
Licenses and Permits	1,333,798	506,000	530,886	348,000
Interest and Rental Income	157,124	150,082	169,164	116,661
Charges for Current Services	8,759,375	8,037,822	7,547,550	8,930,425
Intragovernmental Revenues	1,685,586	2,007,073	1,984,866	6,694,530
Other Revenues	852,363	953,100	636,191	844,050
Transfers from Other Funds	19,139	-	-	-
Subtotal Current Revenues	\$ 177,357,331	\$ 183,347,092	\$ 183,016,953	\$ 197,236,614
Appropriation from Fund Balance	563,519	6,100,917	12,561,353	4,399,038
Total Revenues	\$ 177,920,850	\$ 189,448,009	\$ 195,578,306	\$ 201,635,652
Debt Service Fund				
General Property Taxes	\$ 36,326,028	\$ 36,358,161	\$ 36,358,161	\$ 37,103,710
Interest	55,325	-	-	23,000
Other Revenue	627,530	598,195	598,195	576,480
Bond Refunding	9,596,211	-	-	-
Intergovernmental	1,000,000	1,878,516	1,878,516	-
Subtotal Current Revenues	\$ 47,605,094	\$ 38,834,872	\$ 38,834,872	\$ 37,703,190
Appropriations from Fund Balance	-	-	-	2,337,900
Total Revenues	\$ 47,605,094	\$ 38,834,872	\$ 38,834,872	\$ 40,041,090
Water and Sewer Fund				
Investment and Rental Income	\$ 759,396	\$ 592,500	\$ 768,991	\$ 767,980
Water and Sewer Sales	95,409,859	97,527,427	99,236,778	99,894,487
Other Operating Revenue	1,541,207	1,312,000	1,366,749	1,312,000
Licenses and Permits	190,290	145,000	167,960	139,750
Bond Refunding	-	-	1,567,006	-
Other	56,510,193	10,000	-	36,000
Transfer from Other Funds	31,537	-	-	-
Subtotal Current Revenues	\$ 154,442,482	\$ 99,586,927	\$ 103,107,485	\$ 102,150,217
Appropriations from Fund Balance	-	609,543	-	55,607,213
Total Revenues	\$ 154,442,482	\$ 100,196,470	\$ 103,107,485	\$ 157,757,430
Solid Waste Disposal Fund				
General Property Taxes	\$ 17,102,831	\$ 17,564,734	\$ 17,741,165	\$ 18,347,668
Interest and Rental Income	38,027	30,000	30,818	18,000
Charges for Services	6,273,772	7,084,624	7,463,680	7,588,291
Solid Waste Fee	7	-	-	-
Intergovernmental Revenues	168,093	167,322	167,322	167,322
Landfill Gas	162,099	140,000	147,000	140,000
Other Financing Sources	4,828,940	140	48,150	300
Transfers From Other Funds	90,130	127,695	127,695	82,422
Subtotal Current Revenues	\$ 28,663,899	\$ 25,114,515	\$ 25,725,830	\$ 26,344,003
Appropriation From Fund Balance	137,729	-	601,109	-
Total Revenues	\$ 28,801,628	\$ 25,114,515	\$ 26,326,939	\$ 26,344,003
Stormwater Management Fund				
Interest and Rental Income	\$ 47,264	\$ 34,000	\$ 34,000	\$ 67,000
Operating Revenues	16,186,844	15,486,348	15,656,348	15,660,539
Transfer from Other Funds	109,047	109,047	109,047	109,047
Subtotal Current Revenues	\$ 16,343,155	\$ 15,629,395	\$ 15,799,395	\$ 15,836,586
Appropriations from Fund Balance	-	-	46,559	4,062,284
Total Revenues	\$ 16,343,155	\$ 15,629,395	\$ 15,845,954	\$ 19,898,870

Transit Fund					
General Property Taxes	\$ 11,466,958	\$ 9,941,248	\$ 9,941,248	\$ 10,384,372	
Licenses and Permits	2,674,052	2,700,000	2,700,000	2,750,000	
Intergovernmental	5,007,804	5,754,818	5,867,391	5,964,925	
Charges for Current Services	3,243,337	3,060,521	2,965,585	2,691,919	
Other Revenue	154,370	207,727	178,462	163,727	
Subtotal Current Revenues	\$ 22,546,521	\$ 21,664,314	\$ 21,652,686	\$ 21,954,943	
Appropriation from Fund Balance	-	-	949,700	821,869	
Total Revenues	\$ 22,546,521	\$ 21,664,314	\$ 22,602,386	\$ 22,776,812	
Parking Facilities Fund					
Interest and Rental Income	\$ 17,942	\$ 12,000	\$ 25,000	\$ 15,000	
Charges for Current Services	3,987,761	5,082,231	5,303,091	6,054,598	
Transfers from Other Funds	914,757	882,707	882,707	550,000	
Subtotal Current Revenues	\$ 4,920,460	\$ 5,976,938	\$ 6,210,798	\$ 6,619,598	
Appropriations from Fund Balance	-	-	-	1,297,444	
Total Revenues	\$ 4,920,460	\$ 5,976,938	\$ 6,210,798	\$ 7,917,042	
Ballpark Fund					
Interest and Rental Income	\$ 5,577	\$ 6,000	\$ 6,946	\$ 6,667	
Charges for Services	297,219	258,071	258,071	268,259	
Transfers from Other Funds	1,215,354	1,187,675	1,187,675	1,072,528	
Subtotal Current Revenues	\$ 1,518,150	\$ 1,451,746	\$ 1,452,692	\$ 1,347,454	
Appropriation from Fund Balance	-	56,610	-	56,044	
Total Revenues	\$ 1,518,150	\$ 1,508,356	\$ 1,452,692	\$ 1,403,498	
Durham Performing Arts Center Fund					
Other Local Taxes	\$ 1,359,828	\$ 1,400,000	\$ 1,485,037	\$ 1,400,000	
Other Revenues	1,110,673	1,120,000	1,165,000	1,052,500	
Interest and Rental Income	24,761	27,382	27,382	44,599	
Operating Revenues	1,661,281	1,459,057	1,667,024	1,841,948	
Subtotal Current Revenues	\$ 4,156,544	\$ 4,006,439	\$ 4,344,443	\$ 4,339,047	
Appropriation from Fund Balance	-	1,288,699	1,245,963	-	
Total Revenues	\$ 4,156,544	\$ 5,295,138	\$ 5,590,406	\$ 4,339,047	
Business Improvement District Fund					
General Property Taxes	\$ 647,789	\$ 697,172	\$ 697,172	\$ 776,064	
Transfers from Other Funds	250,000	250,000	250,000	250,000	
Total Revenues	\$ 897,789	\$ 947,172	\$ 947,172	\$ 1,026,064	
Dedicated Housing Fund					
General Property Taxes	\$ 2,789,965	\$ 5,584,970	\$ 5,641,305	\$ 5,833,917	
Charges For Current Services	146,173	-	97,222	15,000	
Transfer from Other Funds	805,430	-	-	932,047	
Subtotal Current Revenues	\$ 3,741,568	\$ 5,584,970	\$ 5,738,527	\$ 6,780,964	
Appropriations from Fund Balance	-	-	-	6,534,436	
Total Revenues	\$ 3,741,568	\$ 5,584,970	\$ 5,738,527	\$ 13,315,400	
Emergency Telephone Surcharge Fund					
Charges for Services	\$ 1,668,106	\$ 1,723,540	\$ 1,723,540	\$ 1,712,703	
Interest and Rental Income	-	3,000	3,000	3,000	
Transfer from Other Funds	-	-	-	-	
Subtotal Current Revenues	\$ 1,668,106	\$ 1,726,540	\$ 1,726,540	\$ 1,715,703	
Appropriations from Fund Balance	121,709	160,350	669,501	168,145	
Total Revenues	\$ 1,789,815	\$ 1,886,890	\$ 2,396,041	\$ 1,883,848	
Inspections Fund					
Licenses and Permits	\$ 7,145,707	\$ 6,920,607	\$ 6,981,334	\$ 7,569,395	
Interest and Rental Income	63,933	61,796	80,674	72,682	
Total Revenues	\$ 7,209,640	\$ 6,982,403	\$ 7,062,008	\$ 7,642,077	

Impact Fee Fund					
Operating Revenues	\$ 5,462,679	\$ 5,563,600	\$ 5,635,263	\$ 4,955,353	
Interest and Rental Income	94,746	169,000	143,162		-
Appropriations from Fund Balance	10,962,657	-	-		-
Total Revenues	\$ 16,520,082	\$ 5,732,600	\$ 5,778,425	\$ 4,955,353	
Capital Facilities Fees Fund					
Interest and Rental Income	\$ 12,908	\$ 14,000	\$ 33,000	\$ -	-
Operating Revenues	5,747,003	4,450,000	5,200,000		-
Appropriations from Fund Balance	-	27,000	13,750,000		-
Total Revenues	\$ 5,759,911	\$ 4,491,000	\$ 18,983,000	\$ -	
Watershed Protection Fund					
Charges for Services	110,592	100,000	100,000		-
Appropriations from Fund Balance	-	-	500,000		-
Total Revenues	\$ 110,592	\$ 100,000	\$ 600,000	\$ -	
Total Budget Ordinance	\$ 494,284,281	\$ 429,393,042	\$ 457,055,011	\$ 510,936,186	

**SUMMARY OF ALL REVENUES FOR ALL
FUNDS RECOGNIZED IN INTERNAL SERVICE FUND SPENDING PLANS**

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19
Risk Reduction Fund				
Interest and Rental Income	\$ 45,887	\$ 48,000	\$ 77,938	\$ 72,652
Charges for Current Services	5,010,994	4,116,490	4,130,157	5,780,754
Transfer from Other Funds	-	-	-	-
Subtotal Current Revenues	\$ 5,056,881	\$ 4,164,490	\$ 4,208,095	\$ 5,853,406
Appropriation from Fund Balance	-	1,304,348	1,404,837	69,135
Total Revenues	\$ 5,056,881	\$ 5,468,838	\$ 5,612,932	\$ 5,922,541
Employee Insurance Fund				
Charges for Current Services	\$ 31,699,522	\$ 36,666,076	\$ 39,525,673	\$ 38,086,286
Interest	23,394	37,000	37,000	33,000
Subtotal Current Revenues	\$ 31,722,916	\$ 36,703,076	\$ 39,562,673	\$ 38,119,286
Appropriation from Fund Balance	2,661,242	-	-	-
Total Revenues	\$ 34,384,158	\$ 36,703,076	\$ 39,562,673	\$ 38,119,286
Total Internal Service Funds	\$ 39,441,039	\$ 42,171,914	\$ 45,175,605	\$ 44,041,827

**SUMMARY OF ALL REVENUES FOR ALL
FUNDS RECOGNIZED IN MAJOR GRANT FUND ORDINANCES**

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19
Administrative and Support	-	1,609,334	934,334	100,000
Community Development	-	-	-	2,672,887
Employment and Training	3,575,622	3,393,000	3,520,426	3,393,000
Transit	6,169,196	5,830,979	6,001,610	7,214,013
Transportation Planning	2,354,229	2,772,896	2,632,446	2,092,505
Public Safety	811,887	1,235,757	2,195,187	1,235,757
Total Major Grant Funds	\$ 12,910,934	\$ 14,841,966	\$ 15,284,003	\$ 16,708,162
TOTAL ALL REVENUES	\$ 546,636,254	\$ 486,406,922	\$ 517,514,619	\$ 571,686,175

SUMMARY OF APPROPRIATIONS FOR ALL FUNDS

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19
Budget Ordinance				
General Fund				
Governance	\$ 6,341,408	\$ 7,195,570	\$ 7,379,191	\$ 6,841,111
Administrative and Support	16,329,586	17,009,691	17,830,010	17,744,000
Community Building	18,162,373	15,138,794	16,525,095	16,915,050
Public Safety	88,597,006	96,905,749	97,761,664	105,198,041
Public Services	44,491,413	46,050,970	49,578,227	47,789,551
Non-assigned	4,049,064	7,197,235	6,554,119	7,147,899
Total General Fund	\$ 177,970,850	\$ 189,498,009	\$ 195,628,306	\$ 201,635,652
Water & Sewer Fund				
Public Services	\$ 47,468,916	\$ 48,322,246	\$ 50,245,705	\$ 50,543,915
Administrative and Support	152,168	71,798	71,798	83,030
Non-departmental	106,821,398	51,802,426	52,789,982	107,130,485
Total Water & Sewer Fund	\$ 154,442,482	\$ 100,196,470	\$ 103,107,485	\$ 157,757,430
Ballpark Fund	\$ 1,518,150	\$ 1,508,356	\$ 1,452,692	\$ 1,403,498
Business Improvement District Fund	897,789	947,172	947,172	1,026,064
Capital Facilities Fee Fund	5,759,911	4,491,000	18,983,000	-
Debt Service Fund	47,605,094	38,834,872	38,834,872	40,041,090
Dedicated Housing Fund	3,741,568	5,584,970	5,738,527	13,315,400
Durham Performing Arts Center Fund	4,156,544	5,295,138	5,590,406	4,339,047
Emergency Telephone System Fund	1,789,815	1,886,890	2,396,041	1,883,848
Impact Fee Fund	16,520,082	5,732,600	5,778,425	4,955,353
Inspections Fund	7,209,640	6,982,403	7,062,008	7,642,077
Parking Facilities Fund	4,920,460	5,976,938	6,210,798	7,917,042
Solid Waste Disposal Fund	28,801,628	25,114,515	26,326,939	26,344,003
Stormwater Fund	16,343,155	15,629,395	15,845,954	19,898,870
Transit Fund	22,546,521	21,664,314	22,602,386	22,776,812
Watershed Protection Fund	110,592	100,000	600,000	-
Total Budget Ordinance	\$ 494,334,282	\$ 429,443,042	\$ 457,105,011	\$ 510,936,186
Internal Service Funds				
Employee Insurance Fund	\$ 34,384,158	\$ 36,703,076	\$ 39,562,673	\$ 38,119,286
Risk Reduction Fund	5,056,881	5,468,838	5,612,932	5,922,541
Total Internal Services Funds	\$ 39,441,039	\$ 42,171,914	\$ 45,175,605	\$ 44,041,827
Major Grant Funds				
Administrative and Support	\$ -	\$ 1,609,334	\$ 934,334	\$ 100,000
Community Development	3,575,622	3,393,000	3,520,426	3,393,000
Employment and Training	333,250	230,000	230,000	252,000
Transit	6,169,196	5,830,979	6,001,610	7,214,013
Transportation Planning	2,354,229	2,772,896	2,632,446	2,092,505
Public Safety	811,887	1,235,757	2,195,187	1,235,757
Total Major Grant Funds	\$ 13,244,184	\$ 15,071,966	\$ 15,514,003	\$ 14,287,275
Subtotal All Funds	\$ 547,019,505	\$ 486,686,922	\$ 517,794,619	\$ 569,265,288
Less: Intrabudget Transfers	(3,384,718)	(2,557,124)	(2,557,124)	(2,432,173)
Less: Internal Service Charges	(9,308,766)	(9,043,901)	(9,043,901)	(11,199,633)
Total All Funds	\$ 534,326,021	\$ 475,085,897	\$ 506,193,594	\$ 555,633,482

ALL FY 2018-19 OPERATING FUNDS BY APPROPRIATION CATEGORY

	Personal Services	Operating	Capital Outlay	Debt Service	Transfers to Other Funds	Other	Total
Budget Ordinance							
General Fund	\$ 156,592,143	\$ 34,082,916	\$ 1,163,932	\$ -	\$ 9,274,896	\$ 521,765	\$ 201,635,652
Water & Sewer Fund	30,592,718	28,742,820	23,000	9,233,790	89,165,102	-	157,757,430
Debt Service Fund	-	407,935	-	35,507,977	4,125,178	-	40,041,090
Solid Waste Disposal Fund	7,995,103	14,410,882	18,500	3,831,134	10,568	77,816	26,344,003
Stormwater Fund	8,441,367	3,323,904	150,586	-	7,983,013	-	19,898,870
Transit Fund	-	20,804,911	142,673	239,451	1,589,777	-	22,776,812
Parking Facilities Fund	324,294	4,020,882	120,000	3,451,866	-	-	7,917,042
Ballpark Fund	-	162,711	-	1,240,787	-	-	1,403,498
Durham Performing Arts Center	-	549,013	215,528	2,236,225	-	1,338,281	4,339,047
Business Improvement District	-	863,563	-	-	82,422	80,079	1,026,064
Dedicated Housing Fund	82,434	13,232,966	-	-	-	-	13,315,400
Emergency Telephone Fund	269,726	1,614,122	-	-	-	-	1,883,848
Inspections Fund	5,256,564	1,328,973	-	-	65,303	991,237	7,642,077
Impact Fee Fund	-	-	-	-	-	4,955,353	4,955,353
Total Budget Ordinance	\$ 209,554,349	\$ 123,545,598	\$ 1,834,219	\$ 55,741,230	\$ 112,296,259	\$ 7,964,531	\$ 510,936,186
Internal Service Funds							
Risk Retention Fund	\$ 5,780,754	\$ 72,652	\$ -	\$ -	\$ -	\$ 69,135	\$ 5,922,541
Employee Insurance Fund	628,518	35,898,575	-	-	-	1,592,193	38,119,286
Total Internal Service Funds	\$ 6,409,272	\$ 35,971,227	\$ -	\$ -	\$ -	\$ 1,661,328	\$ 44,041,827
Grant Project Ordinances							
Administrative & Support Grants	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Community Development Grants	584,647	2,808,353	-	-	-	-	3,393,000
Employment and Training	535,327	2,137,560	-	-	-	-	2,672,887
Transit Grants	191,610	4,543,698	2,478,705	-	-	-	7,214,013
Transportation Planning	1,269,500	823,005	-	-	-	-	2,092,505
Public Safety	199,751	1,036,006	-	-	-	-	1,235,757
Total Grant Proj Ordinances	\$ 2,780,835	\$ 11,448,622	\$ 2,478,705	\$ -	\$ -	\$ -	\$ 16,708,162
Total - All Funds	\$ 218,744,456	\$ 170,965,447	\$ 4,312,924	\$ 55,741,230	\$ 112,296,259	\$ 9,625,859	\$ 571,686,175

INTRABUDGET TRANSFERS

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
To Operating Budget Funds					
To Ballpark Fund					
From General Fund	\$ 50,000	\$ 50,000	\$ 50,000	\$ 100,000	100.0%
From Debt Service Fund	1,165,354	1,137,675	1,137,675	972,528	-14.5%
Subtotal	\$ 1,215,354	\$ 1,187,675	\$ 1,187,675	\$ 1,072,528	-9.7%
To Dedicated Housing Fund					
From General Fund	\$ 805,430	\$ -	\$ -	\$ -	0.0%
To Solid Waste Fund					
From BID Fund	90,130	127,695	127,695	82,422	-35.5%
To Parking Fund					
From Debt Service Fund	\$ 914,757	\$ 882,707	\$ 882,707	\$ 918,176	4.0%
To BID Fund					
From General Fund	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	0.0%
To Stormwater Fund					
From Transit Fund	109,047	109,047	109,047	109,047	0.0%
To Other Post Employment Fund					
Charges for Services General Fund	\$ 3,236,222	\$ 3,678,593	\$ 3,678,593	\$ 4,038,629	9.8%
Charges for Services Other Funds	1,061,550	1,248,818	1,248,818	1,380,250	10.5%
Subtotal	\$ 4,297,772	\$ 4,927,411	\$ 4,927,411	\$ 5,418,879	10.0%
To Risk Retention Fund					
Charges for Services General Fund	3,286,656	2,427,682	2,427,682	3,614,504	48.9%
Charges for Services Other Funds	1,724,338	1,688,808	1,688,808	2,166,250	28.3%
Subtotal	\$ 5,010,994	\$ 4,116,490	\$ 4,116,490	\$ 5,780,754	40.4%
From the General Fund - Transfers					
From Other Funds - Transfers	\$ 1,105,430	\$ 300,000	\$ 300,000	\$ 350,000	16.7%
Internal Service Charges - General Fund	\$ 2,279,288	\$ 2,257,124	\$ 2,257,124	\$ 2,082,173	-7.8%
Internal Service Charges - Other Funds	\$ 6,522,878	\$ 6,106,275	\$ 6,106,275	\$ 7,653,133	25.3%
Total Intrabudget Transfers	\$ 12,693,484	\$ 11,601,025	\$ 11,601,025	\$ 13,631,806	17.5%

PROPERTY TAX BASE INFORMATION

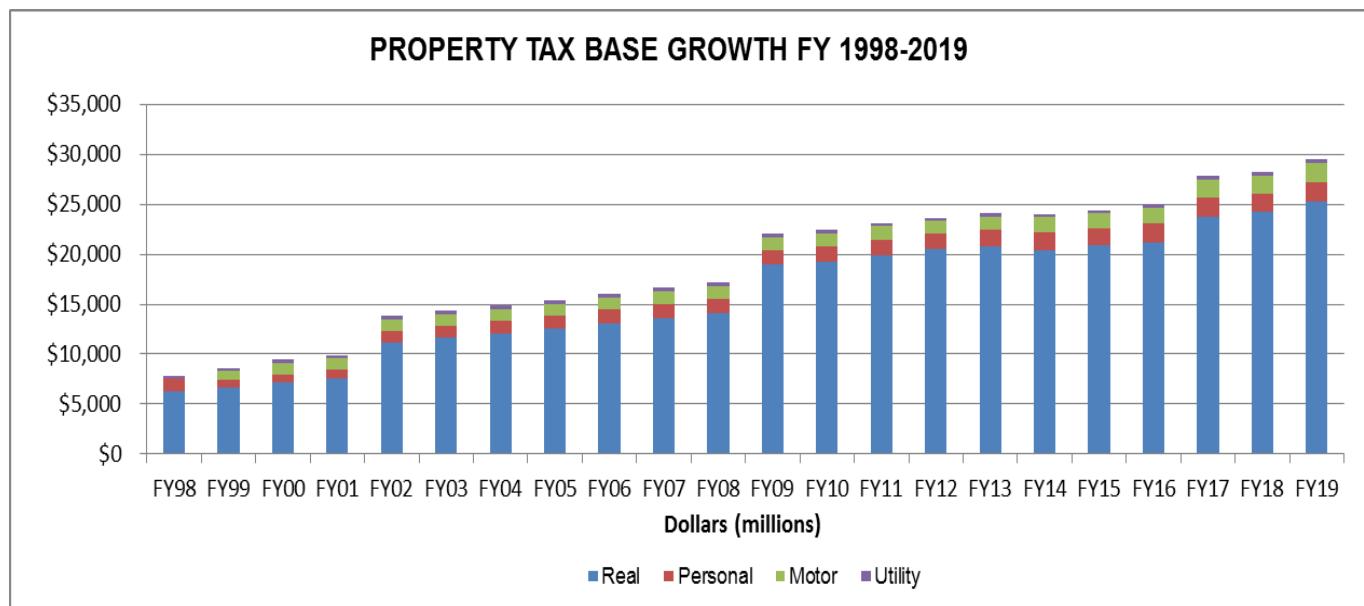
Tax Base Components:

Real Property is comprised of all land and buildings that are taxable. An increase of 4.46% of assessed value is projected when compared with the FY 2017-18 budget. The assessed value data is obtained from the Durham County Tax Assessor's Office. Real property makes up over 85.8% of the tax base for FY 2018-19.

Personal Property is comprised of property located in businesses. Based on data from the County Tax Assessor's office, changes at the State level to tax policy, and recent trends, an increase of 6.70% is projected for FY 2018-19. Personal property makes up over 6.4% of the tax base for FY 2018-19.

Motor Vehicle is comprised of items such as automobiles, boats, trailers and equipment. An increase of 2.65% is projected for motor vehicle personal property based on data from the County Tax Assessor's office. Motor Vehicle property makes up over 6.6% of the tax base for FY 2018-19.

Public Utility Property is a state-certified value consisting of businesses such as electric utility, telephone, railroad and trucking companies. Based on data from the County Tax Assessor's office an increase of 2.10% is projected for FY 2018-19. Public utility property makes up over 1.3% of the tax base in FY 2018-19.



The table below depicts the annual property valuation changes that have occurred in the four components of the tax base since FY 2008-09. The last revaluation was completed effective with the 2016-17 fiscal year. The next tax reassessment will occur in 2019. (source: County Tax Office).

Fiscal Year	Real	% Chg	Personal	% Chg	Motor	% Chg	Utility	% Chg
FY09	18,915	34.53%	1,443	-0.48%	1,343	0.00%	326	16.85%
FY10	19,241	1.72%	1,525	5.68%	1,331	-0.89%	300	-7.98%
FY11	19,886	3.35%	1,555	1.97%	1,358	2.03%	342	14.00%
FY12	20,457	2.87%	1,607	3.34%	1,230	-9.43%	323	-5.56%
FY13	20,839	1.87%	1,605	-0.12%	1,315	6.91%	300	-7.12%
FY14	20,391	-2.15%	1,850	15.26%	1,449	10.19%	323	7.67%
FY15	20,840	2.20%	1,785	-3.51%	1,493	3.04%	300	-7.12%
FY16	21,179	1.63%	1,890	5.88%	1,583	6.03%	329	9.67%
FY17	23,756	12.17%	1,918	1.48%	1,731	9.35%	365	10.94%
FY18	24,187	1.81%	1,805	-5.89%	1,849	6.82%	367	0.55%
FY19	25,266	4.46%	1,926	6.70%	1,898	2.65%	374	1.91%

Dollars (millions)

TAX RATE AND ESTIMATED TAX COLLECTIONS

	Actual FY2016-17	Adopted FY2017-18	Estimated FY2017-18	Adopted FY2018-19
Assessed Value				
Real Property	\$ 23,759,670,782	\$ 24,186,851,676	\$ 24,939,336,668	\$ 25,266,438,689
Personal Property	3,652,438,316	1,804,777,656	1,945,453,895	1,925,703,586
Motor Vehicles	-	1,848,659,633	1,870,203,348	1,897,730,583
Public Utility Property	367,037,614	366,635,357	374,929,573	374,352,544
Assessed Valuation	<u>\$ 27,779,146,712</u>	<u>\$ 28,206,924,322</u>	<u>\$ 29,129,923,484</u>	<u>\$ 29,464,225,402</u>
Tax Rate Per \$100 Valuation				
General Fund	\$ 0.3181	\$ 0.3299	\$ 0.3299	\$ 0.3329
Dedicated Housing	0.0100	0.0200	0.0200	0.0200
Transit Fund	0.0411	0.0356	0.0356	0.0356
Solid Waste Fund	0.0613	0.0629	0.0629	0.0629
Debt Reserve Fund	0.1302	0.1302	0.1302	0.1272
Total Tax Rate	<u>\$ 0.5607</u>	<u>\$ 0.5786</u>	<u>\$ 0.5786</u>	<u>\$ 0.5786</u>
Tax Levy	\$ 152,461,238	\$ 163,205,264	\$ 168,545,737	\$ 170,480,008
Less: Uncollected Taxes	<u>(458,298)</u>	<u>(1,632,053)</u>	<u>(1,685,457)</u>	<u>(1,704,800)</u>
Estimated Collectable Levy	<u>\$ 152,002,940</u>	<u>\$ 161,573,211</u>	<u>\$ 166,860,280</u>	<u>\$ 168,775,208</u>
Less: Discounts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Estimated Collections	<u>\$ 152,002,940</u>	<u>\$ 161,573,211</u>	<u>\$ 166,860,280</u>	<u>\$ 168,775,208</u>
Appropriated to:				
General Fund	\$ 88,434,679	\$ 92,124,096	\$ 95,138,621	\$ 97,105,542
Dedicated Housing Fund	3,437,754	5,584,971	5,767,725	5,833,917
Transit Fund	11,466,958	9,941,248	10,266,550	10,384,372
Solid Waste Fund	17,102,831	17,564,734	18,139,495	18,347,668
Debt Reserve fund	36,326,028	36,358,161	37,547,889	37,103,710
*one cent equals	\$ 2,710,950	\$ 2,792,485	\$ 2,883,862	\$ 2,916,958

The FY 2018-2019 adopted tax rate is 57.86 cents per \$100 of assessed value. The adopted property tax rate of 57.86 cents per \$100 for FY2018-19 represents no increase from the FY2017-18 property tax rate. A tax bill is calculated by taking the product of the tax rate and the assessed valuation divided by 100. The budget for current property taxes is based on the amount of estimated property tax collections. The tax levy is adjusted for an assumed amount of uncollected taxes. By state law, the City must account for uncollected taxes at the level of uncollected taxes projected at June 30. For FY 2018-19 the amount of uncollected taxes is equal to 1% of the tax levy. Tax bills are sent as soon as practical after July 1 and are considered delinquent on January 5.

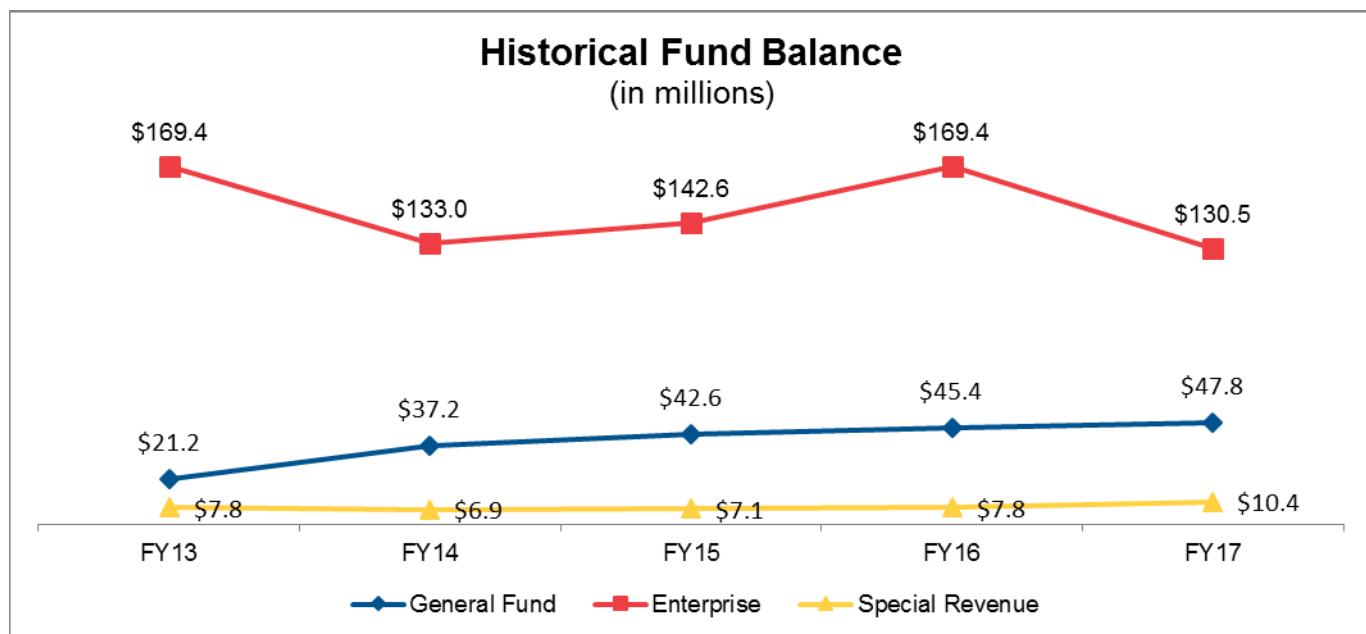
FUND BALANCE

It is important to maintain fund balance in the major operating funds at a level that would be sufficient to provide a financial cushion in the event of unanticipated events, such as a loss or major reduction of a revenue source, a sudden economic downturn, or natural disasters.

For the General Fund, the North Carolina Local Government Commission (NCLGC) strongly recommends an unreserved fund balance of 8% of prior year's total budget appropriations. The NCLGC defines fund balance in a prescribed manner that is not exactly the same as the CAFR unrestricted fund balance. The City calculates fund balance on the total of the General Fund next year budget appropriation, minus appropriations for debt service and transfers to other funds. The two calculations are, therefore, not directly comparable. Bond rating agencies regard the level of fund balance in the General Fund as one indicator of credit worthiness when considering bond ratings.

Estimated Change In Unrestricted Fund Balance – General Fund

	Fund Balance Amount	Percent of Adjusted Appropriations
Total unrestricted fund balance available for appropriation at June 30, 2017	\$ 50,088,000	
Minus: appropriation from Fund Balance for projected expenditures	(11,400,000)	
Add: Encumbered Funds Released	9,100,000	
Total unrestricted fund balance at June 30, 2018	<u>\$ 47,788,000</u>	26.43%

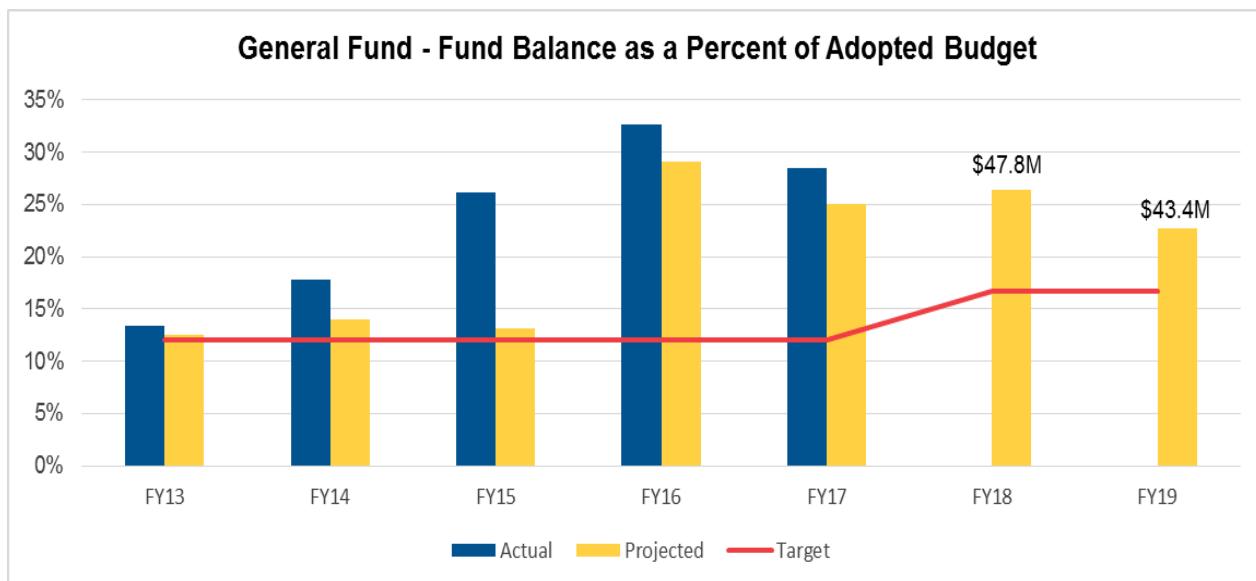


In fiscal year 2017-18 the City adopted a Fund Balance policy of 16.7%. For FY 2018-19 fund balance is projected to end the year at 22.56%. The actual Undesignated Fund Balance will be determined following the annual audit of revenues and expenditures for FY 2017-18. The City does not have a Fund Balance policy for the Enterprise and Special Revenue Funds; however financial prudence dictates that these funds should also maintain a reasonable level of Net Cash Assets to cover unanticipated costs.

Estimated Changes in Fund Balance – Appropriated Funds

	General Fund Unrestricted	Enterprise Funds (*)	Special Revenue Funds (*)
Estimated Beginning Balance FY 18	\$ 47,788,000	\$ 130,453,532	\$ 10,401,829
Budget Revenues FY 19	197,236,614	172,070,628	13,864,972
Budgeted Expenditures FY 19	(192,360,756)	(137,266,026)	(13,799,669)
Transfers In	-	64,021,674	168,145
Transfers Out	(9,274,896)	(98,826,276)	(2,329,518)
Estimated Ending Balance FY 18	<u>\$ 43,388,963</u>	<u>\$ 130,453,532</u>	<u>\$ 8,305,759</u>
Percent of Adjusted Appropriations		22.56%	109%
			90%

(*) Note: Transfers to specific capital project funds will impact the fund balance of Enterprise and Special Revenue Funds. Enterprise fund balance is not inclusive of enterprise funds in capital project accounts.



SUMMARY OF AUTHORIZED POSITIONS BY FUND

Function	Actual		Adopted		Estimated		Adopted		Change	
	FY 2016-17		FY 2017-18		FY 2017-18		FY 2018-19			
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT
General Fund										
Governance	51.0	8.0	52.0	8.0	52.0	8.0	51.0	8.0	(1.0)	-
Administrative and Support	121.0	3.0	120.0	3.0	120.0	2.0	122.0	2.0	2.0	(1.0)
Community Building	102.0	1.0	108.0	1.0	107.0	2.0	113.0	1.0	6.0	-
Public Safety	995.0	-	1,090.0	-	1,090.0	-	1,160.0	-	70.0	-
Public Services	425.5	83.0	425.5	78.0	424.5	78.0	433.5	78.0	8.0	-
Total General Fund	1,694.5	95.0	1,795.5	90.0	1,793.5	90.0	1,879.5	89.0	84.0	(1.0)
Enterprise Funds										
Water & Sewer Fund										
Water Management	335.5	2.0	341.5	2.0	341.5	2.0	349.5	2.0	8.0	-
Public Works	36.5	-	36.5	-	36.5	-	36.5	-	-	-
Subtotal Water & Sewer Fund	372.0	2.0	378.0	2.0	378.0	2.0	386.0	2.0	8.0	-
Solid Waste Disposal Fund										
Water Management	0.5	-	0.5	-	0.5	-	0.5	-	-	-
Solid Waste Management	109.0	-	111.0	-	111.0	-	114.0	-	3.0	-
Subtotal Solid Waste Fund	109.5	-	111.5	-	111.5	-	114.5	-	3.0	-
Dedicated Housing Fund										
Community Developemtn	-	-	-	-	-	-	-	1.0	-	1.0
Stormwater Fund										
Public Works	94.5	1.0	94.5	1.0	94.5	1.0	95.5	1.0	1.0	-
Inspections Fund										
Fire	2.0	-	2.0	-	2.0	-	2.0	-	-	-
Parking Facilities Fund										
Transportation	2.0	-	2.0	-	2.0	-	27.0	-	25.0	-
Transit Fund										
Transportation	2.0	-	2.0	-	2.0	-	2.0	-	-	-
Total Enterprise Funds	582.0	3.0	590.0	3.0	590.0	3.0	628.0	3.0	38.0	-
Special Revenue, Grants and Internal Service Funds										
Budget and Management Services	3.0	-	3.0	-	3.0	1.0	4.0	2.0	1.0	2.0
Economic and Workforce Development	6.0	1.0	6.0	1.0	6.0	1.0	6.0	1.0	-	-
Police	16.0	-	16.0	-	16.0	-	16.0	-	-	-
Inspections	46	3	50	3	50	3	56	3	6.0	-
Planning	1	-	1	-	1	-	1	-	-	-
Transportation	11.5	2.0	11.5	2.0	12.5	2.0	12.5	2.0	1.0	-
Community Development	7.0	-	7.0	-	7.0	-	7.0	-	-	-
Neighborhood Improvement Services	4.0	-	4.0	-	4.0	-	4.0	-	-	-
Employee Insurance	1.0	-	1.0	-	1.0	-	1.0	-	-	-
Risk	5.0	-	5.0	-	5.0	-	6.0	-	1.0	-
Total Special Revenue, Grants and Internal Service Funds	100.5	6.0	104.5	6.0	105.5	7.0	113.5	8.0	9.0	2.0
Total All Funds	2,377.0	104.0	2,490.0	99.0	2,489.0	100.0	2,621.0	100.0	131.0	1.0

**SUMMARY OF AUTHORIZED POSITIONS BY DEPARTMENT
(All Funds)**

Department	Actual FY 2016-17		Adopted FY 2017-18		Estimated FY 2017-18		Adopted FY 2018-19		Change	
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT
Governance										
City Council	-	7	-	7	-	7	-	7	-	-
City Attorney	11	1	11	1	11	1	11	1	-	-
City Clerk	7	-	7	-	7	-	7	-	-	-
City Manager	33	-	34	-	34	-	33	-	(1)	-
Subtotal Governance	51	8	52	8	52	8	51	8	(1)	-
Administrative and Support										
Audit Services	5	-	5	-	5	-	5	-	-	-
Budget & Management Services	15	1	14	1	14	1	17	3	3	2
Equal Opportunity and Equity Assurance	5	1	6	-	6	-	6	-	-	-
Finance	43	-	40	-	40	-	41	-	1	-
Human Resources	22	1	23	2	23	2	23	1	-	(1)
Technology Solutions	40	-	41	-	41	-	41	-	-	-
Subtotal Administrative and Support	130	3	129	3	129	3	133	4	4	1
Community Building										
City/County Inspections	46	3	50	3	50	3	56	3	6	-
City/County Planning	39	-	44	-	44	-	49	-	5	-
Community Development	22	-	23	-	23	-	23	-	-	-
Economic Development	17	2	17	2	17	3	18	2	1	-
Neighborhood Improvement	44	-	44	-	43	-	44	-	-	-
Subtotal Community Building	168	5	178	5	177	6	190	5	12	-
Public Safety										
Communications	82	-	88	-	88	-	88	-	-	-
Fire	316	-	348	-	348	-	418	-	70	-
Police	615	-	672	-	672	-	672	-	-	-
Subtotal Public Safety	1,013	-	1,108	-	1,108	-	1,178	-	70	-
Public Services										
Fleet	53	-	45	-	45	-	48	-	3	-
General Services	124	-	122	-	122	-	124	-	2	-
Parks and Recreation	116	82	121	78	121	78	124	78	3	-
Public Works	217	1	220	-	220	-	222	-	2	-
Solid Waste Management	109	-	111	-	111	-	114	-	3	-
Transportation	60	3	62	3	62	3	87	3	25	-
Water Management	336	2	342	2	342	2	350	2	8	-
Subtotal Public Services	1,015	88	1,023	83	1,023	83	1,069	83	46	-
Total All Departments	2,377	104	2,490	99	2,489	100	2,621	100	131	1
Population Estimates	263,016			259,849			267,488			270,163
Employees Per 1,000	9.0			9.6			9.3			9.7

FUND SUMMARIES

This section provides summaries of the revenues and appropriations for each of the operating funds included in the FY 2018-19 Budget. In addition, detailed information is provided on revenue sources and non-departmental appropriations.

- **General Fund** - the general operating fund of the City. It is used to account for all financial resources except those to be accounted for in another fund.
- **Debt Service Fund** – accounts for General Fund related debt service.
- **Enterprise Funds** – are established to account for revenues resulting from charges for services provided to the general public and the related costs of such services. Although General Statutes and generally accepted accounting principles do not require an annual balanced budget for Enterprise Funds, the City does adopt balanced budgets for these funds.

These funds include:

Water and Sewer Fund
Solid Waste Fund
Stormwater Management Fund
Transit Fund
Parking Facilities Fund
Ballpark Fund
Durham Performing Arts Center Fund

- **Special Revenue Funds** – are used to finance particular activities from the receipts of specific taxes or other revenue. Such a fund is legally created to provide for certain activities with special purpose or restricted revenues.

These funds include:

Business Improvement District Fund
Dedicated Housing Fund
Emergency Telephone System Surcharge Fund
Inspections Fund

- **Capital Projects Funds** – are used to account for capital projects, including major municipal buildings, public improvement projects, major repairs, and capital equipment needs.

These funds include:

General Capital Projects Fund – Provided by separate ordinance in standalone budget document.
Impact Fee Fund
Water and Sewer Capital Facilities Fees Fund
Watershed Protection Fund

- **Internal Service Funds** – are used to account for the financing of goods and services provided by one department to others within the government on a cost-reimbursement basis. Please refer to section IV (Budget Summaries) for information on Internal Service Funds. These funds include:

Risk Reduction Fund
Employee Insurance Fund

GENERAL FUND SUMMARY

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
General Property Taxes	\$ 89,150,239	\$ 93,184,096	\$ 93,463,648	\$ 98,310,069	5.5%
Other Local Taxes	63,615,107	66,766,579	67,014,536	70,141,404	5.1%
State-Shared Revenues	11,784,600	11,742,340	11,670,112	11,851,475	0.9%
Licenses and Permits	1,333,798	506,000	530,886	348,000	-31.2%
Investment/Rental Income	157,124	150,082	169,164	116,661	-22.3%
Charges for Current Services	8,759,375	8,037,822	7,547,550	8,930,425	11.1%
Intragovernmental Services	1,685,586	2,007,073	1,984,866	6,694,530	233.5%
Other Revenues	852,363	953,100	636,191	844,050	-11.4%
Transfer from Other Funds	19,139	-	-	-	0.0%
Approp From Fund Balance	563,519	6,100,917	12,561,353	4,399,038	-27.9%
Total Revenues	\$ 177,920,850	\$ 189,448,009	\$ 195,578,306	\$ 201,635,652	6.4%
Appropriations					
Personal Services	\$ 132,117,054	\$ 147,410,931	\$ 143,349,412	\$ 156,592,143	6.2%
Operating	31,159,088	31,753,424	40,072,654	34,082,916	7.3%
Capital Outlay	6,806,874	923,336	2,293,445	1,163,932	26.1%
Other	-	700,435	175,912	521,765	-25.5%
Transfers to Other Funds	7,837,834	8,659,883	9,686,883	9,274,896	7.1%
Transfers to Fund Balance	-	-	-	-	0.0%
Total Appropriations	\$ 177,920,850	\$ 189,448,009	\$ 195,578,306	\$ 201,635,652	6.4%
Appropriations by Function					
Governance	\$ 6,341,408	\$ 7,195,570	\$ 7,379,191	\$ 6,841,111	-4.9%
Administrative and Support	16,329,586	17,009,691	17,830,010	17,744,000	4.3%
Community Building	18,162,373	15,138,794	16,525,095	17,015,050	12.4%
Public Safety	88,597,006	96,905,749	97,761,664	105,198,041	8.6%
Public Services	44,491,413	46,050,970	49,578,227	47,789,551	3.8%
Non-assigned	3,999,064	7,147,235	6,504,119	7,047,899	-1.4%
Total Appropriations	\$ 177,920,850	\$ 189,448,009	\$ 195,578,306	\$ 201,635,652	6.4%

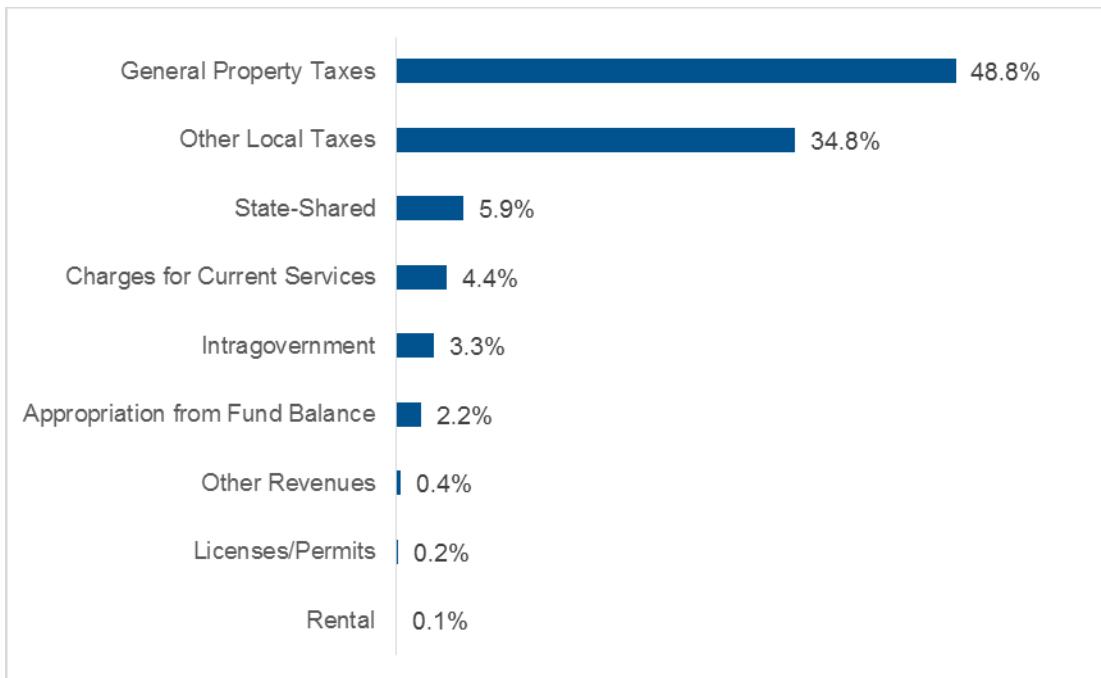
The General Fund is the major operating fund of the City. It is used to account for all financial resources not accounted for in another fund.

Revenue in the general fund falls into two categories:

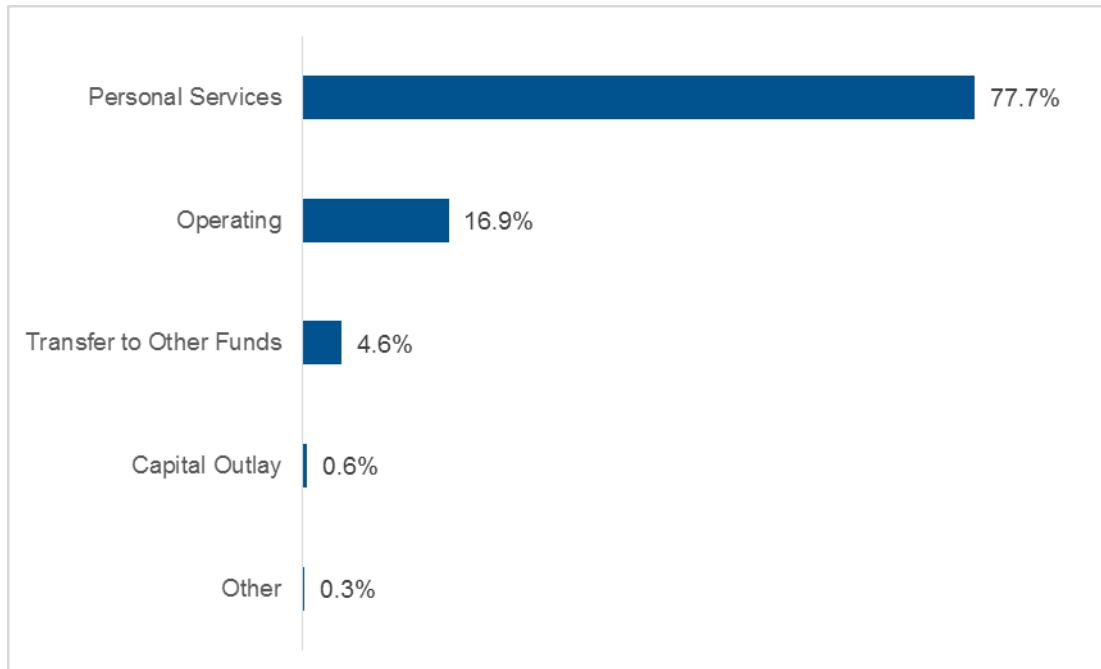
- **Discretionary** – Revenue not derived from or dependent upon direct activity from a single department. Examples include property tax and state shared revenues.
- **Program** – Revenue derived from or dependent upon direct activity from a single department. Examples include user fees, building inspection permits, or grants for a specific activity.

GENERAL FUND SUMMARY

Revenues

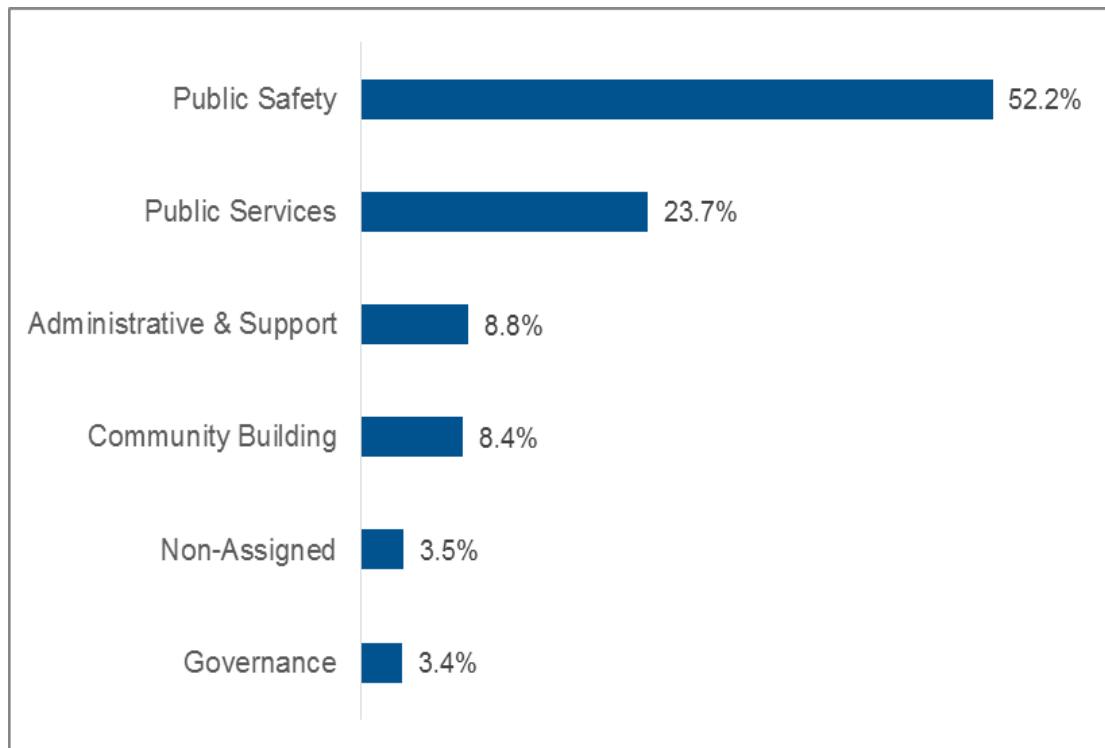


Appropriations



GENERAL FUND SUMMARY

Appropriations by Function



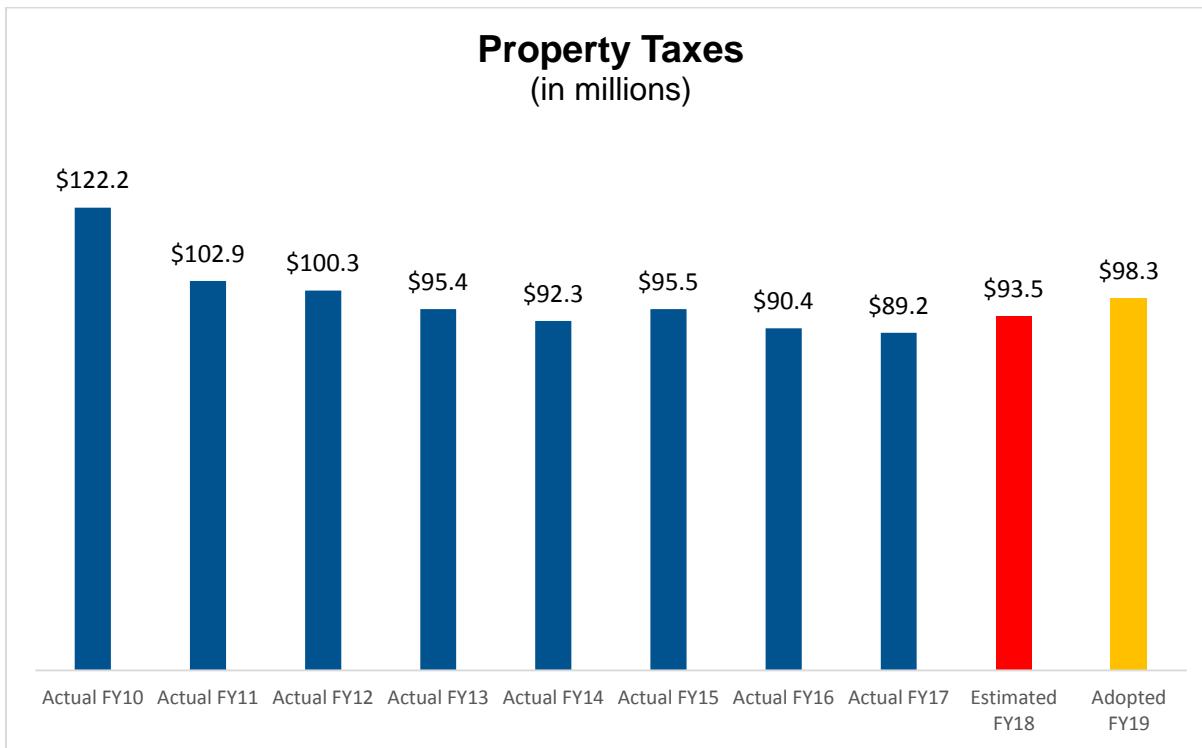
General Fund – Discretionary Revenues

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
General Property Taxes					
Current Levy	\$ 88,530,040	\$ 92,124,096	\$ 93,088,648	\$ 97,105,542	5.4%
Prior Years Levy	426,063	650,000	200,000	656,500	1.0%
Interest & Penalties	194,136	410,000	175,000	548,027	33.7%
Subtotal	\$ 89,150,239	\$ 93,184,096	\$ 93,463,648	\$ 98,310,069	5.5%
Other Local Taxes					
Local Option Sales Tax	\$ 60,708,578	\$ 63,843,076	\$ 63,970,762	\$ 67,035,230	5.0%
Heavy Equipment	111,010	85,000	85,000	85,000	0.0%
Rental Car Gross Receipts	291,259	228,915	323,090	228,915	0.0%
Hotel/Motel Occupancy Tax	2,504,260	2,609,588	2,635,684	2,792,259	7.0%
Subtotal	\$ 63,615,107	\$ 66,766,579	\$ 67,014,536	\$ 70,141,404	5.1%
Intergovernmental Revenues					
Utility Franchise Tax	\$ 4,053,146	\$ 4,065,572	\$ 3,985,261	\$ 4,146,883	2.0%
Gasoline Tax (Powell Bill)	6,223,354	6,285,588	6,293,671	6,285,588	0.0%
Beer & Wine Tax	1,135,763	1,187,180	1,187,180	1,210,924	2.0%
Alcoholic Beverage Control	233,333	204,000	204,000	208,080	2.0%
Subtotal	\$ 11,645,596	\$ 11,742,340	\$ 11,670,112	\$ 11,851,475	0.9%
Other Major Revenue					
Sale Of Surplus Equipment	531,128	700,000	500,000	500,000	-28.6%
Subtotal	\$ 531,128	\$ 700,000	\$ 500,000	\$ 500,000	-28.6%
Appropriations From Fund Balance	\$ -	\$ 6,100,917	\$ 6,100,917	\$ 4,399,038	-27.9%
Total Revenues	\$ 164,942,070	\$ 178,493,932	\$ 178,749,213	\$ 185,201,986	3.8%

General Fund – Discretionary Revenues

GENERAL PROPERTY TAXES

The FY2018-19 budget adopts a tax rate of 57.86 cents per \$100 of assessed valuation, the same as the FY2017-18 rate. This chart shows the portion of the rate dedicated to the General Fund. The property tax rate is established annually during the budget process. The City's property tax is levied based on 100% of the assessed value of property from the previous January 1 as determined by the Durham County Tax Administrator, the office that bills and collects property tax. Please refer to Section IV - Budget Summaries for tax base information.

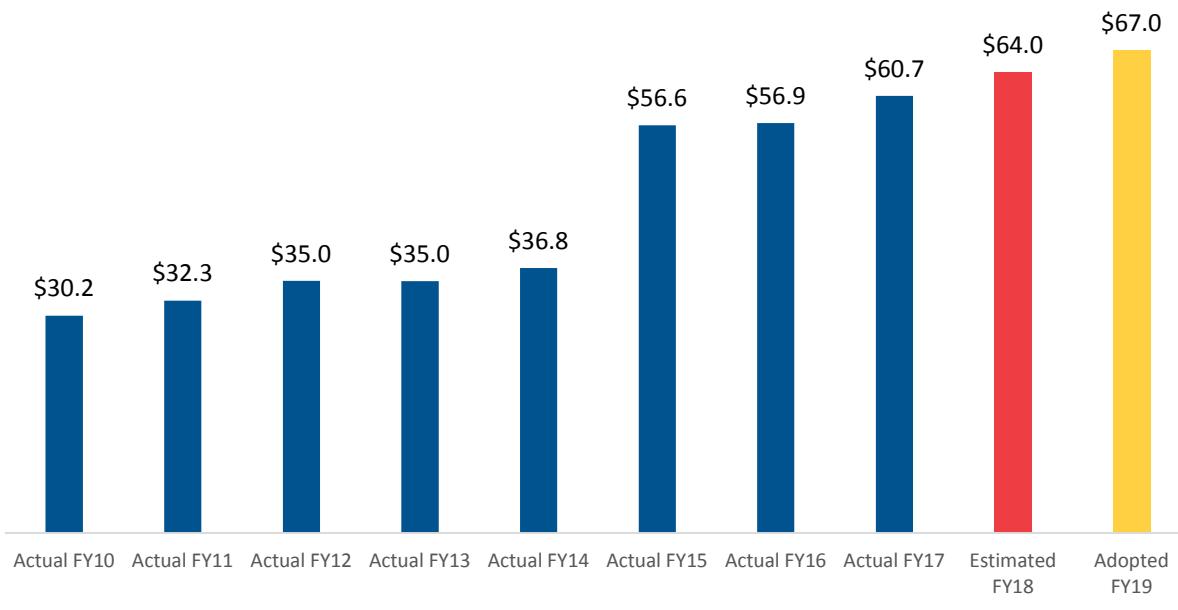


OTHER LOCAL TAXES

Sales Tax - Sales tax is levied on the sale, lease or rental of all taxable goods and services within Durham County. Purchasers of these goods and services pay the tax. Sales tax is collected by businesses at the time of the sale and then paid periodically to the North Carolina Department of Revenue, Sales and Use Tax Division. The Department of Revenue then remits that portion due to the County and all municipalities in the County based on a *per capita* formula.

The sales tax rate of 7.50 cents per dollar is on all retail sales except food purchases to be consumed at home, which are taxed at 2.0 cents per dollar. The 2009 North Carolina General Assembly passed legislation that provided for a temporary additional 1% State sales tax effective September 1, 2009. This temporary addition expired in 2011. In November 2011, an additional 0.25% Local Sales Tax was approved by referendum for education. At this time, authority for an additional 0.50% Local Sales Tax was also approved by referendum for Transit, and began collections on April 1, 2013. The 2014 North Carolina General Assembly enacted significant changes to sales tax statutes, expanding the items for which sales tax is levied. The State retains 4.25 cents for retail (0.00 cents in the case of food sales) and returns on average 2.5 cents to local governments. The State's elimination of the electrical and gas franchise tax, replacing it with sales tax, contributed to the large increase in sales tax revenues from FY 2013-14 to FY 2014-15.

Local Option Sales Tax (in millions)



Sales tax is an important revenue source for the City, representing nearly 35% of the projected General Fund revenues for FY 2018-19. The City of Durham is projecting an increase of 5% compared to the FY2017-18 budget. Cities and Counties must adjust this estimate based on local conditions. In the past the projections were applied to Article 40 and Article 42 taxes and a portion of Article 44. The elimination of the *per capita* portion of Article 44, the conversion of Article 42 to a point of sale distribution, and its replacement by the new municipal hold harmless payment makes the projection only applicable to Article 39 and Article 40 taxes.

Sales tax continues to be distributed by the state on a *per capita* basis between Durham County and the City of Durham through an interlocal agreement. The current distribution ratio is 42% for the City and 58% for the County. This current agreement will remain in effect for five years from July 1, 2018 through June 30, 2023.

Hotel/Motel Tax - A tax of 6% is levied on hotel/motel rentals in Durham County as authorized by the General Assembly in the 2001 session. Of the first 5%, the City receives 25.5%, Durham County receives 34.5%, and the Durham Convention and Visitors Bureau receives 40%. The last 1% is for the Durham Performing Arts Center. The FY 2018-19 budget projects occupancy tax to be 7% higher than the FY 2017-18 budget, based on current economic conditions and projections on hotel usage from the Durham Convention and Visitors Bureau (DCVB).

LICENSES AND PERMITS

Business Licenses - Businesses were assessed a fee for the privilege of doing business in the City. The North Carolina General Assembly abolished the ability for cities to charge this fee. The FY 2018-19 budget receives a small amount from beer and wine licenses.

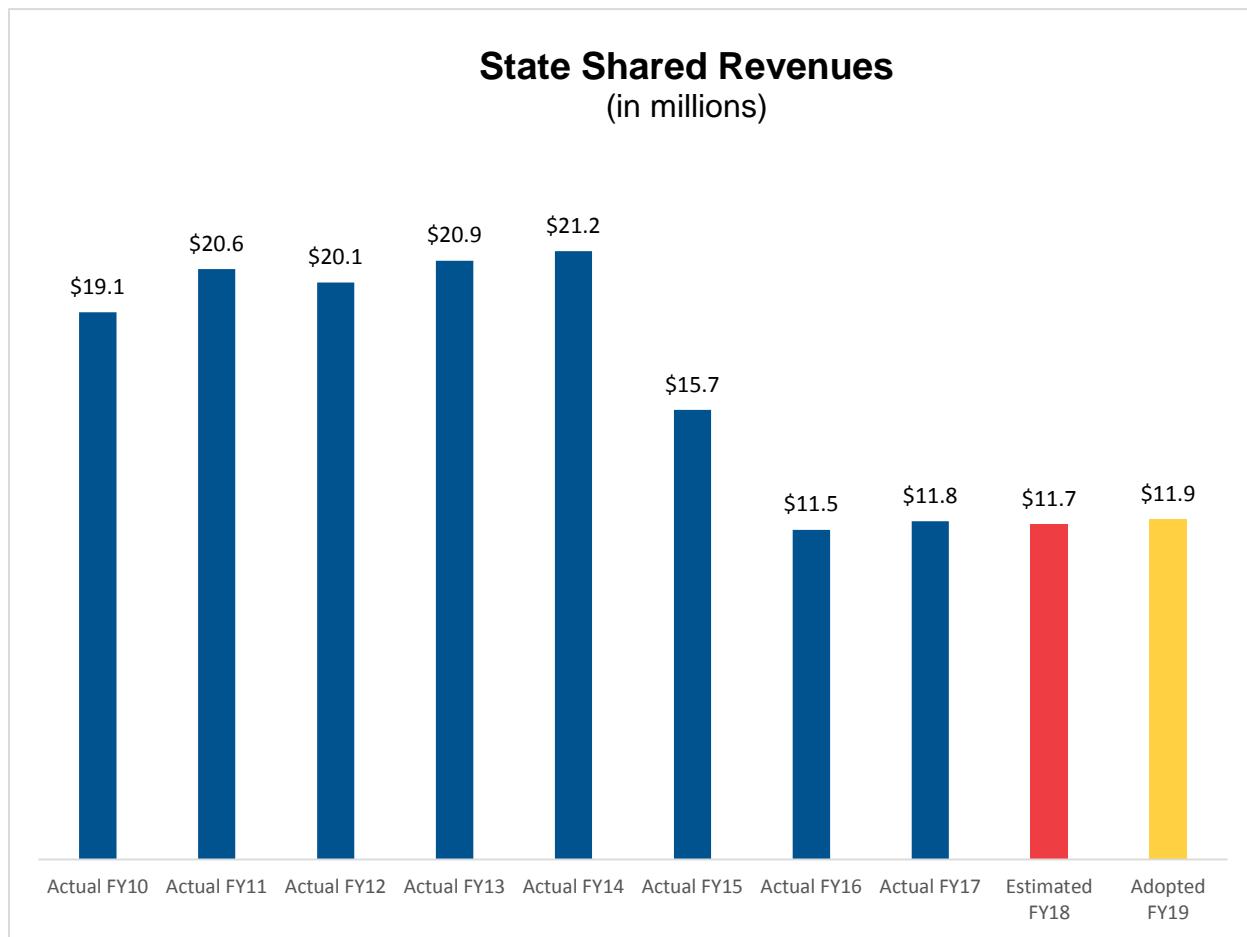
STATE SHARED REVENUES

Intergovernmental revenue consists of revenue received by the City from federal, state, and county government in the form of grants, shared revenues or reimbursements. Charges to other governments for services rendered, such as for interlocal agreements, are not included in this category.

- **Utility Franchise Tax** – In its 2014 session, the General Assembly replaced the utility franchise tax on gas and electric to a sales tax. Fiscal Year 2014-15 marked the first year of a new distribution method for both of these revenue sources. As of the current fiscal year, the general sales tax rate was applied to the sale of both electricity and natural gas, and a percentage of the proceeds were to be returned to cities and towns. In the

case of electricity, that percentage is 44 percent. That number was chosen with the intention that every municipality could receive the same amount of electricity franchise tax revenues that they received in Fiscal Year 2013-14. Given actuals received this fiscal year, the city projects an increase of 2.0% for Fiscal Year 2018-19.

- **Gasoline Tax (Powell Bill)** - The revenue generated from Powell Bill collections is used to support the maintenance of non-state system streets. The City's share is based on population (75%) and local street mileage (25%) relative to those of other municipalities. For FY 2018-19 the City projects Powell Bill revenue to be flat of the FY 2017-18 budget. The State Highway Trust Fund is used to supplement the State Highway Fund in the funding of the Powell Bill distribution. This projection assumes that the proportion of City street miles and population before annexation to street miles and populations of other municipalities remains constant.
- **Beer and Wine Tax** - The tax on malt beverages and unfortified wines is paid by the final purchaser and administered by the State. Taxes are distributed to entitled municipalities according to population. For FY 2018-19 the City projects a 2.0% increase compared to FY 2017-18.
- **Alcoholic Beverage Control Tax** - The City receives 10% of the profit from ABC operations in the County. The FY 2018-19 budget projects this revenue will increase by 2.0% as compared to FY 2017-18.



INVESTMENT

Investment Income - Revenues into the General Fund do not occur evenly over the fiscal year. Most property tax, for example, is collected during December and January of each year. The Finance Director is authorized to invest these funds in short-term investments. The resulting interest accrued on the invested funds is considered interest revenue for the City.

By resolution of the City Council, all investment income derived from the General Fund is transferred to the Capital Projects Fund. For FY 2018-19 it is proposed that all investment income derived from the General Fund, be added directly to the Capital Improvement Plan (CIP) budget.

OTHER MAJOR REVENUE

This category is used to record those revenues that are miscellaneous in nature.

Sale of Surplus Equipment - Annually the City auctions surplus equipment. The FY 2018-19 budget projects a decrease in revenue from sales of surplus equipment.

APPROPRIATION FROM FUND BALANCE

Revenues from prior years are often necessary to balance the budget. To the extent revenues exceed expenditures at year end (June 30, 2019) excess funds will be transferred to Fund Balance. The final year-end figure will be based on actual revenues and expenditures as determined through the City's FY 2017-18 financial audit. For FY 2018-19, there is a transfer from fund balance proposed in the amount of \$4,399,038 to fund one-time expenditures. If funds from FY 2017-18 are spent as projected, the General Fund Balance is projected to be approximately 22.56% at fiscal year-end 2018-19.

General Fund – Program Revenues

LICENSES AND PERMITS

This section is used to record those revenues associated with fees charged for permits. Permits provide authorization of a specific activity.

Fire

Fire Permits - This fee covers the costs associated with issuing permits for controlled fires and special event operation requirements as required by the North Carolina Fire Prevention Code.

City/County Planning

Sign Permits - Revenue generated from the issuance of sign permits.

Police

Precious Metals Dealer Permit - Revenue from permits as set by NC General Statutes

Public Works

Street Cut Permits - Revenue from permits issued primarily for gas, electric, telephone and cable television utility right-of-way excavations.

Driveway Permits - Revenue from permits issued for cutting driveways into existing curbs.

Transportation

Taxicab Inspection Fees - Revenue from inspecting taxicabs and shuttles for permits.

CHARGES FOR CURRENT SERVICES

Charges for services include user fees for recreation, police, fire, transportation, engineering, cemeteries, planning and other city services. Charges to the State and Durham County for services that the City provides are also included in this category (services provided under an interlocal agreement).

City Clerk

Sale of City Code supplements and copies of public records.

City/County Planning

Technology Surcharges - Revenue related to inspections.

Police

Officers' Fees - A reimbursement from the General Court of Justice for the service of legal process documents.

Wrecker Service Dispatch Fee - Assessed against wrecker services which are registered and dispatched from the Police Department to clear accident scenes. During FY 2004-05, the City increased the fee from \$3.00 to \$10.00 per tow to cover the costs of police officers associated with this program.

Fire

Fire Protection - State-Owned Buildings - In FY 1983-84, the State began to reimburse local governments for providing fire protection services for State-owned facilities. In FY 1997-98, the General Assembly raised the reimbursement amounts paid to cities. The General Assembly reduced the reimbursement rate for FY 2007-08 but also re-assessed the value of its property, which resulted in an increased payment. In addition, Duke University makes an annual payment to the City of Durham for fire protection services based on the same principle used by the State of North Carolina.

Fire Inspections Fees - In 1991 the State of North Carolina began mandating all municipalities conduct fire inspections in accordance with the North Carolina Fire Code. A fee structure was established based on the type of inspection or permit required, and it was last updated in FY 2012-13. Inspection fees and permits for hazardous materials, fireworks, tents, tank removal and construction are included in this category.

Office of Economic and Workforce Development

Use Charges - Revenue generated through rental of the Parrish Street Forum.

Finance

Bank of America Rebate - A rebate offered by the Bank of America on their procurement card and e-Payables programs.

Administrative Fee - An administrative fee charged by the Payroll Division to process wage garnishments for child support payments.

Technology Solutions

GIS Sales - Revenue generated from public map and data requests.

Technology Surcharges - Revenue related to inspections.

General Services

Cemetery Lot Sales - The sale of grave plots at Beechwood and Maplewood cemeteries.

Cemetery Interment Fees - Burial fees at both Beechwood and Maplewood cemeteries.

Cemetery Upkeep and Design - Fee charged to residents who request additional maintenance at specific gravesites.

Columbarium Charges - Fees charged for burial niches, urns, burial plaque engraving, and miscellaneous upkeep charges.

Public Works

NCDOT Winter Weather Reimbursement - Paid by the State Department of Transportation to reimburse expenses incurred to treat roadways due to winter weather.

Special Street Maintenance - Charges made to utility companies for utility cut repairs and fees charged to individuals for private street maintenance services.

Engineering Inspection Fees - Revenues included in this category are for the inspection by City staff of new street construction in private subdivisions including stormwater drainage and sidewalks. New street construction drawing review and fire flow test fees are also included.

Topographic and Other Maps - Revenue generated from the sale of maps.

Construction Drawing Revenue - Revenue from street or minimum construction drawings.

Parks and Recreation

Registration Fees - Fees charged for Summer Day Camp and After School programming.

Special Activities - Items in this category include: entry fees for adult athletic organization leagues, gymnastics, special interest camps, road races, instructional classes, Senior Games, etc. Fees for these activities are intended to recover expenses involved for services provided. Registration rates are set to recover direct and indirect costs of each activity.

Admissions - Swimming pool fees and picnic shelter reservations.

Entry Fees - Entry fees for youth softball, basketball, baseball and volleyball.

Use Charges - Revenues generated through rental of City equipment, Lake Michie, Durham Athletic Park, West Point on the Eno, Little River Lake, the Armory, Durham Centre Plaza and the Civic Center Plaza.

Transportation

Street Signs and Markings - Reimbursement from the State for maintenance of signs and markings on State system streets and highways within the city limits.

Traffic Signals - Reimbursement from the State for maintenance of traffic signals on State system streets and highways within the City Limits.

Traffic Impact Analysis - Development review fees associated with the review of traffic impact.

INTERGOVERNMENTAL SERVICES

This section is used to record those revenues associated with services provided by the City to another local governmental entity or agency through interlocal agreements.

City Manager's Office

Durham County Programming - Durham County budgeted for \$7,400 in fiscal year 2018-19 for the airing of County programming on DTV8.

Durham County Youth Contribution - Durham County will contribute \$70,000 to the City towards its youth initiatives.

Technology Solutions

Durham County GIS Service - The City is responsible for coordinating and managing overall countywide GIS operations, which includes GIS software installation and maintenance, GIS databases management, technical support, customized maps and application development and training. It currently operates under an interlocal cooperation agreement effective since July 1, 1998, which was amended in December 2005 and provides service to all City and County departments. Durham County reimburses the City 50% of the GIS operation cost each year, after offsetting revenue received for GIS data sales. The department began providing mapping and data distribution services to the public in 1999. The fees are based on two policies. The GIS data access and distribution policy went into effect on July 1, 1999 and the GIS data distribution policy for commercial use was adopted by the City Council on August 7, 2000.

Durham County Open Data Service - The City is responsible for the management and publishing of data sets for the City-County Open Data project. Durham County reimburses the City 50% of Open Data operating costs, which includes web hosting software and contracted staff.

City / County Planning

Planning Fees - This category includes fees for reviewing proposed development plans, annexations, zoning change requests, site plan compliance, flood plain, and variance and use permits.

Durham County Planning Services - Under an interlocal agreement, Durham County reimburses the City for its share of joint City/County Planning services. Since FY 1999-00, the City and County have each assumed 50% of the Planning budget net of Planning fees unless one entity elects to solely fund a position. The City and County are each projected to fund 50% of the Planning budget with no positions solely funded by either entity.

Emergency Communications

Communications Services - This item represents the reimbursement by Durham County for the costs associated with dispatching County volunteer fire departments and ambulances and receiving 911 calls for the Sheriff's Department. The County assumes 21% of the Communications Center budget in accordance with an interlocal agreement.

Radio Maintenance Charges - This item represents fees for servicing radios outside of the City owned radios for Durham County and North Carolina Central University.

General Services

Durham County - Financial support to the Keep Durham Beautiful program in the amount of \$25,000 annually.

Transportation

Durham County - Durham County pays for 12.5% of the Bicycle and Pedestrian Coordinator's personnel costs to cover support of the Bicycle and Pedestrian Advisory Committee (BPAC).

General Fund – Non-Departmental Appropriations

	Actual FY2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Personal Services					
Severance Payments	\$ -	\$ 25,000	\$ -	\$ -	-100.0%
Other Employee Benefits	- -	1,087,046	579,776	906,521	-16.6%
Health Insurance - Retirees	3,236,222	5,602,500	4,503,290	4,561,738	-18.6%
Subtotal	\$ 3,236,222	\$ 6,714,546	\$ 5,083,066	\$ 5,468,259	-18.6%
Operating					
Risk Management Charges	\$ 3,286,656	\$ 2,427,682	\$ 2,427,682	\$ 3,614,504	48.9%
Donations	- -	40,000	- -	40,000	0.0%
Indirect Cost Reimbursements	(9,587,692)	(10,446,148)	(10,446,148)	(10,759,533)	3.0%
Other Operating Costs / Savings	- -	21,583	162,500	- -	-100.0%
Subtotal	\$ (6,301,036)	\$ (7,956,883)	\$ (7,855,966)	\$ (7,105,029)	-10.7%
Transfer to Other Funds					
Transfer to the Ballpark Fund	\$ 50,000	\$ 50,000	\$ 50,000	\$ 100,000	100.0%
Transfer to BID	250,000	250,000	250,000	250,000	0.0%
Transfer to Capital Projects Fund	6,008,451	7,886,686	7,886,686	8,434,669	6.9%
Transfers Other	805,430	- -	- -	- -	0.0%
Subtotal	\$ 7,113,881	\$ 8,186,686	\$ 8,186,686	\$ 8,784,669	7.3%
Total General Fund					
Nondepartmental Appropriations	\$ 4,049,067	\$ 6,944,349	\$ 5,413,786	\$ 7,147,899	2.9%

PERSONAL SERVICES

Severance Payments - Covers severance payments to employees impacted by reduction in workforce.

Other Employee Benefits - This is primarily used to put placeholders in for expected benefit changes and pay for performance increases for the upcoming year.

Health Insurance-Retirees - Pays for the City's share of health insurance for eligible retirees.

OPERATING

Risk Management Fund Charges - Premium to recoup a proportionate share of expected liability and workers' compensation claims obligations is included here.

Donations - Reserve for small miscellaneous donations.

Indirect Cost Reimbursements - Financial policy prescribes budgeting indirect cost reimbursements from other funds as contra-expenses on a city wide basis.

Other Operating Costs / Savings - An adjustment for the ½ penny for parks maintenance funding in FY2017-18, other miscellaneous adjustments..

TRANSFERS TO OTHER FUNDS

Transfer to the Ballpark Fund – Subsidy for maintenance.

Transfer to BID - Transfer to the Business Improvement District Fund for contractual services.

Transfer to Capital Projects Fund - Transfers related to capital expenditures for street maintenance and police vehicles.

Transfer Other - Transfer to the Dedicated Housing Fund to provide support to the Durham Housing Authority's DVI Development grant request.

DEBT SERVICE FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
General Property Taxes	\$ 36,326,028	\$ 36,358,161	\$ 36,358,161	\$ 37,103,710	2.1%
Interest	55,325	-	-	23,000	0.0%
Other Revenue	627,530	598,195	598,195	576,480	-3.6%
Bond Refunding	9,596,211	-	-	-	0.0%
Intergovernmental	1,000,000	1,878,516	1,878,516	-	-100.0%
Appropriation from Fund Balance	-	-	-	2,337,900	0.0%
Total Revenues	\$ 47,605,094	\$ 38,834,872	\$ 38,834,872	\$ 40,041,090	3.1%
Appropriations					
Debt Service Principal	\$ 30,265,638	19,583,871	\$ 19,583,871	23,612,676	20.6%
Debt Service Interest	7,987,721	8,946,833	8,946,833	11,895,301	33.0%
Tax Collection Fee	414,597	422,660	422,660	407,935	-3.5%
Transfer to Other Funds	3,079,221	3,020,382	3,020,382	4,125,178	36.6%
Transfer to Fund Balance	5,857,917	6,861,126	6,861,126	-	-100.0%
Total Appropriations	\$ 47,605,094	\$ 38,834,872	\$ 38,834,872	\$ 40,041,090	3.1%

FUND DESCRIPTION

The Debt Service Fund accounts for the City's General Fund debt service obligations.

REVENUE DESCRIPTIONS

General Property Taxes – The portion of property tax allocated to pay for debt service. This is 12.72 cents for FY 2018-19.

Interest - Investment income is gained through the commitment of City funds to investment instruments allowed under State Statute.

Other Revenue – Subsidy payments from Build America Bonds (BABs).

Bond Refunding – Revenues and Expenditures associated with refunding of bond issuances.

Intergovernmental – Revenue from Durham County to be received for their portion of the radio infrastructure capital project. Please refer to the Capital and Grant Project Information section of this document (Section XII) for detailed information on City capital projects.

Appropriations from Fund Balance – Any costs not covered by revenue sources must be covered by fund balance.

EXPENDITURE DESCRIPTIONS

Debt Service Principal – Principal payments on the City's debt service.

Debt Service Interest – Interest payments on the City's debt service.

Tax Collection Fee - A portion of the tax collection interlocal contract with the County is allocated in this fund.

Transfer to Other Funds / Fund Balance – Transfers to the Solid Waste, Ballpark, and Parking Funds which represents their portion of debt obligations, and transfers of excess revenues over expenses to Fund Balance.

WATER AND SEWER FUND
WATER AND SEWER REVENUES

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Investment & Rental Income					
Interest: Investments and Assess.	\$ 336,303	\$ 292,500	\$ 398,972	\$ 431,500	47.5%
Rental Income	423,093	300,000	370,019	336,480	12.2%
Total Investment & Rental Income	\$ 759,396	\$ 592,500	\$ 768,991	\$ 767,980	29.6%
Operating Revenue					
Water & Sewer Sales					
Water & Sewer Sales	\$ 94,906,812	\$ 97,135,427	\$ 98,765,246	\$ 99,418,759	2.4%
Late Fees	235,636	175,000	231,102	200,000	14.3%
Industrial Monitoring	11,748	12,000	5,538	12,000	0.0%
Sewer Surcharge	193,536	160,000	189,892	218,728	36.7%
Suspended Solids	62,127	45,000	45,000	45,000	0.0%
Subtotal	\$ 95,409,859	\$ 97,527,427	\$ 99,236,778	\$ 99,894,487	2.4%
Other Operating Revenues					
Septic Tank Disposal	\$ 298,446	\$ 250,000	\$ 194,820	\$ 250,000	0.0%
Water Connection Fees	719,983	650,000	718,202	650,000	0.0%
Sewer Connection Fees	244,228	200,000	244,600	200,000	0.0%
Engineering Inspection Fee	265,450	200,000	207,452	200,000	0.0%
Backflow Certification	13,100	12,000	1,675	12,000	0.0%
Subtotal	\$ 1,541,207	\$ 1,312,000	\$ 1,366,749	\$ 1,312,000	0.0%
Licenses and Permits					
Water Permits	\$ 50,850	\$ 50,000	\$ 71,010	\$ 45,000	-10.0%
Sewer Permits	22,500	20,000	17,200	15,000	-25.0%
Cross Connection Control Permits	116,940	75,000	79,750	79,750	6.3%
Subtotal	\$ 190,290	\$ 145,000	\$ 167,960	\$ 139,750	-3.6%
Total Operating	\$ 97,141,356	\$ 98,984,427	\$ 100,771,487	\$ 101,346,237	2.4%
Other Revenues					
Miscellaneous	\$ 670,793	\$ 10,000	\$ 1,557,907	\$ 20,000	100.0%
Bond Refinancing	55,866,231	-	-	-	-
Water Frontage Fees/Assessments	(17,991)	-	3,599	6,000	100.0%
Sewer Frontage Fees/Assessments	(8,839)	-	5,500	10,000	100.0%
Total Other Revenues	\$ 56,510,193	\$ 10,000	\$ 1,567,006	\$ 36,000	260.0%
Transfers from Other Funds					
General Fund	-	-	-	-	0.0%
CIP Property Management	31,537	-	-	-	0.0%
Total Transfers from Other Funds	\$ 31,537	\$ -	\$ -	\$ -	0.0%
Appropriation from Fund Balance	\$ -	\$ 609,543	\$ -	\$ 55,607,213	9022.8%
TOTAL W & S FUND REVENUES	\$ 154,442,482	\$ 100,196,470	\$ 103,107,485	\$ 157,757,430	57.4%

WATER AND SEWER FUND
REVENUE AND APPROPRIATION SUMMARY

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
REVENUES					
Investment and Rental Income	\$ 759,396	\$ 592,500	\$ 768,991	\$ 767,980	29.6%
Water and Sewer Sales	95,409,859	97,527,427	99,236,778	99,894,487	2.4%
Other Operating Revenue	1,541,207	1,312,000	1,366,749	1,312,000	0.0%
Licenses and Permits	190,290	145,000	167,960	139,750	-3.6%
Frontage Fees/Assessments	(26,830)	-	9,099	16,000	100.0%
Other	56,537,023	10,000	1,557,907	20,000	100.0%
Transfer from Other Funds	31,537	-	-	-	0.0%
Appropriations from Fund Balance	-	609,543	-	55,607,213	9022.8%
TOTAL REVENUES	\$ 154,442,482	\$ 100,196,470	\$ 103,107,485	\$ 157,757,430	57.4%
APPROPRIATIONS					
Personal Services	\$ 25,360,289	\$ 27,992,356	\$ 27,067,478	\$ 30,592,718	9.3%
Operating	28,089,150	28,153,439	29,527,468	28,742,820	2.1%
Capital Outlay	655,838	-	257,512	23,000	100.0%
Debt Service	65,439,133	10,412,619	10,412,619	9,233,790	-11.3%
Transfers to Other Funds	22,911,503	33,638,056	33,098,056	89,165,102	165.1%
Transfers to Fund Balance	11,986,570	-	2,744,352	-	0.0%
TOTAL APPROPRIATIONS	\$ 154,442,482	\$ 100,196,470	\$ 103,107,485	\$ 157,757,430	57.4%
Department Appropriations					
Water Management	\$ 43,772,972	\$ 44,281,302	\$ 46,392,007	\$ 46,094,285	4.1%
Public Works	3,695,944	4,040,944	3,853,698	4,449,630	10.1%
Finance	152,168	71,798	71,798	83,030	15.6%
General Services	-	-	-	15,600	100.0%
Nondepartmental Appropriations	106,821,398	51,802,426	52,789,982	107,114,885	106.8%
TOTAL APPROPRIATIONS	\$ 154,442,482	\$ 100,196,470	\$ 103,107,485	\$ 157,757,430	57.4%

FUND DESCRIPTION

The Water and Sewer Fund accounts for revenues and expenses related to the provision of water and sewer services to the customers of the City and adjacent areas. Water and Sewer CIP projects are part of the annual adopted Capital Improvement Program budget adoption and are not part of the operating fund.

WATER AND SEWER FUND REVENUE DESCRIPTIONS

Investment and Rental Income

Interest: Investments and Assessments - Investment income is gained through the commitment of City funds to investment instruments allowed by State Statute, and interest is charged on water and sewer assessments.

Rental Income - The City owns property and houses, purchased for other purposes with Water and Sewer Fund monies, which are temporarily rented. This also includes revenue from cellular tower leases.

Operating Revenues

Water and Sewer Sales - Water and Sewer Sales includes both consumption and service fee charges to all direct water and sewer customers, inside and outside the City. It does not include contractual water sales to other utilities. Rates for water and sewer charges for FY 2018-19 are set to increase about 1.3% for the average residential customer.

Late Fees - Charges are assessed for past due payments.

Industrial Monitoring Charge - The Environmental Protection Agency requires the recovery of costs incurred in monitoring potentially high strength and toxic wastes. The rate schedule is based on the types of tests required.

Sewer Surcharges - Surcharges are applied to high strength waste per pounds of biochemical oxygen demand.

Suspended Solids - Charges on suspended solids are applied per 1,000 pounds.

Other Operating Revenues

Septic Tank Disposal - Charges for septic waste discharged at the North Durham Water Reclamation Facility.

Water and Sewer Line Connection Fees - Fees are charged at the time of initial connection to water and sewer mains. These fees vary with the size of the connection.

Engineering Inspection Fees - The Water and Sewer Engineering Division charges fees for water main, sewer main, and sewer outfall inspections.

Backflow Tester School - The Water Resources Department offers certification classes for backflow testers. An enrollment fee is charged for each participant in the school.

Licenses and Permits

Water and Sewer Permit Fees - These fees are paid by developers and the City for permits to extend water and sewer lines.

Cross Connection Control (CCC) Permit fees - This permit partially recovers inspection costs of CCC devices.

Other Revenues

Miscellaneous - This item includes revenues from broken water meter charges, water cut-off penalties and after-hours service charges.

Water and Sewer Frontage Fees/Assessments - Frontage Fees are applicable when property is developed and the developer or property owner has not installed a water and/or sewer line across the street frontage or street right-of-way abutting the project. This item reflects confirmations of water and sewer assessment rolls.

Transfers from Other Funds

General Fund – The Water and Sewer Fund financed an Information Technology Infrastructure project in FY 2011-12, and the General Fund paid back its portion of the project over five years.

Appropriation from Fund Balance - An appropriation from Fund Balance is used to balance the budget when expenditures are anticipated to exceed revenues in a given year.

WATER AND SEWER NON-DEPARTMENTAL APPROPRIATIONS

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Personal Services					
Merit/Market Salary Adjustment	\$ -	\$ 796,796	\$ (420,000)	\$ 1,307,962	64.2%
Subtotal	\$ -	\$ 796,796	\$ (420,000)	\$ 1,307,962	64.2%
Operating					
Indirect Costs	\$ 4,773,733	\$ 5,303,254	\$ 5,303,254	\$ 5,462,352	3.0%
Insurance Risk /Post Employment	1,481,451	1,583,915	1,583,915	1,945,679	22.8%
Miscellaneous	229,010	67,786	67,786	-	-100.0%
Subtotal	\$ 6,484,194	\$ 6,954,955	\$ 6,954,955	\$ 7,408,031	6.5%
Transfers					
Transfer to Capital Fleet Program	\$ 911,502	\$ 1,238,056	\$ 1,238,056	\$ 3,565,102	188.0%
Transfer to CIP	22,000,000	32,400,000	31,860,000	85,600,000	164.2%
Transfer to Fund Balance	11,986,570	-	2,744,352	-	0.0%
Subtotal	\$ 34,898,072	\$ 33,638,056	\$ 35,842,408	\$ 89,165,102	165.1%
Debt Service					
Debt Service/Refunding	\$ 65,439,133	\$ 10,412,619	\$ 10,412,619	\$ 9,233,790	-11.3%
County Line Reimbursement	-	-	-	-	0.0%
Subtotal	\$ 65,439,133	\$ 10,412,619	\$ 10,412,619	\$ 9,233,790	-11.3%
TOTAL NON-DEPARTMENTAL	\$ 106,821,398	\$ 51,802,426	\$ 52,789,982	\$ 107,114,885	106.8%

WATER AND SEWER FUND NON-DEPARTMENTAL APPROPRIATIONS

Personal Services

Merit/Market Salary Adjustment - These funds are appropriated to cover any budgeted pay increases, costs associated with increased benefit requirements, etc. FY 2017-18 accounts for increases in health care costs and for an incremental increase to employee pay.

Operating

General Fund Services - Funds are appropriated each year to reimburse the General Fund for services provided to the Water and Sewer Fund. These are also known as Indirect Costs.

Insurance Risk/Post Employment - Each fund pays a proportionate share of expected liability and workers' compensation claims obligations, as well as a share of general insurance, post-employment benefits, and safety and health costs.

Miscellaneous - This account covers all other charges that may be incurred outside of normal departmental operations. Since FY 2015-16, the costs associated with Voice Over IP (VOIP) service have been included here.

Transfers

Transfer to Storm Water Fund – These costs cover an arrangement between Water and Sewer and Storm Water (Public Works) regarding the Household Hazardous Waste program. This was discontinued in FY 2015-16 as the operation has moved off of Water Management's property.

Transfer to Capital Fleet Program – Transfers are made to a capital project to cover fleet vehicle replacement costs, and new vehicle acquisition costs.

Capital Improvement Program (CIP) Appropriations

Water and Sewer operating funds are appropriated to the Capital Improvement Program to address specific critical capital maintenance needs. For FY 2017-18, \$32.4 million in CIP funding will be provided from Water and Sewer rates. The full list of Water and Sewer CIP projects can be found in the FY 2018-2023 Capital Improvement Program budget document.

Transfer to Fund Balance

This is budgeted to increase the Fund Balance to meet debt covenants and plan for future pay-as-you-go transfers to the Water and Sewer CIP.

Debt Service

Debt Service - Debt service for water and sewer projects is paid directly from the Water and Sewer Operating Fund.

County Line Reimbursement - The City reimburses the County for water and sewer line installations within designated areas of the County.

CAPITAL FACILITIES FEES FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
Operating Revenues	\$ 5,747,003	\$ 4,450,000	\$ 5,200,000	\$ -	-100.0%
Transfers from Other Funds	-	-	-	-	0.0%
Transfer from Fund Balance	-	27,000	13,750,000	-	-100.0%
Interest and Rental Income	12,908	14,000	33,000	-	-100.0%
Total Revenues	\$ 5,759,911	\$ 4,491,000	\$ 18,983,000	\$ -	-100.0%
Appropriations					
Transfers to Other Funds	\$ 4,450,000	\$ 4,491,000	\$ 18,983,000	\$ -	-100.0%
Transfer to Fund Balance	1,309,911	-	-	-	0.0%
Total Appropriations	\$ 5,759,911	\$ 4,491,000	\$ 18,983,000	\$ -	-100.0%

FUND DESCRIPTION

The Capital Facilities Fees Fund was established to account for water and sewer capital facilities fees and funds are transferred to the Water and Sewer Construction Fund to be spent on eligible capital projects. Capital Facility Fees for new connections to the City's water and sewer systems were established in 1985 to recover capital costs associated with providing water supply, water treatment and wastewater treatment to new water and sewer service customers. In FY 2018-19 the Capital Facilities Fees Fund will be dissolved and all associated revenues and appropriations will be allocated to the Water-Sewer Fund.

REVENUE DESCRIPTIONS

Investment and Rental Income – Investment income is gained through the commitment of City funds to investment instruments allowed under State Statute.

Operating Revenues – Capital Facilities Fees are charged to new development or facility expansion that results in a greater demand on the City's water supply, water treatment capacity and sewer treatment capacity.

EXPENDITURE DESCRIPTIONS

Transfer to Other Funds – Revenues are transferred to the Water and Sewer Construction Fund to fund eligible capital projects.

Transfer to Fund Balance – Any surplus in the Fund is returned to fund balance.

SOLID WASTE FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
General Property Taxes	\$ 17,102,831	\$ 17,564,734	\$ 17,741,165	\$ 18,347,668	4.5%
Interest and Rental Income	38,027	30,000	30,818	18,000	-40.0%
Charges for Services	6,273,772	7,084,624	7,463,680	7,588,291	7.1%
Solid Waste Fee	7	-	-	-	0.0%
Intergovernmental Revenues	168,093	167,322	167,322	167,322	0.0%
Landfill Gas	162,099	140,000	147,000	140,000	0.0%
Other Financing Sources	4,828,940	140	48,150	300	114.3%
Transfers From Other Funds	90,130	127,695	127,695	82,422	-35.5%
Appropriation From Fund Balance	137,729	-	601,109	-	0.0%
Total Revenues	\$ 28,801,628	\$ 25,114,515	\$ 26,326,939	\$ 26,344,003	4.9%
Appropriations					
Personal Services	\$ 7,242,638	\$ 7,325,105	\$ 7,703,997	\$ 7,995,103	9.1%
Operating	12,395,544	12,928,921	13,511,881	14,410,882	11.5%
Capital and Other	38,599	280,695	344,232	18,500	-93.4%
Debt Service	9,121,029	4,248,931	4,248,931	3,831,134	-9.8%
Transfers To Other Funds	3,818	157,818	157,818	10,568	-93.3%
Transfer to Fund Balance	-	173,045	-	77,816	-55.0%
Total Appropriations	\$ 28,801,628	\$ 25,114,515	\$ 25,966,859	\$ 26,344,003	4.9%
Department Appropriations					
Solid Waste Management	\$ 16,320,570	\$ 16,460,931	\$ 17,439,971	\$ 17,994,804	9.3%
Water Management	213,688	267,200	313,549	270,135	1.1%
Nondepartmental Appropriations	12,267,370	8,386,384	8,213,339	8,079,064	-3.7%
Total Appropriations	\$ 28,801,628	\$ 25,114,515	\$ 25,966,859	\$ 26,344,003	4.9%

FUND DESCRIPTION

The Solid Waste Fund provides for the City's solid waste disposal and reduction needs. Household solid waste collection, recycling collection, yard waste collection, transfer station operations, code enforcement and administrative costs are budgeted in this Fund.

Solid Waste Management Appropriations – These appropriations are directly tied to the department, and include personnel expenditures, operating costs such as contracts, fuel, and vehicle maintenance, and capital asset purchases.

Water Management Appropriations – Appropriations to the Department of Water Management for maintenance of the closed landfill.

Nondepartmental Appropriations – This appropriation includes expenditures not directly associated with the department, including debt service, salary and benefit increase placeholders, indirect costs, risk charges, and intragovernmental transfers.

REVENUE DESCRIPTIONS

General Property Taxes – Beginning in FY16, a portion of the City's tax rate was allocated to the Solid Waste Fund in place of the former transfers from the General Fund and the Debt Service Fund. The adopted rate for FY19 of 6.29 cents per \$100 valuation fully covers budgeted indirect costs in the Fund.

Interest and Rental Income – Interest earned on the investment of fund balance.

Charges for Services – These include the per ton tipping fee for solid waste charged at the transfer station, fees for yard waste collection, scrap tire rebates, sales of recyclables, brush pickup fees, and white good disposal revenue.

Solid Waste Fee – In FY14, the City charged a monthly \$1.80 fee to households receiving solid waste collection services from the City. In FY15, the City ceased charging residents fees for the provision of solid waste collection services, and increased the transfer from the Debt Service Fund to cover the difference. Service is now covered by the dedicated property tax rate

Intergovernmental Revenues – State solid waste rebates and subsidy payments from Build America Bonds (BABs).

Landfill Gas – Revenues generated from methane produced from the City's closed landfill.

Other Financing Sources – Bond refunding transactions and debt collection related activities.

Transfer from Other Funds – In the past, the General Fund subsidized the Solid Waste Fund on an annual basis. A transfer from the Debt Service Fund was used to cover the cost of debt payments. Beginning in FY16, a portion of the property tax rate was dedicated to this Fund replacing these transfers. The only remaining transfer is from the Business Improvement District (BID) Fund. This transfer covers the costs to provide service to those downtown businesses and residents located in the BID. This transfer has historically been \$15K but was increased in FY19 to \$82K to more accurately reflect the Department's cost for providing services in the downtown area. The transfer in FY17 and FY18 contain the purchase and installation of downtown compactors paid for by the BID Fund.

Appropriation from Fund Balance – These include transfers from reserves each year to cover encumbrance carry forward amounts for contracts.

EXPENDITURE DESCRIPTIONS

Personal Services – All of the City's Solid Waste Management employees and one half of a Water Management position are accounted for in this area.

Operating – Major items include fuel purchases, contracts and indirect costs.

Capital and Other – Funds for compactors and other equipment.

Debt Service – To cover the cost of capital projects, vehicles, and other large asset purchases.

Transfers to Other Funds – Transfers to cover projects paid for out of other funds. The FY18 amount includes \$154K to pay for a CIP project to upgrade a building at the Customer Convenience Center.

Transfer to Fund Balance – Used when projected revenues exceed projected expenditures.

STORMWATER MANAGEMENT FUND

	Actual FY 2015-16	Adopted FY 2016-17	Estimated FY 2016-17	Adopted FY 2018-19	Change
Revenues					
Interest and Rental Income	\$ 47,264	\$ 34,000	\$ 34,000	\$ 67,000	97.1%
Operating Revenues	16,186,844	15,486,348	15,656,348	15,660,539	1.1%
Transfers From Other Funds	109,047	109,047	109,047	109,047	0.0%
Appropriation From Fund Balance	-	-	46,559	4,062,284	100.0%
Total Revenues	\$ 16,343,155	\$ 15,629,395	\$ 15,845,954	\$ 19,898,870	27.3%
Appropriations					
Personal Services	\$ 6,431,962	\$ 8,013,605	\$ 8,018,246	\$ 8,441,367	5.3%
Operating	2,876,317	3,116,332	3,319,916	3,323,904	6.7%
Capital and Other	17,105	165,836	174,170	150,586	-9.2%
Transfers To Other Funds	3,828,203	3,904,816	3,904,816	7,983,013	104.4%
Transfer to Fund Balance	3,189,568	428,806	428,806	-	-100.0%
Total Appropriations	\$ 16,343,155	\$ 15,629,395	\$ 15,845,954	\$ 19,898,870	27.3%
Department Appropriations					
Public Works	\$ 8,091,102	\$ 9,751,844	\$ 9,968,403	\$ 9,961,351	2.1%
Nondepartmental Appropriations	8,252,053	5,877,551	5,877,551	9,937,519	69.1%
Total Appropriations	\$ 16,343,155	\$ 15,629,395	\$ 15,845,954	\$ 19,898,870	27.3%

FUND DESCRIPTION

The Stormwater Fund accounts for revenues and expenses related to Stormwater Management. In fiscal year 2009-10 the City moved from monthly billing to annual billing for property owners.

REVENUE DESCRIPTIONS

Operating Revenue – This revenue stream is comprised of two sources:

Stormwater Utility Charges: Property owners are billed for Stormwater Charges based on the impervious area of their property (measured in Equivalent Residential Units (ERU), or 2,400 square feet). There is no rate increase for FY 2018-19. The single-family residential stormwater monthly fee structure reflects three tiers tied to square footage of impervious surface: \$3.26 for less than 2,000 square feet, \$6.75 for more than 2,000 and less than 4,000 square feet; \$13.52 for more than 4,000 square feet. Also included in this category are fees for the removal of dead animals from veterinary hospitals, a service provided by the Street Cleaning division. The Stormwater Fee ordinance exempts City streets, but not City buildings, from Stormwater Fees. Residential customers are billed annually for stormwater charges but may request periodic billing from the Public Works Department.

Stormwater Permit Fees: The Stormwater Permit Fee is for plan review and inspection of any required Stormwater management facility (e.g., detention basin, sand filter) associated with development plans.

Interest and Rental Income – Income is gained through the commitment of City funds to investment instruments allowed by State Statute.

Miscellaneous – Revenues received from inspection of stormwater infrastructure in new development.

Transfer from Other Funds – Revenues received from the Transit Fund to support bus shelter cleaning services.

EXPENDITURE DESCRIPTIONS

Personal Services – Supports all Stormwater staff in Public Works and a stormwater related position located in the Planning Department.

Operating – This includes all ongoing and one-time costs associated with NPDES permit requirements. This supports three work units in the Public Works department: Stormwater Management, providing water quality inspections & certification of all stormwater structures, and design and construction of capital infrastructure projects; Stormwater Maintenance, addressing the above ground and underground system components; and Street & Bus Stop Cleaning. The Solid Waste department administers and manages the Hazardous Household Waste contract.

Capital – This provides for maintenance of equipment.

Transfer to Other Funds – This is a transfer to the CIP for stormwater projects and transfer to Fleet for purchase of vehicles.

Transfer to Fund Balance – Any surplus in the Fund is returned to fund balance.

Nondepartmental Appropriations – These charges include a payment to the General Fund for indirect costs and a payment to the Risk Fund for insurance (liability, workers' compensations, general insurance, safety and health programs).

TRANSIT FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
General Property Taxes	\$ 11,466,958	\$ 9,941,248	\$ 9,941,248	\$ 10,384,372	4.5%
Licenses and Permits	2,674,052	2,700,000	2,700,000	2,750,000	1.9%
Intergovernmental	5,007,804	5,754,818	5,867,391	5,964,925	3.7%
Charges for Current Services	3,243,337	3,060,521	2,965,585	2,691,919	-12.0%
Other Revenue	154,370	207,727	178,462	163,727	-21.2%
Appropriation from Fund Balance	-	-	949,700	821,869	100.0%
Total Revenues	\$ 22,546,521	\$ 21,664,314	\$ 22,602,386	\$ 22,776,812	5.1%
Appropriations					
Operating	\$ 18,459,515	\$ 19,867,256	\$ 20,784,414	\$ 20,804,911	4.7%
Capital	164,743	278,459	150,392	142,673	-48.8%
Debt Service	198,821	194,182	194,182	239,451	23.3%
Transfers to Other Funds	2,527,980	1,324,417	1,473,398	1,589,777	20.0%
Transfer to Fund Balance	1,195,462	-	-	-	0.0%
Total Appropriations	\$ 22,546,521	\$ 21,664,314	\$ 22,602,386	\$ 22,776,812	5.1%
Departmental Appropriations					
Transportation Department	\$ 20,461,180	\$ 20,769,725	\$ 21,707,797	\$ 21,820,502	5.1%
Nondepartmental Appropriations	2,085,341	894,589	894,589	956,310	6.9%
Total Appropriations	\$ 22,546,521	\$ 21,664,314	\$ 22,602,386	\$ 22,776,812	5.1%

FUND DESCRIPTION

The Transit Fund provides for the operation of the City's mass transportation system, which includes GoDurham (formerly the Durham Area Transit Authority (DATA)) and the Para-Transit transportation system, ACCESS. Triangle Transit provides management oversight over the operations of the system. GoDurham is currently operated by Durham City Transit Company (DCTC), which is staffed and operated by a contracted vendor. Transit operations also involve significant grant awards which are appropriated in separate, multi-year Grant Project Ordinances, so they are not included in the Annual Operating Budget Ordinance or in this fund summary.

REVENUE DESCRIPTIONS

General Property Taxes – The tax rate dedicated to Transit is proposed at 3.56 cents per \$100 of valuation.

Licenses and Permits – Represents City motor vehicle license fees dedicated to Transit. These are \$15 per vehicle registration.

Intergovernmental Revenue – Assistance is granted annually by the State government to local entities that operate mass transit systems. Also, funds are transferred annually from Triangle Transit to cover new services, and the increased costs of existing services.

Charges for Current Services – Fare box and Para-transit transport fares.

EXPENDITURE DESCRIPTIONS

Operating – The operating budget represents fuel and funds to operate the transit system.

Transfers to Other Funds - Grant matches for Transit operations and a payment to the Stormwater Fund to cover bus shelter cleaning services.

PARKING FACILITIES FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
Interest and Rental Income	\$ 17,942	\$ 12,000	\$ 25,000	\$ 25,000	108.3%
Charges for Services	3,987,761	5,082,231	5,303,091	5,676,422	11.7%
Transfers from Other Funds	914,757	882,707	882,707	918,176	4.0%
Appropriation from Fund Balance	-	-	-	1,297,444	100.0%
Total Revenues	\$ 4,920,460	\$ 5,976,938	\$ 6,210,798	\$ 7,917,042	32.5%
Appropriations					
Personal Services	\$ 248,137	\$ 255,009	\$ 267,763	\$ 324,294	27.2%
Operating	2,962,612	3,689,675	3,837,055	4,020,882	9.0%
Capital	277,431	-	-	120,000	100.0%
Debt Service	914,757	1,359,597	1,359,597	3,451,866	153.9%
Transfer to Fund Balance	517,523	672,657	746,383	-	-100.0%
Total Appropriations	\$ 4,920,460	\$ 5,976,938	\$ 6,210,798	\$ 7,917,042	32.5%
Departmental Appropriations					
Transportation Department	\$ 2,987,217	\$ 3,548,128	\$ 3,708,262	\$ 4,056,852	14.3%
Nondepartmental Appropriations	1,933,243	2,428,810	2,502,536	3,860,190	58.9%
Total Appropriations	\$ 4,920,460	\$ 5,976,938	\$ 6,210,798	\$ 7,917,042	32.5%

FUND DESCRIPTION

The Parking Facilities Fund was established to account for revenues and expenses to city-owned parking areas, including four garages (Chapel Hill Street, Church Street, Corcoran Street and the Durham Centre) and three off-street lots. On-street parking revenues and expenditures are also budgeted in this fund. FY 2018-19, there are no rate increases for parking garages, on-street parking or surface lots. Recommendations from the recently completed parking study continue to be implemented. The new downtown garage is currently under construction and that is being funded through the Capital Improvements Program. Garage is scheduled to open in January 2019.

REVENUE DESCRIPTIONS

Interest and Rental Income - Gains through the commitment of City funds to investment instruments allowed by State Statute.

Charges for Current Services - Revenues represent the gross revenue collected by the contract vendor operating the parking facilities and issuing tickets in the downtown area. Reimbursements to the vendor are reflected in the operating budget and are specified in the contract with the vendor.

Transfers from Other Funds – This transfer is from the Debt Service Fund to cover debt service payments related to parking.

EXPENDITURE DESCRIPTIONS

Personal Services – The City's Transportation Department provides oversight of the parking contracts. There are three (4) FTEs supporting parking functions, with an additional twenty-three (23) FTEs joining the department mid-year as a result of insourcing parking administration/enforcement in FY19.

Operating – The operating budget represents contract payments to a private contractor. Effective January 2019, the contract will end with funding being redirected to personnel.

Capital – Funds were used to purchase automation equipment for garages.

Debt Service – This had previously been paid out of the Debt Service Fund, but to consolidate all parking related expenses into this fund, it was moved here and is covered with a transfer from the Debt Service Fund.

BALLPARK FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
Interest and Rental Income	\$ 5,577	\$ 6,000	\$ 6,946	\$ 6,667	100.0%
Charges for Services	297,219	258,071	258,071	268,259	5.5%
Transfer from Fund Balance	-	56,610	-	56,044	100.0%
Transfers from Other Funds	1,215,354	1,187,675	1,187,675	1,072,528	-2.3%
Total Revenues	\$ 1,518,150	\$ 1,508,356	\$1,452,692	\$ 1,403,498	3.10%
Appropriations					
Operating	\$ 42,022	\$ 112,610	\$ -	\$ 162,711	168.0%
Debt Service	1,273,410	1,258,576	1,258,576	1,240,787	-1.2%
Transfer to Fund Balance	72,700	-	56,946	-	100.0%
Transfers to Other Funds	130,018	137,170	137,170	-	5.5%
Total Appropriations	\$ 1,518,150	\$ 1,508,356	\$1,452,692	\$ 1,403,498	3.10%

FUND DESCRIPTION

The Ballpark Fund was established in FY96 to account for all operational activities related to the Durham Bulls Athletic Park (DBAP). Effective January 2014, the City entered into a 20-year lease with the Durham Bulls Baseball Club. Per the terms of this agreement, the City will no longer be responsible for daily operational activities related to the Ballpark. The Ballpark is currently home to the Durham Bulls AAA Baseball Club, a local radio station, and a local television station. USA Baseball also moved into DBAP during FY04. Activities related to the baseball season occur primarily between April and September.

REVENUE DESCRIPTIONS

Interest and Rental Income

Ballpark Rentals - The City rents the DBAP on selected days to community groups and private interests for special events and receives 1.25% of revenues for these events.

Charges for Services

Durham Bulls Rent - The Durham Bulls are charged a base rent, paid in equal monthly installments.

Additional Bulls Rent - The Durham Bulls are charged additional rent equal to 3% of the team's gross revenues exceeding \$11,030,904 per year.

Transfers from Other Funds

Transfer from Fund Balance - This includes funds transferred from Fund reserves.

Transfer from Others Funds - The General Fund and Debt Service Fund subsidize the Ballpark Fund.

EXPENDITURE DESCRIPTIONS

Operating - The Durham Bulls are responsible for the daily operation of the Ballpark for Club Home Games, Special Events, and Third Party Events.

Debt Service - The City issued \$12 million in taxable limited obligation bonds as part of a development agreement with the Bulls. Of the total \$12 million, \$6 million addressed Deferred Maintenance issues and the remaining \$6 million provided new improvements to the Ballpark.

Transfer to Fund Balance - Used when projected revenues exceed projected expenditures.

Transfers to Other Funds - A loan repayment to the Water and Sewer Construction Fund.

DURHAM PERFORMING ARTS CENTER FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
Other Local Taxes	\$ 1,359,828	\$ 1,400,000	\$ 1,485,037	\$ 1,400,000	0.0%
Other Revenues	1,110,673	1,120,000	1,165,000	1,052,500	-6.0%
Interest Income	24,761	27,382	27,382	44,599	62.9%
Operating Revenues	1,661,281	1,459,057	1,667,024	1,841,948	26.2%
Appropriation from Fund Balance	-	1,288,699	1,245,963	-	0.0%
Total Revenues	\$ 4,156,544	\$ 5,295,138	\$ 5,590,406	\$ 4,339,047	-18.1%
Appropriations					
Operating	\$ 333,877	\$ 457,420	\$ 529,101	\$ 549,013	20.0%
Capital and Other	357,620	2,606,258	2,821,989	215,528	-91.7%
Debt Service	2,230,988	2,231,460	2,231,460	2,236,225	0.2%
Appropriation to Fund Balance	1,234,059	-	7,856	1,338,281	0.0%
Total Appropriations	\$ 4,156,544	\$ 5,295,138	\$ 5,590,406	\$ 4,339,047	-18.1%

FUND DESCRIPTION

The Durham Performing Arts Center Fund was created in FY 2006-07. It serves as the operating fund for the 2,800 seat Performing Arts Theater. Charges associated with maintenance and repair of the facility, recorded in the Durham Performing Arts Center Capital Reserve fund in prior years, were consolidated with the operating fund for FY 2014-15.

REVENUE DESCRIPTIONS

Other Local Taxes – The Durham Performing Arts Center is funded with 1% of the Occupancy Tax collections in Durham County up to a maximum of \$1,400,000 annually.

Other Revenues – This includes naming rights revenues and ticket surcharge fees.

Interest Income – This line records interest received in the fund.

Operating Revenues – Revenues received from the theater operator.

Appropriation from Fund Balance – Any costs not covered by revenue sources must be covered by fund balance.

EXPENDITURE DESCRIPTIONS

Operating - Commissions and fees to meet contractual obligations.

Capital and Other—Maintenance, improvements, and repair costs associated with the facility.

Debt Service – Expected debt service on Certificates of Participation issued to finance the theater.

Appropriation to Fund Balance – Excess revenues beyond current expenditures are reserved for future major upgrades to the theater.

BUSINESS IMPROVEMENT DISTRICT FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
General Property Taxes	\$ 647,789	\$ 697,172	\$ 697,172	\$ 776,064	11.3%
Transfers from Other Funds	250,000	250,000	250,000	250,000	0.0%
Appropriation from Fund Balance	-	-	-	-	0.0%
Total Revenues	\$ 897,789	\$ 947,172	\$ 947,172	\$ 1,026,064	8.3%
Appropriations					
Operating	\$ 768,397	\$ 803,397	\$ 803,397	\$ 854,647	6.4%
Tax Collection Fee	6,665	8,017	8,017	8,916	11.2%
Transfer to Other Funds	90,130	127,695	127,695	82,422	-35.5%
Transfer to Fund Balance	32,597	-	-	-	0.0%
Appropriations not Authorized	-	8,063	8,063	80,079	893.2%
Total Appropriations	\$ 897,789	\$ 947,172	\$ 947,172	\$ 1,026,064	8.3%

FUND DESCRIPTION

The Business Improvement District (BID) Fund was established in FY 2012-13 to account for activity in the City's Downtown Business Improvement District.

REVENUE DESCRIPTIONS

General Property Taxes – A targeted 7 cents per \$100 assessed value tax on property within the boundaries of the BID, allocated to pay for enhanced services to the district.

Transfers from Other Funds – A transfer is made from the General Fund to cover a portion of the contractual services.

Appropriation from Fund Balance – Any costs not covered by revenue sources must be covered by Fund Balance.

EXPENDITURE DESCRIPTIONS

Operating – The enhanced services provided to the Downtown Business Improvement District, through a management contract with Downtown Durham, Inc.

Tax Collection Fee – This is the collection fee Durham County charges the City for collecting property taxes.

Transfer to Other Funds – This is a payment to the Solid Waste Fund to support enhanced collection services.

Transfer to Fund Balance – Any surplus in the fund is returned to Fund Balance.

Appropriations not authorized – Appropriations held in reserve / to be designated.

DEDICATED HOUSING FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
General Property Taxes	\$ 2,789,965	\$ 5,584,970	\$ 5,641,305	\$ 5,833,917	4.5%
Other Revenues	146,173	-	97,222	15,000	100.0%
Transfer from Other Funds	805,430	-	-	932,047	100.0%
Appropriation from Fund Balance	-	-	-	6,534,436	100.0%
Total Revenues	\$ 3,741,568	\$ 5,584,970	\$ 5,738,527	\$ 13,315,400	138.4%
Appropriations					
Personal Services	\$ 76,220	\$ 78,507	\$ 78,507	\$ 82,434	5.0%
Operating	2,192,703	2,586,069	1,106,279	13,232,966	411.7%
Capital and Other	-	2,760,007	-	-	-100.0%
Transfers to Other Funds	1,191,866	-	704,284	-	0.0%
Transfer to Fund Balance	280,779	160,387	3,849,457	-	-100.0%
Total Appropriations	\$ 3,741,568	\$ 5,584,970	\$ 5,738,527	\$ 13,315,400	138.4%
Departmental Appropriations					
Community Development	\$ 2,475,376	\$ 5,360,347	\$ 1,824,834	\$ 13,258,434	147.3%
Nondepartmental Appropriations	1,266,192	224,623	3,913,693	56,966	-74.6%
Total Appropriations	\$ 3,741,568	\$ 5,584,970	\$ 5,738,527	\$ 13,315,400	138.4%

FUND DESCRIPTION

The Dedicated Housing Fund was established in FY 2012-13 to account for activities related to affordable housing. Currently two cents of the property tax rate are dedicated to this fund.

REVENUE DESCRIPTIONS

General Property Taxes – A dedicated 2 cents per \$100 assessed value is allocated to pay for housing projects.

Transfer from Other Funds – Transfer from the General Fund in FY 2016-17 to support the Durham Housing Authority and transfer from bond program income fund to support FY 2018-19 projects.

Appropriation from Fund Balance – A portion of the accumulated fund balance to fund activities.

EXPENDITURE DESCRIPTIONS

Personal Services – Cost of one FTE associated with the Dedicated Housing Fund.

Operating – Housing related items that are not part of a specific capital project. This amount also includes the 1% fee that the City pays to the County for collecting the taxes dedicated to the fund.

Capital and Other – This primarily holds miscellaneous funds that haven't been appropriated for a specific CIP project or operating expenses.

Transfers to Other Funds – Funds are collected in the Dedicated Housing Fund, and transferred to the appropriate capital project fund as they are needed.

Transfer to Fund Balance – Estimated reserves to be allocated in future years.

Departmental Appropriations – Funding approved by Council according to the 5 year affordable housing plan.

Nondepartmental Appropriations – The tax collection fee paid to the County, other expenses that occur at the Fund level and the Transfer to Fund Balance.

EMERGENCY TELEPHONE SYSTEM SURCHARGE FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
911 Surcharge Tax	\$ 1,668,106	\$ 1,723,540	\$ 1,723,540	\$ 1,712,703	-0.6%
Interest Income	-	3,000	3,000	3,000	0.0%
Appropriation from Fund Balance	121,709	160,350	669,501	168,145	4.9%
Total Revenues	\$ 1,789,815	\$ 1,886,890	\$ 2,396,041	\$ 1,883,848	-0.2%
Appropriations					
Personal Services	\$ 279,206	\$ 272,768	\$ 272,768	\$ 269,726	-1.1%
Operating	1,510,609	1,515,242	2,024,393	1,614,122	6.5%
Capital Assets	-	98,880	98,880	-	0.0%
Total Appropriations	\$ 1,789,815	\$ 1,886,890	\$ 2,396,041	\$ 1,883,848	-0.2%

FUND DESCRIPTION

This fund accounts for revenues and expenditures dedicated to the operation of the 911 Communication Systems. Expenditures are restricted to those permitted by State Statute.

REVENUE DESCRIPTION

911 Surcharge Tax – Revenues come from the 911 Wireless Surcharge Fund on wireline and wireless telephones in the 911 Service Areas. These revenues are collected by the State of North Carolina and remitted to the City for actual costs.

Interest Income – This line records interest received in the fund.

Appropriations from Fund Balance – Any costs not covered by other sources must be covered by Fund Balance.

EXPENDITURE DESCRIPTION

Personal Services – This category captures personnel costs associated with one position providing database maintenance and mapping support, plus partial costs for two positions that are counted in the Technology Solutions organizational chart that include an Emergency Information Services (EIS) Coordinator and a GIS Coordinator.

Operating – Expenditures in this fund are associated with the maintenance, upgrade and management of the 911 Communication Systems.

Capital Assets – Furniture and equipment for relocation to Police headquarters.

INSPECTIONS FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
Licenses and Permits	\$ 7,145,707	\$ 6,920,607	\$ 6,981,334	\$ 7,569,395	9.4%
Interest and Impact Fees	63,933	61,796	80,674	72,682	17.6%
Total Revenues	\$ 7,209,640	\$ 6,982,403	\$ 7,062,008	\$ 7,642,077	9.4%
Appropriations					
Personal Services	\$ 3,945,072	\$ 4,260,210	\$ 4,185,909	\$ 5,256,564	23.4%
Operating	1,210,373	1,269,863	1,262,754	1,328,973	4.7%
Capital and Other	-	23,000	150,497	-	0.0%
Transfer to Other Funds	625,000	118,480	138,480	65,303	-44.9%
Transfer to Fund Balance	1,429,194	1,310,850	1,324,368	991,237	-24.4%
Total Appropriations	\$ 7,209,640	\$ 6,982,403	\$ 7,062,008	\$ 7,642,077	9.4%
Departmental Appropriations					
Inspections Department	\$ 4,022,844	\$ 4,302,267	\$ 4,451,355	\$ 5,151,948	19.7%
Fire Department	110,970	132,865	134,721	138,683	4.4%
General Services	-	-	10,800	10,800	100.0%
Nondepartmental Appropriations	3,075,825	2,547,271	2,465,132	2,340,646	-8.1%
Total Appropriations	\$ 7,209,640	\$ 6,982,403	\$ 7,062,008	\$ 7,642,077	9.4%

FUND DESCRIPTION

The Inspections Fund provides for support of the Inspections Department and other inspection related activities. This is a newly created fund effective October 1, 2015 based on House Bill 255 approved by the General Assembly on July 13, 2015.

REVENUE DESCRIPTIONS

Licenses and Permits – Revenues from building, electrical, plumbing, mechanical, and fire permits required by ordinance for development activity.

Interest and Impact Fees – Interest earned on the investment of the fund balance and 1% of impact fees collected.

EXPENDITURE DESCRIPTIONS

Personal Services – All of the Inspections Department employees are accounted for in this fund and the cost for two Fire Inspectors in the Fire Department.

Operating – Major items include indirect costs, banking fees, voice over IP phone costs, transfers to OPEB and Risk funds.

Capital and Other – Funds for vehicle purchase for additional Mechanical Inspector.

Transfer to Other Funds - Funds are transferred to other funds to cover capital improvements, fleet vehicle replacement costs, and new vehicle acquisition costs.

Transfer to Fund Balance – Any surplus in the Fund is transferred to fund balance.

IMPACT FEE FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
Operating Revenues	\$ 5,462,679	\$ 5,563,600	\$ 5,635,263	\$ 4,955,353	-10.9%
Interest and Rental Income	94,746	169,000	143,162	-	0.0%
Appropriation from Fund Balance	10,962,657	-	-	-	0.0%
Total Revenues	\$ 16,520,082	\$ 5,732,600	\$ 5,778,425	\$ 4,955,353	-13.6%
Appropriations					
Transfer to Capital Projects	\$ 10,962,657	-	-	-	0.0%
Transfer to Fund Balance	5,557,425	5,732,600	5,778,425	4,955,353	-13.6%
Total Appropriations	\$ 16,520,082	\$ 5,732,600	\$ 5,778,425	\$ 4,955,353	-13.6%

FUND DESCRIPTION

The Impact Fee Fund is established to account for impact fees until they are transferred to the Consolidated General Capital Projects Fund and expended for specific, eligible projects.

REVENUE DESCRIPTIONS

Operating Revenues or Charges for Current Service – Impact fees are charged to new development or facility expansion that results in a greater demand on the City's thoroughfare network, parks and recreation facilities, or open space land. This revenue can only be spent on capital projects generated by new development and must be spent in the zone for which it was collected. Funds must be committed within ten years of receipt.

Interest and Rental Income – Income gained through the commitment of City funds to investment instruments and income received from city owned property leased to private sector entities.

Appropriation from Fund Balance – Transfers from reserves to pay for capital projects.

EXPENDITURE DESCRIPTIONS

Transfer to Capital Projects– Transfers from reserves to pay for capital projects.

Transfer to Fund Balance – Revenues are kept in fund balance until the City Council adopts a Capital Project Ordinance that recognizes the use of impact fees for a specific, eligible project.

WATERSHED PROTECTION FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
Charges for Services	\$ 110,592	\$ 100,000	\$ 100,000	\$ -	-100.0%
Appropriations from Fund Balance	-	-	500,000	-	0.0%
Total Revenues	\$ 110,592	\$ 100,000	\$ 600,000	\$ -	-100.0%
Appropriations					
Transfers to Other Funds	\$ 87,000	\$ 100,000	\$ 600,000	\$ -	-100.0%
Transfer to Fund Balance	23,592	-	-	-	0.0%
Total Appropriations	\$ 110,592	\$ 100,000	\$ 600,000	\$ -	-100.0%

FUND DESCRIPTION

The Watershed Protection Fund was established in FY 2011-12 to account for activities related to the protection of the City's watershed lands. In FY 2018-19 the Watershed Protection Fund will be dissolved and all associated revenues and appropriations will be allocated to the Water-Sewer Fund.

REVENUE DESCRIPTIONS

Charges for Services - City Water Services fees collected for the purpose of the preservation of City's watershed.

EXPENDITURE DESCRIPTIONS

Transfers to Other Funds – The fees are transferred to Water & Sewer Construction for the purpose of future purchases of watershed land.

Transfer to Fund Balance – Any surplus in the fund is returned to fund balance.

RISK REDUCTION FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
Interest Income	\$ 45,887	\$ 48,000	\$ 77,938	\$ 72,652	51.4%
Charges for Current Services	5,010,994	4,116,490	4,130,157	5,780,754	40.4%
Appropriation from Fund Balance	-	1,304,348	1,404,837	69,135	-94.7%
Total Revenues	\$ 5,056,881	\$ 5,468,838	\$ 5,612,932	\$ 5,922,541	8.3%
Appropriations					
Personal Services	\$ 467,730	\$ 479,410	\$ 488,015	\$ 572,518	19.4%
Operating	4,837,930	4,831,068	4,966,557	5,212,431	7.9%
Transfer to Other Funds	-	158,360	158,360	137,592	-13.1%
Total Appropriations	\$ 5,305,660	\$ 5,468,838	\$ 5,612,932	\$ 5,922,541	8.3%

FUND DESCRIPTION

The Risk Reduction Fund is established to provide a source of funds for payment of the City's uninsured legal liabilities, including risks such as workers' compensation, automobiles, general operations and professional activities. Claim settlements, actuarial expenses, legal fees, administrative expenses and other professional services required for claim disposition are paid from this fund.

The Risk Reduction Fund is an internal service fund and is appropriated by a resolution rather than in the City's operating budget ordinance.

REVENUE DESCRIPTIONS

Interest Income – Income earned through the commitment of City funds to investment instruments.

Charges for Current Services – Each operating fund pays a charge for the provision of risk services.

Appropriations from Fund Balance – Any costs not covered by revenue sources must be covered by fund balance.

EXPENDITURE DESCRIPTIONS

Personal Services – In FY2013-14 the personnel assigned to risk functions were moved from the Finance department to the Risk fund.

Operating – This line includes claims payments for workers compensation, general liability cases and professional services.

Transfer to Other Funds – To pay for Fleet vehicles associated with this fund.

EMPLOYEE INSURANCE FUND

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Revenues					
Charges for Current Services	\$ 31,699,522	\$ 36,666,076	\$ 39,525,673	\$ 38,086,286	3.9%
Interest	23,394	37,000	37,000	33,000	-10.8%
Appropriation from Fund Balance	2,661,242	-	-	-	0.0%
Total Revenues	\$ 34,384,158	\$ 36,703,076	\$ 39,562,673	\$ 38,119,286	3.9%
Appropriations					
Personnel	\$ 551,864	\$ 585,545	\$ 574,404	\$ 628,518	7.3%
Operating	33,832,294	34,194,024	37,647,283	35,898,575	5.0%
Transfer to Fund Balance	-	1,923,507	1,340,986	1,592,193	-17.2%
Total Appropriations	\$ 34,384,158	\$ 36,703,076	\$ 39,562,673	\$ 38,119,286	3.9%

FUND DESCRIPTION

The Employee Insurance Fund was established to account for the City's health insurance obligations.

The Employee Insurance Fund is an internal service fund and is appropriated by a resolution rather than in the City's operating budget ordinance.

REVENUE DESCRIPTIONS

Charges for Current Services – Each operating fund pays a charge for the provision of employee self-insurance services.

Interest – Income gained through the commitment of City funds to investment instruments.

Appropriation from Fund Balance – Any costs not covered by revenue sources must be covered by Fund Balance.

EXPENDITURE DESCRIPTIONS

Personnel – A Wellness Program Administrator FTE is included in the fund, as well as transfer of costs from the dissolved OPEB Fund.

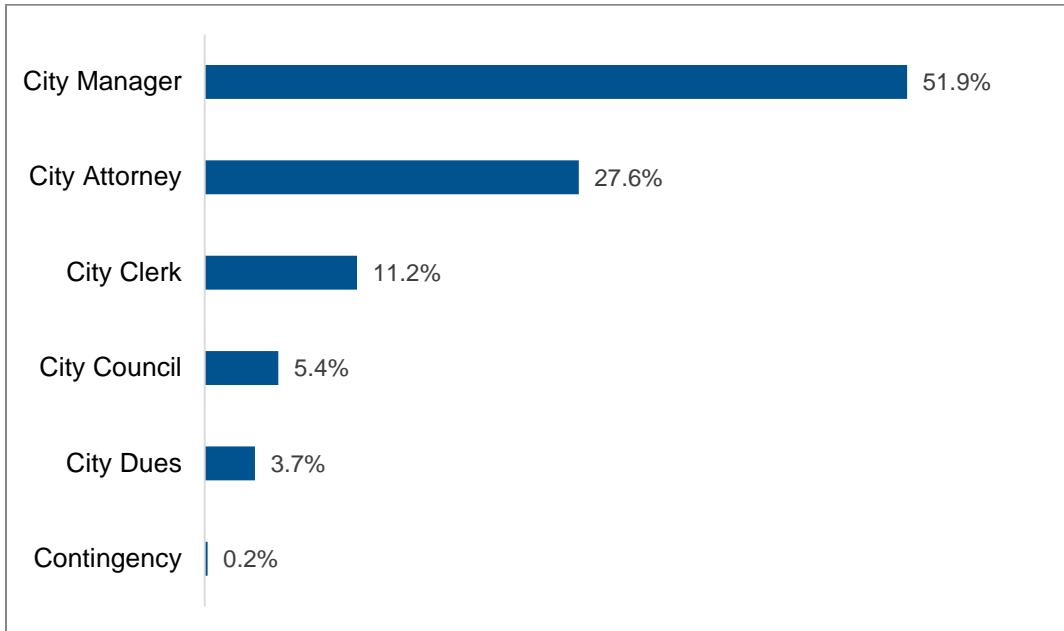
Operating – This line includes payments for health insurance.

Transfer to Fund Balance – Any surplus in the Fund is returned to Fund Balance.

GOVERNANCE
BUDGET SUMMARY

General Fund Appropriations	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
City Council	\$ 307,009	\$ 809,693	\$ 715,573	\$ 348,936	-56.9%
RDU Airport Authority	12,500	12,500	12,500	12,500	0.0%
Mayor's Committee for Persons with Disabilities	1	-	-	-	0.0%
City Dues	243,612	253,339	253,339	253,339	0.0%
Sister Cities	10,327	10,300	10,300	10,300	0.0%
Contingency	-	10,000	10,000	10,000	0.0%
City Attorney	1,857,257	1,852,517	1,852,517	1,889,269	2.0%
City Clerk	658,487	733,343	738,791	768,828	4.8%
City Manager	3,251,684	3,513,878	3,785,632	3,547,939	1.0%
Legislative Program	530	-	539	-	0.0%
Pay Adjustments/Others	-	-	-	-	0.0%
Total Appropriations	\$ 6,341,407	\$ 7,195,570	\$ 7,379,191	\$ 6,841,111	-4.9%
Full Time Employees	51	52	52	51	(1.0)
Part Time	8	8	8	8	-
Revenues					
General Fund					
Discretionary Program	\$ 6,331,950	\$ 7,118,170	\$ 7,332,489	\$ 6,763,711	-5.0%
	9,457	77,400	46,702	77,400	0.0%
General Fund Subtotal	\$ 6,341,407	\$ 7,195,570	\$ 7,379,191	\$ 6,841,111	-4.9%

GOVERNANCE



CITY COUNCIL

Purpose Statement:

The Durham City Council is composed of the Mayor and six Council Members. The Council is elected to represent the citizens of Durham and to provide leadership as the City experiences growth and change.

DEPARTMENT DESCRIPTION

City Council:	\$635,075
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As the legislative and policy making body for the City of Durham, the City Council provides direction to the City Manager and administration to implement programs and projects designed to improve the quality of life in the community.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 241,933	\$ 240,405	\$ 240,405	\$ 249,868	3.9%
Operating	65,076	569,288	475,168	99,068	-82.6%
Capital and Other	-	-	-	-	0.0%
Subtotal Appropriations	\$ 307,009	\$ 809,693	\$ 715,573	\$ 348,936	-56.9%
RDU Airport Authority	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	0.0%
Mayor's Committee for Persons with Disabilities	1	-	-	-	0.0%
City Dues	243,612	253,339	253,339	253,339	0.0%
Sister Cities	10,327	10,300	10,300	10,300	0.0%
Contingency	-	10,000	10,000	10,000	0.0%
Subtotal Nondepartmental	\$ 266,440	\$ 286,139	\$ 286,139	\$ 286,139	0.0%
Total Appropriations	\$ 573,449	\$ 1,095,832	\$ 1,001,712	\$ 635,075	-42.0%
Full Time Employees	-	-	-	-	-
Part Time	7	7	7	7	-
Revenues					
Discretionary	\$ 573,449	\$ 1,095,832	\$ 1,001,712	\$ 635,075	-42.0%
Program	-	-	-	-	0.0%
Total Revenues	\$ 573,449	\$ 1,095,832	\$ 1,001,712	\$ 635,075	-42.0%

BUDGET ISSUES FOR FY 2018-19

- None

ACCOMPLISHMENTS FOR FY 2017-18

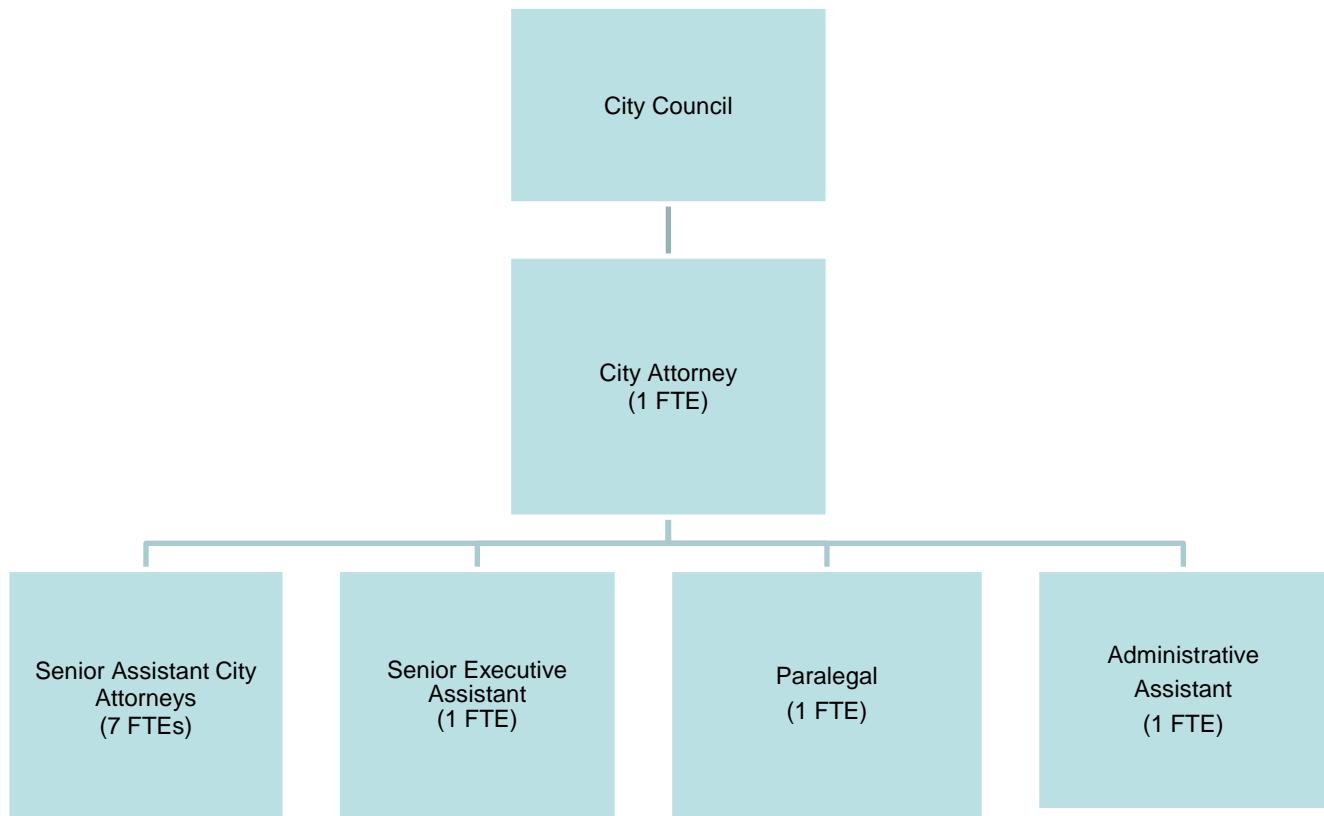
- Deliberated and adopted annual budget for City operations.
- Visited various communities during National Night Out.
- Durham Holiday Parade.
- Adopted City of Durham Legislative Agenda 2017-18.
- JA Whitted School Landmark Designation.
- Negotiated change in employee insurance provider from Blue Cross Blue Shield of North Carolina to AETNA.
- Urban Open Space Plan approved.
- Completed stormwater drainage and paving for Ravenstone and Stone Hill Estates.
- Established a Property Tax Deferred Loan Program for properties located in Southside, Northeast Central Durham and Southwest Central Durham.
- Approved Sunday morning alcohol sales.
- Approved Social Media Policy for elected officials and board, committee and commission members.
- Approved Issuance of Multifamily Housing Revenue Bonds for financing of the Lynnhaven Apartments, an affordable housing project.
- Filled At-Large Council Vacancy with the City's first Hispanic/Latinx council member.
- Supported Temporary Protective Status Program via Resolution.
- Approved usage of Body Worn Cameras for Police Department.
- Completed the Letter of Support for funding plan for the D-O-L-R Transit Project and revamped plans to include transport to NC Central University.
- Established, operationalized, and appointed committee members to the Mayor's Council for Women.
- Approved Jackson/Pettigrew Street design concept.
- Approved Fire & Police Compensation & Classification Plan recommendations.
- Mayor presented State of City Address.
- Attended a series of Joint City/County Community Conversation sessions to allow citizens an opportunity to provide feedback on budget priorities.
- Considered and approved numerous Unified Development Ordinance (UDO) text amendments, rezonings, and annexation requests.
- Considered and approved City incentives for redevelopment.
- Continued support for Mayor's Poverty Reduction Initiative & Mayor's Hispanic/Latino Committee.
- Appointed and reappointed volunteers to boards, committees, and commissions.
- Adopted various resolutions and ordinances.
- Issued proclamations recognizing matters of importance.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

- Deliberate and adopt annual budget for City operations.
- Visit various communities during National Night Out.
- Participate in the Durham Holiday Parade.
- Adopt City of Durham's Legislative Agenda 2018-19.
- Continue to support programs of Racial Equity and Language Justice to promote immigrant access.
- Operationalize the City-County Commission on Confederate Monuments and Memorials.
- Contract with Archive Social for archiving of public officials social media accounts.
- Mayor will present the State of the City Address with the enumeration of accomplishments and budget priorities.
- Continue to advocate for local, minority, and women-owned business development and youth employment.
- Continue to advocate for affordable housing strategy while partnering with the Durham Housing Authority and other providers, promote safe housing and rapid rehousing of the homeless, and enhance public transport by investing in the current bus system and future light rail.
- Consider and approve numerous UDO text amendments, rezonings, and annexation requests.
- Consider and approve City incentives for redevelopment.
- Continue attending the series of Joint City/County Community Conversation residential engagements with emphasis on participatory budgeting.



City Attorney (11 FTEs)



CITY ATTORNEY

Purpose Statement:

The mission of the City Attorney's Office is to provide superior quality legal advice and counsel in support of the various initiatives, projects, goals and objectives of the City Council and Administration, in a timely and efficient manner.

DEPARTMENT DESCRIPTION

City Attorney's Office	\$1,889,269 11 FTEs
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The City Attorney's Office provides legal advice and representation to City Council, the City administration, and City boards and commissions for the wide variety and considerable volume of projects and activities undertaken by the City. Services include advice and consultation to Council, the City Manager's Office, and all departments; attendance and assistance at Council meetings and in select meetings of the City's boards and commissions; drafting and review of contracts; drafting and review of ordinances; assistance in preparation of bid documents and RFPs; negotiation, issue identification, and complex document drafting for major economic development projects; drafting deeds, easements, and contracts for sale or purchase of property; drafting interlocal agreements; legal analysis of new City programs or policies; and drafting a variety of documents related to affordable housing.

The office also assists staff in finalizing cases to be handled by the District Attorney's Office in Community Life Court for City Code violations; works with outside counsel in the collection of assessments; evaluates damage claims in conjunction with the City Manager, Risk Manager, and City insurance carriers; assists staff in formulating and enforcing civil remedies for violations of the City Code; and negotiates on behalf of the City in potential and actual claims involving contract disputes, development regulations, utility services, personnel and discrimination issues, and land acquisition. Litigation typically handled by the office includes planning and zoning actions, challenges to the legality of City programs, property condemnations, and personnel, tort, and contract cases. On limited occasions, particularly complex or extended litigation that is beyond the office's limited support services is contracted out. The office coordinates the retention of outside counsel for these cases, as well as for bond financings and some affordable housing and real estate matters.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 1,774,979	\$ 1,765,002	\$ 1,765,002	\$ 1,801,754	2.1%
Operating	82,278	87,515	87,515	87,515	0.0%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 1,857,257	\$ 1,852,517	\$ 1,852,517	\$ 1,889,269	2.0%
Full Time Employees	11	11	11	11	-
Part Time	1	1	1	1	-
Revenues					
Discretionary	\$ 1,857,257	\$ 1,852,517	\$ 1,852,517	\$ 1,889,269	2.0%
Program	-	-	-	-	0.0%
Total Revenues	\$ 1,857,257	\$ 1,852,517	\$ 1,852,517	\$ 1,889,269	2.0%

BUDGET ISSUES FOR FY 2018-19

- The office continues to handle a significant workload resulting from: the City's growth in general, high profile housing redevelopment ventures and in particular, the most recent phases of the Southside redevelopment, the Jackson Street affordable housing development, a continued increase in unique and complex public-private contracts for economic development projects and utility construction, and a recent upswing in police litigation. Such high profile, legally challenging and important projects will require the continued employment and retention of highly qualified professional staff. Unlike in years past, substantial staffing changes are anticipated in this upcoming budget. A succession plan for the staff attorneys will be completed in FY18 that may have an impact on future office budgets.

ACCOMPLISHMENTS FOR FY 2017-2018

Legal support for the following projects and initiatives:

- Served as counsel or co-counsel in filed legal actions or administrative proceedings, including tort/negligence claims, personnel issues, and regulatory matters, successfully obtaining dismissals in a number of cases.
- Southside redevelopment Phase 2.
- Provided legal support for the Fayetteville Street realignment project
- 2018 Legislative Program Initiatives.
- Legal support for the City's affordable housing initiatives.
- Ongoing Unified Development Ordinance revisions and in particular, sign ordinance revisions.
- Community Life Court and assessment collections.
- Land acquisition and construction of the new Police Department headquarters building.
- Residential construction adjacent to Durham Central Park/Liberty Arts residential redevelopment, including but not limited to 539 Foster St. and the Liberty Warehouse Apartments.
- Provided legal support for the City's affordable housing projects.
- Reviewed and assisted with City stormwater comments on Jordan Lake and Falls Lake rules, and participation in the Upper Neuse River Basin Association.
- Fire Station 9 completion.
- Provided review and assistance in evaluating between 70 and 100 claims of various types against the City.
- Provided legal guidance for City Council to fill the unexpired at-large term of now Mayor Schewel.

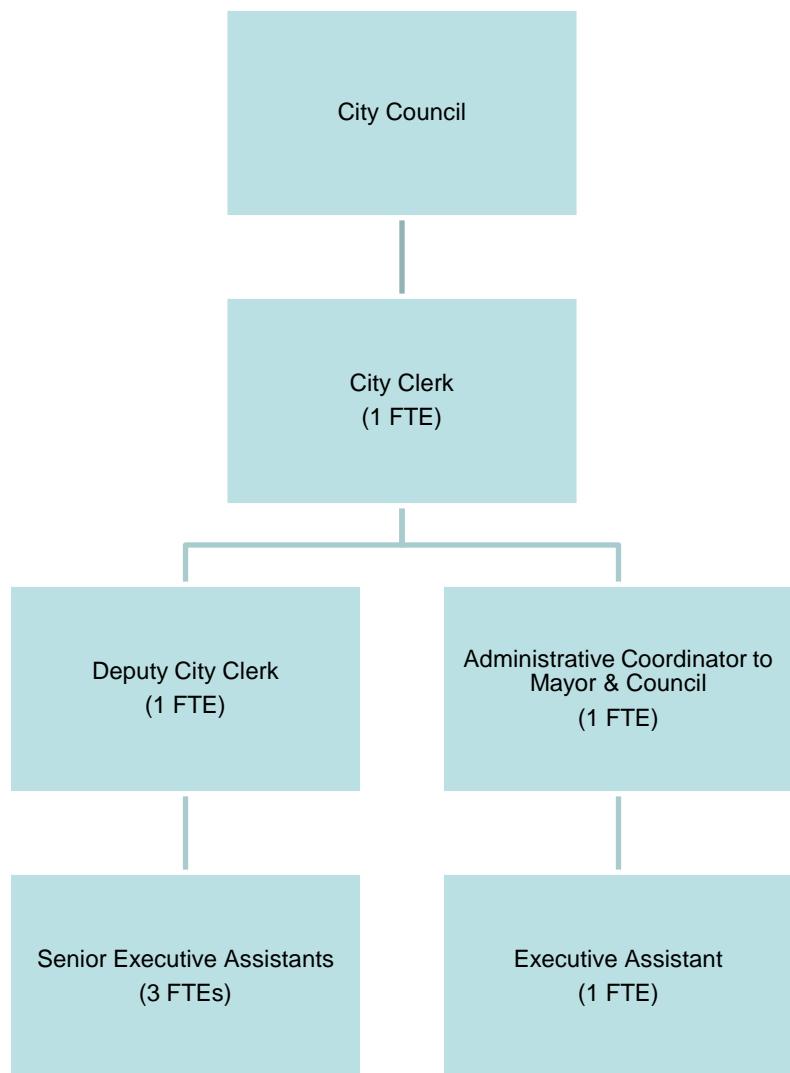
ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-2019

- Legal support for the 2019 legislative program.
- Provide legal support and management of claims and lawsuits filed against the City.
- Continue to support the City's Capital Improvement Program.
- Continued legal support for the City's affordable housing program.
- Continued legal support for the Southside redevelopment initiative.
- Continued legal support of major economic development projects.
- Continued legal support for the Fayetteville Road realignment project.
- Legal support for the construction of Morgan Street parking deck.
- Legal support for the construction of Durham Police Department Headquarters.



City Clerk

(7 FTEs)



CITY CLERK

Purpose Statement:

To maintain and provide public records, accessible services, and assistance to the City Council, community and City departments in a courteous, timely, and cost effective manner.

DEPARTMENT DESCRIPTION

City Clerk's Office	\$768,828
	7 FTEs

The department records all official actions of the Durham City Council, publicizes and processes vacancies for Council appointed boards, committees and commissions; provides proper notice for all meetings regulated by the North Carolina open meetings law, archives permanent records; executes contracts and other documents, issues cemetery deeds; coordinates codification of the Durham City Code, administers oaths of office, accepts public record requests, accepts claims against the City, and certifies documents for admissibility in court cases. The department also provides administrative support to the Mayor and the members of the City Council.

Records

Publicize meetings in accordance with the NC Open Meetings Law.

Attest City contracts and return to departments within a timely manner.

Execute and provide Council adopted documents to departments, prepare minutes for City Council meetings, archive permanent documents, process board applications, coordinates codification of Durham City Code, administers oaths of office, prepare cemetery deeds and provide public records to customers.

Administrative Support

Provide staff support for the Mayor and members of the City Council.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 619,169	\$ 627,732	\$ 637,035	\$ 663,217	5.7%
Operating	39,318	105,611	101,756	105,611	0.0%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 658,487	\$ 733,343	\$ 738,791	\$ 768,828	4.8%
Full Time Employees	7	7	7	7	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 658,480	\$ 733,343	\$ 738,791	\$ 768,828	4.8%
Program	7	-	-	-	0.0%
Total Revenues	\$ 658,487	\$ 733,343	\$ 738,791	\$ 768,828	4.8%

BUDGET ISSUES FOR FY 2018-19

- None at this time.

ACCOMPLISHMENTS FOR FY 2017-18

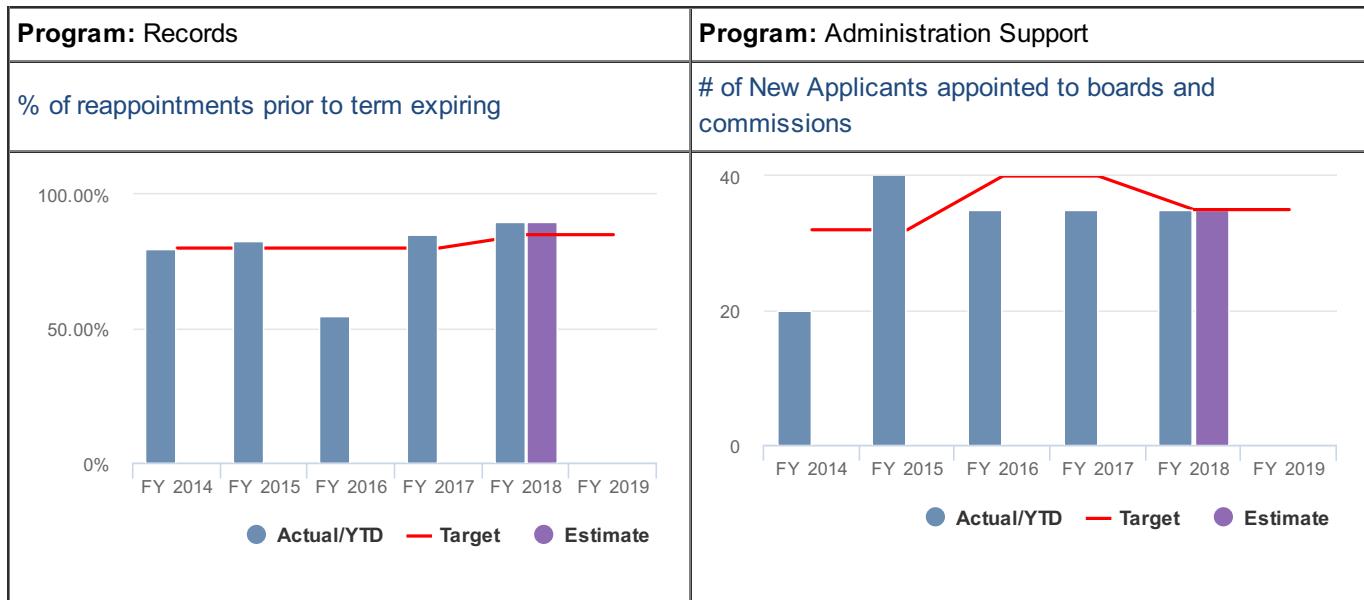
- Continued to participate with *City Hall on the Go*.
- Assisted Public Affairs DTV8 staff with selecting voting system for Council Chambers.
- Held Retreat with internal staff to discuss strengths and growth opportunities.
- Attended meetings and prepared City Council Minutes.
- Submitted boards, committees & commissions appointments to Secretary of State by September 1, 2017.
- Provided proper notice of meetings in accordance with NC Opens Meetings Law.
- Assured timely attestation for city contracts and other city documents.
- Maintained official records; researched & provided numerous public record requests to customers.
- Provided adopted ordinances and resolutions to city departments within a timely manner.
- Assisted City Manager's Office with agenda process.
- Published video/audio of City Council meetings to web within 24 hours of meeting.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

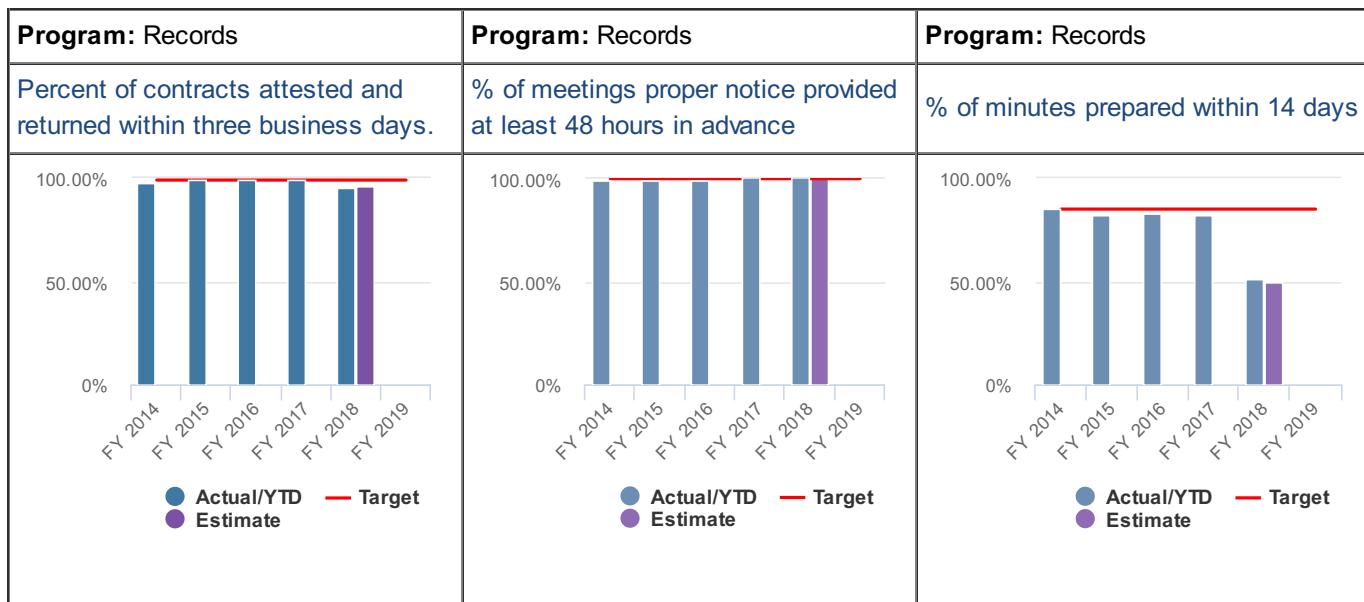
- Conduct boards, committees and commissions outreach with *City Hall on the Go* mobile unit and at other community events.
- Implement new software application for boards, committees and commissions and devise reports.
- Transition City Clerk's Office to leadership of appointed City Clerk.
- Manage archiving system with the Archive Social application for elected officials and volunteer boards, committees and commissions.
- Develop staff by customizing training opportunities with the Learning Management System.
- Continue to formulate a Scanning Policy with input from the City Attorney's Office and Technology Solutions Departments.
- Provide proper notice of meetings in accordance with NC Opens Meetings Law.
- Attend regular, work session and special meetings and prepared City Council Minutes.
- Submit boards, committees & commissions appointments to NC Secretary of State by September 1, 2018.
- Provide administrative support to the Mayor and Members of the City Council.
- Assure timely attestation of city contracts and other city documents within specified time period.
- Publish video/audio of City Council meetings to web within 24 hours of meeting.
- Assist City Manager's Office with the agenda process.
- Maintain official records and research and provide various public record requests to customers.

DEPARTMENT PERFORMANCE SUMMARY

Objective: To maintain a high level of administrative support to Mayor and City Council.



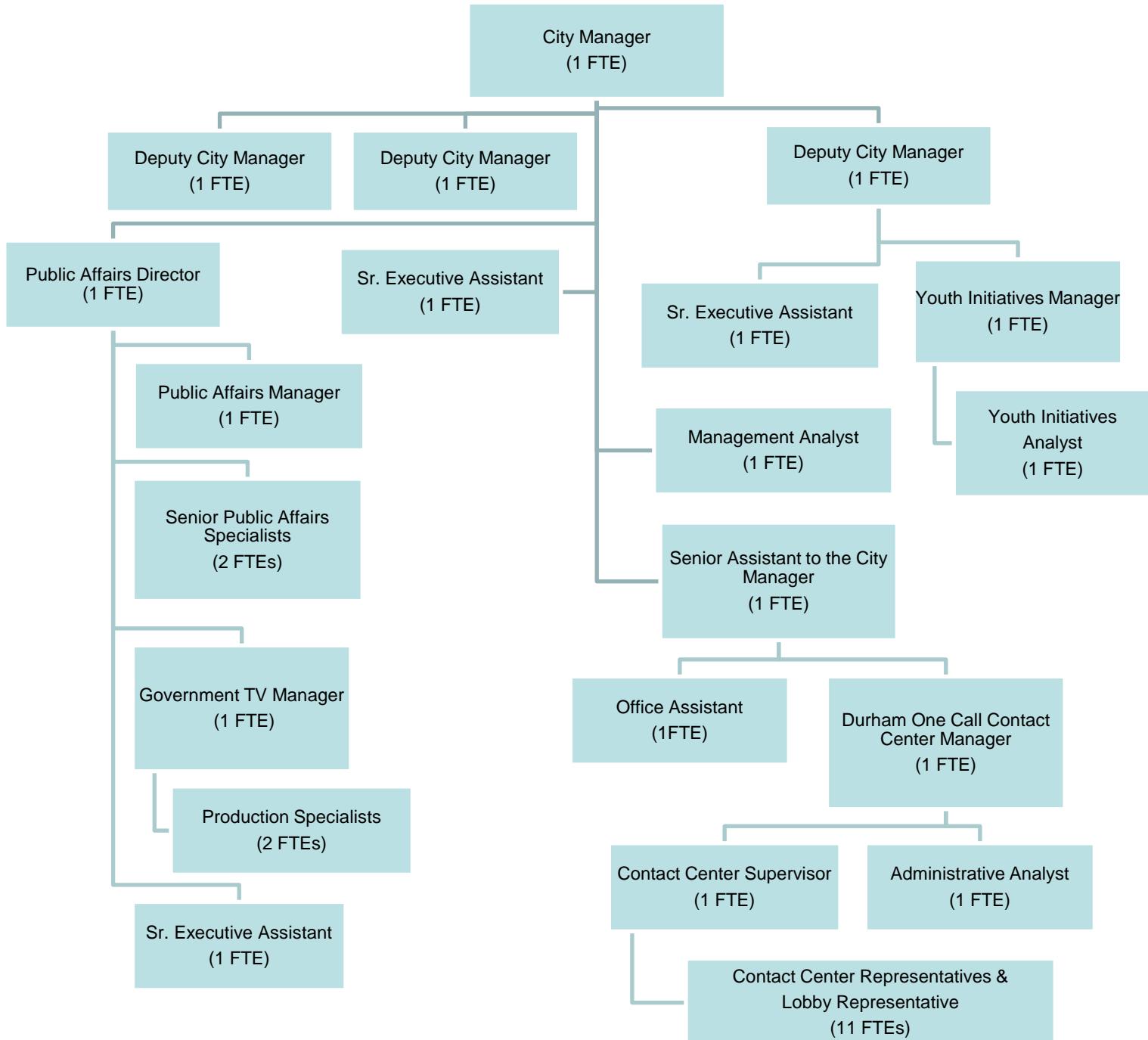
Objective: To maintain official records and provide access to public records.





City Manager's Office

(33 FTEs)



CITY MANAGER

Purpose Statement:

The City Manager's Office implements policies and programs adopted by the Durham City Council and provides professional policy recommendations. The office provides leadership and overall direction for the City government and encourages employees to achieve the highest standards of efficiency, effectiveness, ethics and community involvement. The Office increases public awareness and understanding of Durham City government by developing, supporting and managing effective communications regarding City services and events. The Office fosters communication and develops partnerships to actively engage and benefit local youth. The Office also responds to inquiries from Durham citizens, businesses and its visitors and is responsible for overall customer service.

DEPARTMENT DESCRIPTION

City Manager's Office	\$3,547,939
	33 FTEs

Administration

Administration provides executive management and oversight to all City departments. The City Manager is the City's Chief Administrative Officer. Administration coordinates the agenda process for City Council action, develops the legislative programs, develops and executes the annual departmental budget, and is responsible for leadership development and continuous learning opportunities for employees.

Public Affairs

The Public Affairs Office directs and supports the City's communications efforts to Durham residents, businesses and City employees through proactive and responsive activities, including media relations, publications, advertising, special events, website content management, social media and government television.

Durham One Call

Durham One Call is the central point of contact for residents, businesses and visitors. Durham One Call provides a high level of service in English and Spanish for customer inquiries and requests for service via telephone, email, voicemail, and in person at the City Hall lobby desk. Durham One Call is also available 24 hours a day 7 days a week via the City's website and smartphone application.

Office on Youth

The Office on Youth advocates for and develops strategies to engage youth throughout the City. The Office is responsible for developing partnerships and programs to enhance the well-being of youth. The Office promotes active participation of young people in the planning and decision making processes within the City of Durham.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 2,926,726	\$ 3,130,362	\$ 3,116,720	\$ 3,200,117	2.2%
Operating	298,167	383,516	668,912	347,822	-9.3%
Capital and Other	26,791	-	-	-	0.0%
Subtotal Appropriations	\$ 3,251,684	\$ 3,513,878	\$ 3,785,632	\$ 3,547,939	1.0%
Nondepartmental					
Legislative Program	\$ 530	\$ -	\$ 539	\$ -	0.0%
Subtotal Nondepartmental	\$ 530	\$ -	\$ 539	\$ -	0.0%
Total Appropriations	\$ 3,252,214	\$ 3,513,878	\$ 3,786,171	\$ 3,547,939	1.0%
Full Time Employees	33	34	34	33	(1)
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 3,242,764	\$ 3,436,478	\$ 3,739,469	\$ 3,470,539	1.0%
Program	9,450	77,400	46,702	77,400	0.0%
Total Revenues	\$ 3,252,214	\$ 3,513,878	\$ 3,786,171	\$ 3,547,939	1.0%

BUDGET ISSUES FOR FY 2018-19

- Transfer of Durham Teen Center operations (including two FTEs) from the Office on Youth to Durham Parks and Recreation to facilitate better alignment with other teen recreation and enrichment programming across the City.

ACCOMPLISHMENTS FOR FY 2017-18

- The Durham Youth Commission partnered with the Durham Teen Center, Durham County Gun Safety Team, and NC Council for Women and Youth Involvement to host an NC State Youth Council Teambuilding/Leadership Conference focused on gun safety and suicide prevention. Over 100 youth participated, representing seven youth councils across NC.
- The Durham Youth Commission collectively served more than 1,200 hours of community service for various organizations throughout Durham.
- Worked with Durham County to create and fill a new City-County Youth Initiatives Manager position that will help facilitate strategic approaches for addressing the needs of Durham's youth, ages 5-24.
- Implemented Virtual Hold Technology to provide enhanced customer service for Durham One Call callers experiencing long wait times.
- Implemented a joint City-County smartphone application to provide an additional avenue for users to engage Durham One Call and request services.
- Sponsored a Management Internship for summer 2017 to help develop future local government professionals and to provide needed analytical support.
- Initiated a national search process for the Director of Emergency Communications.
- Received First Place for national City-County Communications & Marketing Association (3CMA) award for social media news show, Bull City Today, which airs daily to provide up-to-date city information to social media followers.
- Updated the Employee Social Media policy and helped develop a new social media policy for City Council and their appointed boards and commissions.

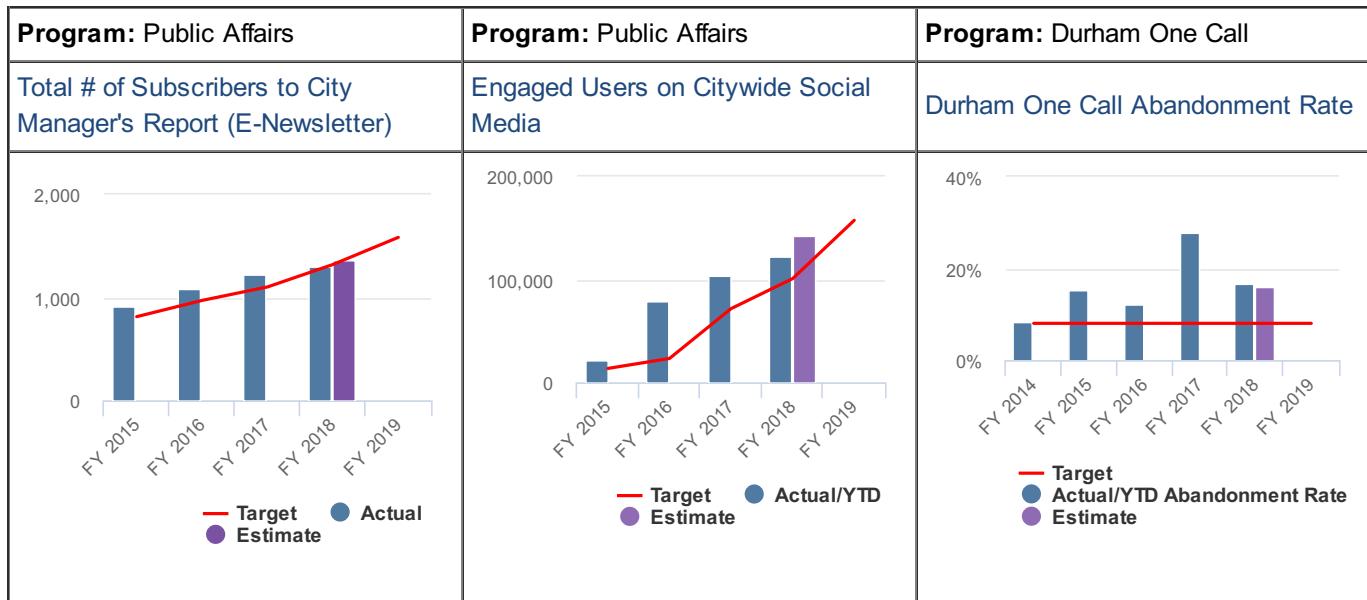
- Reimagined and launched the online employee newsletter, CityWeek, to provide news and information to City employees weekly to improve overall communications and employee engagement.
- Continued integration efforts between TV and social media, with launch of new social media show, DurhamWorks to spotlight Durham employees; reimagining of CityLife, with short outtakes for social media and podcasts; and airing of BullCity Wrap episodes on Durham Television Network.
- Began development of a Citywide Language Access Plan to improve the accessibility of services to persons with Limited English Proficiency.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

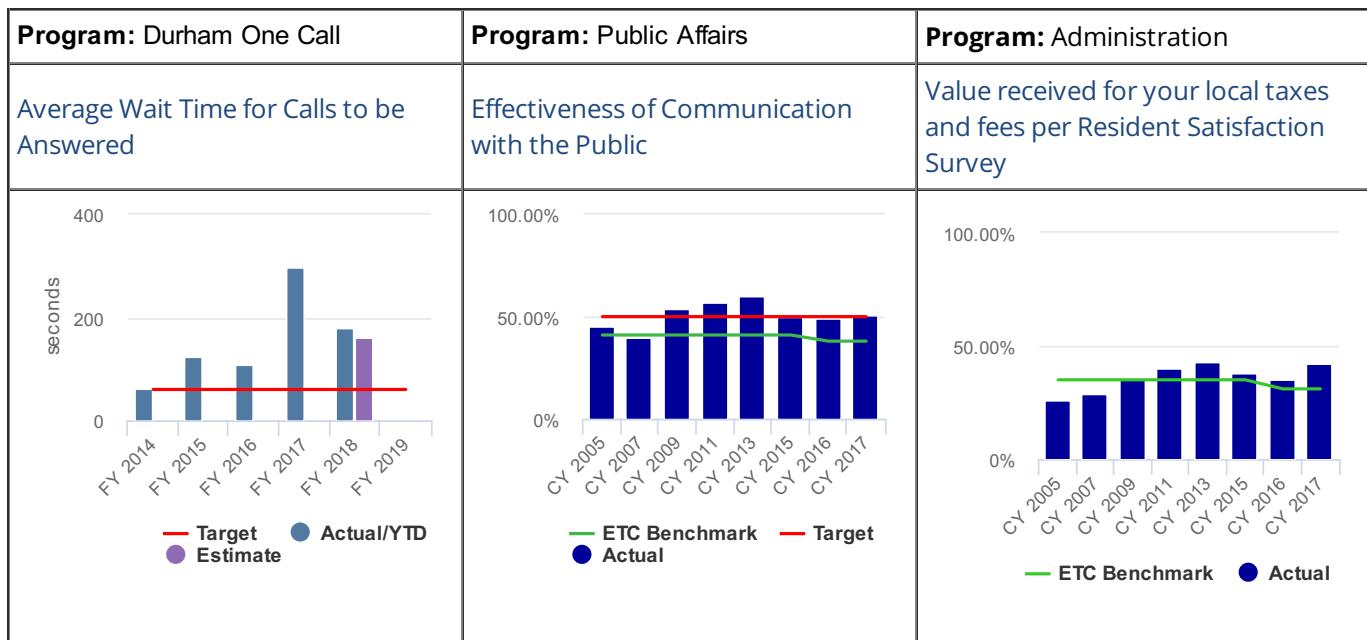
- Provide enhanced customer service for Durham One Call requests through post-call surveys and quality control monitoring of call recordings.
- Conduct research, partnership development, and strategic planning within the Office on Youth to help facilitate coordination between City and County funded youth services and to better connect youth and their families with these services.
- Implementation of a new Citywide social media strategy that leads to better collaboration, increased awareness and engagement and increased resident feeling of access to local government that invites their involvement in local decision-making.
- Implementation of a Citywide Language Access Plan that opens City government to persons with limited English proficiency.
- Re-introduce a new and improved City-County Neighborhood College for Durham residents.

DEPARTMENT PERFORMANCE SUMMARY

Objective: Enhance External Communication and Engagement



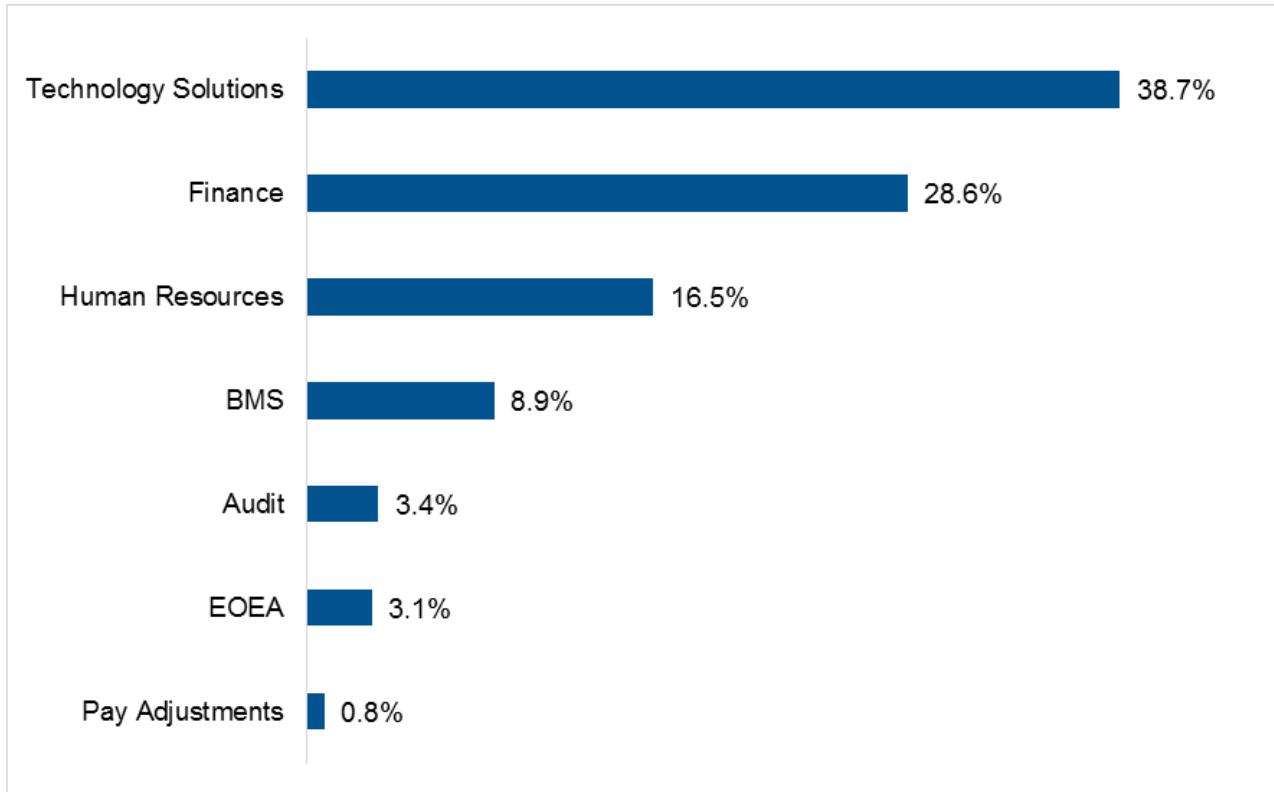
Objective: Enhance External Communication and Engagement



**ADMINISTRATIVE AND SUPPORT
BUDGET SUMMARY**

Non-Grant Appropriations	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Audit Services	\$ 601,626	\$ 613,850	\$ 603,700	\$ 637,386	3.8%
Budget and Management Services	1,649,184	1,262,427	1,306,742	1,665,950	32.0%
Equal Opportunity and Equity Assurance	562,006	540,605	536,219	580,006	7.3%
Mayor's Committee for Disabled	3,706	5,500	2,910	5,000	-9.1%
Finance	4,742,628	5,104,340	5,245,152	5,344,864	4.7%
Human Resources	2,650,728	2,698,468	3,001,948	2,895,434	7.3%
Flex Reimbursement	85,000	85,000	85,000	85,000	0.0%
Unemployment Compensation	64,462	100,000	100,000	100,000	0.0%
Technology Solutions	6,499,603	7,319,631	7,557,669	7,235,640	-1.1%
Pay Adjustments/Others	300,634	150,802	222,724	158,395	5.0%
Transfers to Other Funds	-	-	-	-	0.0%
Total Appropriations	\$ 17,159,577	\$ 17,880,623	\$ 18,662,064	\$ 18,707,675	4.6%
Full Time Employees	127	126	126	129	3
Part Time	3	3	3	2	(1)
Revenues					
General Fund					
Discretionary Program	\$ 15,764,859	\$ 16,095,635	\$ 16,855,097	\$ 16,796,496	4.4%
	564,727	914,056	974,913	947,504	3.7%
General Fund Subtotal	\$ 16,329,586	\$ 17,009,691	\$ 17,830,010	\$ 17,744,000	4.3%
Water and Sewer Fund	152,168	71,798	71,798	83,030	15.6%
Risk Claims Fund	588,339	709,410	669,039	787,518	11.0%
Employee Insurance Fund	89,484	89,724	91,217	93,127	3.8%
Total Revenues	\$ 17,159,577	\$ 17,880,623	\$ 18,662,064	\$ 18,707,675	4.6%
Grants					
Bloomberg Innovation Grant	\$ -	\$ 1,609,334	\$ 934,334	\$ 100,000	-91.7%
Total Grants	\$ -	\$ 1,609,334	\$ 934,334	\$ 100,000	-100.0%
Full Time Employees	3	3	3	4	1
Part Time	-	-	1	-	-
Total Budget	\$ 17,159,577	\$ 19,489,957	\$ 19,596,398	\$ 18,807,675	-3.5%

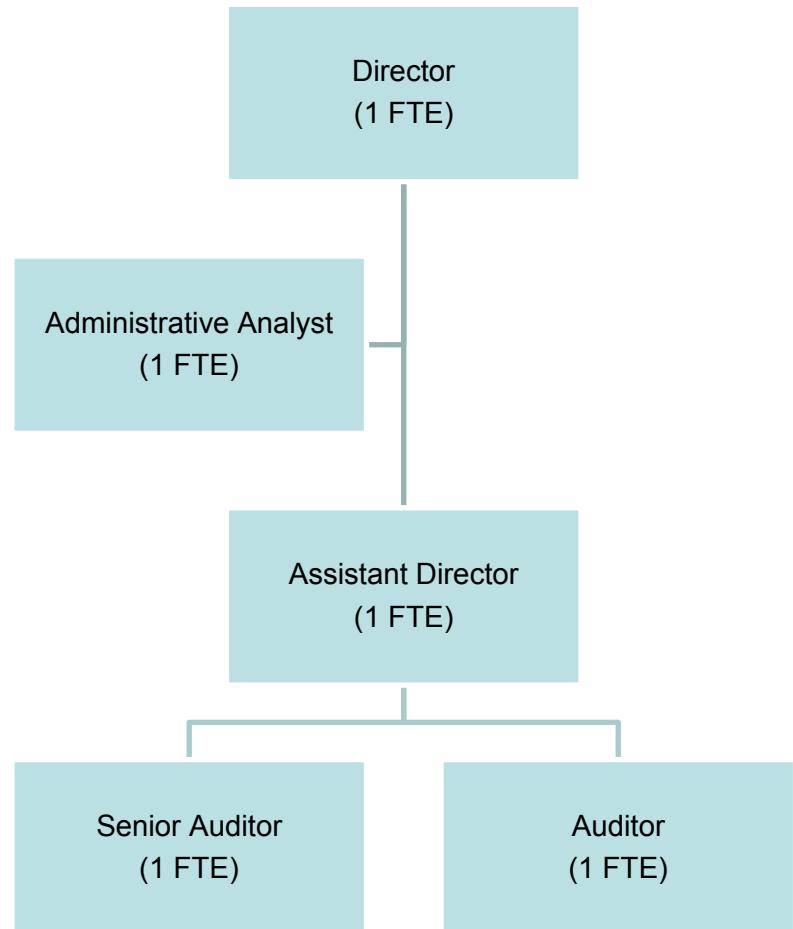
ADMINISTRATIVE AND SUPPORT





Audit Services

(5 FTEs)



AUDIT SERVICES

Purpose Statement

To provide independent, objective assurance and investigative services.

DEPARTMENT DESCRIPTION

Audit Services	\$ 637,386
	5 FTEs

Auditing is an independent appraisal function designed to examine and evaluate activities within the City as a service to management, the Audit Services Oversight Committee, and elected officials. Auditing provides assurance that internal controls are adequate to minimize risks and add value through effective and efficient operations. External entities are also subject to review to determine whether revenues have been properly remitted to the City, and whether grant or pass-through funds are appropriately utilized. This department supports Goal 4 – Innovative and High Performing Organization.

The Audit Services Department conducts compliance and performance audits, non-audit services (e.g. participation in: the Departmental Strategic Plan; outside Peer Review teams; Fraud, Waste and Abuse examinations; and the New Employee Training-Ethics component) and performs special reviews. The Department is responsible for administration of the external audit contract as well as obtaining an external peer review of the Department's activities. The Department maintains a confidential Fraud, Waste, and Abuse tip Hotline to help ensure fiscal responsibility and accountability throughout the organization.

Audit Program

The purpose of this program is to provide independent assurance that internal controls are adequate to minimize risks and safeguard City assets. Departmental management assigned to this program organize human and capital resources through planning, leading, staffing and controlling activities; and they serve as project manager for the City-wide financial audit including administration of the contract and RFP process.

Fraud, Waste and Abuse Program

This program promotes an anonymous means to detect, deter and prevent fraud, waste or abuse in conjunction with ensuring on a daily basis, that the City's ethical culture is underpinned with sound best practices (e.g. regular training of the Ethics Policies).

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 498,518	\$ 508,150	\$ 498,000	\$ 531,686	4.6%
Operating	103,108	105,700	105,700	105,700	0.0%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 601,626	\$ 613,850	\$ 603,700	\$ 637,386	3.8%
Full Time Employees	5	5	5	5	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 601,626	\$ 613,850	\$ 603,700	\$ 637,386	3.8%
Program	-	-	-	-	0.0%
Total Revenues	\$ 601,626	\$ 613,850	\$ 603,700	\$ 637,386	3.8%

BUDGET ISSUES FOR FY 2018-19

- The external audit fee will remain flat for the FY 2018 annual financial audit.

ACCOMPLISHMENTS FOR FY 2017-18

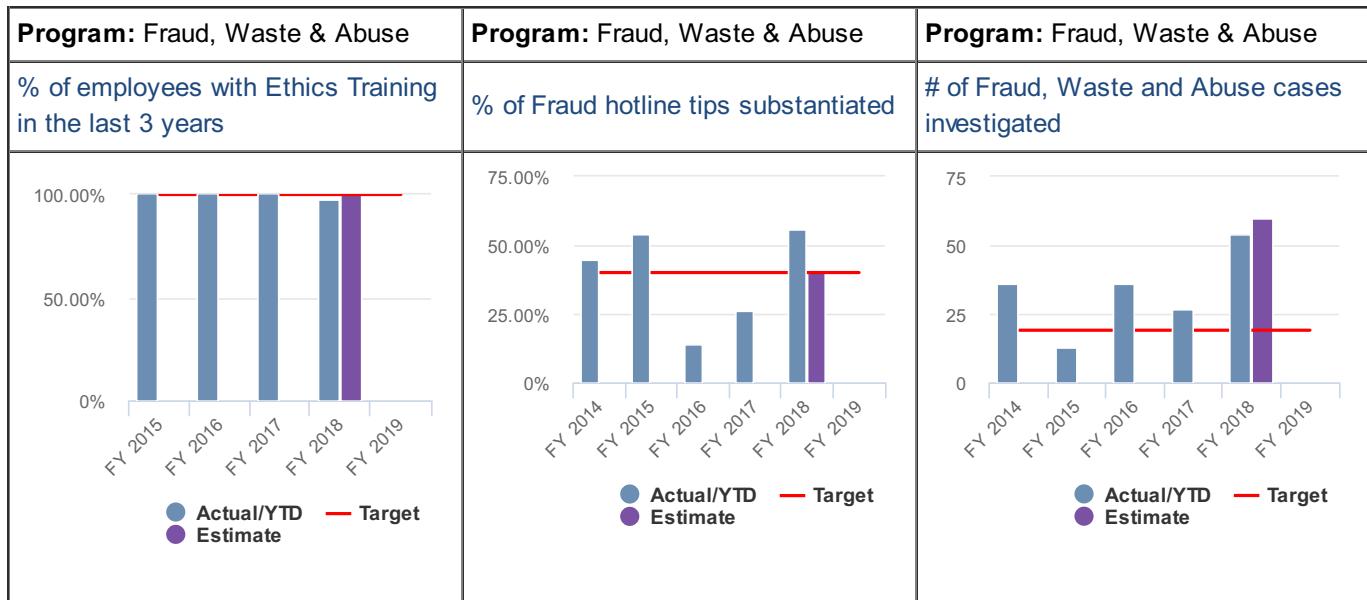
- Conducted mandatory Ethics Training for 98% of new full and part-time City staff through February 2018.
- Utilized the Innovation Room for ESS team building activities and for outreach to all City staff.
- Completed installation of Departmental Strategic Plan in the new dataHub portal.
- Held a fraud prevention awareness week of activities during Internal Audit Week; showcased a fraud museum, ending with Beth Wood (State Auditor) as the keynote event speaker for the symposium.
- Contributed \$300 through the Seven Stars campaign to the department's chosen charity, The Ovarian Cancer Research Foundation.
- Utilized the ACL software application, Benford's Law, and computer aided audit techniques to better assess risks during audit engagements.
- Obtained a total of 160 hours of required continuing professional education in the department including ethics training for the professional staff.
- Three staff completed CPE and review classes for the CIA certification.
- Monitored the Fraud, Waste and Abuse hotline; examined and completed reports on 32 allegations and referred 18.
- Participated in City College, providing employees a general overview of the Audit Services Department.
- Participated as members of the Yellow Book Peer Review Team for the City of Jacksonville, FL and for the Southern California Regional Rail Authority, Los Angeles, CA.
- Taught 12 sessions of the Ethics component of New Employee Orientation training.
- Achieved 100% participation in the Racial Equity training sponsored jointly by the City and County of Durham.
- Completed three (3) departmental newsletters that highlighted audit engagement results and fraud, waste and abuse awareness.
- Carried out an initiative to advance the accomplishment of the department's Wildly Important Goal (WIG).
- Submitted an audit for consideration of the Association of Local Government Auditors' Knighton Award.
- Fully implemented the AutoAudit software application in the audit program.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

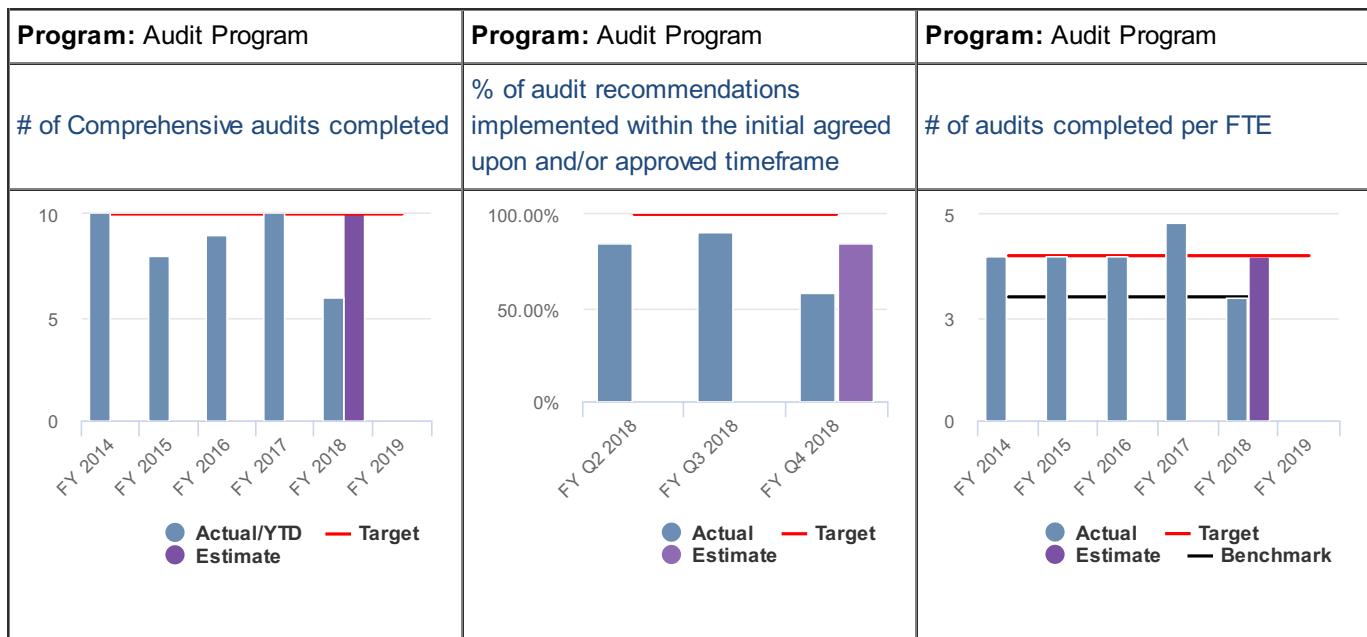
- Continue to work on measures for the Departmental Strategic Plan; specifically outreach to departments.
- Complete research on the benefits of restructuring the department to include a training/outreach program.
- Evaluate and continue to develop specific training, career development and certification plans for Audit staff.
- Continuously research best practices to complement and augment the risk-based audit work plan process.
- Produce a quarterly newsletter that will provide "best practices" of specific targeted control issues, and update the community on fraud, waste and abuse issues.
- Participate in City College to provide a general overview to employees of the Audit Services Department.
- Participate in the building of a Habitat for Humanity house for a Durham resident.
- Develop and implement strategies to improve employee satisfaction within the department by using results from the Employee Satisfaction Survey to impact positive change.
- Implementation of Wildly Important Goal (WIG) initiatives developed in conjunction with Executive Leadership Academy coaching.
- Obtain required CPE training to maintain professional proficiency in the areas of performance auditing and fraud, waste and abuse examinations.
- Develop and deliver a professional training for Association of Local Government Auditors (ALGA), the Institute of Internal Auditors (IIA), or the Association of Certified Fraud Examiners (ACFE).

DEPARTMENT PERFORMANCE SUMMARY

Objective: Reduce fraud, waste & abuse for the City

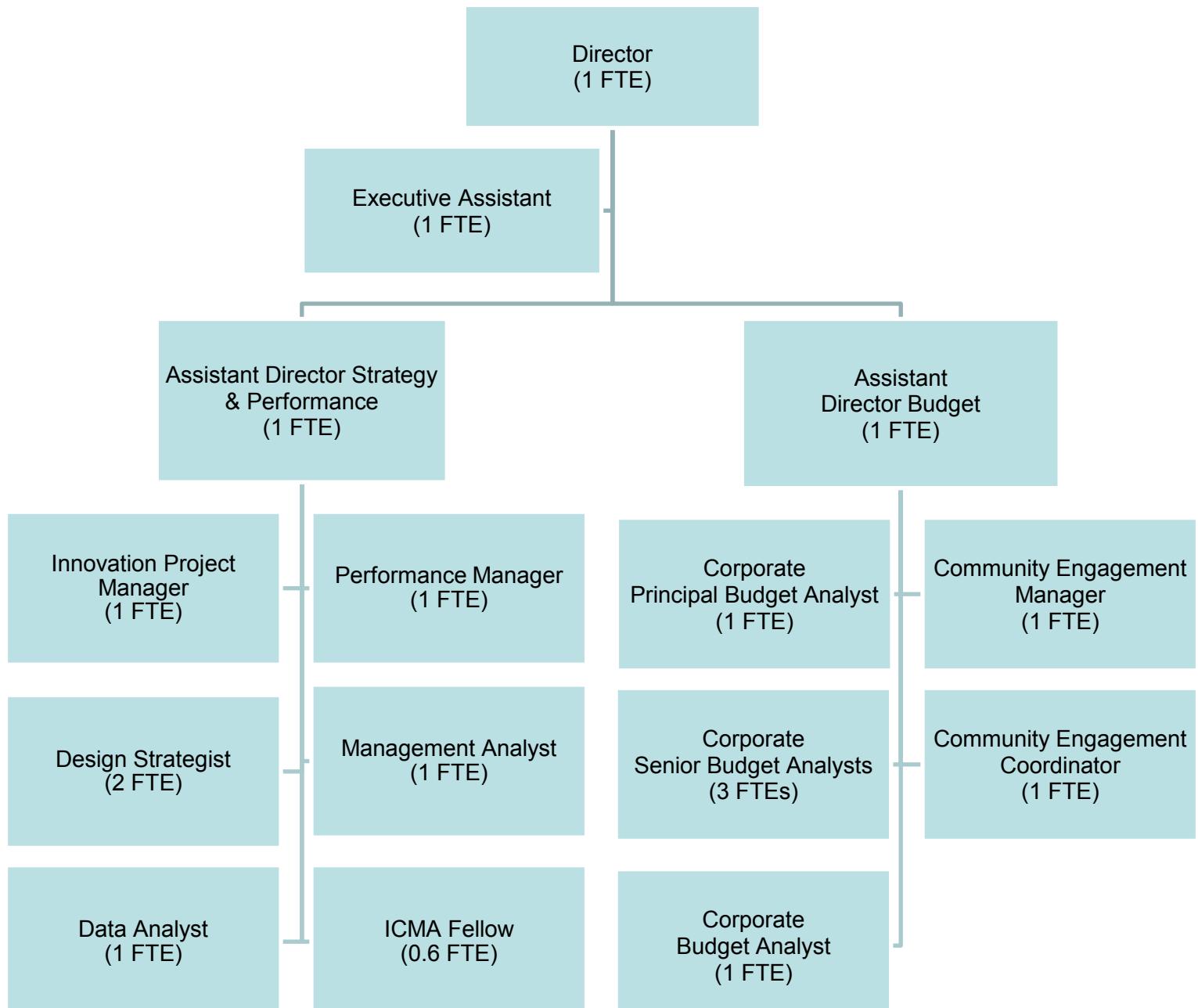


Objective: Improve efficiencies and effectiveness in City operations (actual audit engagements)





Budget & Management Services (17 FTE)



BUDGET AND MANAGEMENT SERVICES

Purpose Statement:

To inform decision making, align resources with organizational priorities, and improve the performance of employees and processes.

DEPARTMENT DESCRIPTION

Budget and Management Services	\$1,765,950
	17 FTE

The department is primarily responsible for the development and oversight of the City's annual budget and Capital Improvement Program (CIP). The department is also responsible for performance management and strategic planning, and leading process improvements. The department provides policy and management analysis to support decision making. The department primarily supports two Strategic Plan goals: Innovative and High Performing Organization and Sustainable Natural and Build Environment.

Other departmental responsibilities include training and support for the MUNIS / ERP budgeting module, fostering a culture of innovation with the help of the i-team, and participation in downtown and neighborhood economic strategies. Overall, the department is focusing on furthering the goal of transparency and accountability with its operations and communications and enhancing citizen and employee engagement.

Annual Budget and Capital Improvement Program (CIP) Development, Monitoring and Reporting

This program provides for the development and oversight of the City's annual budget and CIP. It also supports the Citizen Capital Improvement Panel (CCIP) and CIP project website.

Office of Performance and Innovation

Serve as internal consultants, helping City departments accomplish Durham's "One Vision and Five Goals" through advancing the City's strategic planning efforts, providing a framework for data driven decisions, fostering a culture of innovation, and leading process improvements. In addition, the i-team works to advance the above principles as part of working with residents to solve community challenges.

RESOURCE ALLOCATION

	Actual	Adopted	Estimated	Adopted	Change
	FY 2016-17	FY 2017-18	FY 2017-18	FY 2018-19	
Non-Grant Appropriations					
Personal Services	\$ 1,113,021	\$ 1,159,727	\$ 1,183,512	\$ 1,442,690	24.4%
Operating	133,830	102,700	123,230	223,260	117.4%
Capital and Other	402,333	-	-	-	0.0%
Total Appropriations	\$ 1,649,184	\$ 1,262,427	\$ 1,306,742	\$ 1,665,950	32.0%
Full Time Employees	12	11	11	13	2
Part Time	1	1	1	1	-
Revenues					
Discretionary Program	\$ 1,649,184	\$ 1,262,427	\$ 1,306,742	\$ 1,665,950	32.0%
Total Revenues	\$ 1,649,184	\$ 1,262,427	\$ 1,306,742	\$ 1,665,950	32.0%

<i>Grant</i>								
Personal Services	\$	-	\$ 736,505	\$ 267,732	\$ -		-	-100.0%
Operating		3,399	782,829	208,030	100,000		-	-87.2%
Capital and Other		-	90,000	8,405	-		-	-100.0%
Total Appropriations		3,399	1,609,334	484,167	100,000		100.0%	
Full Time Employees		3	3	3	4		1.0	
Part Time		-	-	1	2		2	
Revenues								
Bloomberg Grant	\$	-	\$ 1,207,000	\$ 485,000	\$ 100,000		-	-91.7%
Local Match		-	402,334	449,334	-		-	-100.0%
Total Grant Revenue	\$	-	\$ 1,609,334	\$ 934,334	\$ 100,000		-	-93.79%
Total Budget	\$	1,652,583	\$ 2,871,761	\$ 1,790,909	\$ 1,765,950		-	-38.5%

BUDGET ISSUES FOR FY 2018-19

- Continue development and implementation of departmental strategic plans.
- Continue development of departmental performance measures.
- Continuation of the annual Joint City-County-DPS Resident Survey.
- Continue refinement of Internal Innovation fund and development of an “Idea Starter” structure.
- Implementation of a Citywide process improvement model utilizing the performance measurement and monitoring system.
- Improvements in the monitoring of strategic plan objectives, measures, and initiatives.
- Continue implementation of the Durham Innovation Team funded by Bloomberg Philanthropies Innovation Team grant of \$1.5M over three years.
- Implementation of a participatory budgeting model in Durham.

ACCOMPLISHMENTS FOR FY 2017-18

- Granted the Distinguished Budget Document award for the FY 2016-17 budget from the Government Finance Officers Association. This is the 28th consecutive year that the City has received this award.
- Staffed the Citizen’s Capital Improvement Panel (CCIP) Advisory Committee for the 15th year to enhance citizen participation in the prioritization and oversight of capital needs, as well as an Internal CIP Advisory Committee to improve coordination of capital projects within the City.
- Completed three Community Conversations sessions involving 345 residents to better engage the public on City, County, and Durham Public School processes.
- Maintained a website for residents and City staff to track annexation requests and further the goal of enhanced communications.
- The Office of Performance and Innovation partnered with four local companies to launch the first year of Innovate Durham. The program gave startups and entrepreneurs a way to test their products or services using City data and infrastructure. The City received 34 applications from companies interested in participating and a review committee narrowed the field down to four participants. Each company brought a unique and innovative solution to the program.
- Completion of the second year of IdeaStarter finalists, with over 35 ideas submitted and 13 employees selected as finalists to receive prototype funding.
- Processed 23 voluntary annexation petitions.
- Developed and presented the City Manager’s recommended annual budget for FY 2017-18 and the Capital Improvement Plan for FY 2017-22 on May 15, 2017.

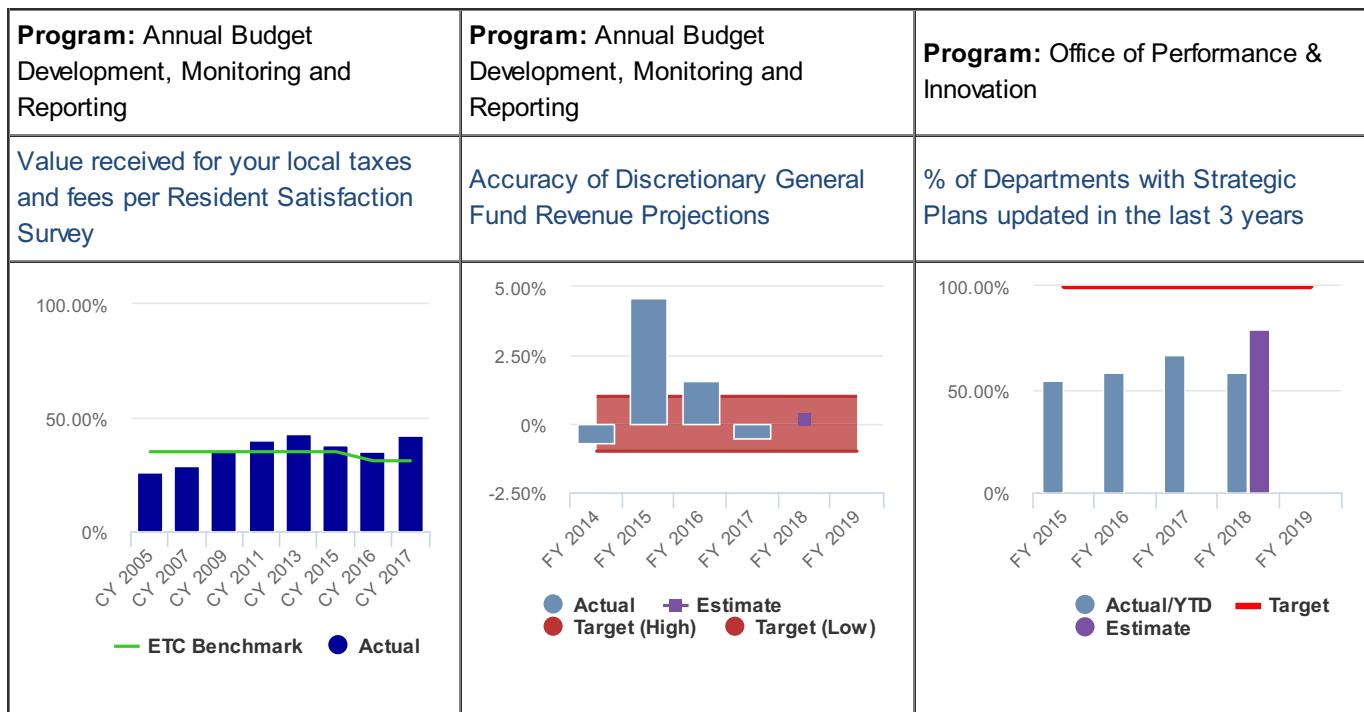
- Posted the FY 2017-18 final budget document to the City web site on June 30, 2017, and distributed thereafter.
- Developed and presented the recommended FY 2019-21 Citywide Strategic Plan update.
- Maintained the CIP website to enable citizens to track the progress of capital improvement projects.
- Provided quarterly financial updates to the City Manager and Council. Proactively evaluated the fiscal impact of economic challenges, particularly with respect to revenues and development activity, and proposed effective financial strategies to prevent overspending and ensure a balanced FY2017-18 budget.
- Coordinated implementation of the FY 2018 annual joint City-County-DPS resident survey.
- Created and maintained a new strategic plan dashboard for residents and City staff to track progress on objectives, measures and initiatives and to obtain general information about the City's Strategic Plan.
- Reassessed the process improvement program to align with current resources and re-classed a position to help support this effort
- Continued coordination and oversight of the departmental Strategic Planning process.
- The i-team was funded by Bloomberg Philanthropies and began work on first community challenge working to connect justice involved residents to employment opportunities.
- Budget and Management Services and the City's Transportation department were awarded funding by Bloomberg Philanthropies as finalists of the Mayor's Challenge to test their idea on how best to encourage less single occupancy commutes into downtown Durham.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

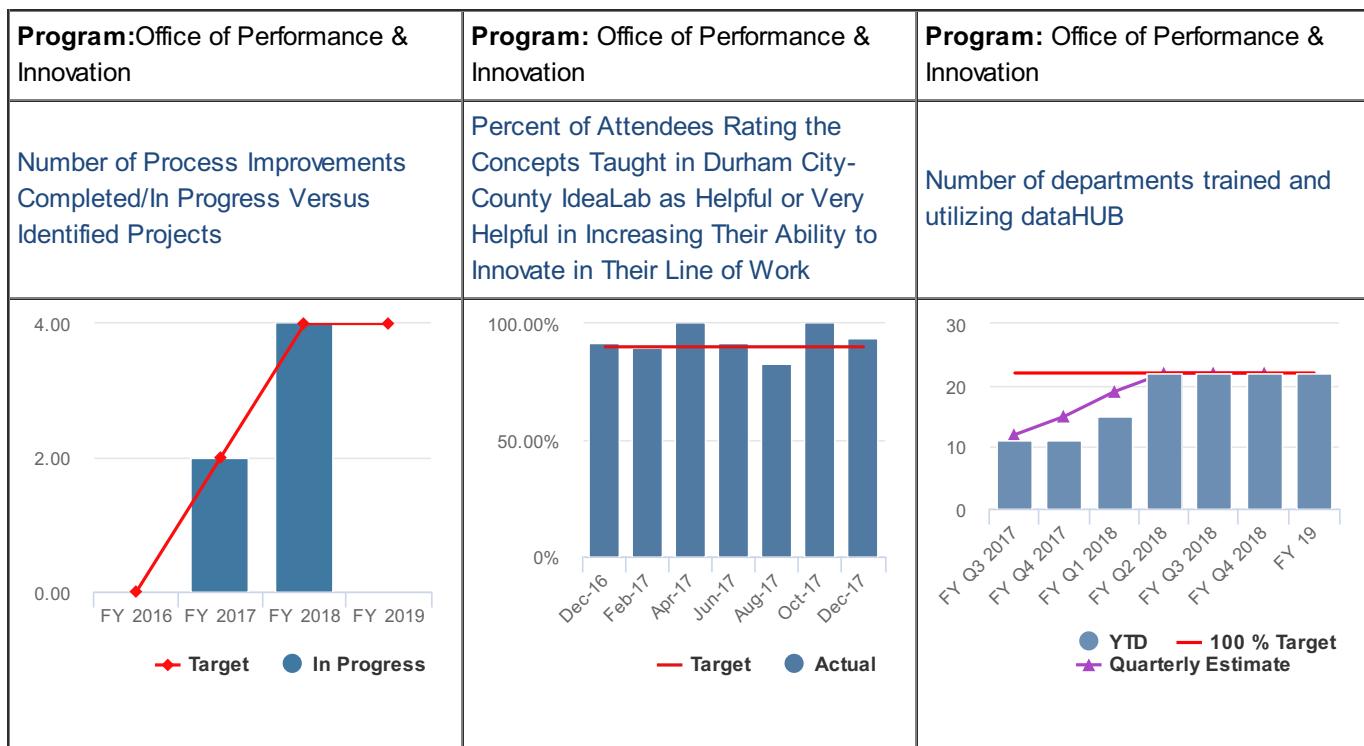
- Develop and publish the FY2019-20 Budget and FY2020-23 Capital Improvement Plan. Monitor annual operating and CIP budgets.
- Continue to refine the multi-year financial model.
- Continue to refine the CIP model.
- Begin implementation of the updated Citywide strategic plan.
- Begin a second i-team project focused on a community challenge identified by Mayor Schewel and the City Manager.
- Execution of the second year of Innovate Durham in partnership with Durham County.
- Coordinate and provide oversight on the Departmental strategic planning process and implementation.
- Continue coordination, development and implementation of strategic plan departmental dashboards.
- Continue oversight of process improvement program.
- Provide quarterly financial updates to the City Manager and Council.
- Provide monthly financial updates to the City Manager.
- Coordinate annual engagement activities and other budget outreach efforts.
- Coordinate the evaluation and updating of departmental performance measures.
- Perform cost benefit analyses on voluntary annexation petitions as received.
- Explore new opportunities to enhance our web presence for CIP engagement.
- Continue to integrate Strategic Initiatives resources within the department to enhance the citywide focus on performance and delivery of services, leadership development.
- Continue to refine departmental performance measures.
- Continue to refine the Program Based Analysis process.

DEPARTMENT PERFORMANCE SUMMARY

Objective: Align Financial Resources with the City Priorities and promote financial sustainability

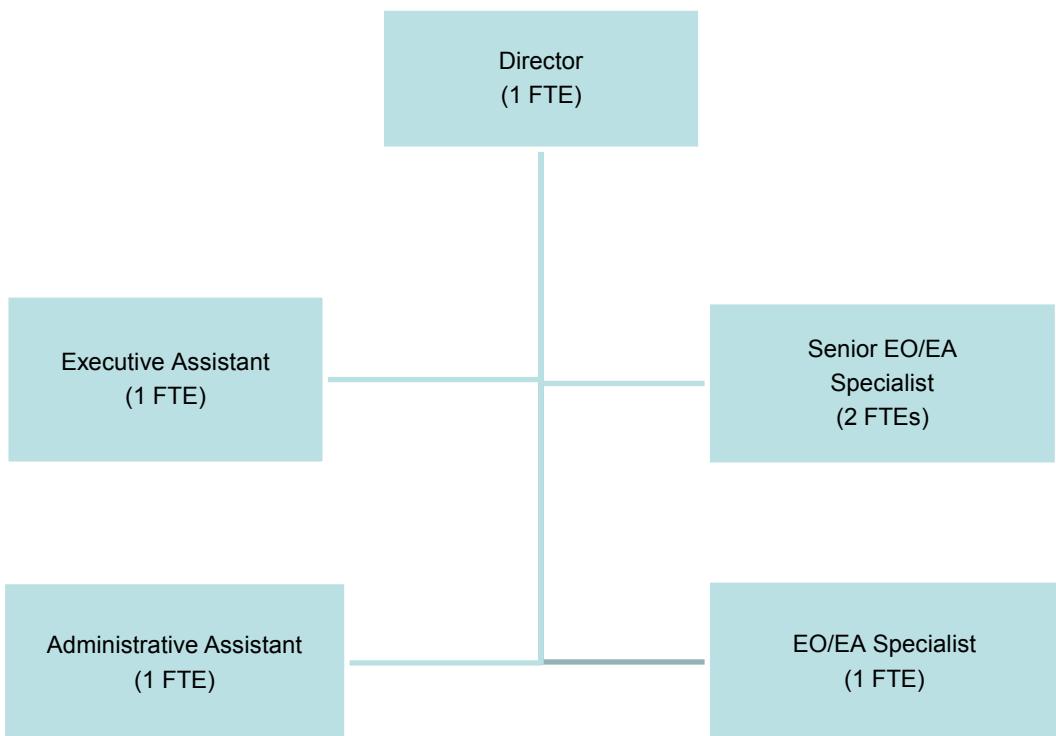


Objective: Foster a culture of continuous improvement to promote operational efficiencies and deliver the best outcomes for residents





Equal Opportunity/ Equity Assurance (6 FTEs)



EQUAL OPPORTUNITY AND EQUITY ASSURANCE

Purpose Statement:

To promote an environment that supports small business growth and inclusion.

DEPARTMENT DESCRIPTION

Equal Opportunity and Equity Assurance	\$585,006
	6 FTEs

The Department of Equal Opportunity/Equity Assurance is responsible for the implementation of the City's Equal Business Opportunity Program (EBOP) and Small Local Business Enterprise Program (SLBEP). Responsibilities include:

- Recruitment of minority and women underutilized business enterprises (UBEs) and small local business enterprises (SLBEs) eligible to participate in the EBOP and SLBEP.
- Certification of SLBE firms to service City contracts in the areas of construction and professional services.
- Maintenance of the SLBE database of all currently certified businesses.
- Business development through the provision of technical assistance and support.
- Staff support to the EBOP Steering Committee and the Mayor's Committee for Persons with Disabilities.
- Project identification for potential contracting opportunities from City departments.
- UBE/SLBE participation goal setting.
- EBOP and SLBEP compliance determination.
- Monitoring of UBE and SLBE participation in City contracting activity.
- Reporting of UBE and SLBE participation on City contracts and reporting on special projects as requested.
- Monitoring City compliance with Senate Bill 914 reporting requirements.

Business Services

Services consist of UBE/SLBE business recruitment, certification /recertification, database management, goal setting, compliance monitoring and reporting and news brief.

Administrative Services

Services consist of program operations, policy development, financial operations, Human Resources functions, program monitoring, city and state compliance.

Technical Assistance Services

Series of small business development programs to include business finance, legal issues, bidding/estimating, small business technology, project management and other topics based on identified need.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19
Appropriations				
Personal Services	\$ 549,425	\$ 517,824	\$ 523,726	\$ 556,725
Operating	12,581	22,781	12,493	23,281
Capital and Other	-	-	-	-
Subtotal Appropriations	\$ 562,006	\$ 540,605	\$ 536,219	\$ 580,006
Mayor's Committee				
for Persons with Disabilities	\$ 3,706	\$ 5,500	\$ 2,910	\$ 5,000
Subtotal Nondepartmental	\$ 3,706	\$ 5,500	\$ 2,910	\$ 5,000
Total Appropriations	\$ 565,712	\$ 546,105	\$ 539,129	\$ 585,006
Full Time Employees	5	6	6	6
Part Time	1	-	-	-
Revenues				
Discretionary	\$ 565,712	\$ 546,105	\$ 539,129	\$ 585,006
Program	-	-	-	-
Total Revenues	\$ 565,712	\$ 546,105	\$ 539,129	\$ 585,006

BUDGET ISSUES FOR FY 2018-19

- Maintaining current departmental service level to fulfill the responsibilities of the Equal Business Opportunity Program and Small Local Business Enterprise Program.
- Continue to monitor Equal Business Opportunity Program modifications since the Disparity Study.
- Complete departmental transition with the retirement of one staff member.

ACCOMPLISHMENTS FOR FY 2017-18

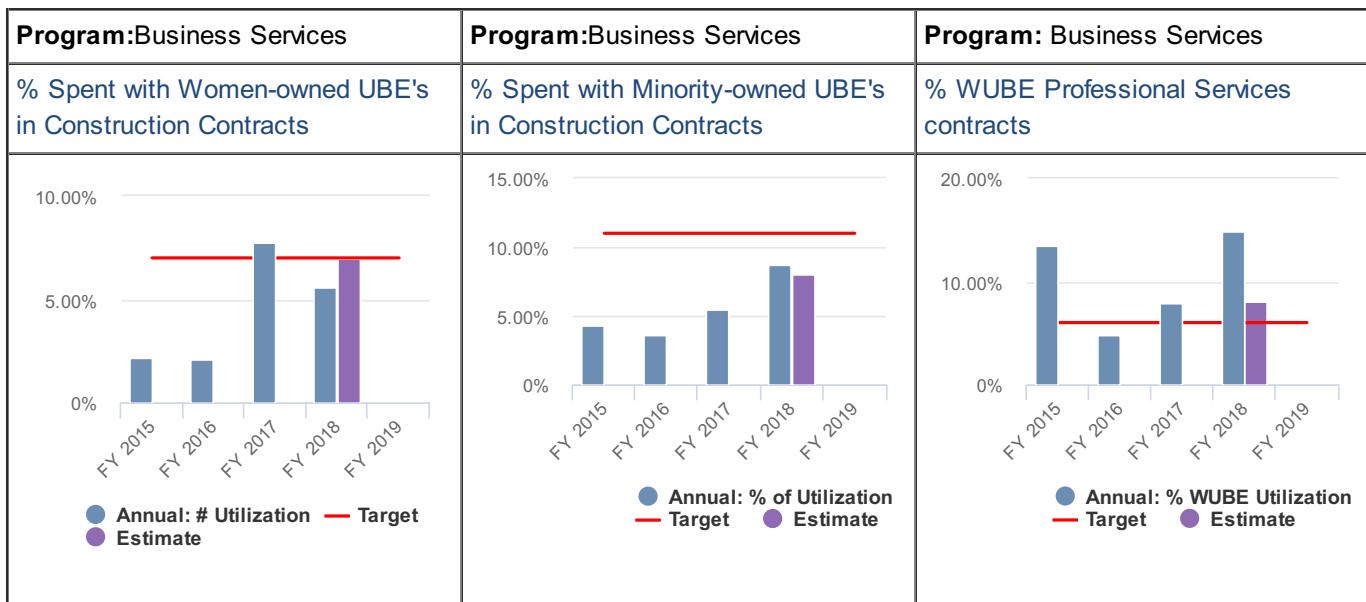
- Sought business opportunities for certified underutilized business enterprises (UBEs) in all City contracting, as well as Durham County Government, Durham Public Schools projects and private sector projects.
- Implemented modifications in the Equal Business Opportunity Program (EBOP) based on Disparity Study recommendations.
- Monitored the departmental Strategic Plan.
- Conducted successful Minority Enterprise Development Week activities that included: a Honors Breakfast attended by approximately 100 persons and highlighted by honoring five small businesses, a forum on new Durham development projects attended by approximately 75 participants, an event on Minorities Giving Back with the Durham Chamber of Commerce attended by approximately 30 participants, a Minority Business Fair in conjunction with the Greater Durham Black Chamber of Commerce with approximately 200 attendees and a MED Week Golf Day with approximately 16 participants for golf and the golf clinic.
- Conducted two technical assistance seminars on business development topics with an average of 20 business owners in attendance.
- Sent bid opportunities to UBEs every two weeks and to SLBEs as information became available to advise them of business and educational opportunities and other information of interest to business owners.
- Provided support and assistance to the Mayor's Committee for Persons with Disabilities for their activities: recognition of six employers who hire persons with disabilities; donations of clothing, books and toys to children at Urban Ministries of Durham and participated in the City of Durham Parks & Recreation Disable the Label event.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

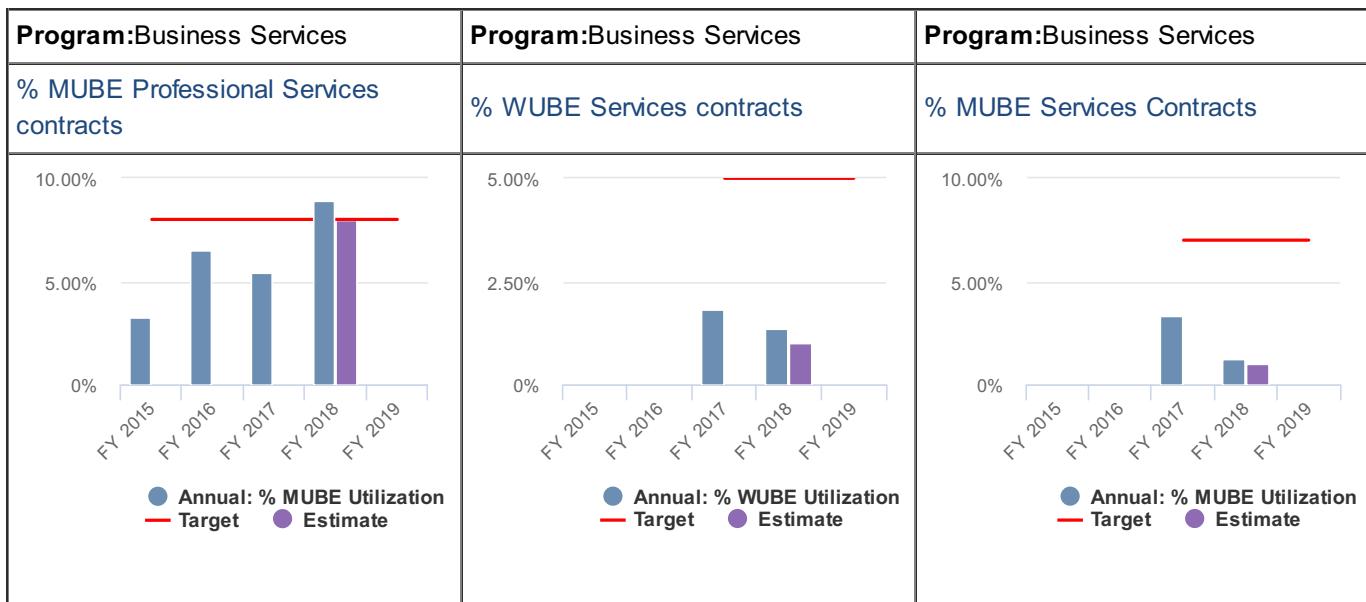
- Continue to monitor implementation of revised EBOP Ordinance and other recommendations of the Disparity Study.
- Review and revise the departmental strategic plan's goals, objectives, initiatives and measures.
- Continue business services to include educational programs designed to support small business development and capacity-building.
- Plan and implement quarterly networking events to increase the utilization of UBEs and SLBEs and the dollars they obtain through City contracting activity.
- Actively seek specific business opportunities for UBEs and SLBEs on all City projects.
- Employee recruitment and hiring of staff to replace retiree.
- Maintain high level of departmental employee satisfaction.

DEPARTMENT PERFORMANCE SUMMARY

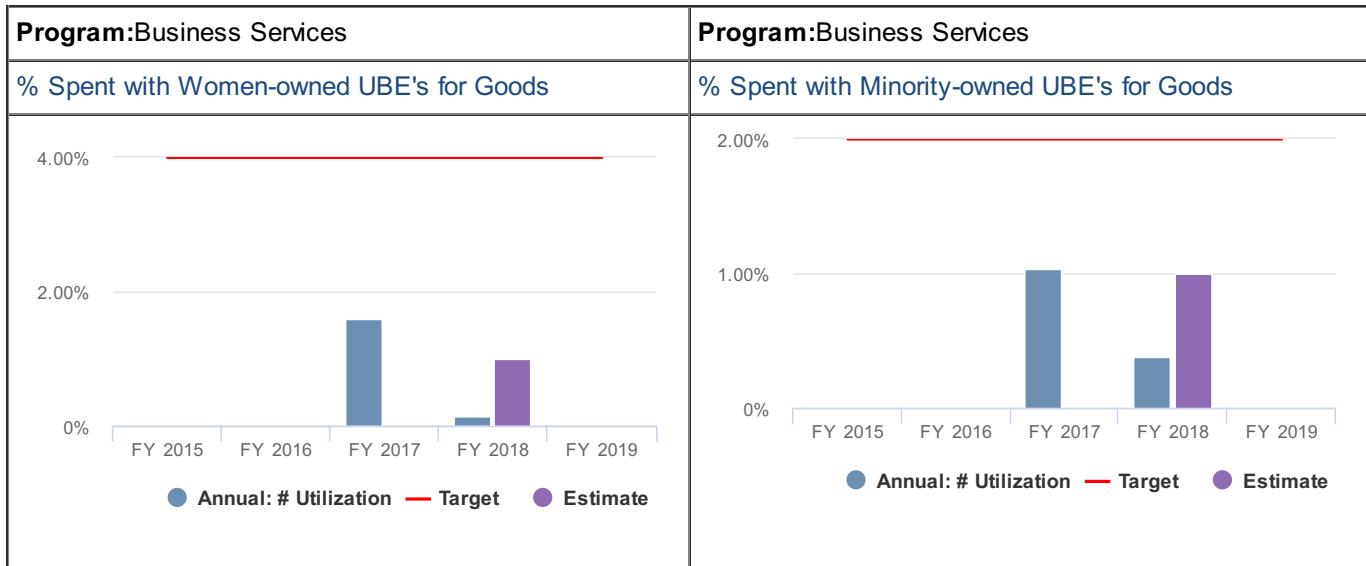
Objective: Increase the number of UBEs participating in the City's marketplace



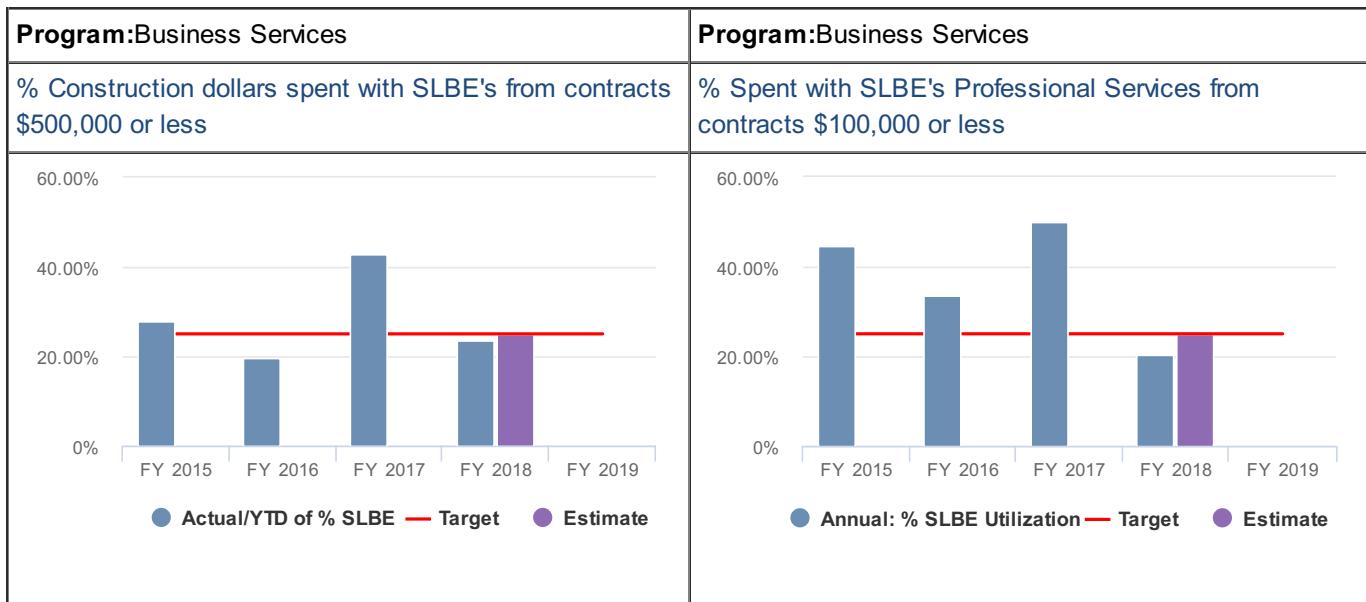
Objective: Increase the number of UBEs participating in the City's marketplace



Objective: Increase the number of UBEs participating in the City's marketplace

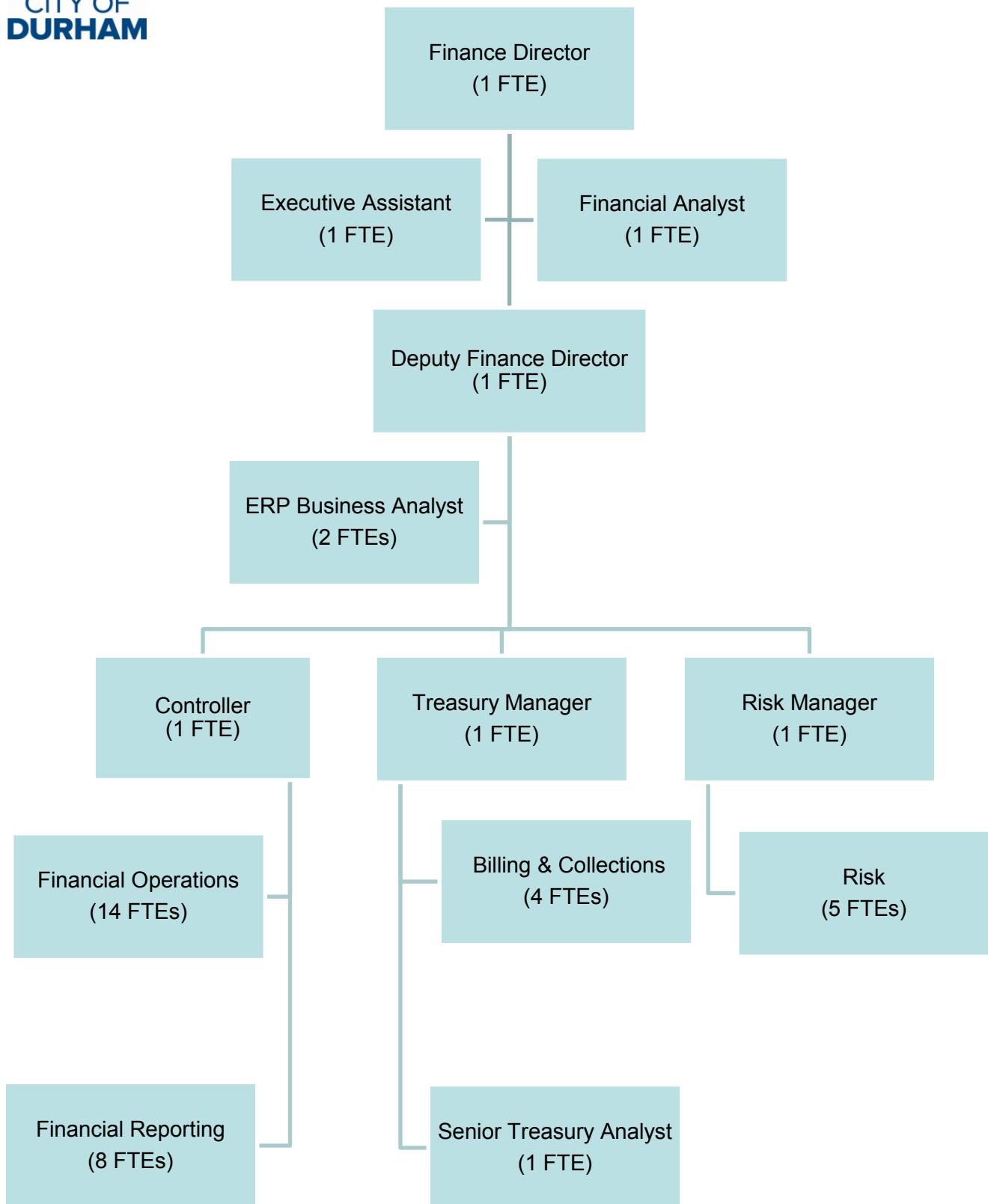


Objective: Increase the number of small businesses participating in City of Durham contracting





Finance (41 FTEs)



FINANCE

Purpose Statement:

To protect the City's assets, efficiently process and record financial transactions, maintain fiscal integrity, provide timely, accurate and comprehensive financial reporting and analysis, and to professionally and prudently enhance the City's financial position.

DEPARTMENT DESCRIPTION

Finance	\$5,344,864
	41 FTEs

The department is primarily responsible for enhancing the City's financial position. The department is divided into seven divisions: the office of the director, accounting services, treasury management, billing and collections, risk management and safety, purchasing, and the print shop.

Among other things, the department's budget includes the fees associated with the following contract payments to outside service providers: the fees to Durham County associated with the collection of property tax revenue under the interlocal tax contract; the fees associated with the provision of banking and lockbox services for the maintenance of the City's bank accounts; and, the fees for investment advisory services to manage a portion of the City's portfolio.

Office of the Director

This program provides leadership and management direction for the department, policy formulation and analysis for the City, and support for the finance-related modules in the Enterprise Resource Planning (ERP) system.

Payroll

This program processes the biweekly payroll checks for approximately 2,400 City employees.

Accounts Payable

This program provides accounts payable for approximately 69,000 invoices per year.

Financial Reporting

This program provides financial reporting including Comprehensive Annual Financial Report (CAFR), annual and quarterly financial reports, and federal, state, and other agency reports.

Purchasing

This program provides a centralized approach for bid specifications and solicitations for apparatus, supplies, equipment, and materials for all departments. Also included are contract compliance and disposal of surplus property.

Treasury Management

This program provides cash, investment portfolio, debt management, and banking services oversight and management.

Interlocal Tax Contract

Interlocal property tax collection contract with Durham County.

Billing and Collections

This program provides a centralized approach for non-utility billing and coordinates collections of delinquent accounts due the City.

Print Shop

This program provides a full service copy and printing shop as well as mail services.

Risk Management & Safety

This program provides claim management, supports departments in occupational safety and OSHA compliance, and coordinates occupational health services.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 3,424,410	\$ 3,445,952	\$ 3,454,557	\$ 3,629,189	5.3%
Operating	1,318,218	1,658,388	1,790,595	1,715,675	3.5%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 4,742,628	\$ 5,104,340	\$ 5,245,152	\$ 5,344,864	4.7%
Full Time Employees	43	40	40	41	1
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 4,094,349	\$ 4,505,954	\$ 4,637,304	\$ 4,647,071	3.1%
Program	123,576	125,720	126,577	115,300	-8.3%
Total General Fund	\$ 4,217,925	\$ 4,631,674	\$ 4,763,881	\$ 4,762,371	2.8%
Water and Sewer Fund	152,168	71,798	71,798	83,030	15.6%
Risk Claims Fund	372,535	400,868	409,473	499,463	24.6%
Total Revenues	\$ 4,742,628	\$ 5,104,340	\$ 5,245,152	\$ 5,344,864	4.7%

BUDGET ISSUES FOR FY 2018-19

- Attracting and retaining qualified employees, succession planning, and maintaining the current high levels of morale will all continue to be issues for the upcoming fiscal year.

ACCOMPLISHMENTS FOR FY 2017-18

- Implemented on-line bill paying functionality to enhance the customer experience in the Development Service Center and other areas.
- Reorganized the Department to reflect appropriate structure and allocation of duties.
- Upgraded MUNIS ERP system to version 11.3.
- Worked with Public Works and Water Management on safety-related issues to identify opportunities to enhance cooperation and collaboration.
- Converted cash handling training to a series of short on-line Learning Management Systems (LMS) training sessions; this facilitated timelier and easier scheduling of this ongoing training that many staff need.
- Assisted with project to consolidate a portion of the County Fire Rescue Department with the City Fire Department.
- Implemented travel expense reimbursement process enhancements.
- Proposed new guidance with regard to level of Unassigned Fund Balance.
- Increased the use of procurement cards by City departments and e-payables program to take advantage of rebates and to lower accounts payable costs.

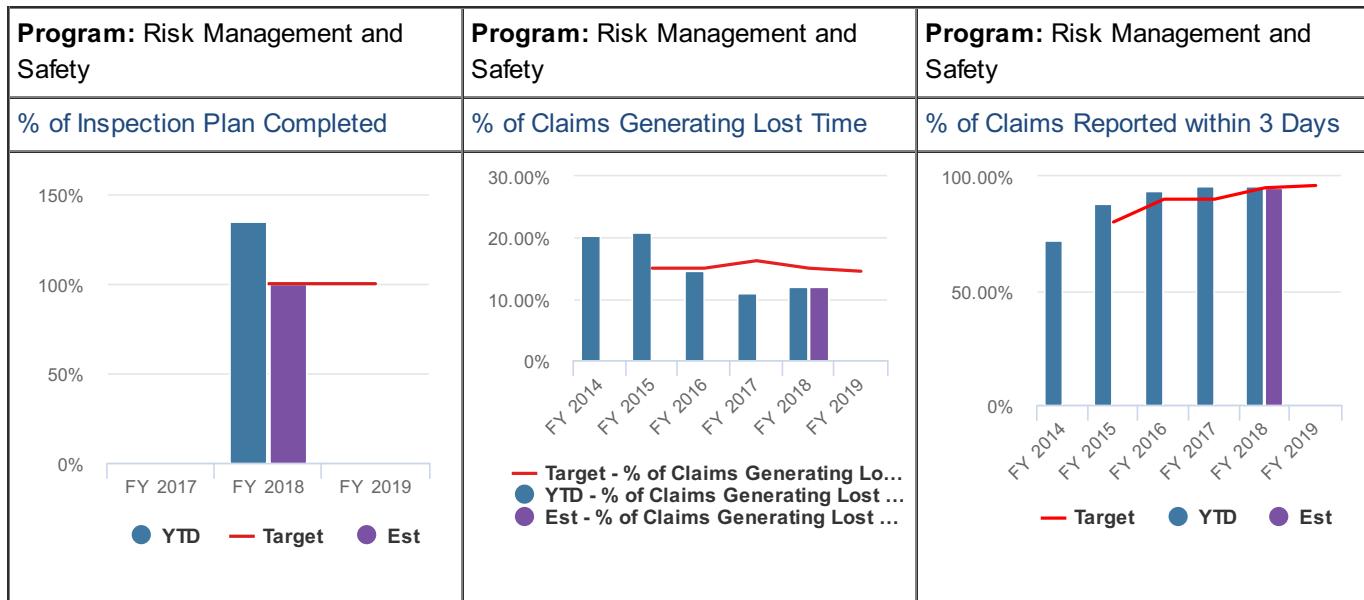
- Received a “clean” and unmodified audit opinion on the FY 2016-17 financial statements along with a single audit report that identified no findings related to the City’s expenditure of Federal Funds.
- Maintained credit ratings with all national rating agencies that continue to make the City one of the highest rated public entities in the country.
- Established parking deck financing by issuing \$30.3 million of Limited Obligation Bonds (LOBs) to finance the new downtown parking garage and other parking-related projects at 3.55% interest rate.
- Refinanced \$29.7 million of LOBs and General Obligation Bonds at 2.08% interest rate (NPV savings of \$1.5 million); as a result of the transaction the City was able to eliminate all federal subsidy risk for all bonds maturing after 2020.
- Received 32nd consecutive Certificate of Achievement for Excellence in Financial Reporting for the CAFR.
- Received 13th consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR).
- Purchasing Agent approved for Certified Local Government Purchasing Officer (LGPO) certification.
- Risk Manager asked to serve on the North Carolina League of Municipalities (NCLM) Risk Pool Trustee Board.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

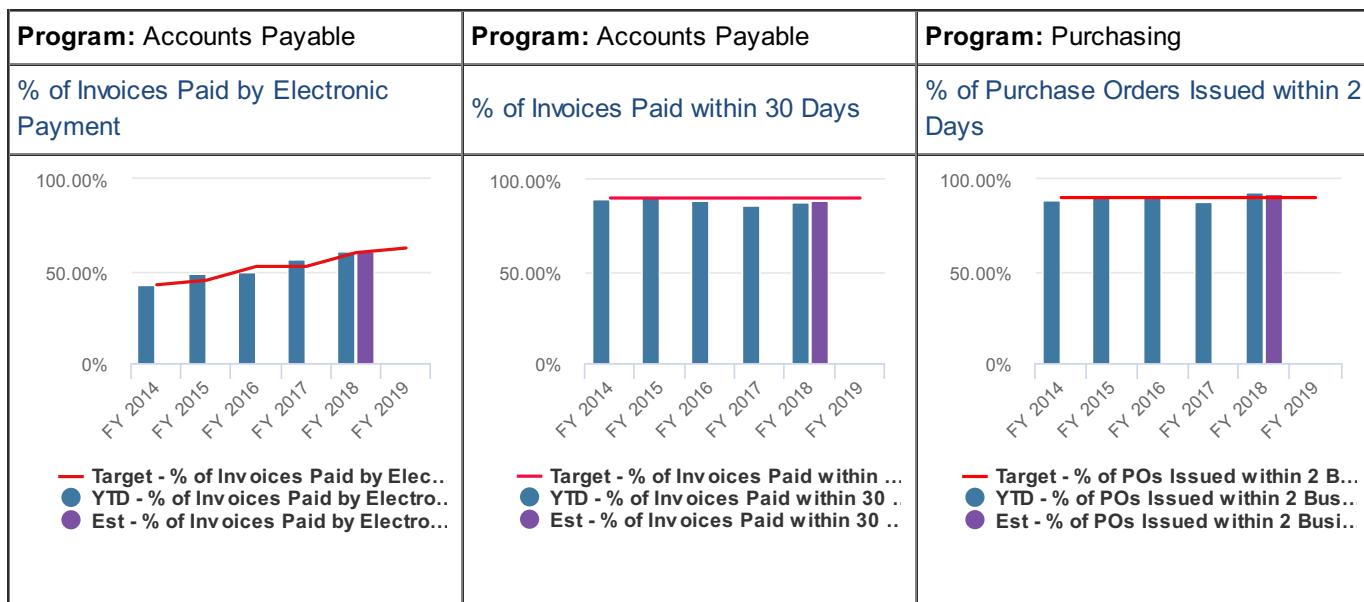
- Implement Tyler Content Manager and Dashboard.
- Evaluate relationships with other Departments to determine if centralization/decentralization of functions is beneficial.
- Develop and deliver defensive driving training program.
- Develop an employee driven safety program, intended to shift the organization’s culture and attitude towards daily safety behavior (Behavioral Based Safety Program).
- Develop a New Employee Orientation safety curriculum, which will focus required safety training specific to individual job titles to be administered through the LMS.
- Work with Departments to develop citywide standard operating procedures for all safety-related tasks.
- Establish draw program for water funding.

DEPARTMENT PERFORMANCE SUMMARY

Objective: To Promote a Culture of Safety that Will Help Protect the City's Assets



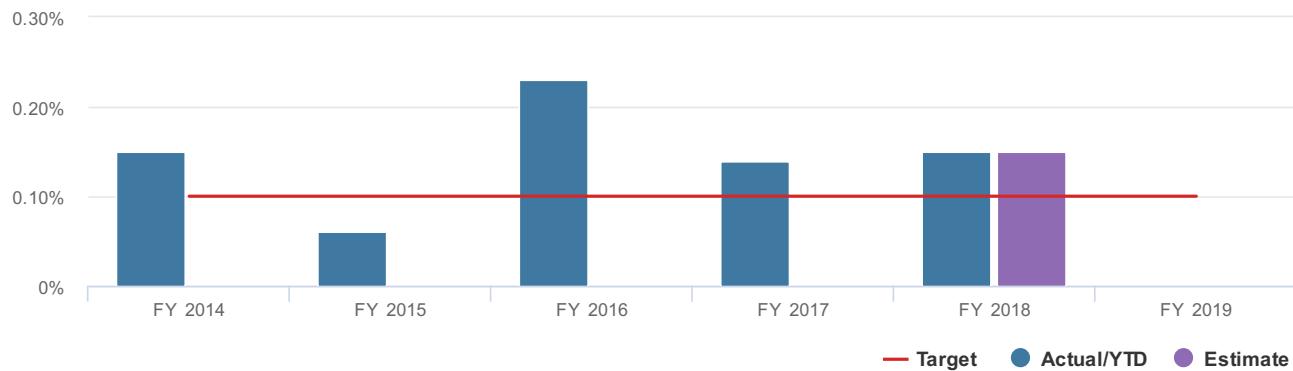
Objective: To Execute Core Processes Under Standardized Controls to Protect Financial Assets and Promote Operational Efficiency



Objective: To Promote Strong Financial Management to Ensure Adequate Resources to Meet Programmatic and Capital Needs of the City

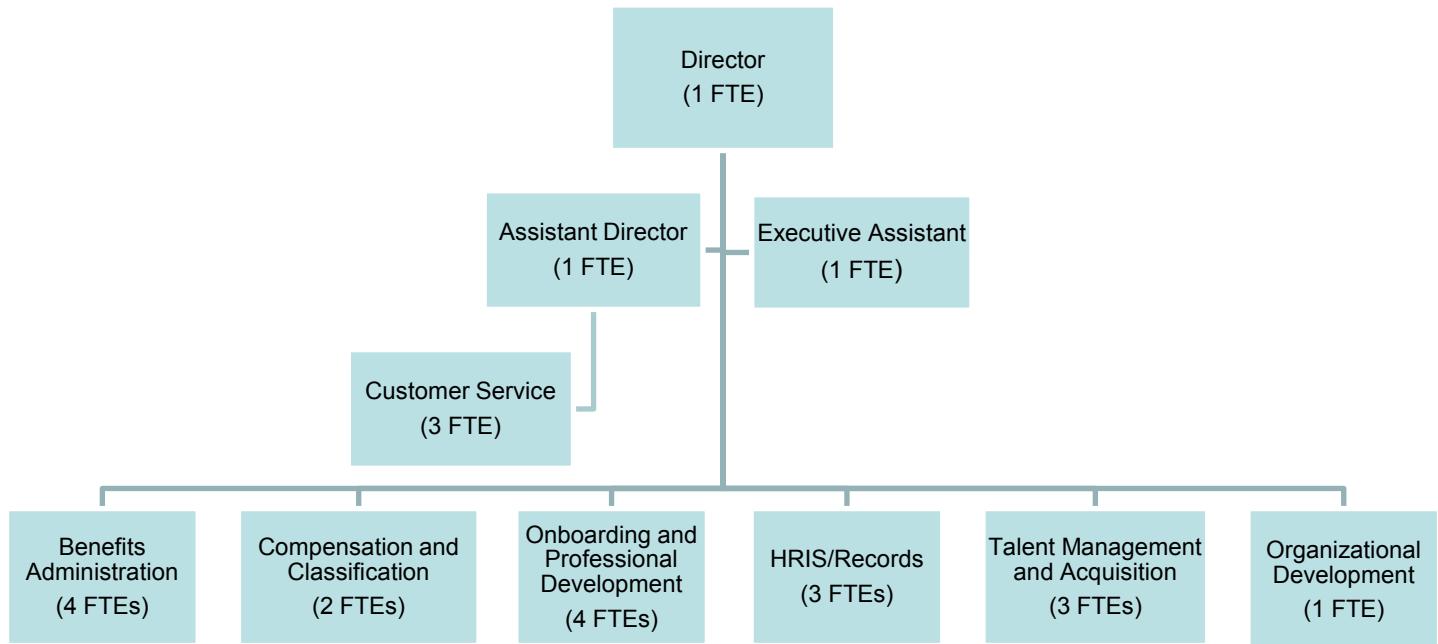
Program: Treasury Management

Investment Return Compared to Average 2-Year Treasury (Monthly)





Human Resources (23 FTEs)



HUMAN RESOURCES

Purpose Statement:

We are committed and knowledgeable professionals who provide value-added human capital services to acquire top talent, engage and grow our workforce, and make the City of Durham a great place to live, work and play.

DEPARTMENT DESCRIPTION

Human Resources	\$3,080,434
	23 FTEs

The Human Resources Department is focused on attracting and retaining qualified employees and creating a positive work environment. The services provided to departments include: benefits, selection and recruiting, compensation and classification, training, organizational development, employee relations, and wellness. The department assists the City's administration through advice and consultation on personnel-related issues, policy development and revision, as well as participation in the City's organizational development and strategic planning.

General Administration

The Administration unit is responsible for overall operation of the department including strategic planning, performance measurement, day-to-day operations, and the budget. Administration provides consultation on human resources issues to the City Administration, City Council, and external customers.

HRIS/Records

The HRIS team is responsible for maintaining the integrity and reliability of the human resource information systems. The HRIS team aligns the organization's human resources information systems needs with those of the Technology Solutions Department, Finance Department, and other stakeholders. HRIS administers and maintains various HR information systems including MUNIS and NEOGOV. HRIS functions as project manager for new departmental systems initiatives and is responsible for the disclosure, security and maintenance of personnel records.

Benefits Administration

The Benefits Administration team manages employee benefit programs, wellness programs, and the employee assistance program. The team coordinates HIPAA and FMLA compliance, retiree planning, and COBRA administration. The team also ensures compliance with all benefits regulations and develops requests for proposals for benefits and benefits brokerage services.

Talent Management and Acquisition

The Talent Management and Acquisition team provides complete HR staffing and selection services to all departments. This includes: assistance with NeoGov, ensuring that jobs are appropriately advertised, assisting with interview panels and assessment processes in departments, conducting targeted and specialized recruitment, job fair attendance, re-entry program coordination, and providing information and assistance to employees in departments. Administers and proctors Police and Fire testing for various promotional processes.

Compensation and Classification

The Compensation and Classification Team provides guidance in the fair and equitable management of positions for all City employees by conducting position studies and market surveys, maintaining job descriptions for all City classifications, maintaining the full-time classification and pay plans, and reviewing or advising departments concerning any departmental part-time pay plans. The Team administers the performance management system, provides FLSA guidance, and provides training in related areas.

Onboarding and Professional Development

The Onboarding and Professional Development Team provides a variety of services that enhance employees' overall value to the organization and maximizes service delivery to the citizens of Durham. The services provided include onboarding, training, educational opportunities, including technical skills and communication skills, customized facilitations. This team also is responsible for employee relations, which includes coordinating, facilitating and monitoring Employment Security Commission (ESC) hearings, assigned investigations, grievances, mediations and responses.

HR Connect

The HR Connect Customer Service Team provides customer service assistance for all internal and external HR customers. HR Connect is the central hub of information for the HR Department and increases department accessibility, satisfaction rating, and departmental efficiency. The HR Connect team provides front desk and lobby coverage, provides phone, email, and walk-in support, processes department mail, and manages first stop resolution and escalation to specialist. This team is also responsible for coordination and dissemination of communications for the HR department. The team manages the HR knowledgebase and customer service management software and is responsible for ID badge creation and replacement for City of Durham employees.

Organizational Development

Organizational Development in the City of Durham is a process that is intentional and organization-wide. It is a process that will increase the City of Durham's effectiveness through planned interventions that will improve the state of the organization through better alignment with the City of Durham's Strategic Plan, Goals and Values.

The City of Durham's Organizational Development Structure/Framework includes:

- Leadership Development
- OD Interventions to improve the state of the organization
- Employee Engagement
- Change Management

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 2,077,166	\$ 2,122,004	\$ 2,149,009	\$ 2,193,770	3.4%
Operating	573,562	576,464	852,939	701,664	21.7%
Capital and Other	-	-	-	-	0.0%
Subtotal Appropriations	\$ 2,650,728	\$ 2,698,468	\$ 3,001,948	\$ 2,895,434	7.3%
Non-departmental					
Flex Reimbursement	\$ 85,000	\$ 85,000	\$ 85,000	\$ 85,000	0.0%
Unemployment Compensation	64,462	100,000	100,000	100,000	0.0%
Subtotal Non-departmental	\$ 149,462	\$ 185,000	\$ 185,000	\$ 185,000	0.0%
Total Appropriations	\$ 2,800,190	\$ 2,883,468	\$ 3,186,948	\$ 3,080,434	6.8%
Full Time Employees	22	23	23	23	-
Part Time	1	2	2	1	(1)
Revenues					
Discretionary Program	\$ 2,494,902	\$ 2,485,202	\$ 2,836,165	\$ 2,699,252	8.6%
	-	-	-	-	0.0%
Total General Fund	\$ 2,494,902	\$ 2,485,202	\$ 2,836,165	\$ 2,699,252	8.6%
Risk Claims Fund	215,804	308,542	259,566	288,055	-6.6%
Employee Insurance Fund	89,484	89,724	91,217	93,127	3.8%
Total Revenues	\$ 2,800,190	\$ 2,883,468	\$ 3,186,948	\$ 3,080,434	6.8%

BUDGET ISSUES FOR FY 2018-19

- Additional funding and an FTE are required to fully implement the Organizational Excellence Model as recommended.
-

ACCOMPLISHMENTS FOR FY 2017-18

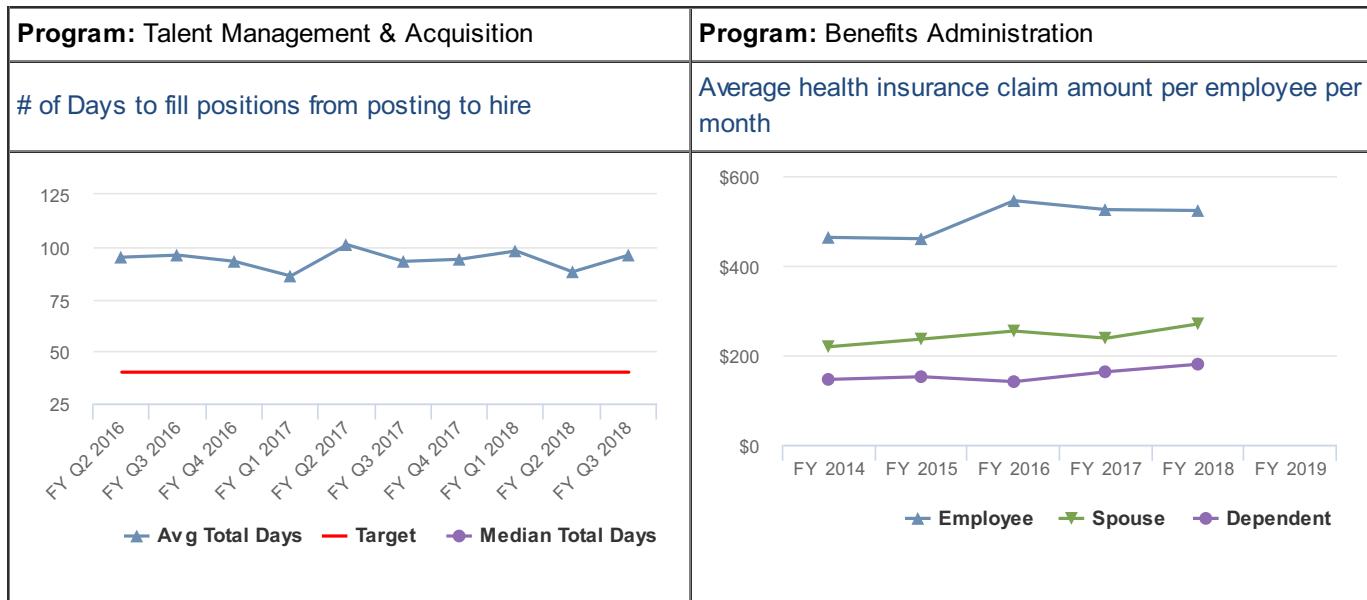
- Implemented the Citywide Strategic Training Plan, including the first-ever all-employee Leadership Conference.
 - Piloted the Diversity Recruiting Plan.
 - Implemented the Springbuk health cost analytics system.
 - Refreshed the Human Resources departmental strategic plan.
 - Changed the City's benefits providers to provide better results and value for employees and the City.
 - Conducted a citywide compensation study.
 - Developed and implemented a new performance management system, EPEP.
 - Revised the City's racial equity training.
 - Fully implemented the new City U Learning Management System.
-

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

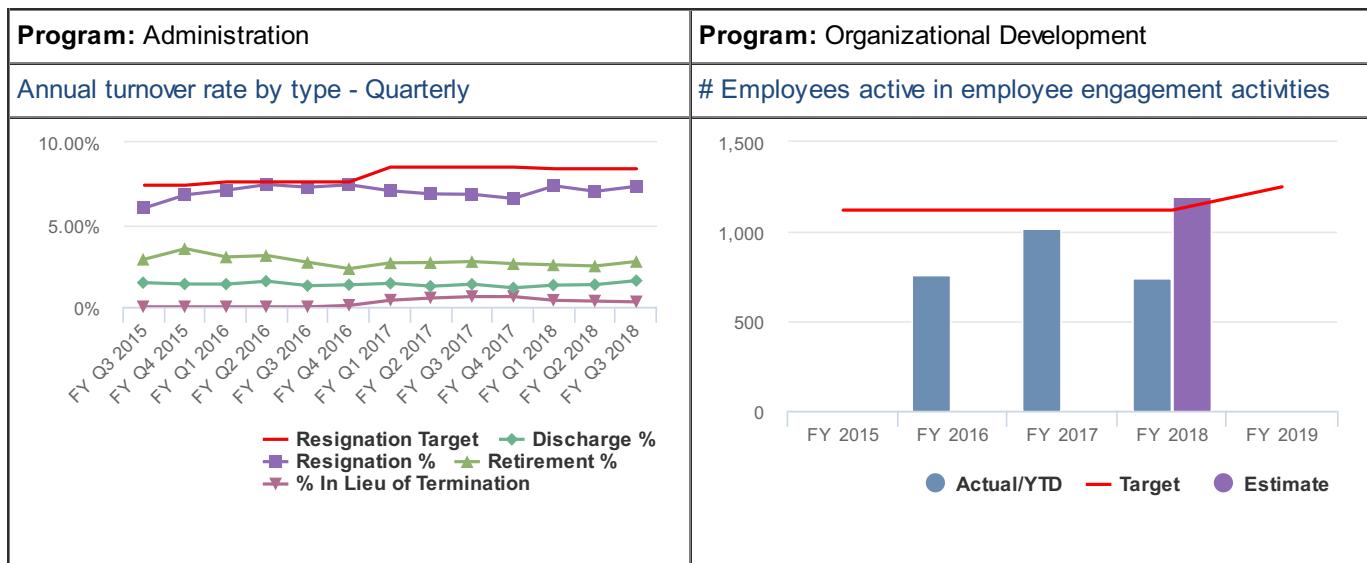
- Complete an Employer of Choice branding campaign.
- Complete a City culture and values refresh.
- Improve the speed, consistency, and outcomes of the hiring process and improve the candidate experience
- Create an employee referral program.
- Complete rollout of new performance management software.
- Further develop workforce and succession planning.

DEPARTMENT PERFORMANCE SUMMARY

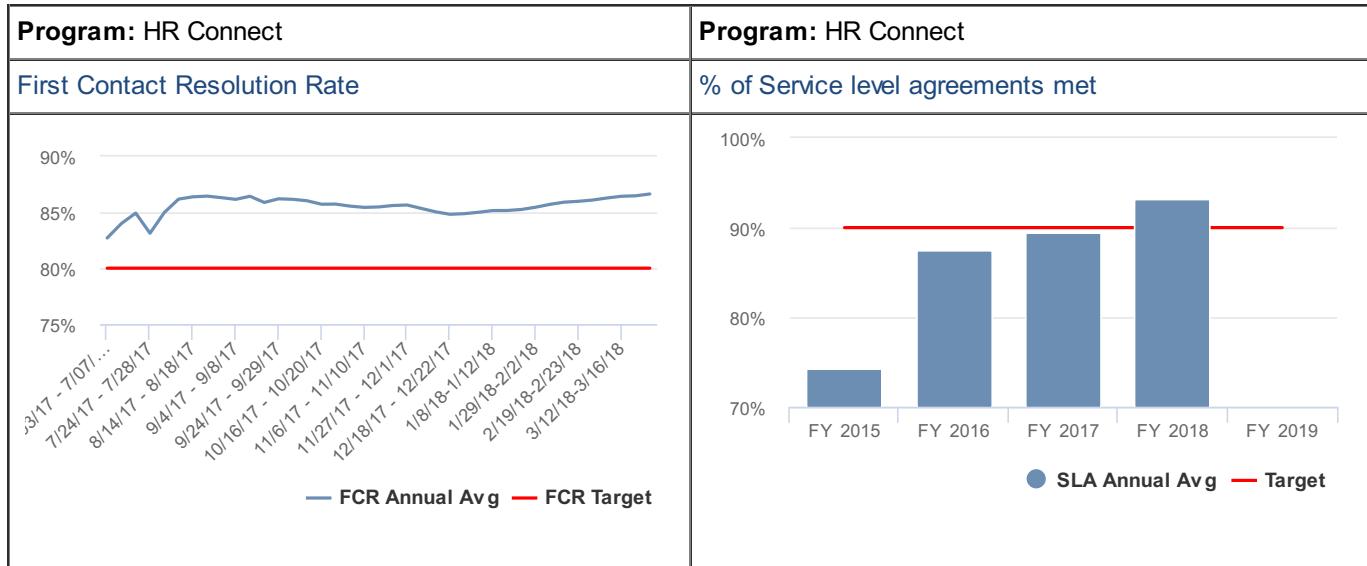
Objective: Make the City of Durham a nationally-recognized employer of choice



Objective: Establish human capital leadership across the organization

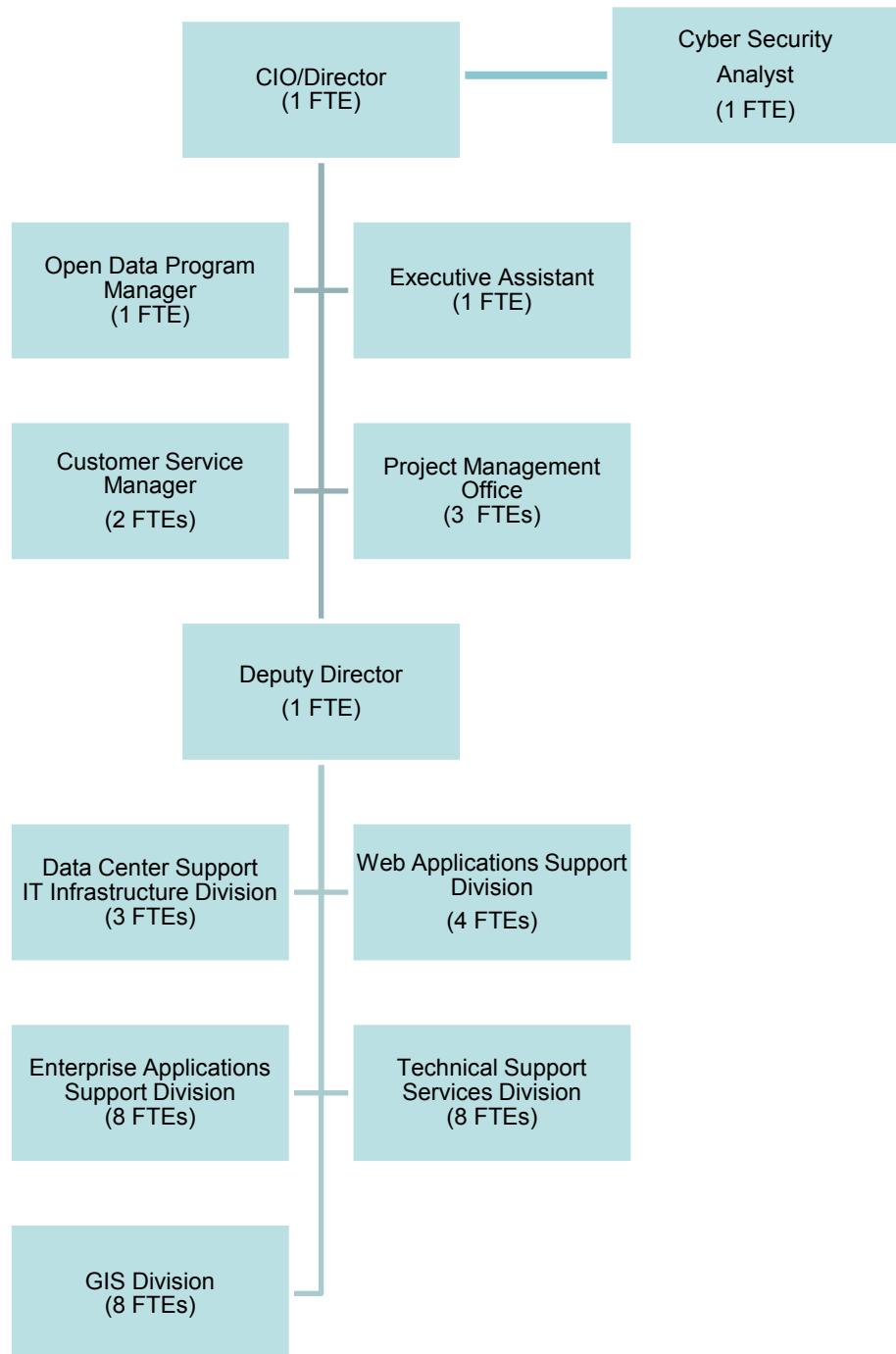


Objective: Create customer experiences that delight and amaze





Technology Solutions (41 FTEs)



TECHNOLOGY SOLUTIONS

Purpose Statement:

To lead Durham into the future by utilizing evolving and emerging technologies.

DEPARTMENT DESCRIPTION

Technology Solutions Department	\$7,235,640
	41 FTEs

The core business of the Technology Solutions (TS) Department is to align and support the City's crucial information technology infrastructure, services, solutions, and TS human capital to the business needs of the City's departments. TS purpose is to lead Durham into the future utilizing evolving and emerging technologies within the framework of IT governance. TS also maintains enterprise security, access control, manages the performance and maintenance of all City's cloud/data center/network resources, applications, telecommunications, and user end points.

Administration

This program provides for strategic planning and executive management of the Technology Solutions Department. Within the TS department's administrative program, there are five business units; Project Management Office, Information Technology (IT) Governance, Performance/Financial/Budget Management, Open Data Program Management, and Administrative Management.

Technical Support Services

The Technical Support Services Program evaluates and deploys new innovative technology citywide that provides optimal business value to our customers. The program supports the end user utilization of the desktop systems, network services, and data center resources. The program also maintains; systems security, network security, systems backup and recovery, end points, e-mail system, internet/cloud connectivity, office productivity tools, multifunctional print devices, business unit applications, metropolitan voice/data network components, and data center resources. This program of the TS department also manages the annual PC Replacement initiative and provides help desk services. In addition, this program provides IT asset management for the entire enterprise, and provides IT training coordination service to all business units.

Innovation & Solutions

The Innovations and Solutions Program effectively aligns the City's ERP and other enterprise solutions to the business needs of the City's departments. The program provides business analysis, web applications development, database development and administration, and enterprise systems support. Critical applications such as Payroll, Accounts Payable, Water Billing, Budget, Human Resources, Contract and Document Management, Work Order Management, etc. are supported by this program. The program supports and maintains the following platforms: document management, work order management, enterprise resource planning, cloud, database, and Internet/Intranet/Extranet. The program also maintains; application security, access control, data security, enterprise application software upgrades, ADA compliance for web applications, software, and maintenance contracts.

Open Data

The Open Data program enables internal efficiency, and it seeks to develop opportunities for entrepreneurship, economic development, commerce, increased investment, and civic engagement through the utilization of open data. This program operates under an inter-local agreement between the City and County's goals to use technology to foster open, transparent, accessible and collaborative government by sharing data freely.

Cyber Security

The Cyber Security program provides best practice security measures to protect the sensitive information of the City of Durham. The Cyber Security program encompasses the following strategies to protect the information:

security awareness training for employees, monitoring and remediating security threats before the City is affected utilizing cyber forensic data collection, conducting proactive internal audits, ensuring new on premise and cloud systems are in compliance with security standards as part of the IT governance process, and implementing proactive security measures based on cyber activity events.

TS Governance

The TS governance program supports the growth and sustainability of the City's portfolio of IT systems. The program ensures that IT and business strategies are aligned. IT governance also ensures that appropriate resources are invested into the IT portfolio of business systems such as hardware, networks, software, information security, storage, and human capital. The CIO Committee and the IT steering committee determines the scope, priority, and schedule for IT projects.

The Geographic Information Systems

The Geographic Information Systems (GIS) program evaluates and deploys new innovative technology citywide that provides optimal business value to our customers. This program operates under an inter-local agreement between the City and County governments to manage the enterprise Geographic Information System and provide related services to internal and external customers. GIS provides and supports critical spatial analytic services that support decision makers in the City and County of Durham. The GIS program provides; mapping services, web application development services, address creation, geo-spatial modeling and analytics, and citizen/business data request. The program maintains; the county-wide 911 address database, public safety data layers, the enterprise spatial database, and GIS applications and platforms.

Technology Surcharge / Land Development Office (LDO)

The City/County Planning and Inspections Departments collect a technology surcharge fee applicable to development permits. These revenues are designated to improving technology associated with the LDO. This application provides automation for permit and case management. It also provides interoperability between departments involved in land development activities throughout the County. TS provides systems support, end point support, connectivity support, and vendor management.

RESOURCE ALLOCATION					
	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 4,093,436	\$ 4,315,121	\$ 4,315,121	\$ 4,543,015	5.3%
Operating	2,406,167	2,804,510	3,242,548	2,692,625	-4.0%
Capital and Other	-	200,000	-	-	-100.0%
Transfers	-	-	-	-	0.0%
Total Appropriations	\$ 6,499,603	\$ 7,319,631	\$ 7,557,669	\$ 7,235,640	-1.1%
Full Time Employees	40	41	41	41	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 6,058,452	\$ 6,531,295	\$ 6,709,333	\$ 6,403,436	-2.0%
Program	441,151	788,336	848,336	832,204	5.6%
Total Revenues	\$ 6,499,603	\$ 7,319,631	\$ 7,557,669	\$ 7,235,640	-1.1%

BUDGET ISSUES FOR FY 2018-19

There are no anticipated budget challenges for FY19 that are not addressed in the IT Governance process.

ACCOMPLISHMENTS FOR FY 2017-18

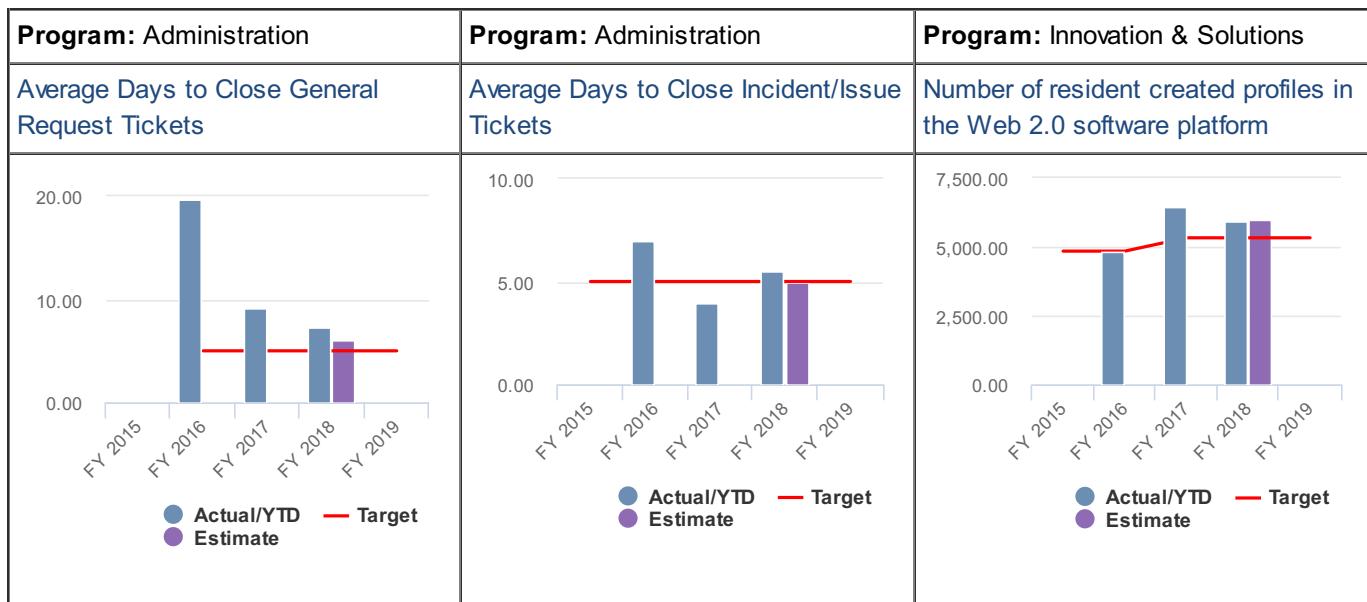
- Received number 2 Digital Cities ranking in the country by The Center for Digital Government (CDG).
- Hired new Senior Cyber Security Analyst.
- Completed Data Center Refresh Phase 1 (Office 365 and Backup system).
- Completed MUNIS upgrade.
- Completed City Works upgrade.
- Completed Granicus upgrade.
- Increased Technology Solution's project management capacity.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

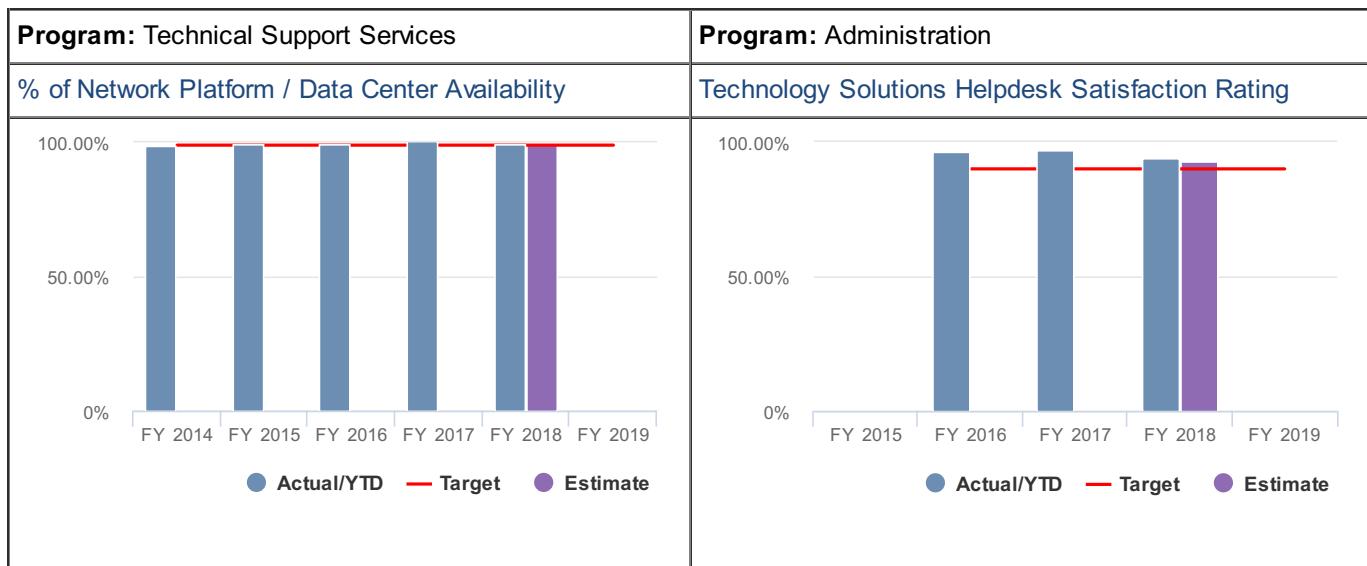
- Complete Data Center Refresh Phase 2 (Virtual Cloud Data Center).
- Project and Portfolio Management tool.
- Onbase enhancement.
- AV upgrade and managed services support.
- Develop business cases for new IT solutions.
- Complete annual IT security audit and remediate identified security vulnerabilities.
- Develop new Open Data sets for the Open Data platform.
- Manage deployment of IT governance approved projects.

DEPARTMENT PERFORMANCE SUMMARY

Objective: Align IT services to provide innovative solutions according to evolving industry standards



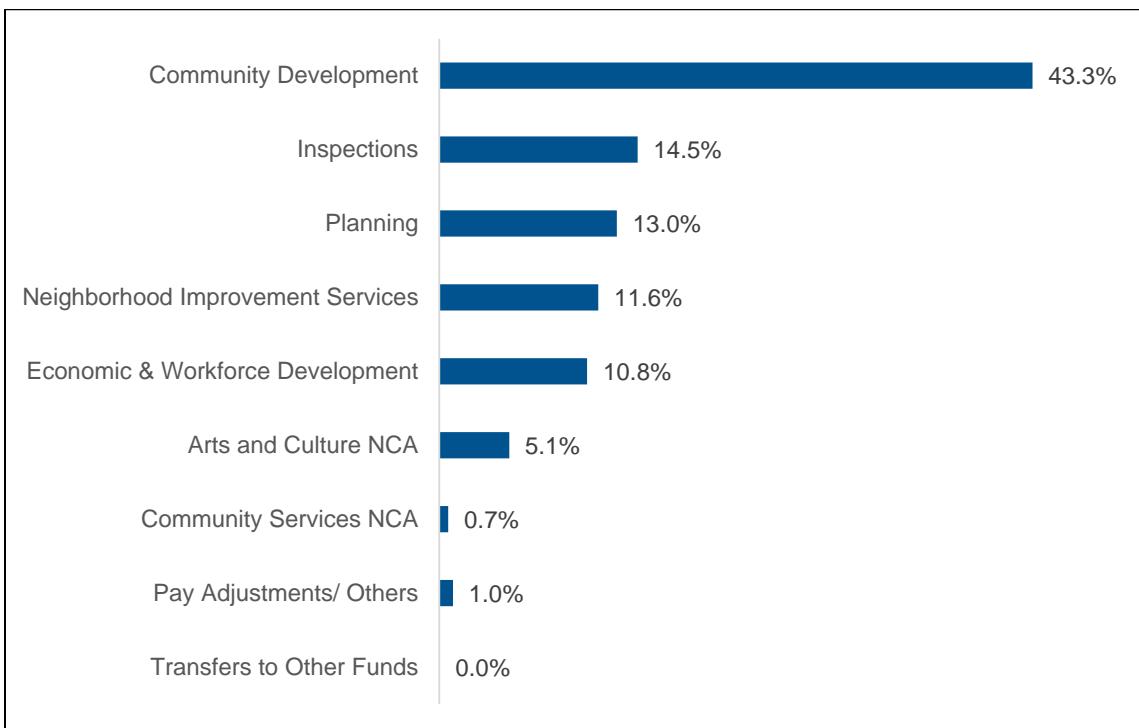
Objective: Maintain all the City IT assets governed by Technology Solutions



COMMUNITY BUILDING
BUDGET SUMMARY

Non-Grant Appropriations	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
City/County Inspections	\$ 4,022,845	\$ 4,302,267	\$ 4,451,355	\$ 5,151,948	19.7%
City/County Planning	3,205,669	3,761,267	3,710,020	4,580,785	21.8%
Community Development	7,382,014	7,390,376	3,073,670	15,400,877	108.4%
Economic Development	2,736,397	3,391,054	4,748,013	3,843,704	13.3%
Neighborhood Improvement	3,954,125	3,873,046	4,030,541	4,134,201	6.7%
Contract Agencies					
Arts and Culture	1,994,219	1,818,486	1,822,597	1,818,489	0.0%
Community Services	171,854	230,302	230,302	237,212	3.0%
Pay Adjustments/Others	1,604	23,849	19,741	355,862	1392.1%
Transfers to Other Funds	1,191,866	10,761	715,045	10,761	0.0%
Total Appropriations	\$ 24,660,593	\$ 24,801,408	\$ 22,801,284	\$ 35,533,839	43.3%
Full Time Employees	150	160	159	172	12.0
Part Time	4	4	5	4	-
Revenues					
General Fund					
Discretionary Program	\$ 15,795,169	\$ 12,482,780	\$ 13,839,081	\$ 13,872,950	11.1%
General Fund Subtotal	2,367,204	2,656,014	2,686,014	3,250,507	22.4%
Dedicated Housing Fund	\$ 18,162,373	\$ 15,138,794	\$ 16,525,095	\$ 17,123,457	13.1%
Inspection Special Revenue Fund	2,475,376	5,360,347	1,824,834	13,258,434	147.3%
Total Revenues	\$ 24,660,593	\$ 24,801,408	\$ 22,801,284	\$ 35,533,839	43.3%
Grants					
Community Development Grants	\$ 3,575,622	\$ 3,393,000	\$ 3,520,426	\$ 3,393,000	0.0%
Neighborhood Improvement Grants	333,250	230,000	230,000	252,000	9.6%
OEWD Grants	1,475,231	1,893,774	1,611,204	2,672,887	41.1%
Planning Grants	60,140	49,920	49,920	43,042	-13.8%
Total Grants	\$ 5,444,243	\$ 5,566,694	\$ 5,411,550	\$ 6,360,929	14.3%
Full Time Employees	18	18	18	18.0	-
Part Time	1	1	1	1	-
Total Budget	\$ 30,104,836	\$ 30,368,102	\$ 28,212,834	\$ 41,894,768	38.0%

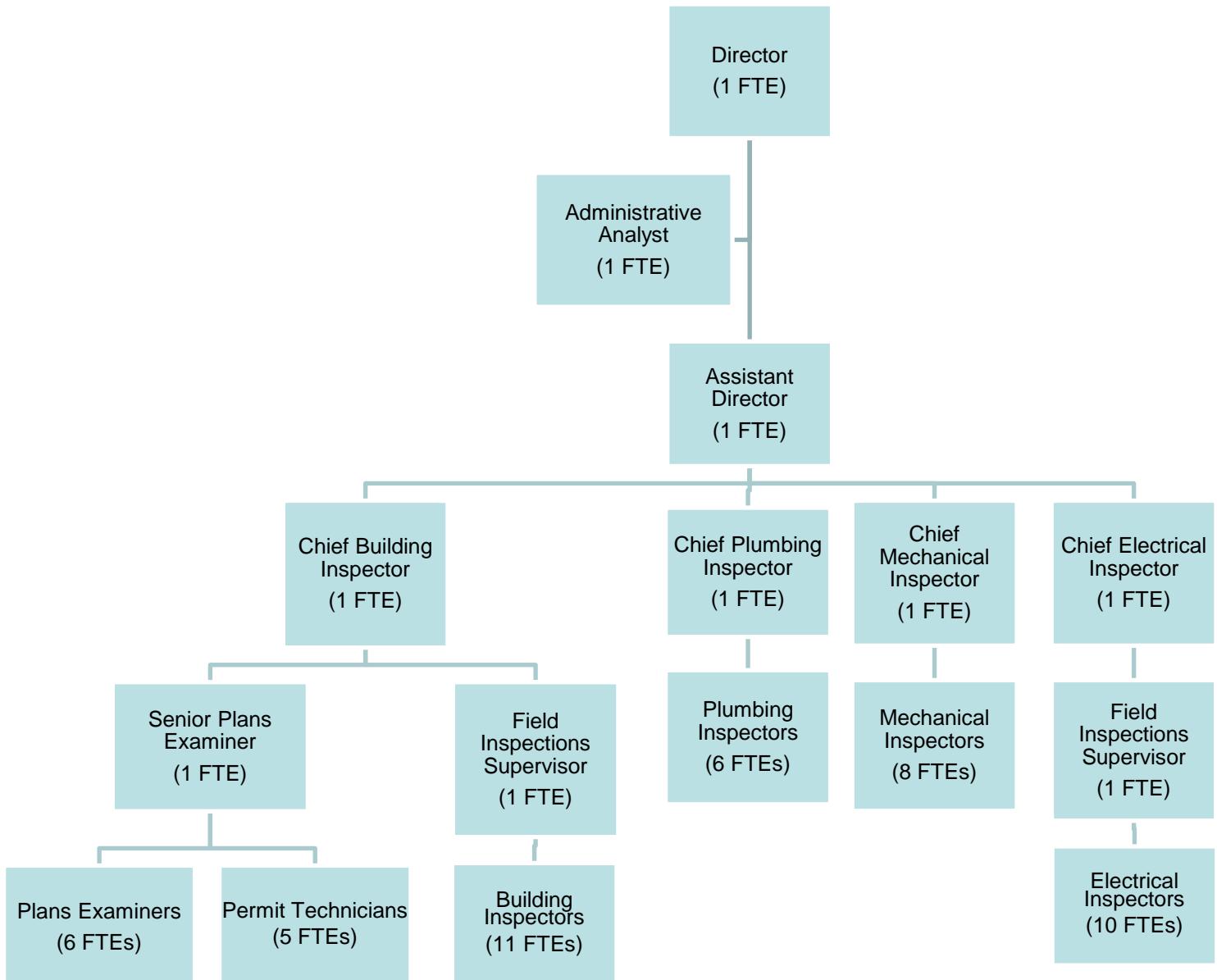
COMMUNITY BUILDING





City County Inspections

(56 FTEs)



DURHAM CITY- COUNTY INSPECTIONS

Purpose Statement:

To provide a cost effective level of service designed to assure the adequate protection of the health and safety of the citizens of the City and County of Durham through assertive enforcement of the various State building, electrical, plumbing, mechanical, fire codes, and local zoning ordinances.

DEPARTMENT DESCRIPTION

Inspection Services	\$5,151,948 56 FTEs
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The City-County Inspections Department is a merged City and County department that administers and enforces the North Carolina State Building Codes and Durham City-County Zoning Ordinances. State law mandates the inspection of all building construction for the purpose of enforcing various construction codes, thereby assuring the adequate protection of the general public's health and safety. In addition, the City and County regulate development through the Unified Development Ordinance (UDO).

The City-County Inspections Department receives permit applications for all construction trades (building, electrical, plumbing, mechanical and fire), reviews plans and specifications (including Fire Prevention plan reviews), issues permits for all construction activity, and follows up with field inspections to determine compliance with all applicable codes and the UDO. The Department also provides daycare facility inspections, semi-annual inspections of all public schools, inspections for the Durham Housing Authority, follow-up inspections in response to citizens' concerns, Board of Adjustment case reviews, Site Plan/Preliminary Plat/Final Plat case reviews, and Re-zoning case reviews.

The current level of service supports economic development activities that increase citizen access to high quality jobs while increasing the City's tax base. This level of service leads to a strong and diverse economy by providing assistance to encourage new and existing development and providing prompt, efficient, and professional plan review and inspection services. In addition, the current level of service provides assistance with efforts to improve the livability of the city, encouraging thriving, livable neighborhoods by managing the City's growth, protecting and preserving the environment, and maximizing the use of public infrastructure by providing plans review and inspections for all renovation/remodeling and new construction activities. This service helps ensure that all residential and commercial construction meets the NC State Building Codes for safety and health, as well as complying with the UDO requirements, which are structured to preserve and protect the environment.

The Inspections Department also provides electrical, plumbing, and mechanical inspections for Neighborhood Improvement Services' projects, in order to assist them in their efforts to eliminate substandard housing (leading to safe and secure communities).

In a continuing effort to reduce crime in Durham (to assist in ensuring a safe and secure community), field inspectors have been trained to recognize potential crime situations so that they can report any suspicious activities directly to 911 by using their cell phones. In addition, the Inspections Department completed another update class with the Police Department on "City-Wide Eyes" (formerly known as "Eyes and Ears") this past fiscal year, which included information on the recognition of suspicious activity. An additional update training class was coordinated with the Police Department and took place on February 22nd, 2017.

An initiative the Inspections Department implemented in previous years (in cooperation with the Police Department and the 911 Center) allows the 911 Center to send text messages over the Inspections Department's cell phones when a crime has occurred and they need field inspectors to be on the lookout for a suspect or a vehicle involved in a crime.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 3,835,723	\$ 4,020,688	\$ 4,060,188	\$ 4,898,007	21.8%
Operating	187,122	258,579	240,670	253,941	-1.8%
Capital and Other	-	23,000	150,497	-	-100.0%
Total Appropriations	\$ 4,022,845	\$ 4,302,267	\$ 4,451,355	\$ 5,151,948	19.7%
Full Time Employees	46	50	50	56	6
Part Time	3	3	3	3	-
Revenues					
Special Revenue Fund	\$ 4,022,844	\$ 4,302,267	\$ 4,451,355	\$ 5,151,948	19.7%
Total Revenues	\$ 4,022,845	\$ 4,302,267	\$ 4,451,355	\$ 5,151,948	19.7%

BUDGET ISSUES FOR FY 2018-19

- Recently enacted State mandate requires single permits and inspections (mechanical and electrical) for HVAC replacements. We are still sending our Mechanical Inspectors to training classes to obtain their Electrical certifications.
- Continuous enhancements to the Land Development Office (LDO) software.
- Will continue to provide limited cross-training for Mechanical and Plumbing certification in the Mechanical and Plumbing Divisions for specific types of projects.
- Additional training associated with the upcoming adoption of the new North Carolina Electrical Code (training for electrical inspectors and electrical contractors), as well as the adoption of upcoming revisions of North Carolina Building, Mechanical, Plumbing, and Fire Codes.
- We are requesting approval of one additional Mechanical Inspector for the upcoming fiscal year.
- Additional training associated with the implementation of the new plans review software.

ACCOMPLISHMENTS FOR FY 2017-18

- Provided plans review, field inspections, and customer service efforts for over \$1.4 billion worth of construction value for construction projects.
- Set new records regarding the number of permits issued. The Electrical Division issued 11,027 permits; the Plumbing Division issued 5,335 permits; and the Mechanical Division issued 9,139 permits. The total number of permits issued by the Department was 30,672 permits.
- Inspected all public schools twice during the year, and all new daycare facilities.
- Conducted requested inspections within 24 hours, over 90% of the time.
- Maintained 100% compliance with the Fleet Preventive Maintenance program.
- Performed two quality assurance inspections behind each field inspector each month.
- Provided a bi-lingual employee in the Administrative Division and two bi-lingual employees in the Plans Review Division to support the City's Hispanic initiatives.
- Participated in economic development projects such as: Bayer Crop Science Greenhouse project, Argos Therapeutics project, United Therapeutics renovations, Purdue Pharmaceutical Manufacturing up-fit, Novan Therapeutics, Syngenta Data Center, Del Webb Carolina Arbors residential community project, Creekside at Bethpage residential community project, Duke University Wallace Wade Stadium renovations project, Duke University Cameron Addition and Parking Garage project, Duke University Arts Building, Duke University Joseph Wadsworth Eye Center Renovation project, Duke

University W.D. Murray Building, Duke University Health and Wellness Center, Duke University Nursing Unit Renovation, Duke University West Union Building, Duke University Thomas Center, Fuqua School of Business, Chesterfield Building Renovation project, Triangle Business Center project, JA Whitted School Renovations and Addition, Danbury Hall at Imperial Center, KIPP Durham College Preparation Addition, Southpoint Professional Building, multiple new apartment complexes and hotel projects (for example: The Brannan Apartments, Woodfield Gateway Apartments, Avellan Springs Apartments, Liberty Warehouse Apartments, Davis Drive Apartments, Solis at Ninth Street Apartments, The Reserve at Park Place Apartments, Ellis Road Apartments, Woodstone Apartments, 21C Hotel, Marriott Residence Inn Hotel, A-Loft Hotel, Hotel Durham, Home 2 Suites by Hilton, Millenium Hotel renovations, Convention Center and Marriott Hotel renovations, etc.), Durham City Center 29 story high-rise project, Solar Farm projects, Jack Tar Hotel and Parking Deck renovations, Sentinel Data Center and Phase II project, Fed X Ground Distribution Center, the old Durham County Judicial Building renovations, Research Triangle Institute project, the new Durham Police Headquarters, Google Fiber projects, Amazon Distribution Center, etc.

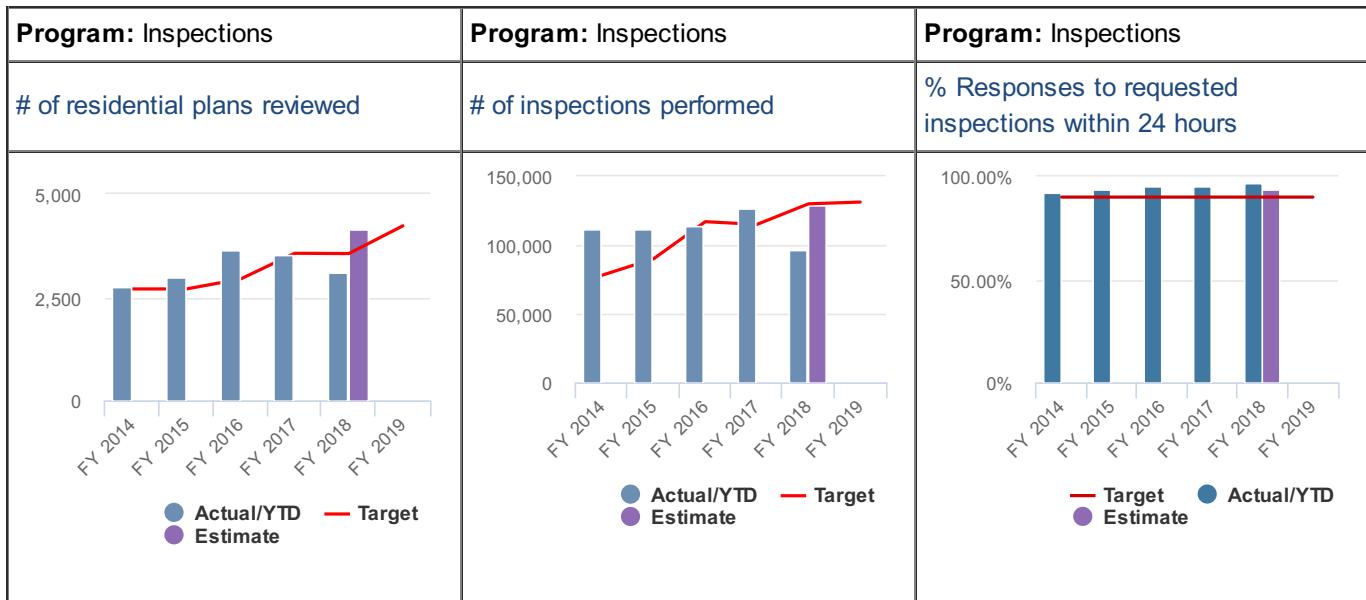
- Participated in successful 911 and Police Department “City-Wide Eyes” program that sends text message notification to field inspectors about break-ins, robberies, etc.
- Completed another “City Wide Eyes” training session, led by the Durham Police Department.
- Created three new permit screens for LDO (Stocking, Partial Occupancy, and Multi-Trade).
- Continuing to assist with the construction on the City Center project, including weekly reviews of their Noise Ordinance Variance requests for on-going concrete pours.
- Partnered with the Habitat for Humanity Home Builders Blitz Program in Northeast Central Durham providing night and weekend inspections, as well as “top priority” inspections; thereby assisting with the City’s and County’s affordable housing initiatives and the fight against poverty initiatives.
- Partnered with Habitat for Humanity as they constructed 19 new homes in Census Tract 10.01 during FY 2017, as well as 2 historic rehabilitation projects and 2 repair projects.
- Participated in specialized training by the Stormwater Division of Public Works to train our field inspectors to be extra eyes and ears in the field to report illegal dumping into the City’s stormwater drains.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

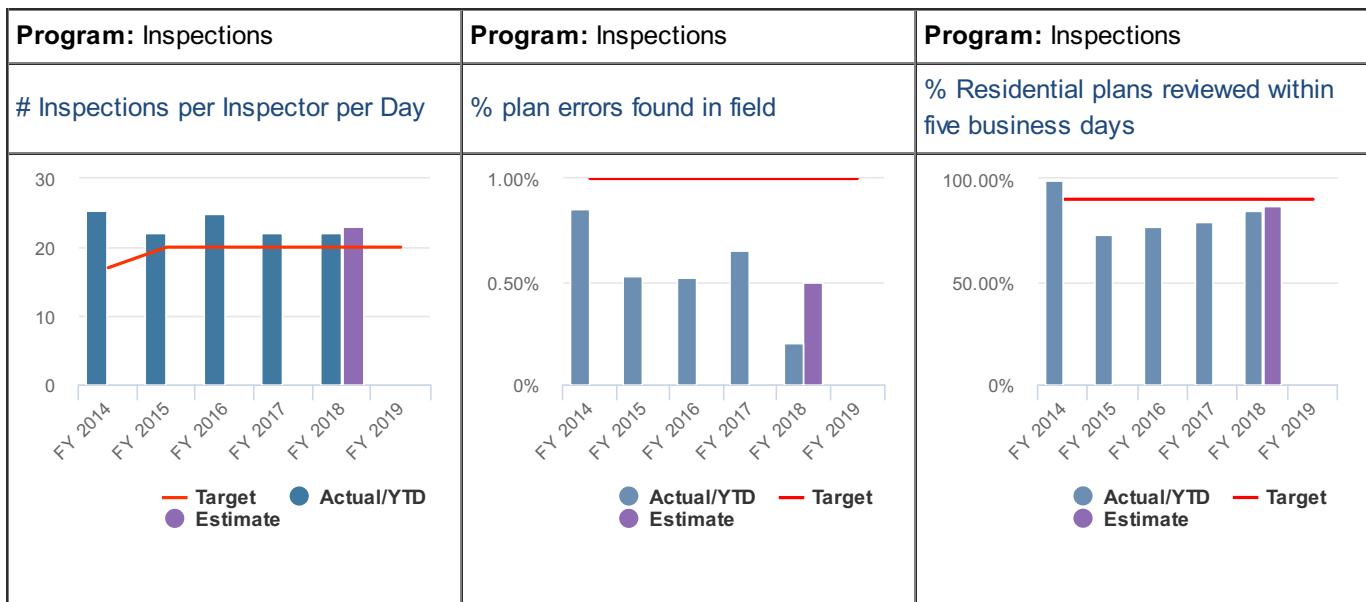
- Assist in the reduction of the incidence of crime through participation in the “City-Wide Eyes” program, provide updated training, and continue with participation in the text-messaging initiative with the Police Department and the 911 Center.
- Assist with enforcement of the UDO (Unified Development Ordinance) Resource Protection provisions.
- Implement enhancements to the LDO software.
- Assist with Pothole Hotline program, whereby field inspectors report potholes.
- Assist with Keep Durham Beautiful program, whereby field inspectors report violations.
- Assist with Leadership in Energy and Environmental Design/Green Build (LEED) by training staff in LEED issues, and by reviewing and approving systems in water reclamation.
- Continue to provide cross-training for Mechanical and Electrical certification in the Mechanical Division for specific types of projects.
- Improvements to Departmental website, including comprehensive listing of “Frequently Asked Questions”.
- Fully implement the new plan review software program.
- Develop and implement the new inspections scheduling software, which will streamline the process for setting up appointments for homeowners with HVAC replacements.
- Continue to partner with Habitat for Humanity in their efforts in Census Tract 10.01, as well as their efforts in Northeast Central Durham.

DEPARTMENT PERFORMANCE SUMMARY

Objective: Provide Seamless Services to Customers

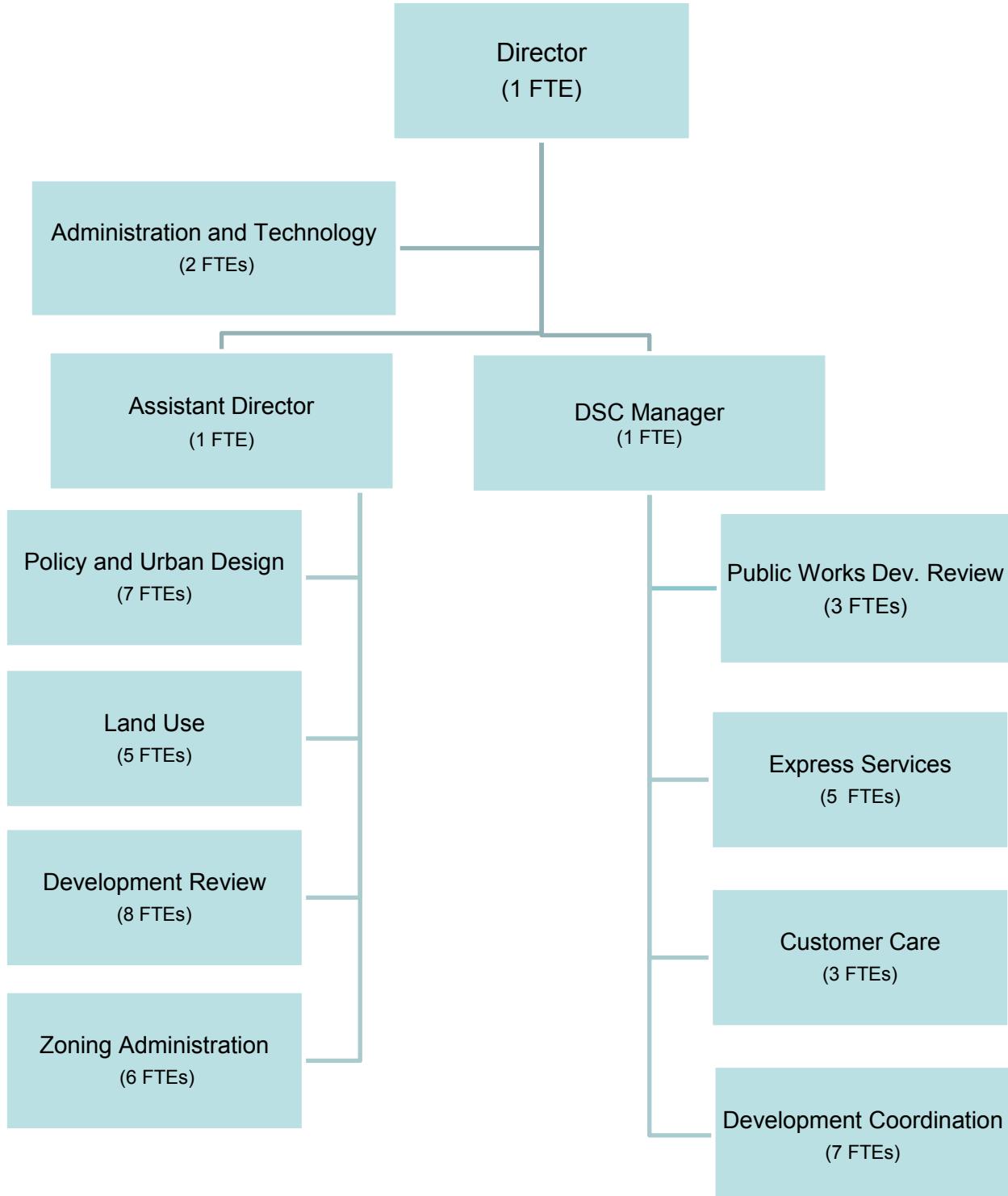


Objective: Provide Seamless Services to Customers





City-County Planning (49 FTEs)



DURHAM CITY - COUNTY PLANNING

Purpose Statement:

To guide the orderly growth and enhancement of the Durham community while preserving its cultural heritage and natural resources.

DEPARTMENT DESCRIPTION

Planning	General Fund: \$4,483,140 47 FTE
	Stormwater Funds: \$108,406 1 FTE
	Grant Funds: \$43,042* 1 FTE

The Durham City-County Planning Department was established under NCGS § 153A-321 and NCGS § 160A-361, through an Interlocal agreement with Durham County. The Planning Department serves as the professional planning agency for both the City and County. The Department performs complex land use evaluations and provides plans, reports, information, and recommendations to elected boards, City and County Managers, seven appointed boards and commissions, and the general public. The Department is also the lead department in implementing and enforcing regulatory controls on development applications. The Department works collaboratively with City, County, state, and federal agencies on land use issues. An annual Planning Department Work Program is presented to the City Council and Durham County Board of County Commissioners for adoption in accordance with the Interlocal agreement.

Development Coordination and Review

The Department processes and reviews all proposals for new development to ensure that they are consistent with adopted City and County policies, plans (including the *Durham Comprehensive Plan*), the provisions of the *Unified Development Ordinance* (UDO), and other applicable ordinances. Development Review and Express Review staff reviews and approves administrative applications, including coordinating review of floodplain development permits, along with floodplain reviews of site plans and building permits, on behalf of the City Public Works Department's Stormwater Services division. Land Use staff prepares professional recommendations about development proposals to quasi-judicial and elected boards. The Department manages physical and digital records and public notification as required by state statutes and the UDO.

Zoning Compliance and Enforcement

Staff monitors and enforces compliance with the *Durham Unified Development Ordinance* and certain other City and County codes proactively and in response to complaints, and manages physical and digital records as required by State statutes and the UDO. Staff also monitors and enforces compliance with approved site plans.

Policy Development

The Department prepares and updates the *Durham Comprehensive Plan*; prepares plans, policies, programs, and recommendations about land use, historic preservation, urban design, environmental protection, trails and greenways, and open spaces to preserve Durham's natural and cultural resources. The Department participates in planning for regional transit; provides demographic support to the City and County of Durham; plans, organizes, and facilitates urban design studios for specific topics or special projects; and prepares proposed amendments to the *Unified Development Ordinance*.

Public Information

Through the Development Services Center (DSC) and an extensive website, the Department provides a wide range of information to the public about properties, planning, and development in Durham. The DSC provides a one-stop-shop for development services, including application intake, in-person customer service, and quick turn-around for minor building projects and planning approvals. The mission of the DSC is to improve the coordination, predictability, timeliness, and quality of customer service delivery and the development review process. The DSC

*Grant funding from the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO) for one full-time, temporary planner position received by the Transportation Department and passed through to Planning.

is staffed by employees from City-County Planning, City-County Inspections, and Public Works Departments. The DSC staff coordinates with over 20 City and County Departments to administer over 70 different permits and/or review types. Planning staff provides support to several joint City-County boards and commissions including the Historic Preservation Commission, the Board of Adjustment, and the Planning Commission. Planning staff also provides assistance to various advisory City-County boards and commissions including the Appearance Commission, Durham Open Space and Trails Commission, the Environmental Affairs Board, and the Joint City-County Planning Committee.

RESOURCE ALLOCATION TABLE

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
<i>Non-Grant Appropriations</i>					
Personal Services	\$ 3,007,440	\$ 3,460,853	\$ 3,310,853	\$ 3,981,497	15.0%
Operating	198,229	300,414	399,167	599,288	99.5%
Capital and Other	-	-	-	-	0.0%
Transfers	-	10,761	10,761	10,761	0.0%
Total Appropriations	\$ 3,205,669	\$ 3,772,028	\$ 3,720,781	\$ 4,591,546	21.7%
Full Time Employees	38	43	43	48	5
Part Time	-	-	-	-	-
<i>Revenues</i>					
Discretionary	\$ 870,251	\$ 1,118,514	\$ 1,037,267	\$ 1,235,133	10.4%
Program	2,335,418	2,653,514	2,683,514	3,248,007	22.4%
Total General Fund	\$ 3,205,669	\$ 3,772,028	\$ 3,720,781	\$ 4,483,140	21.7%
Stormwater Fund	\$ -	\$ -	\$ -	\$ 108,406	0.0%
Total Revenues	\$ 3,205,669	\$ 3,772,028	\$ 3,720,781	\$ 4,591,546	0.0%
<i>Grant</i>					
Personal Services	\$ 60,140	\$ 49,920	\$ 49,920	\$ 43,042	-13.8%
Operating	-	-	-	-	0.0%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 60,140	\$ 49,920	\$ 49,920	\$ 43,042	-13.8%
Full Time Employees	1	1	1	1	-
Part Time	-	-	-	-	-
<i>Transportation Planning</i>					
Grant Revenue	\$ 60,140	\$ 49,920	\$ 49,920	\$ 43,042	-13.8%
Total Grant Revenue	\$ 60,140	\$ 49,920	\$ 49,920	\$ 43,042	-13.8%
Total Budget	\$ 3,265,809	\$ 3,821,948	\$ 3,770,701	\$ 4,526,182	18.4%

BUDGET ISSUES FOR FY 2018-19

- Planning Department operational expenses are largely driven by legal requirements in the UDO, City Code, and state legislation.
- The Planning Department and a significant number of the DSC's Partner Work Units do not fully recover costs, therefore reliance on the general fund and competing general fund priorities causes uneven staff availability for development review.
- The Department must continue to accommodate new state legislation and court cases related to UDO requirements, placing unexpected demands on the work program.

ACCOMPLISHMENTS FOR FY 2017-18

Development Coordination and Review

- Provided timely review and processing of development applications (projected EOY):

Site Plans	260
Subdivisions	327
Board of Adjustment Cases	51
Certificates of Appropriateness	95
Zoning Map Changes	49
Comprehensive Plan Map Amendments	15
Annexations	20
Street Closings	9
Building Permit Design Compliance Reviews	1,292
Sign Permit Reviews	661
Common Signage Plan Reviews	39
Architectural Reviews	8
Home Occupation Permits	187
Limited Agriculture Permits	5
Outdoor Seating Permit Reviews	5
Street Vendor Registrations	190
Temporary Use Permits	96

- Verified allowable use or change of use for 358 properties in addition to those listed above, including 19 family care homes/group homes.
- Coordinated with the Police Department to verify allowable use for 76 ABC permit applications.
- Coordinated with the City-County Inspections Department to verify allowable use before electrical reconnection for 104 properties.
- Coordinated with the County Sedimentation and Erosion Control Office for single-family grading permits for 25 properties.
- Coordinated the review of five Selective Vegetation Removal Permits for consideration by NCDOT.
- Coordinated with the City Public Works Department – Stormwater Services in reviewing 16 Floodplain Development Permits, in addition to floodplain-related reviews of 168 site plans or plats and 64 building permits, and responded to 165 information requests related to FEMA floodplain.
- Began coordinating with the Public Works Department on the review and inspection of facilities proposed under the new Small-Cell Wireless ordinance adopted by City Council in February 2018.
- Continued development process improvements, including "Development Roundtable" committee, where representatives from the development community meet monthly with the directors from Planning, Public Works, and Inspections on issues or concerns.
- Developed Memorandum of Understanding with 40 DSC Partner Work Units to identify services provided on behalf of Durham's development process.
- Continued ongoing improvements to permit application checklists to ensure a greater percentage of applications can be received and processed upon initial submittal.
- Relocated the following development services to the DSC: Construction Drawing triage; No Practical Alternative Application (NPAA) review; Floodplain As-built review; and Floodplain Buffer Mitigation.
- Established bi-monthly stakeholder forums to summarize new development processes and receive feedback.

- Worked with multiple departments on enhancements to the Land Development Office (LDO) database.
- Assisted in implementing Goal 1 of the City Strategic Plan.

Zoning Compliance and Enforcement

- Provided timely enforcement of the UDO:

Zoning Enforcement Cases Initiated	1,032
Site Compliance Cases Initiated	592
- Continued the zoning enforcement patrol program as resources permitted.
- Enforced standards for mobile vendors as directed by the City Manager.
- Enforced outdoor seating standards in the Downtown Design District as directed by the City Manager.
- Enforced regulations for spacing of group and family care homes.

Policy Development

- Completed recertification of Durham County's participation in the National Flood Insurance Program (NFIP) Community Rating System (CRS).
- Completed or worked on significant revisions to the UDO, including:
 - *Revisions to the Signs Article*, underway;
 - *Updates to Design District Regulations*, adopted by the City Council and Board of County Commissioners;
 - *Omnibus Changes XI*, adopted by the City Council and Board of County Commissioners;
 - *Technical Updates Regarding Sedimentation and Erosion Control and State Legislation*, adopted by the City Council and Board of County Commissioners; and
 - *Compact Neighborhood Interim Affordable Housing Bonuses*, adopted by the City Council and Board of County Commissioners.
- Completed the annual Evaluation and Assessment Report of the *Durham Comprehensive Plan*.
- Participated in a multi-departmental effort to work with the GoTriangle to develop and implement a Regional Transit Plan.
- Worked with GoTriangle to manage an Federal Transit Admimstration (FTA) transit grant for a variety of station area planning tasks.
- Worked on the Patterson Place Compact Design District, hosting several public meetings.
- Worked on the development of a Commercial Infill zoning district for the Angier/Driver commercial area.
- Completed the development of a Neighborhood Protection Overlay for Old West Durham.
- Adoption of technical updates to the Cleveland-Holloway Local Historic District by the City Council.
- Maintained Certified Local Government Status for historic preservation.
- Completed the development of a Comprehensive Plan Community Profile.
- Worked with the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization on data collection and analysis as well as transportation modeling for the development of the next Metropolitan Transportation Plan.
- Participated in Triangle J Council of Government (TJCOG) planning efforts including the Center of the Region (CORE) Project and the Smart Growth Committee.
- Assisted in the development and presentation of the legislative agenda.
- Performed demographic analysis for the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (MPO).
- Assisted in implementing Goals 3 and 5 of the City Strategic Plan.
- Provided Departmental GIS and computer hardware and software support.

Public Information

- Managed the Customer Service Center and provided timely response to all general public inquiries (projected EOY total contacts of 127,000 total DSC contacts, including 55,500 Planning contacts).
- Established three new information products to help customers perform property or project analysis prior to submitting a formal application.
- Implemented new customer tracking software to track and respond to phone, walk-in, and email customers for all DSC Partner Work Units.
- Partially centralized intake, cashiering, and inquiries for walk-in, phone, and web-based customers on behalf of 40 Partner Work Units.

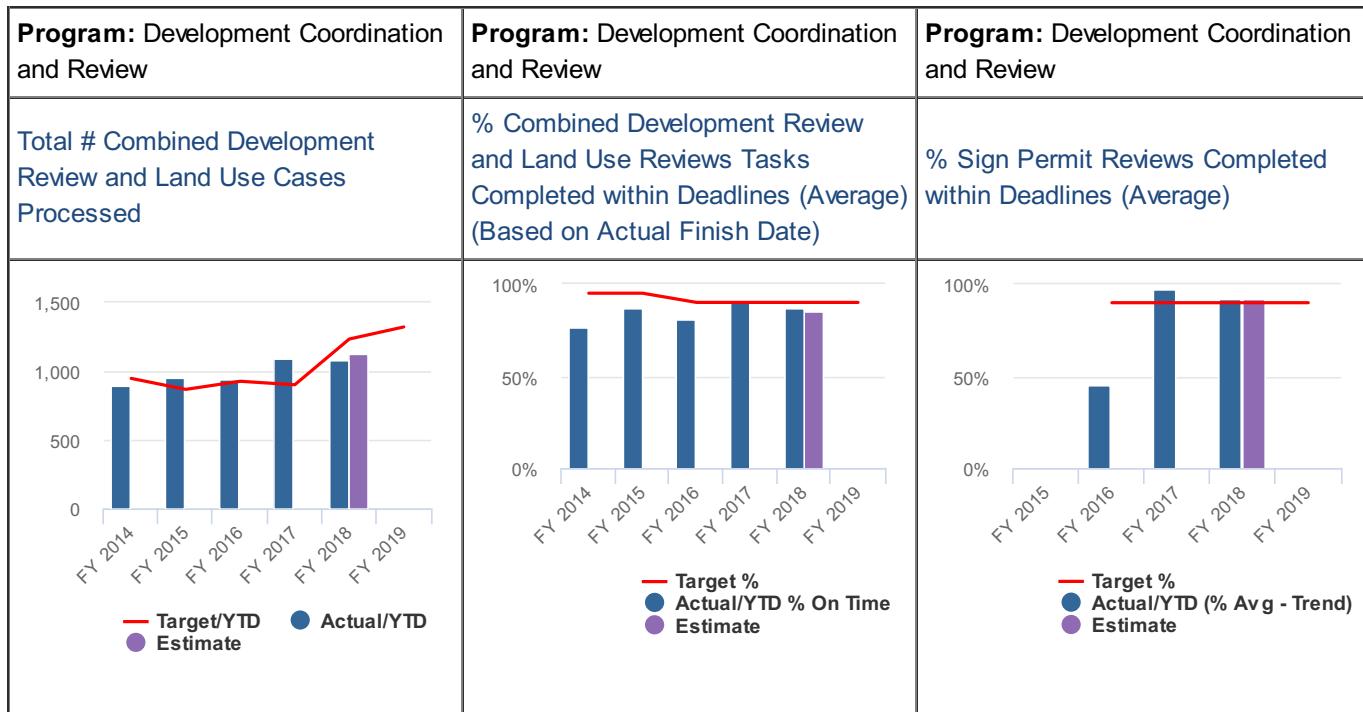
- Developed new DCS web site, which consolidates development-related information from the DSC's Partner Work Groups.
- Developed an online knowledge base, which includes searchable articles that provide answers to frequently asked questions about Durham's development process.
- Developed a user guide for small businesses, which summarizes the business start-up process from initial concept to final occupancy.
- Developed a series of interconnected web-based process flow charts that visually summarize how to navigate the development process for all major development applications and permits.
- Staffed seven appointed boards and commissions, as well as participated in numerous regional committees:
 - Joint City-County Planning Committee;
 - Planning Commission;
 - Board of Adjustment;
 - Historic Preservation Commission;
 - Environmental Affairs Board;
 - Durham Open Space and Trails Commission, and
 - Appearance Commission.
- Made progress on conversion of paper files to digital files, with the assistance of temporary staff and a youth intern.
- Hosted the second annual Planning Academy, a four-week course for 20 citizens to learn more about planning concepts and processes.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

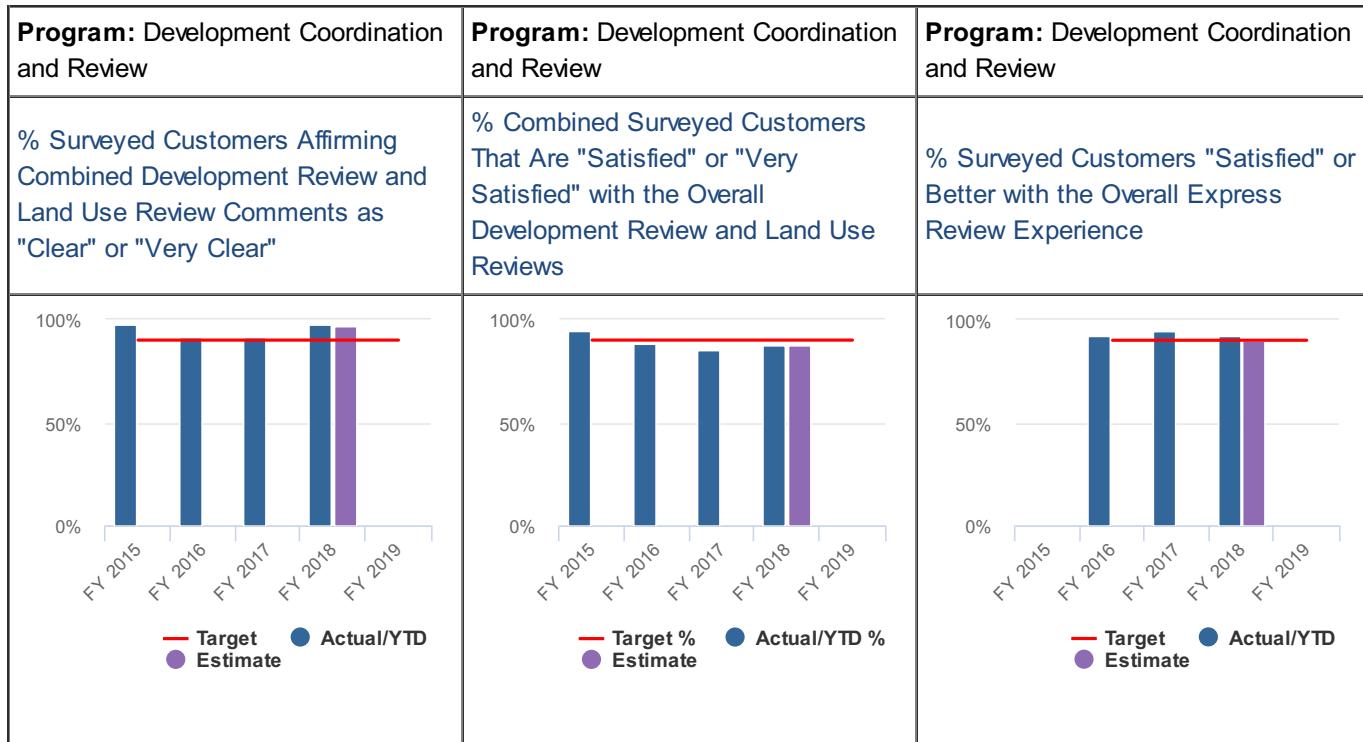
- Continue on-going work activities as defined in the adopted annual Work Program.
- Continue to make significant improvements to the UDO and development review processes.
- Complete the Annual Evaluation and Assessment Report for the *Durham Comprehensive Plan*.
- Continue ongoing technical amendments to the UDO.
- Respond to mandates from the NC General Assembly regarding development regulations.
- Adoption of revisions to the UDO Signs Article.
- Maintain Certified Local Government status.
- Maintain the NFIP Community Rating System certification for Durham County.
- Adoption of the Patterson Place Compact Design District.
- Continue work on Compact Neighborhood station area design districts, and develop suburban station Compact Design District regulations.
- Participated in a multi-departmental effort to work with the Triangle Transit Authority to develop and implement a Regional Transit Plan.
- Initiate work on a new *Durham Comprehensive Plan*.
- Adoption of the Commercial Infill zoning district for the Angier/Driver commercial area.
- Continue the zoning enforcement patrol program as resources permit.
- Continue to convert existing paper files to digital files with the assistance of youth interns, temporary staff, and a scanning contractor.
- Work with the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization on data collection and analysis as well as transportation modeling for the development of the next Metropolitan Transportation Plan.
- Host two Planning Academy sessions, a four-week course for citizens to learn about planning concepts and processes.

DEPARTMENT PERFORMANCE SUMMARY

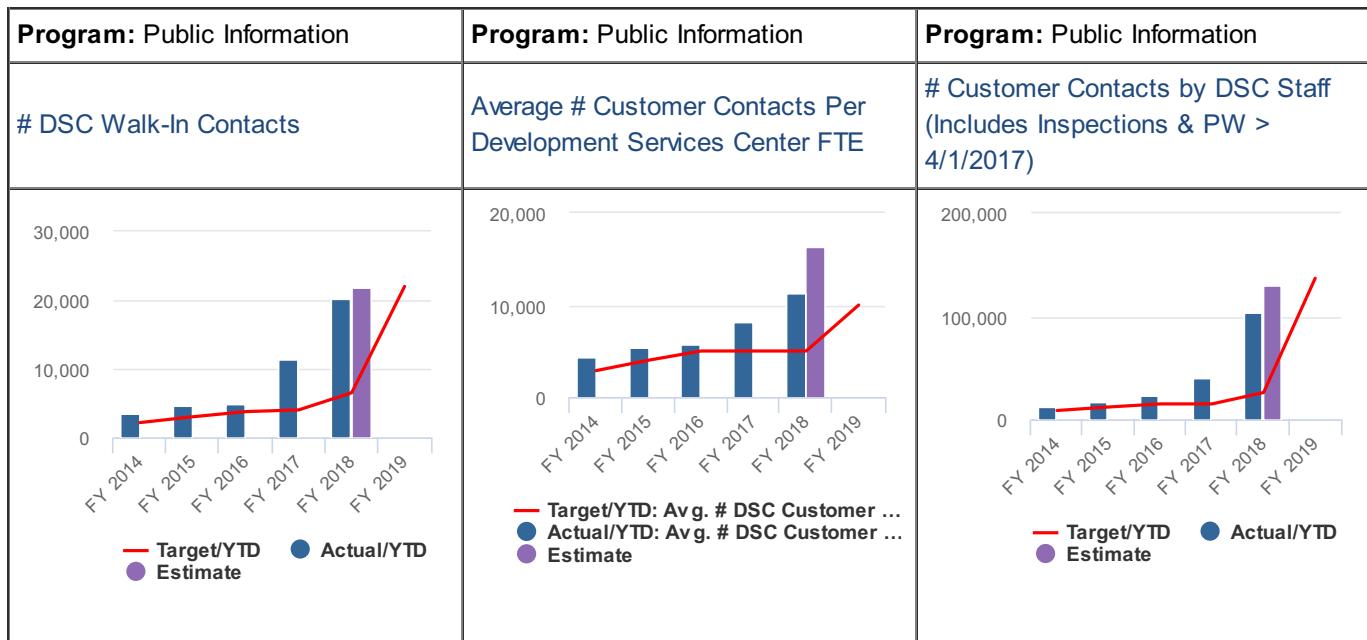
Objective: Manage a process for reviewing development that is coordinated, efficient, predictable, fair, and transparent



Objective: Enhance the Department's communication with residents, developers, and other customers concerning property, development, and regulations



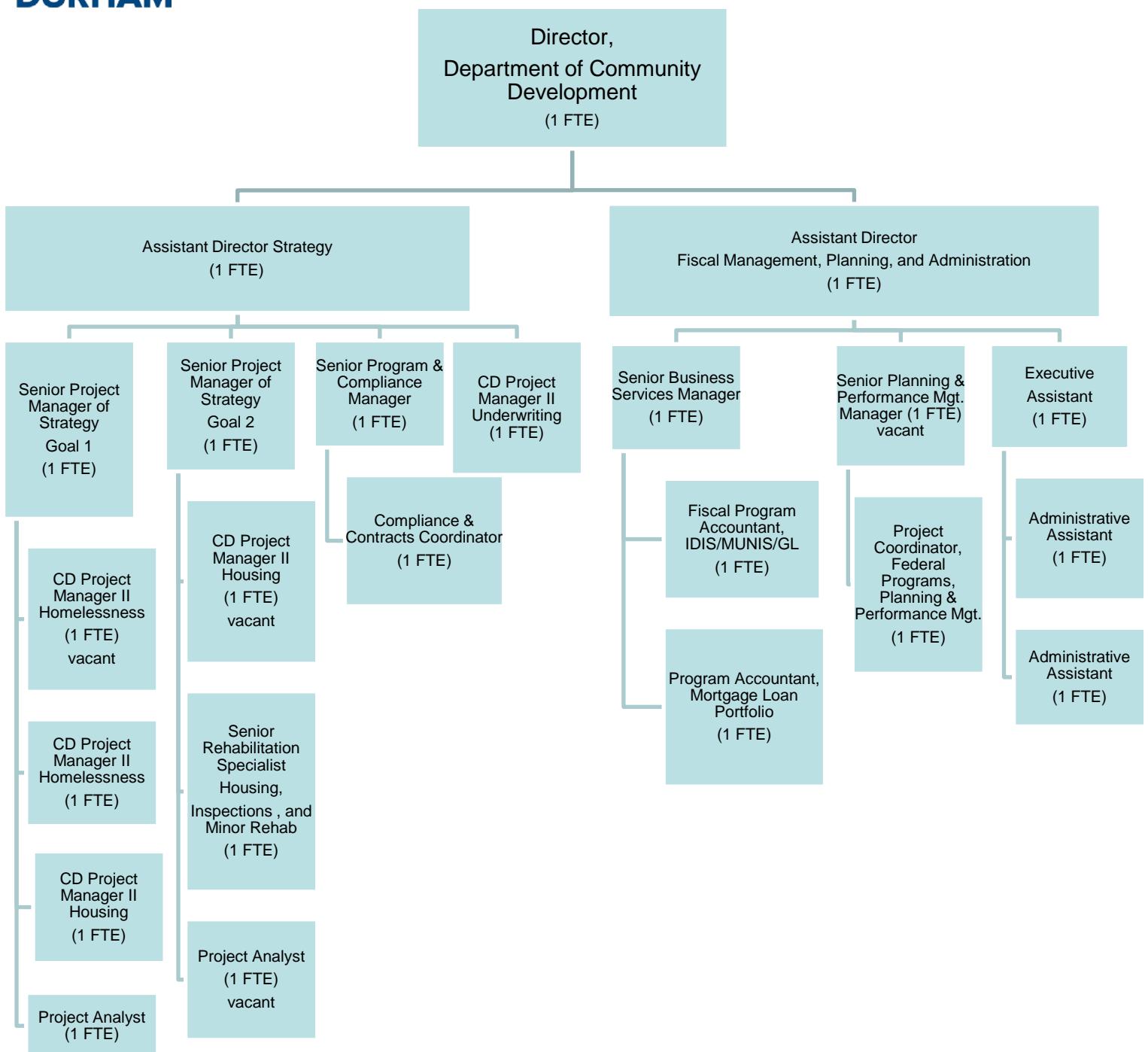
Objective: Provide professional planning services in a location and setting convenient and pleasant for customers, marked by ease of access, convenient parking





CITY OF
DURHAM

Community Development (23 FTEs)



COMMUNITY DEVELOPMENT

Purpose Statement:

The mission of the Department of Community Development is to foster safe, decent and sustainable neighborhoods and to enhance housing quality and affordability for the citizens of Durham.

DEPARTMENT DESCRIPTION

General Fund: \$2,142,443

15 FTE

Dedicated Housing Fund: \$13,258,434

1 FTE

Grant Funds: \$3,393,000

7 FTE

Fiscal Management and Planning Administration Division

This Division provides oversight and administration of managerial functions that are required for daily operations of the department. While this Division does not have any programs associated with it, it performs many roles that are included in the programs under Housing Development and Project Administration. These roles involve Departmental management, HUD reporting, consolidated planning, compliance and monitoring, fiscal and budgetary management, loan portfolio management and servicing, Integrated Disbursement Information Systems (IDIS) data management, and housing counseling. Program administration will effectively manage entitlements, recovery funds, other grants, and the Department of Community Development (DCD) programs to ensure fiscal responsibility through internal controls, and compliance monitoring, and continue to realign services to better meet the needs of citizens, non-profits, for-profits, and the community.

Housing Development and Project Administration Division

This Division provides oversight and administration of community development, housing development, community revitalization and redevelopment projects; programs and services intended to stabilize communities through housing production; public service delivery; IDIS grant reporting and project performance; homebuyer initiatives; housing rehabilitation; federal grant programs; customer service; and partnerships with non-profit and for profit entities. The following specific programs are administered under this Division:

Neighborhood Revitalization & Affordable Housing Program: This program seeks to increase the rate of homeownership and the supply of quality affordable rental housing in targeted and non-targeted neighborhoods. Additionally, this program focuses on revitalizing neighborhoods with the objective of alleviating disinvestment.

Homeless Systems Coordination: This program seeks to reduce the number of homeless families and individuals in Durham through methods of case management, essential services, permanent housing with supportive services, and rapid re-housing. Additionally, this program enables the administration and coordination of Continuum of Care (COC) and the Homeless Services Advisory Committee (HSAC). This program also provides operating expenses for emergency shelters.

HOPWA Program: The Housing Opportunities for Persons With AIDS (HOPWA) program helps HIV/AIDS-positive individuals improve their health by providing stable housing as a basis for increased participation in comprehensive care.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
<i>Non-Grant</i>					
Appropriations					
Personal Services	\$ 1,411,246	\$ 1,686,175	\$ 1,434,722	\$ 1,777,657	5.4%
Operating	1,808,768	2,944,194	1,638,948	13,623,220	362.7%
Capital and Other	4,162,000	2,760,007	-	-	-100.0%
Transfers	1,191,866	-	704,284	-	0.0%
Total Appropriations	\$ 8,573,880	\$ 7,390,376	\$ 3,777,954	\$ 15,400,877	108.4%
Full Time Equivalents	15	16	16	16	-
Part Time	-	-	-	-	-
<i>Revenues</i>					
Discretionary Program	\$ 6,098,505	\$ 2,030,029	\$ 1,953,120	\$ 2,142,443	5.5%
Total General Fund	\$ 6,098,505	\$ 2,030,029	\$ 1,953,120	\$ 2,142,443	5.5%
Dedicated Housing Fund	2,475,376	5,360,347	1,824,834	13,258,434	147.3%
Total Revenues	\$ 8,573,881	\$ 7,390,376	\$ 3,777,954	\$ 15,400,877	108.4%
<i>Grant</i>					
Personal Services	\$ 553,926	\$ 583,220	\$ 583,220	\$ 584,647	0.2%
Operating	3,021,696	2,809,780	2,937,206	2,808,353	-0.1%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 3,575,622	\$ 3,393,000	\$ 3,520,426	\$ 3,393,000	0.0%
Full Time Employees	7	7	7	7	-
Part Time	-	-	-	-	-
<i>Revenues</i>					
CDBG	\$ 2,245,289	\$ 1,900,000	\$ 1,948,016	\$ 1,900,000	0.0%
HOME	1,068,233	1,000,000	1,072,366	1,000,000	0.0%
Emergency Shelter	136,802	165,000	164,728	165,000	0.0%
HOPWA - Hsg Oppy 4	-	328,000	335,316	328,000	0.0%
NSP 1	125,298	-	-	-	0.0%
NSP 3	-	-	-	-	0.0%
EPA	-	-	-	-	0.0%
Total Revenues	\$ 3,575,622	\$ 3,393,000	\$ 3,520,426	\$ 3,393,000	0.0%
Total Budget	\$ 12,149,503	\$ 10,783,376	\$ 7,298,380	\$ 18,793,877	74.3%

ACCOMPLISHMENTS FOR FY 2017-18

Neighborhood Revitalization & Affordable Housing Program

- Completed construction of Lofts at Southside Phase II (approximately 85 units)
- Completed repair of 2 owner-occupied units in Southwest Central Durham by Durham Community Land Trustees (DCLT).
- Completed 1 affordable rental in Southside (Piedmont Rentals) by Durham Community Land Trustees (DCLT).
- Partnered with the Durham Housing Authority (DHA) to initiate the substantial rehabilitation of 326 public housing units at Damar Court and Morreene developments.

Homeless Systems Coordination

- CoC Planning Grant and CoC system assessment completed.
- % of Persons that exit to permanent housing from emergency shelters increase from 30% to 55%
- Awarded a Continuum of Care planning grant.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

Goal 1: Preserve and expand supply of affordable rental units and rental assistance, with a focus on households <50% AMI

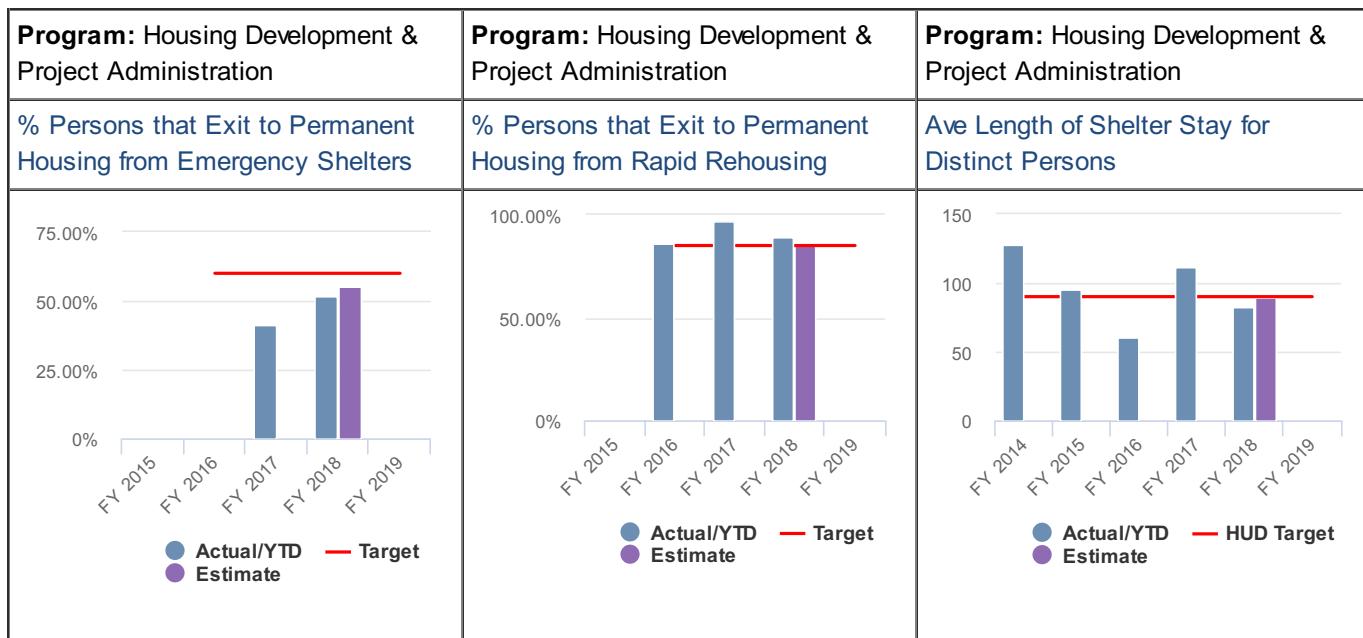
- Construction to be completed on "Vermillion" (60 affordable rental units).
- Begin construction on 82 units of affordable rental at Jackson Street.
- Begin rehabilitation of 7 units at Merrimac Apartments owned by Durham Community Land Trustees (DCLT).
- Begin rehabilitation of 6 units of Single Room Occupancy property owned by Housing for New Hope.
- Partner with the Durham Housing Authority (DHA) to prepare a redevelopment planned for DHA-owned properties in the downtown area
- Develop new financing tools for affordable housing, including an acquisition Loan Fund.
- Expand coordinated entry for homeless households to include single-person households and create a centralized housing navigation resource.
- 85% of homeless households exit rapid rehousing to permanent housing.
- 50% of homeless singles and 65% of families exit emergency shelters to permanent housing.

Goal 2: Maintain affordability and protect very low-income households in neighborhoods experiencing significant housing cost increases

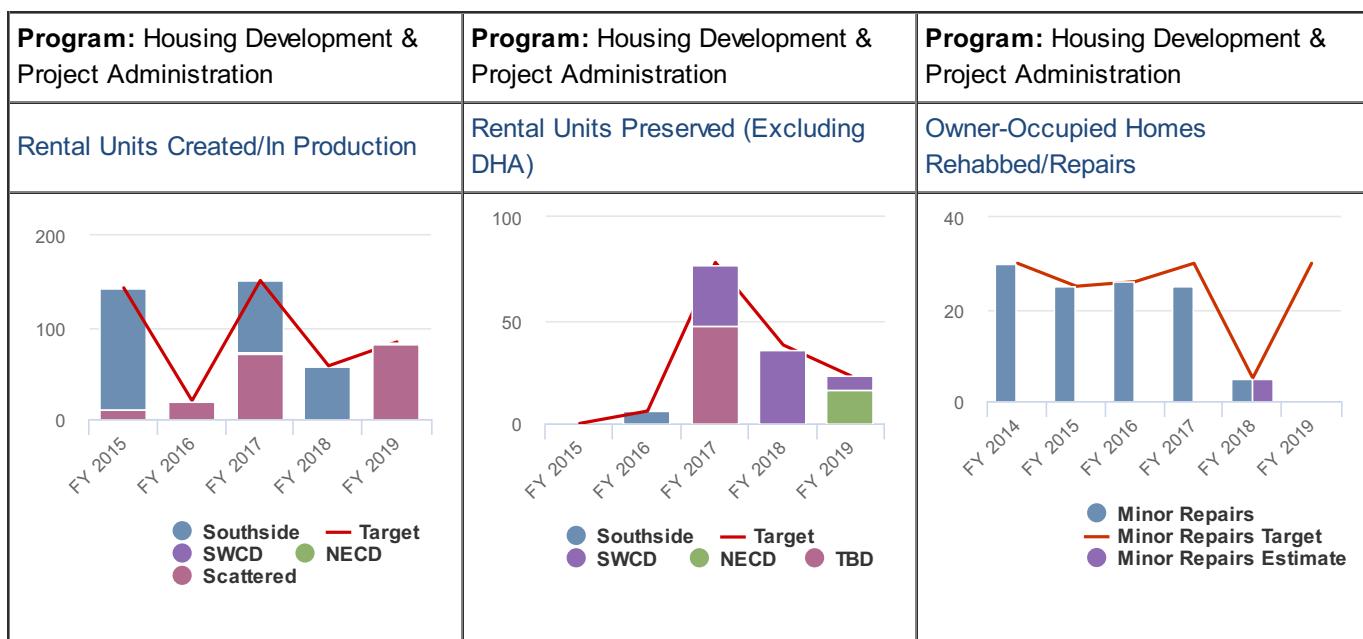
- Begin construction of Southside Phase II Homeownership units.
- Completion of 2 modular rental units in Southwest Central Durham by DCLT.
- Completion of 1 affordable rental unit in Southside (Piedmont Rentals) by Durham Community Land Trustees (DCLT).
- Begin rehabilitation of 14 units in Northeast Central Durham owned by Durham Community Land Trustees (DCLT).
- Contract with Habitat for Humanity to deliver minor repair services to 30 low-income elderly and/or disabled homeowners.
- Convey 15-20 city owned lots to nonprofits for the purpose of the creation of affordable housing.

DEPARTMENT PERFORMANCE SUMMARY

Objective: Preserve and expand supply of affordable rental units and rental assistance, with a focus on households <50% AMI



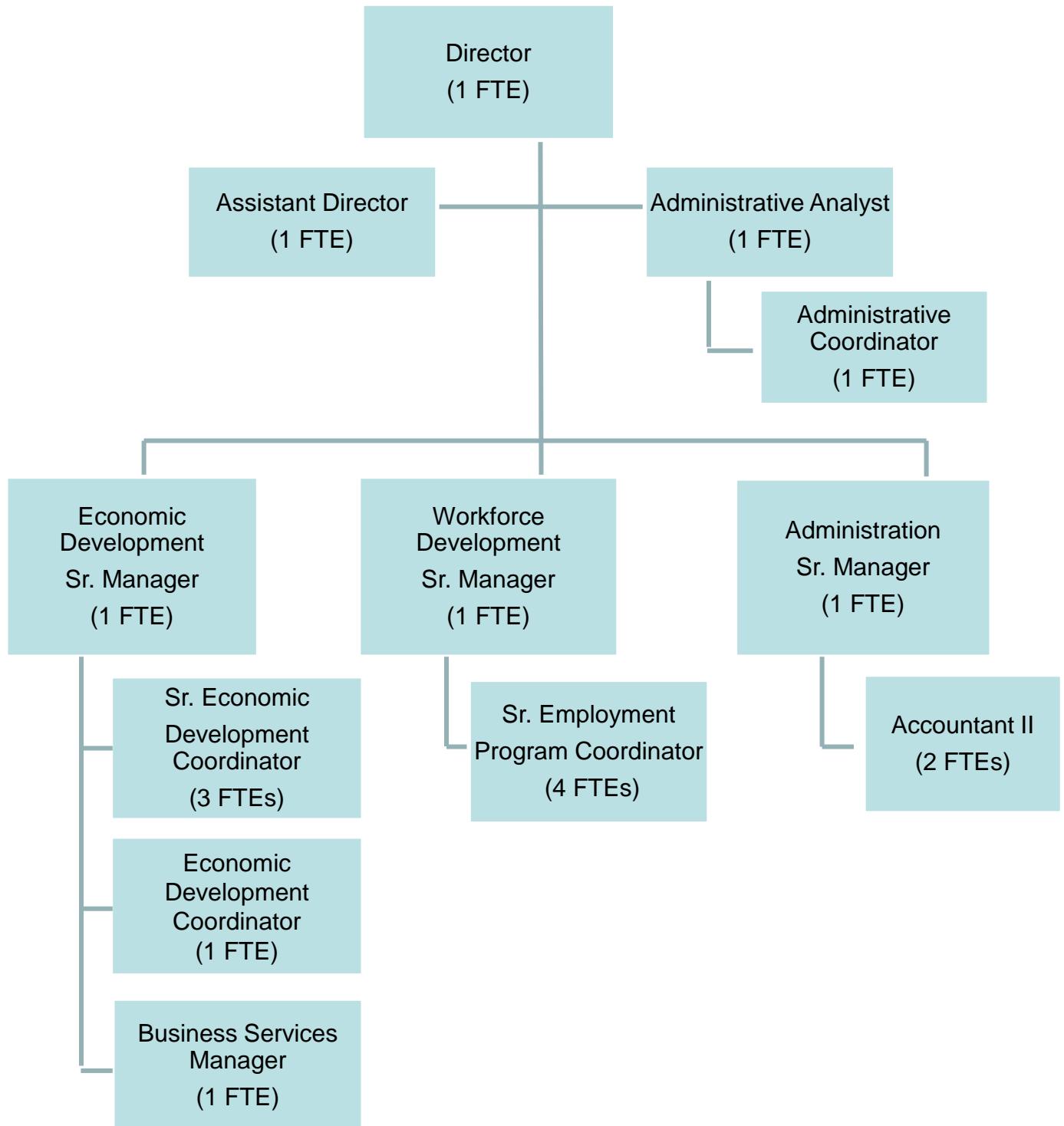
Objective: Maintain affordability and protect very low-income households in neighborhoods experiencing significant housing cost increases





Economic & Workforce Development

(18 FTE)



OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT

Purpose Statement:

To improve the economic well-being of the Durham community through efforts that support job creation and retention; growing the tax base and improving the quality of life of its citizens.

DEPARTMENT DESCRIPTION

Office of Economic & Workforce Development**General Fund: \$3,843,704****12 FTE****Grant Funds: \$2,672,887****6 FTE**

The Department of Economic and Workforce Development is charged with executing the City of Durham's economic development strategy, to innovatively drive economic prosperity in Durham. The City has undertaken a comprehensive review of its Strategic Plan for fiscal years 2019-2021. Durham's Goal 1 is now "Shared Economic Prosperity" which seeks to enable an environment in which human and workforce development and business growth occur to encourage an inclusive economy. The Department's strategy for economic development is centered on three major priorities: attracting and retaining businesses, revitalizing neighborhoods and fostering the creation of jobs and skilled workforce.

The Economic Development Team serves in a myriad of roles to achieve organizational outcomes. Staff members within the division may serve as the following:

- Initiators - through analyzing proposals, distributing public funds, investment incentives, and the creation and retention of a favorable economic environment that stimulates growth;
- Facilitators - creating public-private partnerships and coordinating activities and communications between different agencies, territories, and stakeholders. It is our job to bring the different stakeholders to the bargaining table, gather resources, mediate and match buyers with suppliers, and facilitate business partnerships; and
- Conveners - essential to achieving successful outcomes in collaborative processes, especially when the solutions reached require action by multiple sectors and levels of government.

Development, Infrastructure and Redevelopment - Public-private partnerships emphasize working in collaboration with economic development partners on transformative projects through the investment of financial and technical assistance resources that increase the tax base, create jobs, and maximize private-sector investment. These projects contribute to a strong and diverse economy in support of Goal One of the City-wide Strategic Plan. Durham has benefited from several successful public-private ventures. Amenities such as the Durham Performing Arts Center, the Durham Bulls Athletic Park, and the Durham Athletic Park have solidified Durham's growing reputation as a community committed to the expansion of cultural arts. The revitalization of downtown has yielded a thriving City Center, and continues to be an economic engine for startup businesses and entrepreneurs. Neighborhood revitalization has been bolstered and will continue through projects such as Save-A-Lot Food Stores, the redevelopment of the old Y.E. Smith School, and infrastructure projects such as the Angier-Driver Streetscape Project.

The division develops and facilitates the economic development strategies to promote property redevelopment and reuse by taking previously developed properties or areas to a higher, more productive use. Staff facilitate the coordination among developers, banks, regulatory authorities, and private businesses to revitalize neighborhoods, remove blight and improve the quality of life economically.

Effective Business Development, Attraction, Retention, and Expansion Services - Provide technical assistance to help businesses start, grow, and relocate to Durham. Partnerships with many of the aforementioned community stakeholders will be essential along with coordination of other City departments. Another key component will be the assessment and evaluation of business services to ensure services are relevant to current business needs. Durham-Based Business Plans are designed to build capacity in Durham's small businesses in order to help them compete for contracting opportunities created by private-sector growth in Durham as well as public sector infrastructure projects. The division develops strategies and public-private partnerships that meet the capital needs of businesses that are not addressed by traditional lending and investment institutions. The programs are targeted to meet the following economic development opportunities: (1) job creation and retention; (2) business creation, retention, and expansion; (3) economic diversification and stability; and (4) support for disadvantaged and underserved businesses. Staff provide project management services and develop economic development strategies to promote business clusters for Durham's targeted neighborhoods by working to facilitate the formation of industry associations, networks, and support centers addressing common needs to help local neighborhood-based businesses implement new technologies and business practices.

Cultural/Creative Arts Innovation and Tourism Development – Spearhead and implement a comprehensive planning process for cultural/creative arts and tourism development that creates a coordinated economic development strategy and provides project management and analysis for developer submissions, planning projects, and interagency effort coordination on area-wide initiatives. The division develops, supports, and expands the City's Public Art initiatives and infrastructure. Staff provide expertise and advocacy for public art improvements that stimulate economic development and serve the needs of Durham's creative entrepreneurs, businesses, residents, and visitors.

Staff work in collaboration with the Durham Convention and Visitors Bureau and other community stakeholders to promote heritage/history tourism based on interest in Durham's history, culture, or natural resources. We work to attract new and promote existing Durham-based festivals, celebrations, and events to draw visitors to Durham.

Sponsorship of Festivals and Events - The City of Durham recognizes that festivals, parades, and other celebrations play an important role in fostering community well-being, creating local identity, and in contributing to improved quality of life of Durham residents and visitors. Community-based festivals and events reflect the vibrant, distinct, and diverse character of Durham and its residents while offering opportunities to create economic, social, health, and community benefits.

Workforce Development

Workforce development serves many different constituents throughout the year. The Adult and Dislocated worker program provides employment training and services to help individuals find and qualify for gainful employment. The program also intends to help employers find skilled workers they need for their business.

The Workforce Division also provides employment assistance resources to City Youth. Youth employment efforts focus primarily on out-of-school youth and youth from low-income households. The YES Program (Youth Employed and Succeeding) serves youth ages 16-24 with alternative graduate options and job skills training, with the goal to secure either educational achievements or gainful employment. Funding to provide this training is offered through the Federal Government (WIOA funding) and this program exclusively focuses on out-of-school youth.

Planning and Re-engagement – The Durham Workforce Development Board (DWDB) promotes the collaboration between the private- and public-sector members of the Board as well as the staff members of the partner agencies that comprise the NCWorks Career Center system (NCWorks), i.e.,

the Office of Economic and Workforce Development (OEWD), Durham Technical Community College (DTCC), the Durham Public Schools (DPS), etc.

For the past year, the department focused on the following strategic objectives and initiatives:

- Engaging in partnerships between businesses and the workforce system with an emphasis on steadily growing and quickly growing fields;
- Reimagining and strengthening the NCWorks brand;
- Reconfiguring and/or expanding the scope of work for the DWDB as the single coordinating entity for workforce development programs for businesses and adult and dislocated workers;
- Reconfiguring and/or expanding the scope of work for the DWDB as part of Made in Durham (MID);
- Expanding collaboration with public, private, and nonprofit partners;
- Strengthening the effectiveness of DWDB subcommittees;
- Strengthening and simplifying service delivery; and,
- Strengthening the effectiveness and efficiency of youth-based programs within the community.

Finally, OEWD staff continues to work and collaborate with community members and external agency staff to implement the steps in the Jobs Action Plan for the Transformation in 10 Initiative.

Job Preparation and Placement Services - are delivered through the Durham NCWorks system, which includes the NCWorks Career Center. This system connects businesses with well-trained talent seeking new employment or upgrading their career paths. Federal and private-sector funding supports training and workforce placement programs for eligible adults, dislocated workers, and youth.

The Durham YouthWork Internship Program (DYIP) for youth ages 14-24 continues to build on occupational and life skills. It also supports career exploration for youth in public- and private-sector occupations with an emphasis on high-growth, high-demand careers, e.g., STEAM (Science, Technology, Engineering, Arts, and Mathematics). The DYIP is supported through the contributions of Durham County, DPS, MID, DTCC, and the business community.

Provision of High Quality Services to Businesses – Partnerships through the Business Engagement Team, NCWorks and many other nonprofit and governmental entities provide resources to businesses for finding top talent. Also, the implementation of workforce development plans with businesses that receive incentives from the City and County, as well as public sector departments that undertake infrastructure projects, are key strategies designed to make the Durham NCWorks system easier for businesses to use and to facilitate job placement and retention for Durham residents. OEWD promotes the Durham NCWorks Career Centers to business and community stakeholders by doing the following: 1) increasing awareness, 2) creating stronger linkages between the Durham NCWorks Career Center and businesses through direct outreach, 3) coordinating opportunities for businesses to use the Durham NCWorks Career Center through recruitment and hiring efforts, and 4) strengthening relationships with local community colleges and universities. OEWD also participates as an active member of regional and statewide business services teams, which involves the coordination of recruitment assistance for area businesses and provision of outplacement services for businesses facing layoffs/closures.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
<i>Non-Grant Appropriations</i>					
Personal Services	\$ 1,064,833	\$ 1,191,439	\$ 1,260,809	\$ 1,382,153	16.0%
Operating	1,671,564	2,099,615	3,387,204	2,361,551	12.5%
Capital and Other	-	100,000	100,000	100,000	0.0%
Total Appropriations	\$ 2,736,397	\$ 3,391,054	\$ 4,748,013	\$ 3,843,704	13.3%
Full Time Employees	11	11.0	11.0	12.0	1
Part Time	1	1	2	1	-
<i>Revenues</i>					
Discretionary Program	\$ 2,733,747	\$ 3,388,554	\$ 4,745,513	\$ 3,841,204	13.4%
	2,650	2,500	2,500	2,500	0.0%
Total Revenues	\$ 2,736,397	\$ 3,391,054	\$ 4,748,013	\$ 3,843,704	13.3%
<i>Grant</i>					
Personal Services	\$ 470,413	\$ 444,957	\$ 506,251	\$ 535,327	20.3%
Operating	1,004,818	1,448,817	1,104,953	2,137,560	47.5%
Total Appropriations	\$ 1,475,231	\$ 1,893,774	\$ 1,611,204	\$ 2,672,887	41.1%
Full Time Employees	6	6.0	6.0	6.0	-
Part Time	1	1	1	1	-
<i>Revenues</i>					
EPA Brownfields	\$ -	\$ -	\$ -	\$ 300,000	100.0%
Employment Training	1,433,363	1,825,774	1,334,071	1,581,307	-13.4%
Training to Work	41,868	68,000	277,133	791,580	1064.1%
Total Grant Revenue	\$ 1,475,231	\$ 1,893,774	\$ 1,611,204	\$ 2,672,887	41.1%
Total Budget	\$ 4,211,628	\$ 5,284,828	\$ 6,359,217	\$ 6,516,591	23.3%

BUDGET ISSUES FOR FY 2018-19

- Financial resources to enhance marketing, branding and development of a website.
- Planning effective, quality workforce development programs will continue to be challenging, because a vast majority of the funding comes through the Workforce Innovation and Opportunity Act (WIOA), and that award will not be announced until May 2018. Last year, the WIOA allocation increased slightly. .
- Partnering and leveraging resources with Durham County, DPS, and the private sector to expand the DYIP will continue to be challenging. Greater investment from the private sector continues to be needed to ensure the future growth of the program.

- The DYIP and the Business Engagement Team are creating a stronger connection between what youth learn in internships and what they are learning in school. DYIP will continue to work with public and private partners to create a team of job coaches for summer 2016.
- The DYIP and the Business Engagement Team continue to seek internships in the private sector. While these positions allow the program to expand, private industry prefers older, more skilled youth. Funds are needed to continue to provide internships to younger (14-15 years of age) and less experienced youth.

ACCOMPLISHMENTS FOR FY 2017-18

Downtown Development

- Facilitate continued contract administration and compliance monitoring of economic development agreements, Durham Workforce Plans, and Durham-Based Business Plans for the development of two transformative downtown projects:
 - The Chesterfield building redevelopment has a minimum required capital investment of \$80 million; the anticipated 15-year gross public investment from the City of Durham is approximately \$6 million net precondition adjustments of approximately \$1.3M; the project is anticipated to exceed 80% occupancy in spring 2018; the project is anticipated to achieve eligibility for an initial net public investment installment of approximately \$84,000 in winter 2019; incremental City property tax revenue generated by the project in 2019 is anticipated to exceed \$600,000.
 - The Durham Innovation District has a minimum required capital investment of \$87 million; the anticipated multi-year public investment from the City of Durham is approximately \$5.25 million; the project broke ground as scheduled in fall 2016; the project was approximately 50-percent preleased as of December 2017.
- Facilitate negotiation of a master development agreement in collaboration with the Department of Community Development with a development team selected to partner with the City on construction of a proposed development on the approximately 2 acre City owned Jackson Street Property located adjacent to the Durham Station Transportation Center.
- The \$24 million renovation of the Jack Tar Hotel, now called The Unscripted Hotel Durham, is a 74-room hotel, with 14,000 Square Feet of retail space for restaurants, such as Pour Taproom, the Jack Tar Diner and Neomonde Mediterranean Deli, a rooftop pool and a four level, 260 space parking structure. It opened in the July of 2017.
- Complete construction and leasing of the One City Center Project, a mixed-use 27 story tower on the former Woolworth's property. Residential component of the property consists of 140 units with approximately 30 of those units available for purchase. Construction began in February 2016, Construction crane assembled in summer of 2016. Construction completion anticipated May 2018.
- Complete initial predevelopment planning for redevelopment of 505 West Chapel Hill Redevelopment (existing police headquarters) as part of a interdepartmental strategic planning team lead by the General Services and Planning Departments, supported by OEWD, and City quasi-governmental economic development partner DDI. City staff procured industry experts HR&A Consultants and Duda Paine Architects in late summer 2017; together the multidisciplinary team delivered a presentation and robust market-supported redevelopment program evaluation to City Council in early fall 2017.
- Facilitate continued evaluation of viable development and public investment alternatives for Durham-Orange Light Rail (D-O LRT) Joint Development Planning as part of an interdepartmental strategic planning team lead by GoTriangle.
- Support the General Services Department to administer a successful public process to procure commercial brokerage services for leasing and management of the new Downtown Mixed-Use Parking Garage.

- Support the Transportation Department to administer a successful public process to procure professional engineering and land-use planning services to develop a comprehensive Downtown Durham Transportation Vision Plan.
- Deliver a proposal to the Joint City-County Planning Committee promoting joint City-County participation in the Urban Plan for Public Officials (UP4PO) leadership development program sponsored by the Urban Land Institute.
- Facilitated the approval for two annual contracts with Downtown Durham, Inc. One agreement is for funding for DDI to operate economic development programs and services for the City for \$160,048.00 and the other is a contract amendment to provide services within the Downtown Durham Municipal Service District (“MSD”) in the amount of \$803,397.00.

Neighborhood Development

- A&J Capital Inc. completed the renovation at 406 S. Driver Street an 8500 SF building into a mix use commercial/residential two level building. The economic development project produced over \$500,000.00 in private investments with \$170,000.00 in City funding.
- Habitable Space, LLC completed the renovation at 1200 West Chapel Hill Street of an underutilized 1288 SF church building. The building was converted into 2138 SF restaurant that offers dual option of dining, catering food services which is located an OEWD targeted commercial. The economic development project will produced over \$700,000.00 in private investment with \$100,000.00 in City funding,
- Seminary Avenue Redux II completed the redevelopment of an underutilized and blighted gas station at 1114 West Chapel Street. The 1397 SF building was transformed into two commercial bays, one being a 715 SF yogurt shop and the other shop being 682 SF coffee shop building. The economic development project produced over \$ 400,000.00 in private investment with \$49,000.00 in City funding.
- Seminary Avenue Redux I completed the redevelopment of an underutilized automotive service center at 1105 West Chapel Street. The first floor of the 9000 SF has been transformed into an event space and the second floor was converted into 11 office suites used for professional space (6), non-profit/artist space (4) and community space (1). The economic development project produced over \$ 1,000,000.00 in private investment with \$100,000.00 in City funding.
- The Office of Economic and Workforce Development partnered NC Works, Romeo Guest, C.T. Wilson and developer Self Help to conduct a job fair. The job fair's primary outreach focus was in the area of PAC-1NECD, PAC4 -Fayetteville Street residents. The developer Self Help currently has two large construction projects total approximately 10 million in both PAC-4 and PAC-1. The ABC Center site in PAC-1 NECD the City of Durham has invested \$700,000.00.
- Facilitated and assisted with Lee's Collins Exxon via the Board of Adjustments with an approval of both a side and rear yard variance for the Lee Collins Exxon gas station. The plan is to tear down the current under-utilized building and build a brand new 1500 SF structure that would house a convenience store/gas station which would be more aesthetically pleasing and walkable which correspond with the Alston avenue widening streetscape project.
- Facilitated and evaluated of an economic development application to convert the Old Weavers cleaners located on 1212 Fayetteville Street 3721SF of office space.

Small Business Development

- Facilitate and coordinate a Capacity Building Program for Durham-based Artists in collaboration with the Small Business Advisory Committee, Triangle Art Works, and others. The program will enhance the ability of Durham artists to complete for public art calls in Durham and nationwide. Topics of coordination will include: applying for art calls, creating memorable portfolios, human resources, taxes, marketing, bookkeeping, etc.
- Facilitate a web-based portfolio of small business videos and panel discussions that live on the OEWD website.

Culture/Art

- Initiate and facilitate installation of two public art projects at sites approved by City Council consistent with the City of Durham Public Art Policy.
- Facilitate installation of privately-funded public art donated by the Trinity Park Foundation by June 2018.
- Complete installation of lighting at Black Wall Street Gardens as part of the Main Street Lighting Project by June 2018.

Workforce Development

Implemented strategies outlined in the Durham Workforce Development Board (DWDB) Strategic Plan including the implementation of the Adult Provider Collaborative, strengthening the participation of DWDB members through subcommittee work, and branding of the NCWorks Career Centers. Additional accomplishments included the following:

- Implementation of a \$1,360,000 grant by the Department of Labor for a Training to Work grant for individuals returning from incarceration. Continue the Triangle Career Pathways Collaborative (TCPC) project that offers intensive case management, enhanced mentoring, educational interventions, referrals to community partners (transition teams), occupational skills training, job placement and retention, and nine month follow-up services to serve 170 returning citizens. Participants will have linkages to supportive services throughout the phases of the program. The program will lead to clear results of: 1) to maximize the employability of justice involved individuals to support themselves and their families, 2) reduce recidivism in Durham and Wake counties, and 3) improve the overall workforce in the Triangle.
- Employed 206 youth through the Durham Youth Internship Program (DYIP), in partnership with Durham Public Schools, Durham Tech, and Made in Durham, throughout the summer of 2017. Employers included Self Help Credit Union, Logo Label Printing, Southern Rain Garden, Farmer Foodshare, NCCU, Duke Health System, City of Durham, Durham County, American Tobacco District, and many others.
- Continued partnership with the Durham Public Schools' Career and Technical Education program to develop youth internships for low-income students in Career and Technical Education (CTE) courses. The Business Engagement Team collaborated to recruit internships that match the interests of CTE students. This included many new positions within Durham Public Schools such as the Hub Farm, Information Technology, and Maintenance.
- Piloted the development of Learning Plans with the Summer Internship Program. All interns were taught how to create a Learning Plan and were encouraged to present their learning goals to their supervisors.
- Held a successful 2017 Durham YouthWork Summit. This was the result of a partnership between the Durham Workforce Development Board's Youth Council, OEWD, the Durham County Library, the Department of Parks and Recreation, Durham Public Schools, Made in Durham, Durham Technical Community College, and the Durham Youth Employed and Succeeding (YES) program.
- Worked with youth organizations to start a Career Skills Passport Program. This program encourages youth to attend career and job skills classes and workshops offered by organizations throughout the county. These workshops count as Passport stops for the DYIP. Students with passport stamps receive priority interviewing in DYIP.
- Worked with DWDB and Subcommittees to implement 120 Day Plan in the areas of Marketing and Communications; New Board Member Orientation; Career Center Performance Metrics and Renovation; and Outreach Strategy Targeted at Socially Aware Businesses;
- DWDB participated in Statewide Boarding Training hosted by the North Carolina Association of Workforce Development Boards and the Department of Commerce, Division of Workforce Solutions;
- Coordinated the first ever joint meeting between the Executive Committees of the Greater Durham Chamber of Commerce and Durham Workforce Development Board;

- Eckerd Connect was selected through a competitive bidding process as new WIOA Youth Services provider for FY2018;

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

Downtown Development

- Facilitate continued contract administration and compliance monitoring of economic development agreements, Durham Workforce Plans, and Durham-Based Business Plans for the development of two transformative downtown projects:
 - The Chesterfield building redevelopment has a minimum required capital investment of \$80 million; the anticipated 15-year gross public investment from the City of Durham is approximately \$6 million net precondition adjustments of approximately \$1.3M; the project is anticipated to exceed 80% occupancy in spring 2018; the project is anticipated to achieve eligibility for an initial net public investment installment of approximately \$84,000 in winter 2019; incremental City property tax revenue generated by the project in 2019 is anticipated to exceed \$600,000.
 - The Durham Innovation District has a minimum required capital investment of \$87 million; the anticipated multi-year public investment from the City of Durham is approximately \$5.25 million; the project broke ground as scheduled in fall 2016; the project was approximately 50-percent preleased as of December 2017; construction completion is anticipated in 2019.
- Facilitate contract administration and compliance monitoring for a master development agreement in collaboration with the Department of Community Development with a development team selected to partner with the City on construction of a proposed development on the approximately 2 acre City owned Jackson Street Property located adjacent to the Durham Station Transportation Center.
- Complete predevelopment planning for redevelopment of 505 West Chapel Hill Redevelopment (existing police headquarters) as part of a interdepartmental strategic planning team lead by the General Services and Planning Departments, supported by OEWD, and City quasi-governmental economic development partner DDI.
- Receive an award and begin administration of a \$300,000 US Environmental Protection Agency Brownfield Assessment Grant in early fall 2018.
- Facilitate identification of viable development and public investment alternatives for Durham-Orange Light Rail (D-O LRT) Joint Development Planning as part of an interdepartmental strategic planning team lead by GoTriangle and submit a formal application to federal program sponsors.
- Provide continued strategic planning support leading to development of a comprehensive Downtown Durham Transportation Vision Plan.
- Provide continued strategic planning support leading to a successful lease-up and management of the retail component of new Downtown Mixed-Use Parking Garage.
- Successfully facilitate joint City-County participation in the Urban Plan for Public Officials (UP4PO) leadership development program sponsored by the Urban Land Institute.
 - Facilitate continued contract administration and compliance monitoring of economic development agreements, Durham Workforce Plans, and Durham-Based Business Plans for the development of two downtown projects developed by Austin Lawrence Partners-East: One City Center and The Unscripted Durham Hotel.

Neighborhood Development

- Develop business pipeline to connect Durham residents to potential job opportunities that are created by Neighborhood Revitalization economic development grant projects.
- Continue monitoring economic development projects that are using neighborhood commercial revitalization funding.
- Develop strategies and initiatives for neighborhood projects that align with principles of Shared Prosperity in Durham
- Fund two neighborhood projects leveraging Neighborhood Revitalization grant funding.

Business Development

- Facilitate and coordinate a Capacity Building Program for Durham-based Artists in collaboration with the Small Business Advisory Committee, Triangle Art Works, and others. The program will enhance the ability of Durham artists to complete for public art calls in Durham and nationwide. Topics of coordination will include: applying for art calls, creating memorable portfolios, human resources, taxes, marketing, bookkeeping, etc.
- Facilitate a web-based portfolio of small business videos and panel discussions that live on the OEWD website.
- Partner with Launch Durham for their Fall 2018 cohort to enhance the knowledge-base of small businesses

Culture / Art

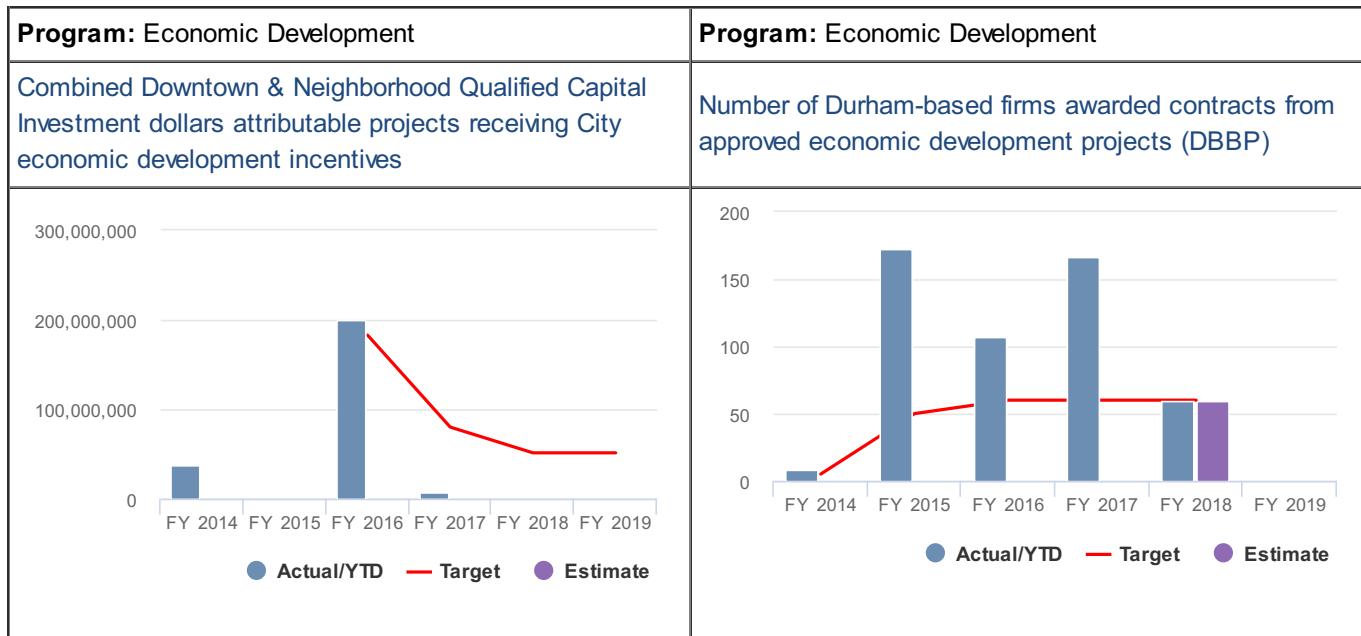
- Facilitate installation of public art at the Chapel Hill Street underpass, in collaboration with the North Carolina RailRoad Company.
- Facilitate installation of public art on the basketball court at Durham's Hillside Park, in collaboration with the Parks and Recreation Department.
- Facilitate installation of The Fence Durham in August 2018 in Black Wall Street Plaza.
- Facilitate installation of public art at Black Wall Street Gardens at 102 W. Main Street.
- Facilitate installation of privately-funded public art donated by LRC Properties at Golden Belt.
- Facilitate installation of public art on three utility boxes as part of the Traffic Utility Box Art Program.
- Facilitate installation of public art and subsequent programming at the Durham Police Headquarters.
- Facilitate installation of public art in Central Park at the Liberty Warehouse Wall.
- Facilitate installation of public art at the new Durham Parking Garage.

Workforce Development

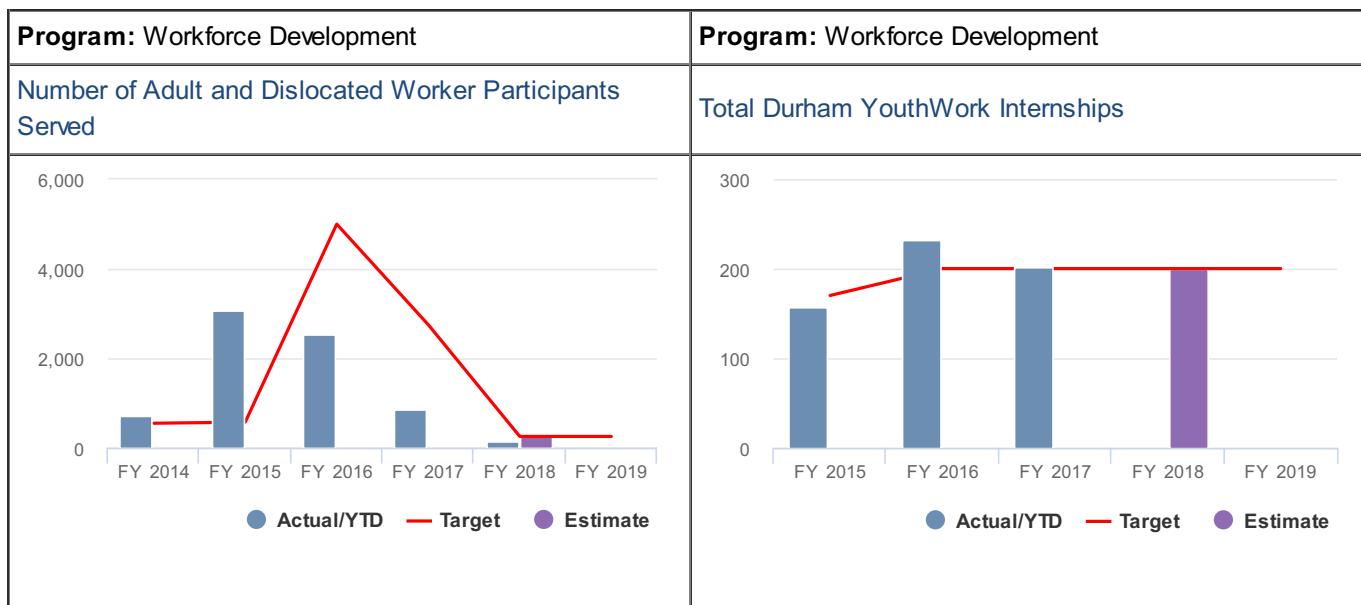
- Develop and implement an assessment process that ensures strong enrollments and training completion.
- Continue to expand capacity for the workforce development programs.
- Enhance and promote the construction industry career pathway.
- Work closer with advisory groups to adjust curriculum to industry standards.
- Continue to develop programs, locations and offering that will extend our services and training to under-served populations.
- Provide professional staff development opportunities for all OEWD Workforce Development team members to include retreats, classes, webinars, local, national, and regional conferences.
- To increase awareness of available services and resources to the community, partner agencies, and employers.
- Expand community partnerships to maximize resources and options.
- Continue to increase the level of the NCWorks Career Center resources to meet client, jobseekers and employer, needs.

DEPARTMENT PERFORMANCE SUMMARY

Objective: Facilitate recruitment and expansion of targeted businesses and industries

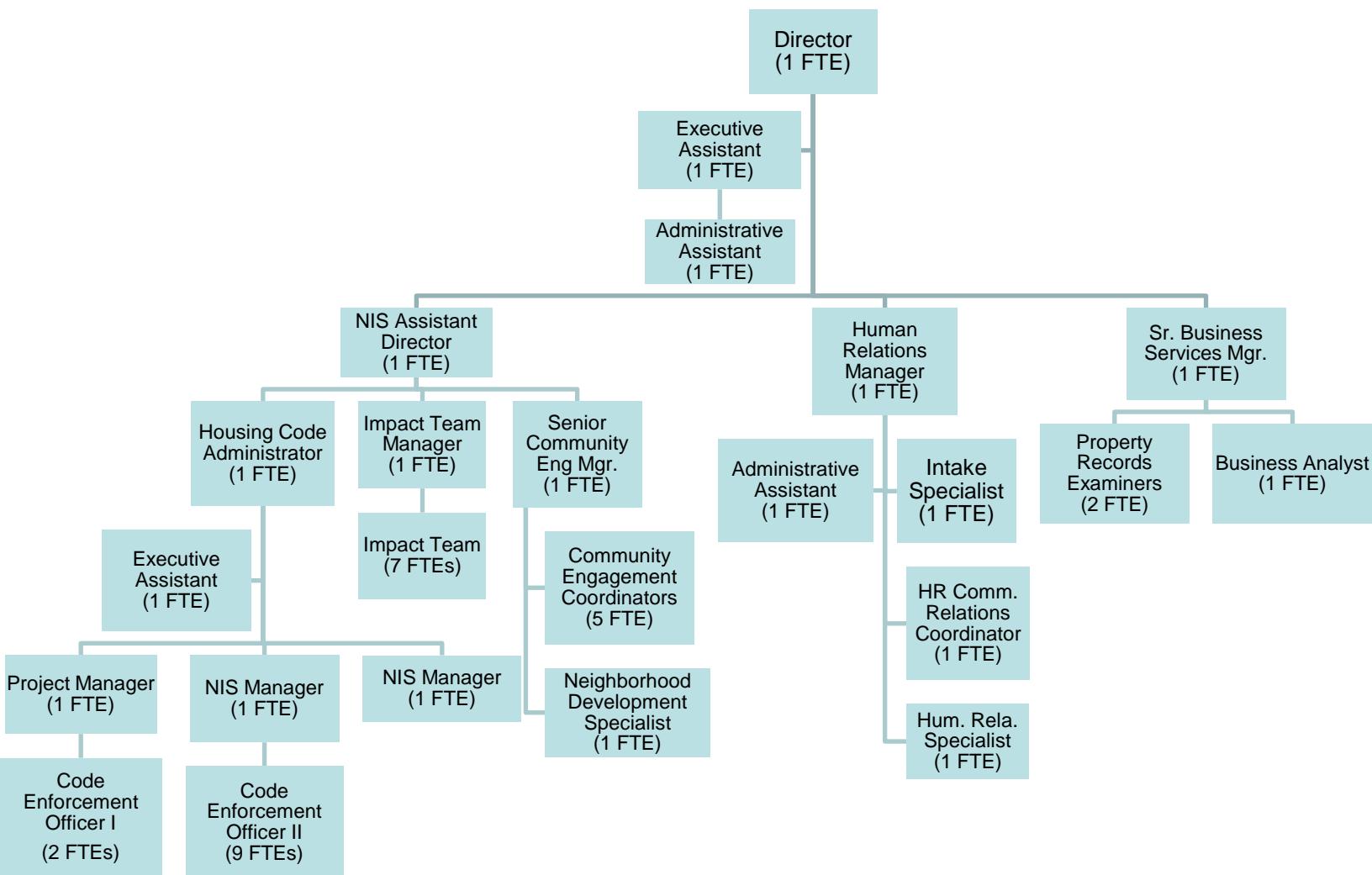


Objective: Connect job seekers to job and/or job training opportunities.





Neighborhood Improvement Services (44 FTE)



NEIGHBORHOOD IMPROVEMENT SERVICES

Purpose Statement:

Building sustainable communities through community engagement, code enforcement, human relations and public nuisance abatement.

DEPARTMENT DESCRIPTION

Neighborhood Improvement Services	General Fund: \$4,134,201 40 FTE
	Grant Funds: \$252,000* 4 FTE

The Department is responsible for enforcement of the City's minimum housing code, weedy lot, junk and debris, unsafe building, abandoned vehicle ordinance and nonresidential code ordinances. The Department's Impact Team abates public nuisances such as litter, graffiti, illegal dumping and abandoned shopping carts. The Community Engagement division provides outreach and education to Durham residents and community organizations. The Human Relations Division enforces the City of Durham's Fair Housing Ordinance and Title VIII of the Civil Rights Act of 1968. The Division accepts housing complaints from residents who feel that they have been discriminated against because of their race, color, religion, national origin, gender, familial status (families with children) or disability (physical or mental). The Department's staff members are responsible for evaluating department achievement of City goals and objectives and maximizing the effectiveness of our people and processes.

Community Improvement Services: Code Enforcement Team

The priority of code enforcement is the day to day management and implementation of all quality of life activities governed by minimum housing code, weedy lot, abandoned vehicle, junk, non-residential, and debris ordinances and statutes.

Contract Services for the Remediation of Unsafe Structures and Related Services

Contract Services supports remediation of dilapidated houses classified as unsafe or those unsafe houses pursuant to Housing Appeals Board orders, and supports prevention and proactive code enforcement activities to improve the City exterior and built environment. This includes landfill tipping charges and contractor services.

Community Improvement Services: Impact Team

The Impact Team Division assists in the City Council's goals of ensuring that residents enjoy a city rich in aesthetic beauty with a healthy environment and sustainable, thriving neighborhoods. The primary focus is the removal of illegal dumpsites, remediation activities for code enforcement, and graffiti removal.

Community Engagement Services

The purpose of the Community Engagement Division is to build neighborhood connections, increase resident participation in community activities, and foster redevelopment of neighborhoods throughout the City. The Division accomplishes this task by acting as the City's internal community engagement consultant and by leading community activities that increase residents' ownership of neighborhood revitalization.

The Community Engagement Division plans and implements neighborhood services and public education/community outreach programs to support neighborhoods. This is accomplished through the facilitation of open communication and interface between city staff and the community. The division also assists with neighborhood organizing, community education, and assisting District PACs in community service efforts.

Human Relations

The Human Relations Division enforces the Fair Housing Ordinance of the City of Durham. Additionally, the Division has been certified by the U.S. Department of Housing and Urban Development (HUD) as a substantially equivalent agency to participate in its Fair Housing Assistance Program (FHAP) whereby the Division has the authority to enforce the federal Fair Housing Act, as amended. As an enforcement agency, the Division investigates and conciliates complaints from residents who allege that they have been unjustly denied equal housing opportunities based on their race, color, religion, national origin, gender, familial status (families with children) or disability (physical or mental). Division staff has been trained by HUD and other reputable organizations to effectively process complaint inquiries, and conduct thorough investigations and conciliations.

The Human Relations Division prioritizes community outreach and conducts regular outreach at various locations around the City. The Division provides fair housing training to Durham-area housing providers, including landlords, property managers, realty professionals and the Durham Housing Authority. Training opportunities are also availed to social service agencies, tenants and the general public. Fair Housing training serves two purposes: to increase the knowledge of housing professionals so that the incidences of discrimination decrease, and to increase the public's awareness of their right to file a complaint if their right to fair and equitable housing opportunities are violated.

The Human Relations Division develops and fosters programs aimed at addressing and enhancing racial and cultural relations to create a greater level of harmony in the community. The Human Relations Division provides staff oversight to the Durham Human Relations Commission and the Mayor's Hispanic-Latino Inclusion Committee. Division staff also participates in meetings and events hosted by the Mayor's Committee for Persons with Disabilities.

In addition to the above, the Human Relations Division offers a free Basic Energy Education (BEE) training to Durham residents, homeowners, renters, neighborhood groups and to the general public. The training sessions assist residents by helping them to understand how energy conservation makes their home more affordable.

Administration

This division provides oversight through the Office of the Director, and the ongoing administrative and managerial functions that are required for daily operations of the Department, including: fiscal, financial and program management; personnel administration and development; customer service, strategic planning, quality control, process improvement, and performance reporting.

In addition, this division provides the fiscal and legal support for the Department's operations, including budget development and implementation, title searching, preparation and recording of legal documents, invoice preparation and billing, GIS mapping, technology support, and website maintenance.

Neighborhood Compass

The Durham Neighborhood Compass is a public service, and a resource for users to identify local variations in community conditions and to identify potential areas of opportunity for policy and programs to improve the lives of Durham residents.

**Grant funding on Neighborhood Improvement Services code enforcement pages represents CDBG funding that is received by Community Development and passed through to NIS. This \$140,000 is included in the total CDBG amount shown on Community Development's budget pages.*

RESOURCE ALLOCATION

	Actual	Adopted	Estimated	Adopted	
	FY 2016-17	FY 2017-18	FY 2017-18	FY 2018-19	Change
<i>Non-Grant Appropriations</i>					
Personal Services	\$ 3,112,715	\$ 3,073,830	\$ 3,040,491	\$ 3,132,435	1.9%
Operating	834,910	799,216	990,050	1,001,766	25.3%
Capital and Other	6,500	-	-	-	0.0%
Total Appropriations	\$ 3,954,125	\$ 3,873,046	\$ 4,030,541	\$ 4,134,201	6.7%
Full Time Employees	40	40	39	40	-
Part Time	-	-	-	-	-
<i>Revenues</i>					
Discretionary	\$ 3,924,990	\$ 3,873,046	\$ 4,030,541	\$ 4,134,201	6.7%
Program	29,136	-	-	-	0.0%
Total Revenues	\$ 3,954,126	\$ 3,873,046	\$ 4,030,541	\$ 4,134,201	6.7%
<i>Grant</i>					
Personal Services	\$ 205,000	\$ 205,000	\$ 205,000	\$ 205,000	0.0%
Operating	128,250	25,000	25,000	47,000	88.0%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 333,250	\$ 230,000	\$ 230,000	\$ 252,000	9.6%
Full Time Employees	4	4	4	4	-
Part Time	-	-	-	-	-
<i>Revenues</i>					
CDBG	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000	0.0%
HUD	178,250	90,000	90,000	90,000	24.4%
Total Grant Revenue	\$ 333,250	\$ 230,000	\$ 230,000	\$ 252,000	9.6%
Total Budget	\$ 4,287,376	\$ 4,103,046	\$ 4,260,541	\$ 4,386,201	6.9%

BUDGET ISSUES FOR FY 2018-19

- Transformation in Ten has an operational budget of \$10,000 which is a part of the FY19 target budget. In FY18 the City funded \$210,000 to support the T2 programs through the six task forces. Those funds will be expended through the end of FY18. With the election of a new mayor, there has been a refresh/redesign of the task force process for T2 which will focus on community building efforts that are more aligned with the new vision and direction. Although, task forces have completed program funding requests for FY19, no recommendations for funding have been made to the City Manager to date.
- The new NIS lease at Golden Belt will result in an FY19 rent increase of approx. \$125,000.

DEPARTMENT ACCOMPLISHMENTS FOR FY 2017-18

- Enforced the City's minimum housing code, weedy lot, junk and debris, unsafe building, abandoned vehicle ordinance and nonresidential code ordinances.
- Responded to resident concerns received through Durham One Call in 24 to 48 hours.
- Removed boarding from 31 structures through City and owner effort.
- Provided education and outreach activities at 507 properties through Community Centered Code Enforcement Focus area efforts.
- Remediated 38 unsafe properties through owner and City effort.
- Secured 18 vacant properties using clear polycarbonate panels.
- Presented 9 cases to the Housing Appeals Board.
- Issued Community Life Court summons for 37 cases; presented 29 cases to the court with 68 defendant court appearances; dismissed an additional 62 cases prior to Community Life Court appearance.
- Expanded the City Hall on the Go Initiative in partnership with Durham Public Schools to provide Citizenship and Government education opportunities to local 5th-grade students. Informational booklets on local government were provided to more than 600 students at 11 elementary schools.
- Worked in partnership with City of Durham Park and Recreation Department to create the City Hall on the Go Summer Tour event. The Citizenship and Government educational opportunity was held at 9 local Park and Recreation Centers and over 189 children and teens participated.
- Created partnerships with local non-profits to expand the amount and type of services offered to residents in the Transformation in Ten (T2) (formerly the Mayor's Poverty Reduction Initiative) area. Services offered included expungements, summer camp opportunities, lead risk assessments and financial counseling.
- Coordinated services in the T2 area in partnership with the T2 Taskforces that were instrumental in securing an outreach team that consists of a Community Health Worker, a Community Liaison Police Officer and a T2 Community Liaison.
- Administered the Neighbor Spotlight program which provided a platform for City Council to recognize 11 residents for their outstanding service and contributions to their communities. The Neighbor Spotlight Selection Committee has reviewed over 39 applications since the conception of this initiative.
- Administered the Neighborhood Matching Grants program which is the primary tool available to assist with community building and creating neighborhood cohesion. Through this competitive program 16 neighborhood groups and organizations have been awarded matching grant funding to design and implement projects with their neighbors.
- Administered the Neighborhood Matching Grants for Health program which provided funding to 5 organizations to plan and execute projects providing a health benefit to neighborhood residents.
- Mowed/trimmed 231 properties; removed debris from 133 properties; and secured 20 neglected properties.
- Removed 1107 symbols/scripted words of graffiti from 105 different locations.
- Removed 412 displaced shopping carts from 187 different locations.
- Supported 17 National Night Out events across the City by barricading streets with materials from the Transportation Department.
- Conducted 73 Community Building/Beautification projects with neighborhoods and special interest groups.
- Made 18 fair housing training presentations, serving 422 persons, including housing professionals, residents and social service providers.
- Processed 23 fair housing inquiries, resulting in 10 housing discrimination complaints accepted for investigation;
- Closed 8 housing discrimination complaints, including 4 cases closed as a result of conciliation. Total monetary relief to complainants was \$530.00.
- Hosted the HUD Region IV fair housing training event.
- Presented/sponsored the following human relations events.
 - Film review and discussion on immigration (presented in partnership by the Mayor's Hispanic/Latino Committee and the Human Relations Commission).
 - Durham employees Hispanic Heritage Month celebration (in conjunction with the Mayor's Hispanic/Latino Committee).

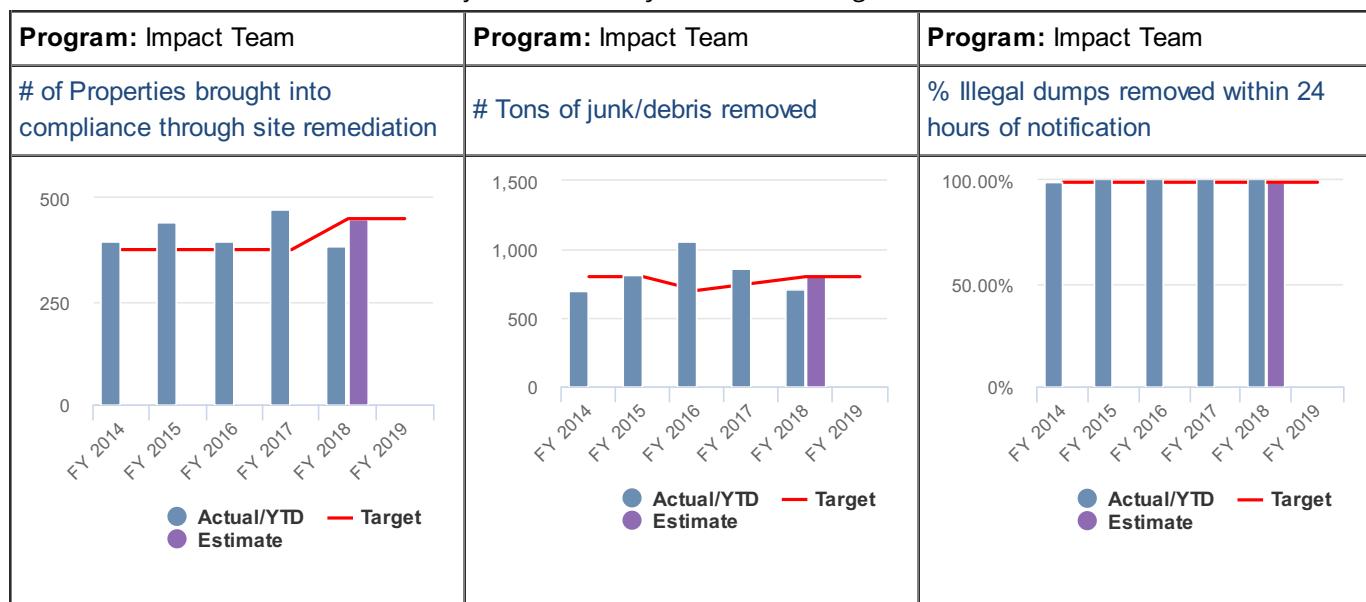
- Ted Talk & Discussion on Overcoming Bias.
- Durham Women's Forum (scheduled for March 22, 2018).
- Human Relations Advocacy Award ceremony (presented by the Human Relations Commission).

ANTICIPATED DEPARTMENT ACCOMPLISHMENTS FOR FY 2018-19

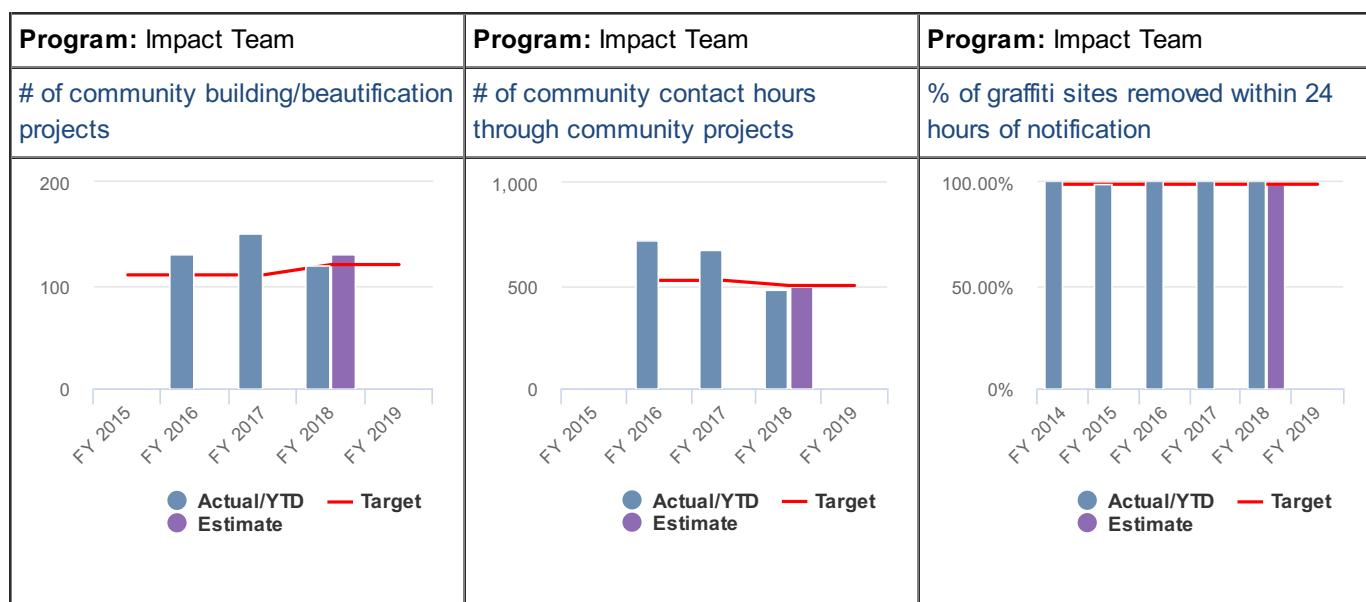
- Enforce the City's minimum housing code, weedy lot, junk and debris, unsafe building, abandoned vehicle ordinance and nonresidential code ordinances.
- Respond to resident concerns received through Durham One Call in 24 to 48 hours.
- Facilitate boarding removal from 23 structures by owners and City.
- Provide education and outreach activities for 1000 properties through Community Centered Code Enforcement Focus area efforts.
- Remediate 40 unsafe properties through owner and City effort.
- Secure 30 vacant properties using clear polycarbonate panels.
- Present 40 cases to the Housing Appeals Board.
- Issue Community Life Court summons for 75 cases; present 60 cases to the court; dismiss an additional 50 cases prior to Community Life Court appearance.
- Create and expand the new design for T2 to include the Safe and Healthy Living Initiative and the Shared Economic Prosperity Initiative.
- Expand the City Hall on the Go Initiative by establishing additional partnerships and including county program information on the vehicle that is requested by residents.
- Administer the Neighborhood Matching Grants program by providing competitive grants up to \$2,500 to neighborhood groups to fund projects that provide a public benefit to the neighborhood.
- Administer the Neighborhood Matching Grants for Health program by providing competitive grants up to \$1,500 to neighborhood groups to fund projects which provide a health benefit to neighborhood residents.
- Promote and solicit nominations for the Neighbor Spotlight Initiative which recognizes the contributions of Durham residents in service to their neighborhoods.
- Prioritize safe remediation of private properties to improve residents' quality of life and provide an additional revenue source for the City of Durham.
- Respond to all resident concerns within 24 hours of notification.
- Secure additional partners for projects that will benefit the community and create a greater sense of neighborhood pride.
- The Human Relations Division will:
 - Process 80 fair housing inquiries.
 - Accept 35 fair housing complaints for investigation.
 - Close 35 fair housing cases.
- In addition to the above, the Human Relations Division plans to conduct the following activities:
 - Present or participate in 20 fair housing outreach activities, with a goal of reaching 1500 residents.
 - Conduct 24 fair housing training presentations, with a goal of training 600 housing professionals, social service professionals, and residents.
 - Conduct 24 Basic Energy Education (BEE presentations), with a goal of training 240 residents.
- The Human Relations Division will present or sponsor the following human relations-related events:
 - Hispanic Heritage Month celebration.
 - Women's History Month event (Women's Forum).
 - Human Relations Advocacy Award ceremony.
 - Thursday Ted Talk (for Human Relations Month and any other observance).

DEPARTMENT PERFORMANCE SUMMARY

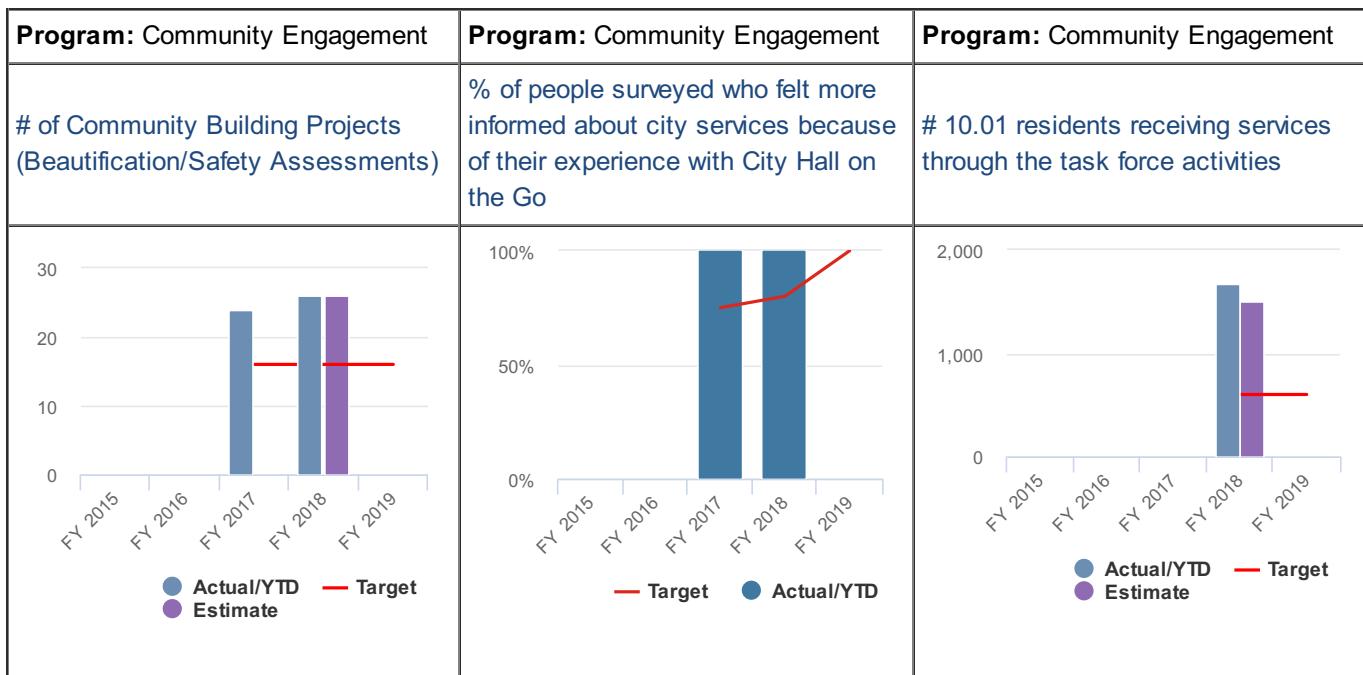
Objective: Improve public perception of safety and quality of the total built environment through the removal of public nuisances that contribute to crime, unsafe and unhealthy conditions in neighborhoods



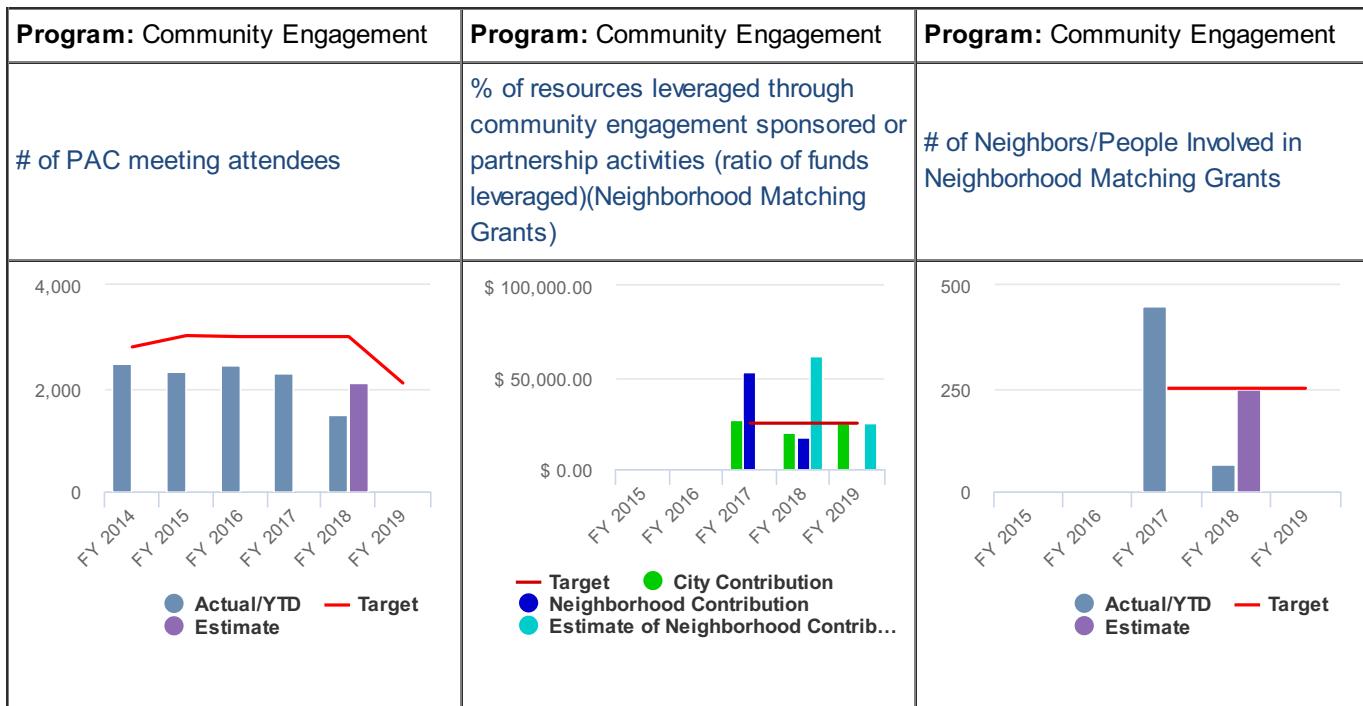
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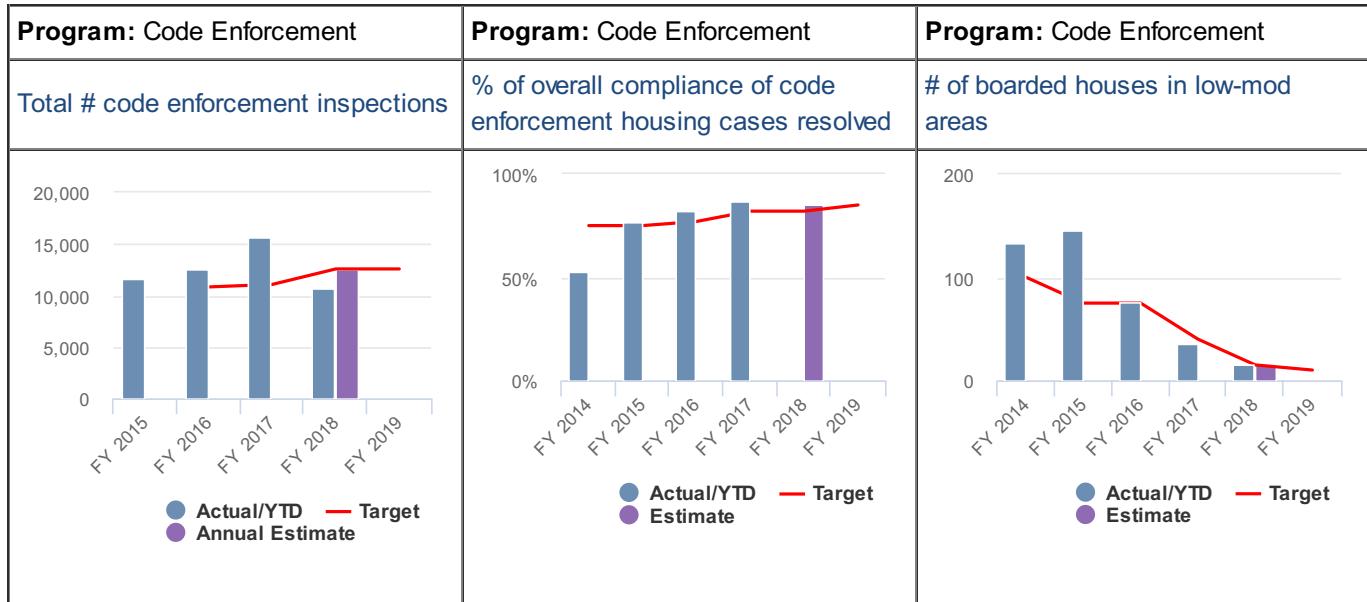
Objective: Expand engagement with residents to ensure knowledge of and access to services; and to promote and to facilitate resident driven collaboration that improves the quality of neighborhoods



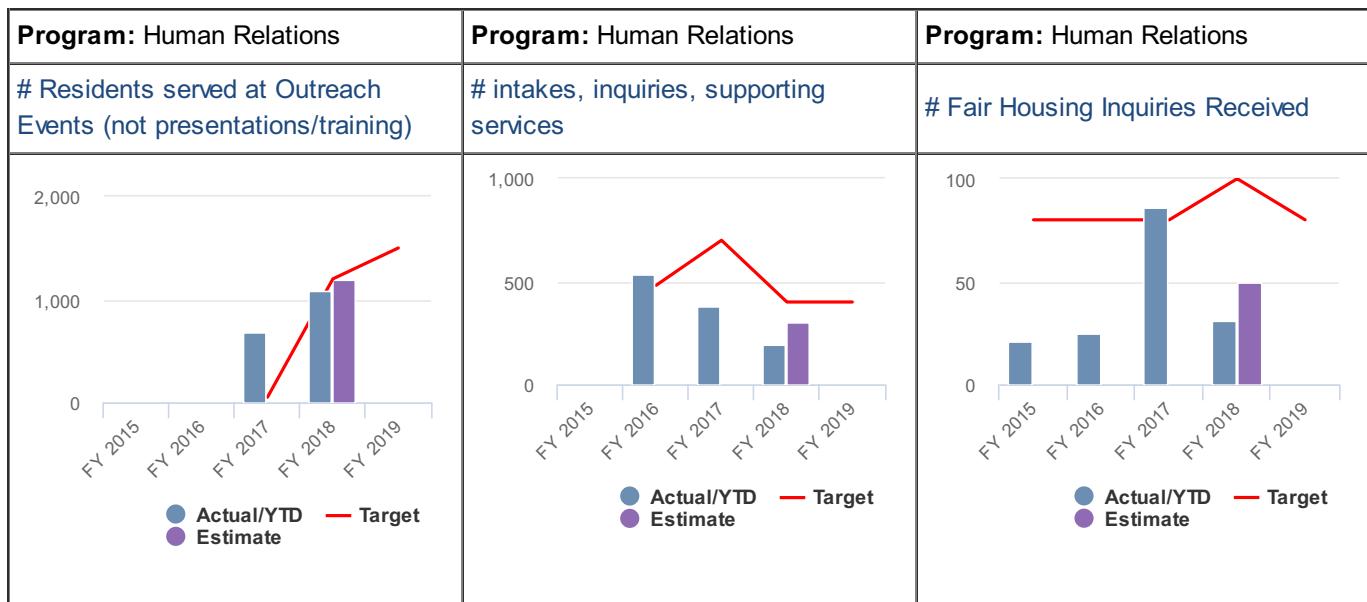
Objective: Expand engagement with residents to ensure knowledge of and access to services; and to promote and to facilitate resident driven collaboration that improves the quality of neighborhoods



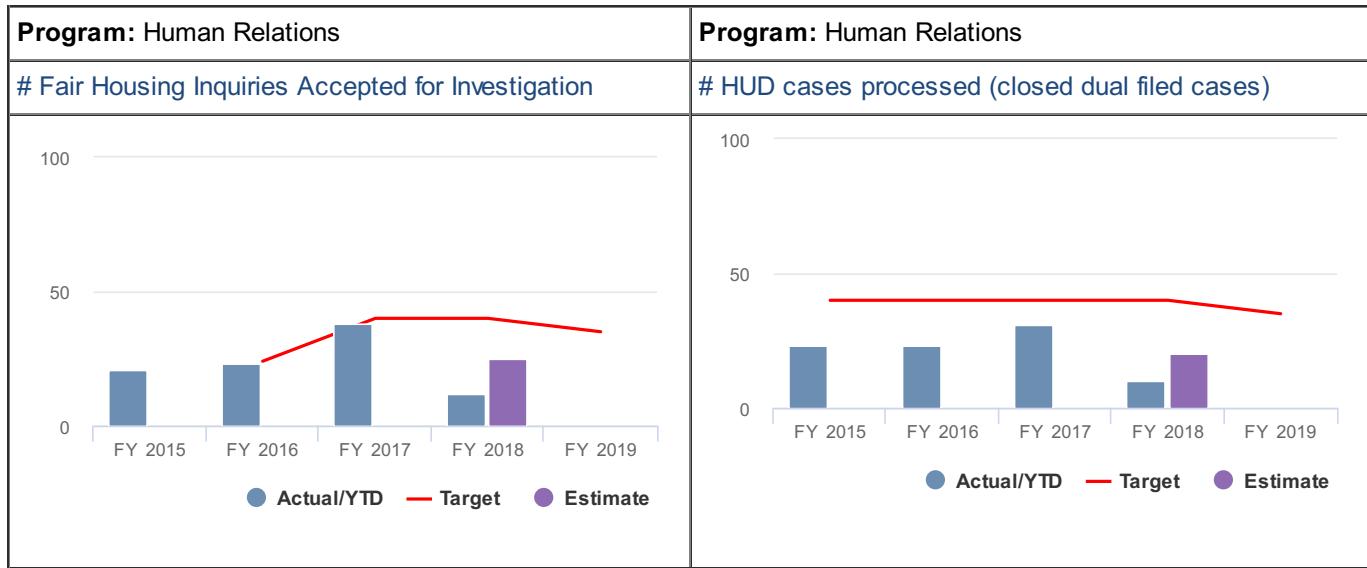
Objective: Improve housing and other built environment conditions to provide safe and sanitary housing and neighborhoods by increasing community awareness and responsiveness to City ordinances and codes



Objective: Increase fair and equitable housing opportunities through the enforcement of the federal and local fair housing laws, and by educating citizens and housing providers on these laws



Objective: Enhance External Communication and Engagement



CONTRACT AGENCIES – ARTS & CULTURE

The Arts & Culture Program provides for the support and operation of arts facilities and programs for Durham citizens. This program includes the daily operation and management of the Durham Arts Council building, the Carolina Theatre, and the Hayti Heritage Center. Support is also provided for major arts and cultural institutions and non-profit arts organizations that provide services and arts experiences that contribute significantly to the quality of life.

PROGRAM DESCRIPTION

Arts & Culture Facilities **\$1,818,489**

The Carolina Theatre of Durham, Inc. operates, manages and programs the Carolina Theatre for the City of Durham. The Durham Arts Council, Inc. operates, manages and programs the Durham Arts Council building for the City of Durham. In addition, the Arts Council provides arts-based educational opportunities to Durham citizens and provides support services to artists and arts organizations. St. Joseph's Historic Foundation operates, manages and programs the Hayti Heritage Center (privately owned) as a cultural institution exploring the African-American experience. Community Based programming is provided at Lyon Park, managed by the board of Calvary Ministries of the West End, Inc.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Operating	\$ 1,994,219	\$ 1,818,486	\$ 1,822,597	\$ 1,818,489	0.0%
Total Appropriations	\$ 1,994,219	\$ 1,818,486	\$ 1,822,597	\$ 1,818,489	0.0%
Revenues					
Discretionary	\$ 1,994,219	\$ 1,818,486	\$ 1,822,597	\$ 1,818,489	0.0%
Program	-	-	-	-	0.0%
Total Revenues	\$ 1,994,219	\$ 1,818,486	\$ 1,822,597	\$ 1,818,489	0.0%

Arts & Culture Facilities	Service Provided	Award
Carolina Theatre	Manages the Carolina Theatre. It is governed by a management agreement with the City.	\$654,053
Durham Arts Council	Promotes excellence in and access to the creation and experience of the arts for all citizens. Manages the City's community arts center. It is governed by a management agreement with the City.	\$685,715
Lyon Park	Community based programming is provided at Lyon Park, managed by the Board of Calvary Ministries of the West End, Inc. The City of Durham Parks and Recreation Department provides recreational opportunities under a joint use agreement with Calvary Ministries.	\$186,721
St. Joseph's Historic Foundation	Preserves and promotes the understanding of and appreciation for the African-American experience and societal contributions by providing cultural arts and education programs. It is governed by a management agreement with the City.	\$292,000
Total Arts & Culture Facilities		\$1,818,489

CONTRACT AGENCIES – COMMUNITY DEVELOPMENT

Annually, the City of Durham enters into contracts with non-profit agencies. These agencies are funded entirely with discretionary revenue and provide services that complement the efforts of City departments. Agencies that are funded provide services that directly tie to Council goals and priorities.

PROGRAM DESCRIPTION

Community Development Organizations **\$237,212**

These organizations provide services that focus on improving the quality of life through a myriad of different services that are provided citywide.

RESOURCE ALLOCATION

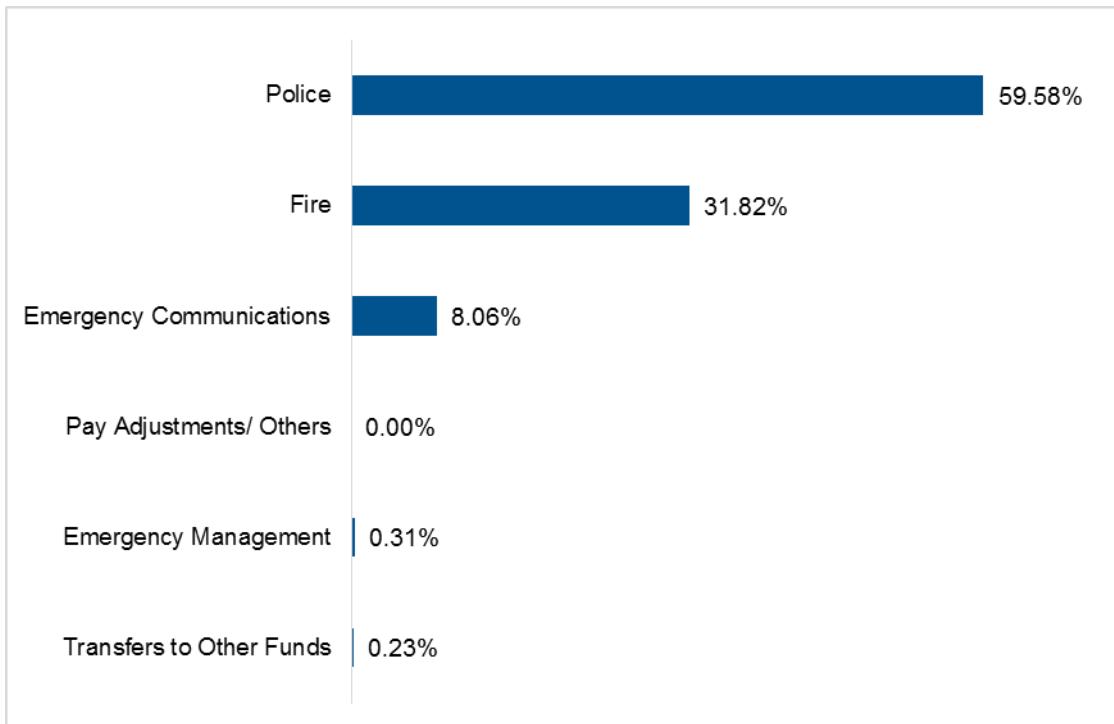
	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Operating	\$ 171,854	\$ 230,302	\$ 230,302	\$ 237,212	3.0%
Total Appropriations	\$ 171,854	\$ 230,302	\$ 230,302	\$ 237,212	3.0%
Revenues					
Discretionary	\$ 171,854	\$ 230,302	\$ 230,302	\$ 237,212	3.0%
Program	-	-	-	-	0.0%
Total Revenues	\$ 171,854	\$ 230,302	\$ 230,302	\$ 237,212	3.0%

Community Development	Service Provided	Award
Durham Media Center	Promotes use of designated access channels by coordinating the use of public access channels, providing production facilities, providing technical assistance and media training.	\$55,752
Museum of Durham History	Provides educational and cultural services benefiting the Durham community by managing a "History Hub" located in downtown Durham capturing Durham's compelling history.	\$51,100
Sports Commission	Fosters economic development through coordinating and developing Durham's role as a leading site for sports events involving youth, collegiate, amateur and professional organizations.	\$130,360
Total Community Development		\$237,212

PUBLIC SAFETY
BUDGET SUMMARY

<i>Non-Grant Appropriations</i>	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Emergency Communications	\$ 7,986,638	\$ 8,348,560	\$ 8,575,514	\$ 8,638,861	3.5%
Emergency Management	236,613	243,412	243,412	334,069	37.2%
Fire	25,847,610	28,736,658	29,160,630	34,112,632	18.7%
Police	56,333,154	60,133,011	61,394,906	63,883,388	0.0%
Pay Adjustments/Others	-	1,229,281	700,000	-	-100.0%
Transfers to Other Funds	93,776	234,582	217,964	251,622	7.3%
Total Appropriations	\$ 90,497,791	\$ 98,925,504	\$ 100,292,426	\$ 107,220,572	8.4%
Full Time Employees	1013	1092	1092	1162	70.0
Part Time	-	-	-	-	-
 Revenues					
General Fund					
Discretionary Program	\$ 85,519,807 3,077,199	\$ 93,967,084 2,938,665	\$ 94,828,473 2,933,191	\$ 102,216,073 2,981,968	8.8% 1.5%
General Fund Subtotal	\$ 88,597,006	\$ 96,905,749	\$ 97,761,664	\$ 105,198,041	8.6%
Emergency Telephone Fund	1,789,815	1,886,890	2,396,041	1,883,848	-0.2%
Inspections Fund	110,970	132,865	134,721	138,683	4.4%
Total Revenues	\$ 90,497,791	\$ 98,925,504	\$ 100,292,426	\$ 107,220,572	8.4%
 Grants					
Public Safety	\$ 811,887	\$ 1,235,757	\$ 2,195,187	\$ 1,235,757	0.0%
Total Grants	\$ 811,887	\$ 1,235,757	\$ 2,195,187	\$ 1,235,757	0.0%
Full Time Employees	-	16	16	16	-
Part Time	-	-	-	-	-
 Total Budget	\$ 91,309,678	\$ 100,161,261	\$ 102,487,613	\$ 108,456,329	8.3%

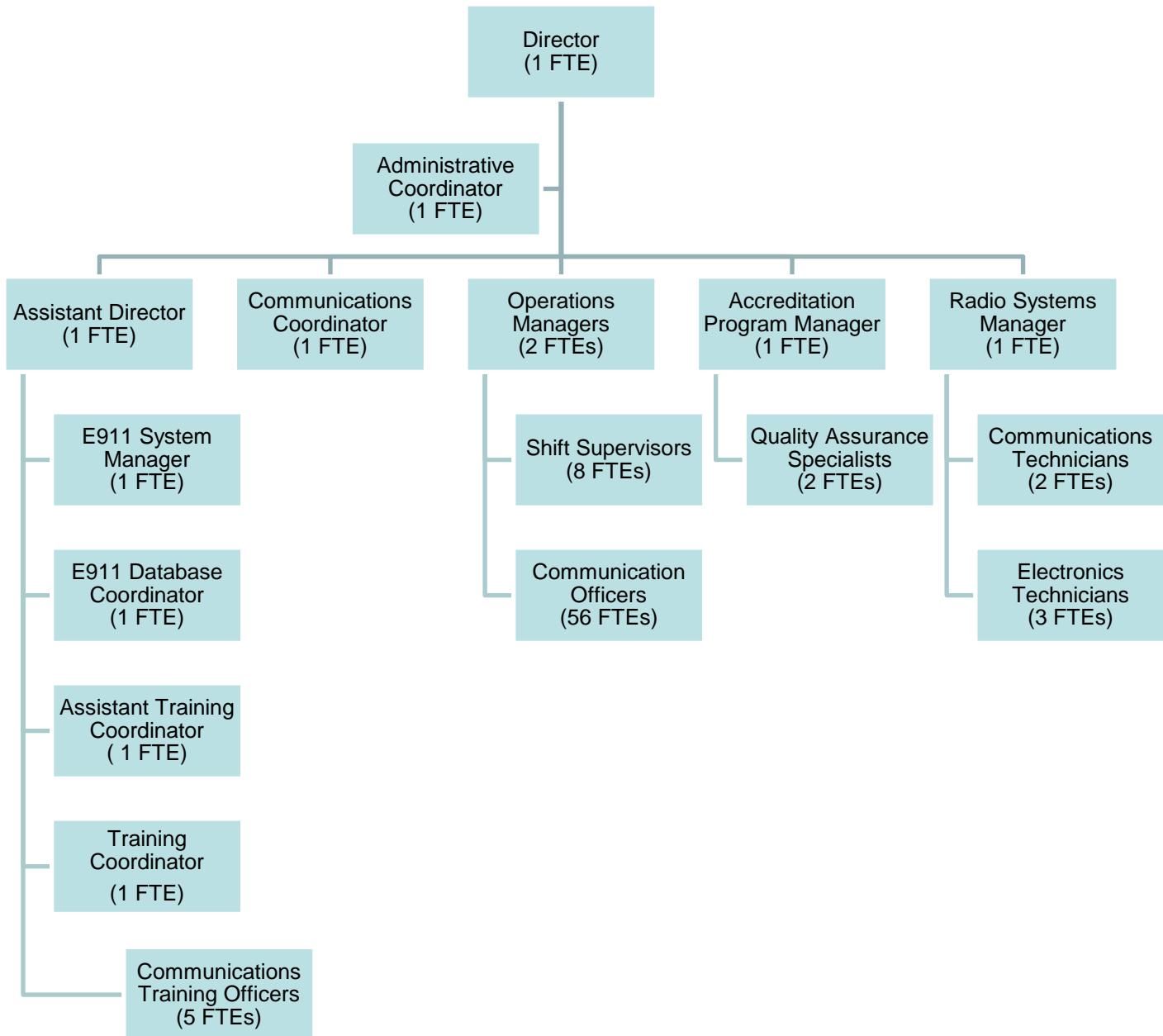
PUBLIC SAFETY





Emergency Communications

(88 FTEs)



EMERGENCY COMMUNICATIONS

Purpose Statement:

To affirmatively promote, preserve and protect the safety and security of all citizens of the community. It is our commitment to provide citizens with the fastest and most efficient response to emergency calls possible while ensuring the safety of Police, Fire and Emergency Medical Services (EMS) personnel. It is our goal to contribute to the quality of life of our community by giving efficient, reliable, courteous, responsive and professional 911 communications services. We will constantly seek ways to improve the quality of assistance we provide to the community by acknowledging that service is our one and only product and our goal is to provide it at the most superior level possible thereby saving lives, protecting property and helping to stop crimes, thus making Durham a safer community to live, work and visit.

DEPARTMENT DESCRIPTION

Emergency Response

General Fund: \$5,641,841
Emergency Telephone System Fund: \$1,883,848
82 FTEs

This program operates under an interlocal agreement between the City and County governments for receipt of public safety calls including law enforcement, EMS and fire service dispatch. The program focuses on answering calls for the City of Durham, Durham County residents and visitors.

The focal point of this program is to ensure calls for emergency service are answered and dispatched to the appropriate public protection unit for disposition. The program provides service to all individuals dialing 911 and the following departments: Police, Fire, EMS, Durham County Emergency Management, and Volunteer Fire Departments. The Durham County Sheriff's Department provides its own answering and dispatching service. The 911 Surcharge fund supports technology and implemental functions such as addressing, database provisioning, and GIS associated with the processing of 9-1-1 calls.

Total number of 9-1-1 Calls answered	Actual FY13	Actual FY14	Actual FY15	Actual FY16	Actual FY17	Projected FY18
	346,397	349,989	362,983	369,114	338,586	338,500
Total number of Non-Emergency Calls answered	90,740	97,474	103,358	93,395	95,715	100,305

Communications Maintenance

General Fund: \$1,113,172
6 FTEs

The division maintains and manages the operation of the 800 MHz radio system which includes four tower sites, an integrated microwave system, alarm and computer monitoring systems, backup power supplies and generators, the radio dispatch system in the 911 Emergency Communications Center, a backup 911 Center, the Durham Sheriff's Office 911 Center and North Carolina Central University's dispatch center. Communications Maintenance also installs and maintains all radio communications equipment for various departments of the city and county governments. Typical radio equipment includes portable, mobile, and base radios. In addition, this division installs and maintains the emergency lighting systems, sirens, cameras, video recorders and mobile data modems in the fleet of public safety vehicles.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 5,142,956	\$ 5,659,371	\$ 5,247,532	\$ 5,932,083	4.8%
Operating	2,676,537	2,590,309	3,229,102	2,706,778	4.5%
Capital and Other	167,145	98,880	98,880	-	-100.0%
Total Appropriations	\$ 7,986,638	\$ 8,348,560	\$ 8,575,514	\$ 8,638,861	3.5%
Full Time Employees	82	88	88	88	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 4,697,647	\$ 4,868,522	\$ 4,581,696	\$ 5,103,342	4.8%
Program	1,499,175	1,593,148	1,597,777	1,651,671	3.7%
Total General Fund	\$ 6,196,822	\$ 6,461,670	\$ 6,179,473	\$ 6,755,013	4.5%
Emergency Telephone Fund	1,789,815	1,886,890	2,396,041	1,883,848	-0.2%
Total Revenues	\$ 7,986,638	\$ 8,348,560	\$ 8,575,514	\$ 8,638,861	3.5%

BUDGET ISSUES FOR FY 2018-19

- Recruitment, training and retention of new Communications Officers.
- Finalizing procurement and installation of new equipment for new building.
- Coordinate transition of 911 calls from commercial provider to NC State ESINet.

ACCOMPLISHMENTS FOR FY2017-18

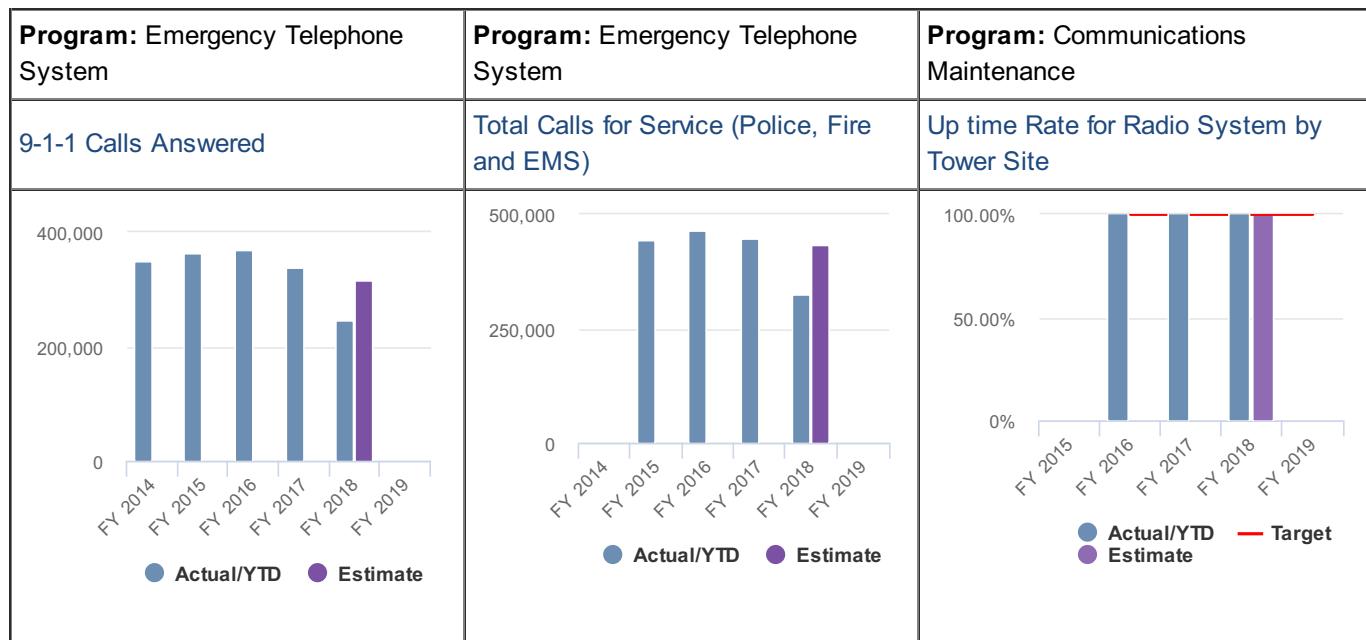
- Finalized implementation of 911 system transfer at Durham Sheriff's Communications.
- International Academy of Emergency Dispatch Center of Excellence reaccreditation in Emergency Medical Dispatch

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

- Successful transition of leadership to new Emergency Communications Director.
- Significant reduction in operational vacancy rate.
- Improved employee satisfaction survey results.
- Relocating operations to new building.

DEPARTMENT PERFORMANCE SUMMARY

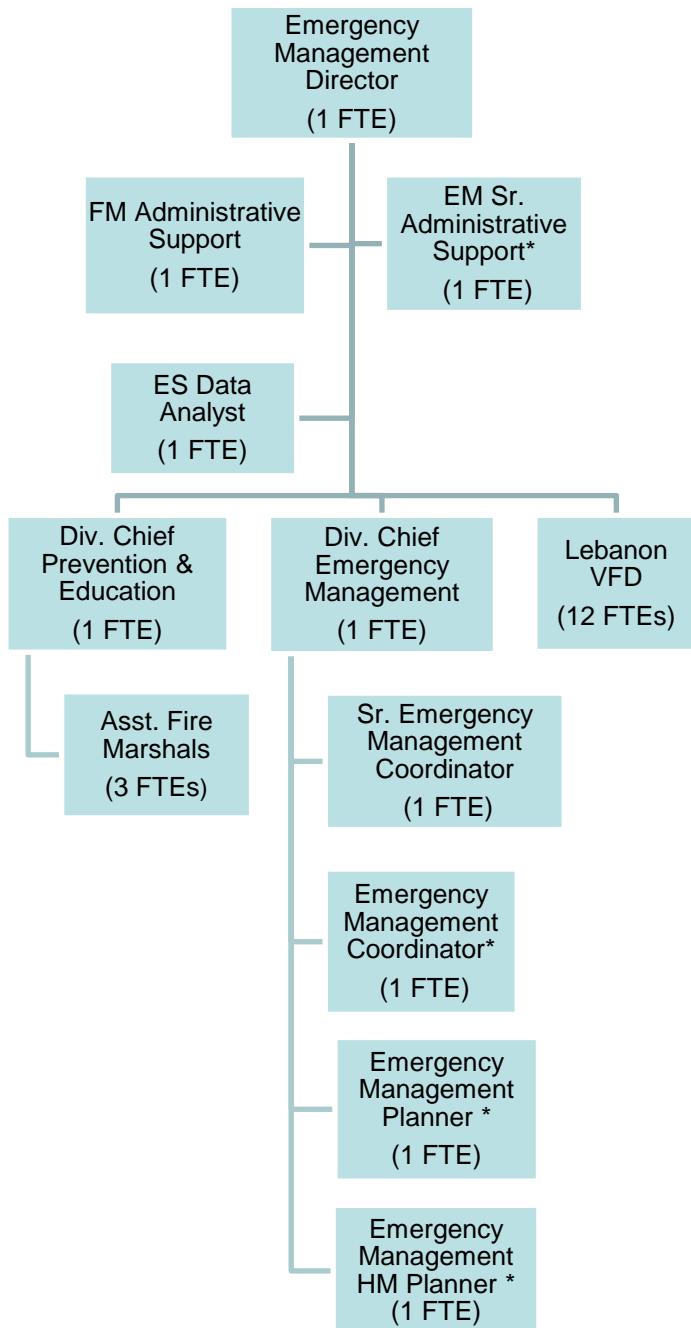
Objective: To provide a quick and accurate response maximizing resident and field unit safety





Durham City-County Emergency Management

(25 FTEs)



Please note: This is a County department. The City pays 50% of the asterisked positions and 25% of the Fire Marshal's position.

EMERGENCY MANAGEMENT

Purpose Statement:

The Division of Emergency Management is tasked with assisting County and City departments, businesses, and citizens in the development of emergency plans. Other ongoing responsibilities include maintaining emergency shelter databases, training personnel to operate shelters, maintaining resource databases, and ensuring readiness of the Emergency Operations Center. The Division is responsible for planning for any type of emergency that could affect Durham County (multi-hazard plan), for preplanning logistics and resources needed for mitigation and recovery from an emergency.

DEPARTMENT DESCRIPTION

Emergency Response	\$334,069
	0 FTEs

This program is responsible for drafting and carrying out the Durham City/County Emergency Operations Plan (EOP). The agency works closely with all government agencies to prepare, respond, recover and mitigate the effects of disasters and major emergencies. Emergency Management personnel are housed in county government. The County and City share costs in accordance with an interlocal agreement.

RESOURCE ALLOCATION

	Actual	Adopted	Estimated	Adopted	Change
	FY 2016-17	FY 2017-18	FY 2017-18	FY 2018-19	
Appropriations					
Operating	\$ 236,613	\$ 243,412	\$ 243,412	\$ 334,069	37.2%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 236,613	\$ 243,412	\$ 243,412	\$ 334,069	37.2%
Revenues					
Discretionary	\$ 236,613	\$ 243,412	\$ 243,412	\$ 334,069	37.2%
Program	-	-	-	-	0.0%
Total Revenues	\$ 236,613	\$ 243,412	\$ 243,412	\$ 334,069	37.2%

ACCOMPLISHMENTS FOR FY 2017-18

- Initiated the Emergency Operations Plan (EOP) re-write with Emergency Operations Center (EOC) job aids.
- Coordinated response and recovery for civil demonstrations and winter snow/ice storms.
- Supported multiple special events in downtown Durham (Moogfest, NCACC Conference, races, etc.).
- Delivered position-specific training for City and County personnel.
- Conducted a Durham centric functional EOC exercise that included a change of operational period (shift change).
- Completed a space needs analysis for the Department, to include EOC, training, and warehouse space.
- Received the Complex Coordinated Terrorist Attacks Grant in the amount of \$931,500 and submitted RFP for a Regional Response Plan for Durham, Wake, & Orange County personnel.
- Completed formal After Action meeting and After Action Report / Improvement Plan for the YMCA Hazardous Materials incident and August demonstrations.
- Created a multi-year training and exercise plan with input from all stakeholders.
- Completed development of WebEOC situational awareness software.

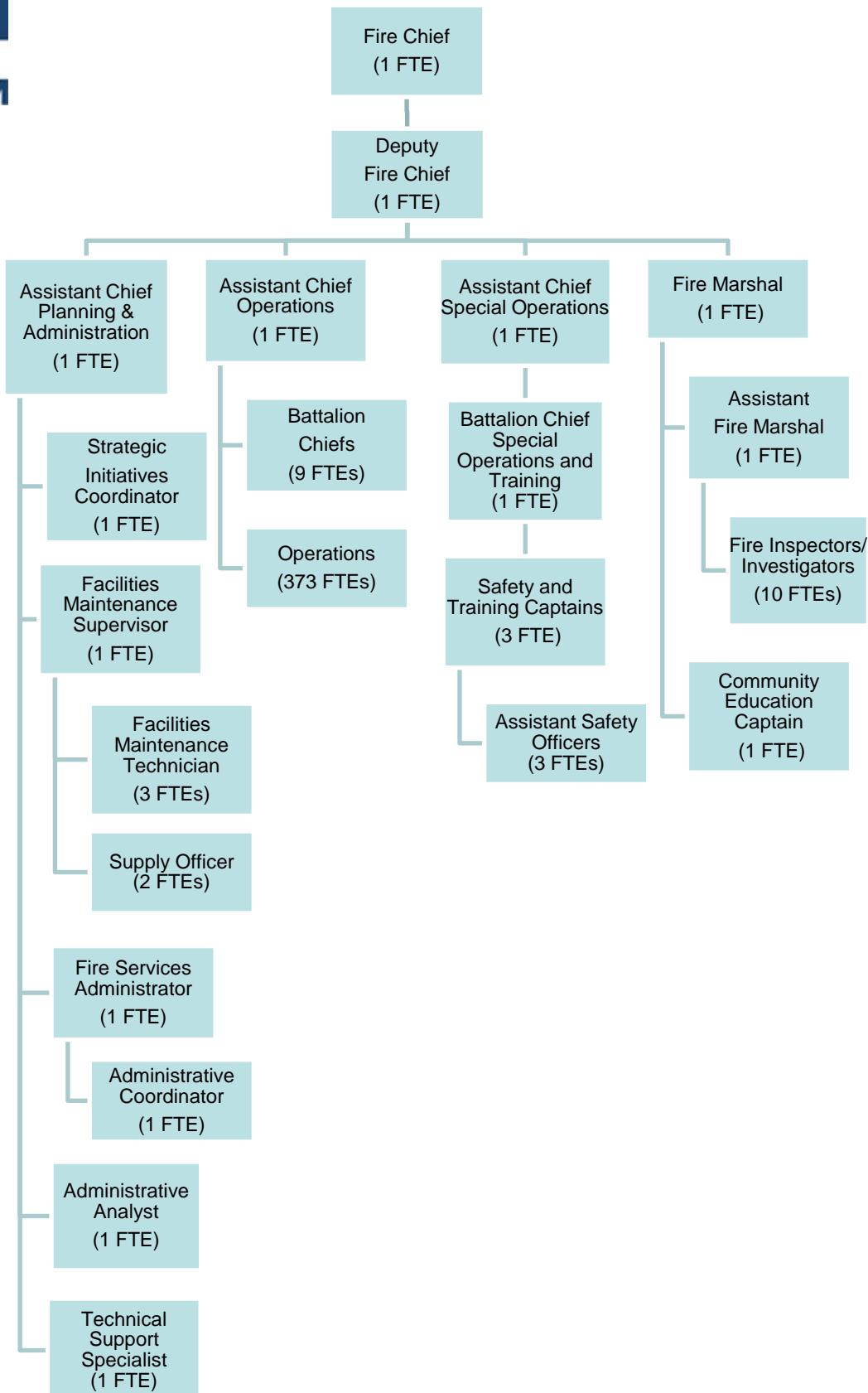
ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

- Initiate the development of the following plans:
 - Long-term Community Recovery
 - Continuity of Operations and Continuity of Government supported by cloud repository
- Finalize the development of the following plans:

- Emergency Operations Plan
 - Emergency Communications Plan
 - Active Assailant Incident Management Plan
 - Regional Complex Coordinated Terrorist Attacks Regional Response Plan
- Continue with the development of a Threats and Hazards Identification and Risk Analysis with key stakeholders.
- Initiate training on WebEOC used by key emergency and disaster response/recovery departments, agencies, and organizations.
- Initiate opportunities for community engagement including faith based groups, civic groups, schools, and social media.
- Create community outreach material for staff, schools, businesses and visitors.
- Support First Responders in their training and exercise needs.
- Implement the Nixle Community Collaboration Tool.



Fire Department (418 FTEs)



FIRE DEPARTMENT

Purpose Statement:

The Durham Fire Department strives to enhance the quality of life for the citizens and visitors of Durham by minimizing the harmful effects of fires, medical emergencies, and other types of dangerous events.

DEPARTMENT DESCRIPTION

Fire Department

General Fund: \$33,973,949
416 FTEs
Inspections Fund: \$138,683
2 FTEs

The department is primarily responsible for providing emergency responses to fires, medical calls, hazardous materials spills, technical rescue calls, and swift water rescue calls. Staff has an overriding responsibility to the residents of Durham to maintain a state of training and readiness that will allow a quick and competent response to life threatening events such as fires, emergency medical responses, weather related emergencies and potential acts of terrorism.

Administration

The Fire Administration division coordinates and supervises the Fire Department. This division is responsible for fiscal planning, records management, implementation and training for technology advancements, personnel management, and resource maintenance and management. This division is also responsible for recommending and implementing management policies and procedures for daily operations of the department under the direction of the Fire Chief.

Safety and Training

The Safety and Training division provides for the training, occupational safety and wellness of personnel through entry level and advanced in-service training programs, accident investigation and wellness evaluations. This division functions to provide a safe work environment, maintain current certifications, and monitor physical fitness levels of operations personnel.

Operations and Emergency Responses

The Fire Operations Division responds to over 25,000 calls per year for various types of emergencies. Fire responses minimize the loss of life and destruction of property due to fires through the rapid deployment of trained personnel and appropriate equipment. Service is provided by trained fire/rescue personnel, who are strategically placed throughout the City and through automatic aid agreements with volunteer fire departments and the Durham County Fire-Rescue Department.

The Emergency Medical Services (EMS) program provides Advanced Life Support with emergency medical first responders, at the Emergency Medical Technician (EMT) and Advanced Emergency Medical Technician (AEMT) levels, in response to a variety of medical emergencies. All Fire Department apparatus are equipped with emergency medical supplies and semi-automatic defibrillators used to stabilize and/or resuscitate patients until the arrival of paramedic personnel on the scene. Early emergency medical intervention helps to protect injured or sick persons from further harm.

The Hazardous Materials (Hazmat) Team provides for the identification and control of known and unknown chemical, biological, radiological, and explosive substances released into the environment. Hazmat personnel are specially trained to mitigate chemical emergencies. This program supports the goals of safety by stopping hazardous releases at the earliest possible stage and protecting residents and the City's natural resources. The Hazardous Materials Team is staffed with technicians trained to identify, isolate and mitigate most common hazardous material spills or leaks. They have the technology to interface with state and national resources to assist in their efforts. This program is provided to minimize the harmful effects of toxic releases on both people and the environment of Durham. The program operates under the requirements as set forth in state and federal OSHA standards, particularly 29CFR1910.120.

The Technical Rescue Team provides for the rescue of persons trapped and/or injured beyond the scope of normal Fire Department operations. These specialized rescues may involve high/low angle, trench, swift water, vehicle extrication, structural collapse and confined space rescue emergencies.

Fire Prevention

The Fire Prevention Division provides comprehensive enforcement of mandated fire and life safety codes and regulations including the inspection of properties for fire code violations. Responsibilities include regulating the design and implementation of building features and fire protection systems. The purpose of this division is to prevent and/or reduce the loss of life, injury and property damage due to fire in commercial, factory, institutional, business, educational, mercantile and assembly occupancies.

The Fire Investigation Team provides fire cause and origin determination and the investigation of all fires of a suspicious nature. Clearance of arson crimes remains a high priority for the Fire Prevention Division and is in alignment with the City's efforts to investigate and solve cases involving suspicious fires. The program supports the City Council goal of a Safe & Secure Community.

The Community Fire Education program provides educational programs about the causes and prevention of fire and burn injuries. Emphasis is placed on targeting areas that are experiencing the greatest hazards from fire emergencies and those that have a history of emergency medical calls for service. The program encourages a strong link between the Fire Department and the community by instituting outreach programs such as the "Risk Watch" and "Learn Not to Burn" programs, smoke detector campaigns, fire extinguisher training, fire safety training, blood pressure checks and programs for seniors involving health and fire safety.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$23,925,629	\$26,727,321	\$26,688,864	\$31,484,133	17.8%
Operating	1,910,623	1,829,523	2,316,622	2,265,250	23.8%
Capital and Other	11,358	179,814	155,144	363,249	102.0%
Total Appropriations	\$25,847,610	\$28,736,658	\$29,160,630	\$34,112,632	18.7%
Full Time Employees	316	348	348	418	70
Part Time	-	-	-	-	-
Revenues					
Discretionary Program	\$24,241,822 1,494,819	\$27,351,855 1,251,938	\$27,773,970 1,251,938	\$32,722,011 1,251,938	19.6% 0.0%
Total General Fund	25,736,641	28,603,793	29,025,908	33,973,949	18.8%
Inspections Fund	110,970	132,865	134,721	138,683	4.4%
Total Revenues	\$25,847,611	\$28,736,658	\$29,160,630	\$34,112,632	18.7%

BUDGET ISSUES FOR FY 2018-19

- The fire department needs to build capacity in order to respond to the rapid growth and development within the downtown tier and surrounding neighborhoods.
- Continue to work collaboratively with Durham Public Schools to build capacity for their high school fire academy concept.
- The department will continue to refine its new firefighter on-boarding partnership with Durham Technical Community College to meet the needs of both organizations.
- The fire department needs to increase capacity in its Special Operations Division to provide closer oversight of emergency medical service delivery and reporting by employing two EMS trainers who will monitor personnel certifications, and provide EMS continuing education for all Fire Department Operations personnel.

- The department needs to enhance the ability for any suspicious fires to be investigated in the most efficient way possible. We envision that efficiency would be substantively increased with a fully-equipped vehicle for the on-call fire investigator to utilize in the course of determining fire origins and causes.
- The department anticipates completing a consolidation between the Durham Fire Department and Durham County Fire & Rescue at the beginning of FY19, which will serve to enhance the fire coverage in Southern Durham by absorbing the Durham County personnel and other assets into the Durham Fire Department. This consolidation will reduce response times and enhance the resources arriving to emergency calls in the consolidated areas.
- The Fire Department needs to continue building on the capacity to train its personnel to respond to active assailant and other asymmetrical threats.
- Develop and implement a staffing and service delivery model to increase the quality and quantity of code-enforcement occurring in the jurisdiction.

ACCOMPLISHMENTS FOR FY 2017-18

- Continued the replacement of vehicle extrication equipment in the fire department inventory, which has reached the end of its useful life, with new equipment capable of dealing with reinforced high strength steel in many of the newer car models.
- Continued advanced testing and replacement of turnout gear according to NFPA standard 1851 (2008 Edition).
- Continued to check the operational readiness and appearance of all hydrants.
- Pursued compliance with NFPA 1710 guidelines (minimum staffing requirements).
- Continued to participate in regional Urban Search and Rescue (USAR) and Hazardous Materials training with the Raleigh and Chapel Hill Fire Departments.
- Continued attendance at PAC meetings, open Command Staff meeting format, and the station meeting program to ensure effective internal and external communication.
- Conducted courtesy home inspections at no cost to citizens.
- Continued annual fitness testing for all Operations personnel to maintain operational readiness for emergency responses.
- Distributed smoke and carbon monoxide detectors to City of Durham residents at no cost.
- Continued to work on establishing a reliable database of businesses subject to an inspection per NC Fire Code.
- Continued efforts to increase the representation of uniformed women and minorities in the Durham Fire Department with a focus to reflect the community served.
- Continued monitoring the success of training hour requirements for all uniformed personnel
- Had one chief attend the UNC School of Government's Municipal Administration Course
- One chief was accepted into the National Fire Academy's Executive Fire Officer Program
- Continued the development and evaluation of operational SOGs
- Successfully on-boarded 50 new firefighters
- Continued to use Cornertone learning management system for distance learning and continuing education training.
- Promoted three Chief officers and fifteen company officers from the Operations Division.
- Placed new hoses and nozzles onto all fire apparatus to increase water flow and fire extinguishment capabilities.
- All AEMT personnel were trained on the use and application of Interosseous injections for obtaining vascular access to patients in medical crises, where standard IV lines are difficult or impossible to obtain otherwise.
- The Training Division sponsored eight certification classes resulting in 106 employees receiving a new certification.

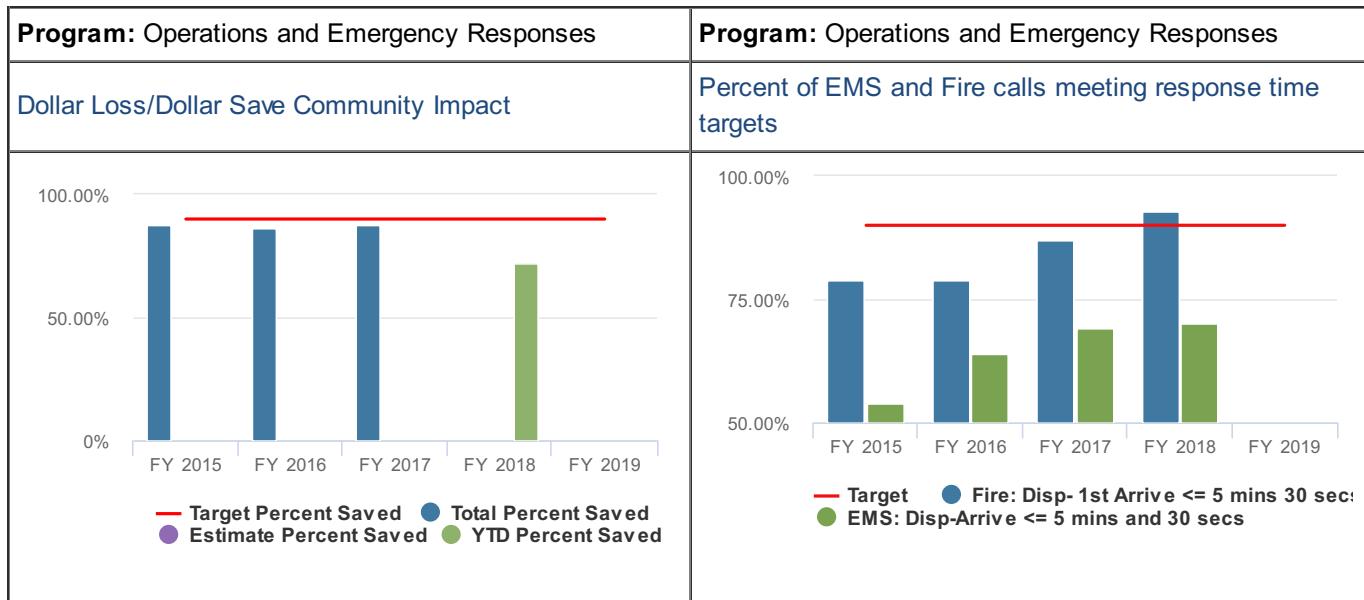
ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

- Continue advanced testing and replacement of turnout gear according to NFPA standard 1851 (2008 Edition).
- Continue the replacement of vehicle extrication equipment in the fire department inventory, which has reached the end of its useful life, with new equipment capable of dealing with reinforced high strength steel in many of the newer car models.
- Continue to check the operational readiness and appearance of all hydrants.
- Pursue compliance with NFPA 1710 guidelines.

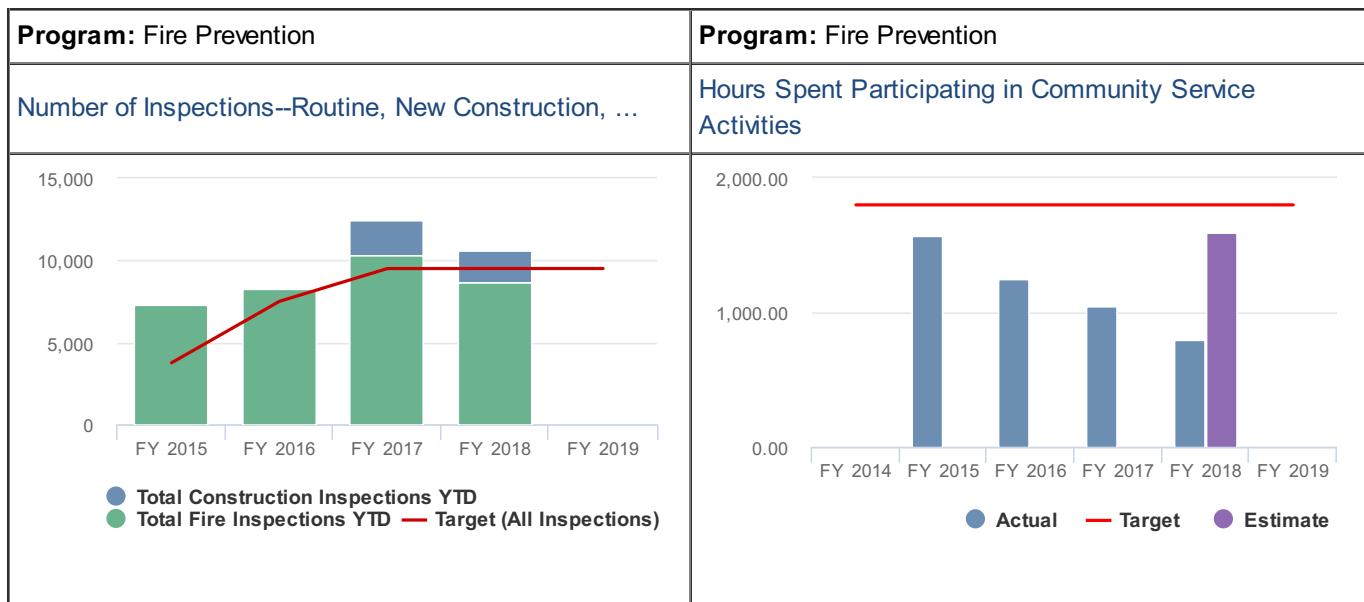
- Continue to participate in regional Urban Search and Rescue (USAR) and Hazardous Materials training with the Raleigh and Chapel Hill Fire Departments.
- Continue attendance at PAC meetings, open Command Staff meeting format, and the station meeting program to ensure effective internal and external communication.
- Conduct courtesy home inspections at no cost to citizens.
- The department will continue its effort to address the impacts on fire protection, resulting from continued development in the downtown city center as well as in the newly annexed areas in eastern and southern Durham.
- Increase the number of personnel with advanced certifications in special operations, emergency medical services, and leadership.
- Complete all of the required in-service training for EMT personnel to comply with new OEMS standards by the end of calendar 2018.
- Completion of the consolidation of Durham County Fire & Rescue into the Durham Fire Department.

DEPARTMENT PERFORMANCE SUMMARY

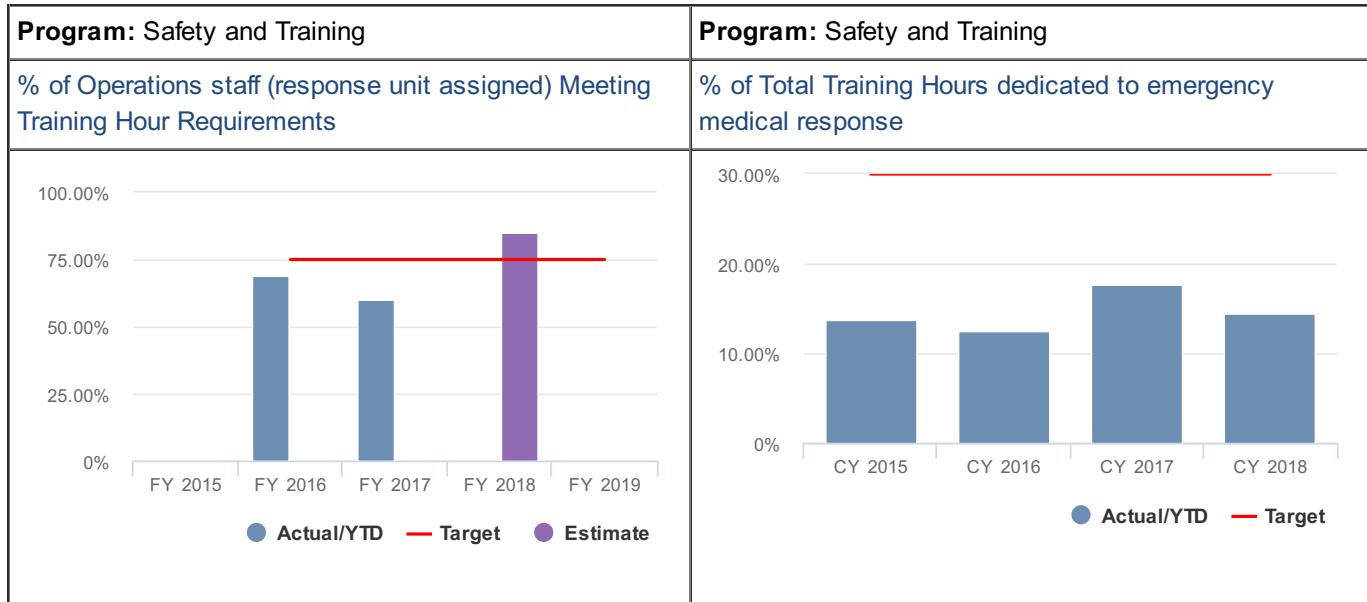
Objective: Enhance Emergency Response Capabilities



Objective: Increase Code Enforcement and Community Education Efforts



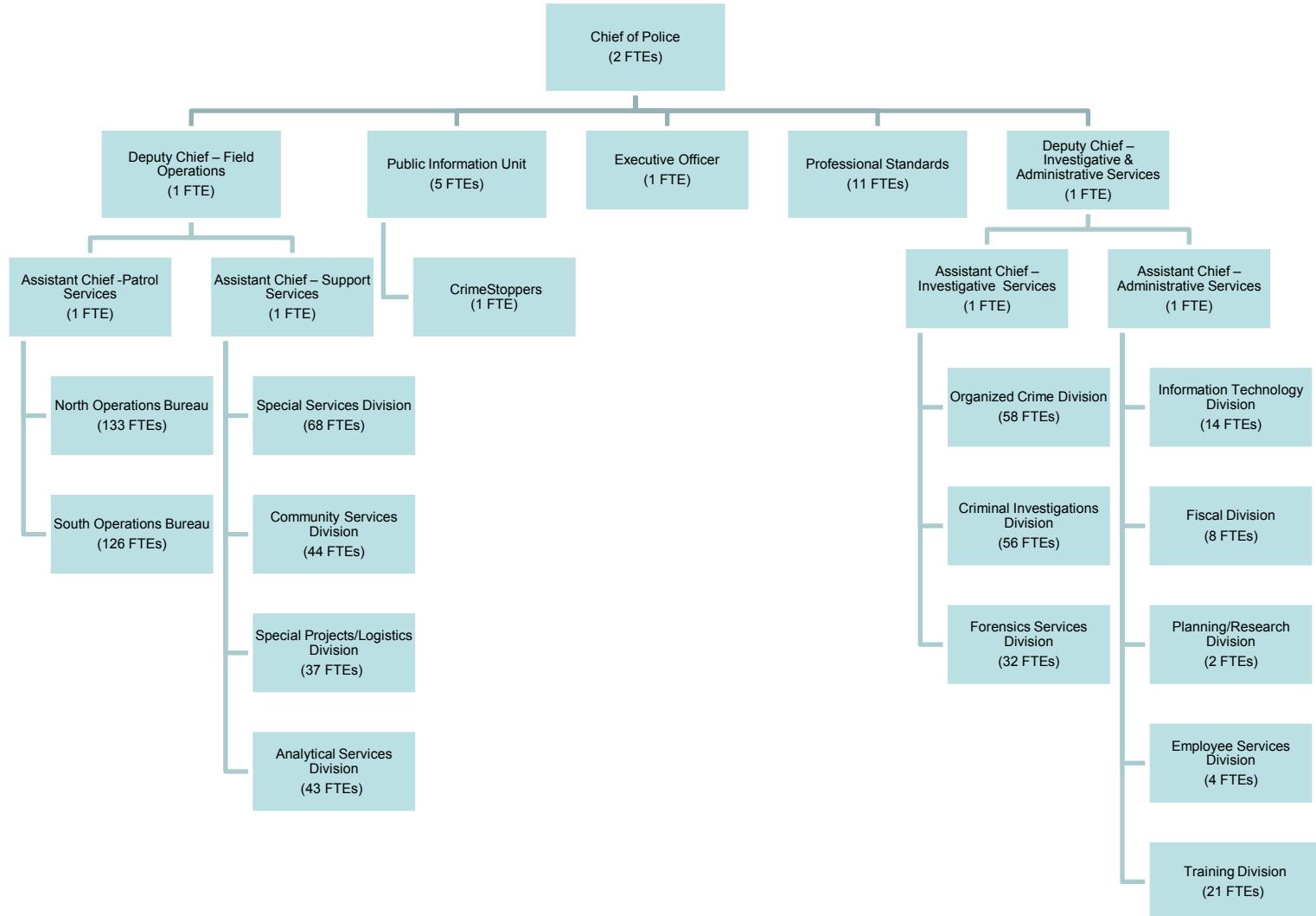
Objective: Increase Staff Preparedness through Training





Police Department

(672 FTEs)



POLICE DEPARTMENT

Mission:

To minimize crime, promote safety, and enhance the quality of life in partnership with our community.

DEPARTMENT DESCRIPTION

Police Department	General Fund: \$64,135,010 656 FTEs
	Grant Funds: \$1,235,757 16 FTEs

The Department is primarily responsible for protecting and safeguarding the lives and property of Durham residents through enforcement of criminal laws and safety education. Core functions are carried out through five operational bureaus: Patrol Services, Support Services, Investigative Services, Administrative Services and Office of the Chief. In addition, the Department works collaboratively with City, County and State departments, area public safety agencies and community organizations to maximize resources and security and to heighten citizen engagement in safety and crime-related issues.

Patrol Services Bureau

This program includes the traditional uniformed patrol officers and District Investigators. The sworn personnel within this program provide specific law enforcement services to the public, which include, but are not limited to, patrol responses to 911 requests for assistance, investigation and clearance of property crimes and the investigation of crimes against persons committed without a firearm.

Support Services Bureau

The Support Services Bureau consists of four (4) divisions which are as follows: 1) the Special Services Division, 2) the Community Services Division, 3) the Special Projects/Logistics Division, and 4) the Analytical Services Division.

The Special Services Division consists of the Bicycle Unit, which is responsible for high visibility patrols and responding to calls for service in the Downtown area and providing security at City Hall; the Canine (K-9) Unit, which utilizes specially trained police dogs to search for contraband, track persons, search buildings and find articles; the Traffic and Crash Team, which concentrates enforcement efforts on traffic offenders in order to reduce roadway collisions, conducts investigations of motor vehicle collisions resulting in serious injury or fatality and conducts speed enforcement; the Motorcycle Unit, which provides escort services for funerals and dignitary processions, conducts traffic enforcement throughout the City and participates in demonstrations and community education programs about the unit; and Central Investigations, which is responsible for conducting follow-up investigations for property crimes and crimes against persons within the Downtown area.

The Community Services Division consists of the Community Resource Unit, which is responsible for Neighborhood Watch, security inspections for homes and businesses, conducting educational workshops/demonstrations, serves as liaisons to all City districts, manages the Mobile Substation, manages the Police Athletic League (PALs) and the Citizens Police Academy; the School Resource Officer Unit (SRO), which provides officers at City schools to deter criminal activity; the Community Engagement Unit, which will provide a law enforcement presence and support to Public Housing neighborhoods; the Crisis Intervention Team (CIT), which focuses on both initial and follow-up responses to situations involving the mentally ill; the Victim Services Unit, which provides support services to victims of violent crime.

The Special Projects/Logistics Division consists of two (2) Slide Patrol Squads, which are responsible for providing support activities to Uniform Patrol; Watch Commanders, which are responsible for supervision of patrol operations; the Desk Unit, which is responsible for the management of the front desk in Headquarters on a 24-7 basis; the Court Liaison, which facilitates the scheduling of court dates and subpoena service to members of the Department for criminal cases; Secondary employment, which manages the employment of officers with outside entities; Towing & Licensing, which is responsible for all towing related activities for the Department and coordinates alcohol licensing and processes precious metal permits; Special Event Services, which provides community members with permits for special events; the Fleet Unit, which is responsible for maintaining the

Department's vehicles at an optimal operating level; the Supply Unit, which is responsible for the receipt, storage and distribution of uniforms, equipment and supplies; and the Reserve Officer Program, which manages the volunteer sworn police staff.

The Analytical Services Division consists of the Crime Analysis Unit, which is responsible for researching and analyzing incident and crime data; the Criminal Intelligence Unit, which is responsible for the acquisition, processing and dissemination of intelligence information and the maintenance of intelligence records and files; the Records Unit, which serves as the custodian for all official police records; and the Division of Criminal Information/Warrant Control, which utilizes all available criminal justice databases to provide information to our officers and other law enforcement agencies.

Investigative Services Bureau

This program consists of the Organized Crime Division (OCD), the Criminal Investigations Division (CID), and the Forensic Services Division (FSD).

OCD consists of the Selective Enforcement Team (SET), the Gang Intelligence Unit, the Major Crimes Unit, the Vice/Narcotics Unit, and the Biological/Chemical Emergency Response Team (BCERT).

CID provides criminal investigative services for cases requiring extensive follow-up or cases that are complicated in nature and consists of the following units: the Homicide Unit, the Domestic Violence Unit, the Special Victims Unit, the Financial Crimes Unit and the Violent Crimes Unit.

FSD is responsible for collecting and maintaining the integrity of evidence collected from crime scenes and property. The FSD is comprised of the following units: the Crime Scene Unit which is responsible for the collection, preservation and documentation of evidence; the Crime Lab Unit which is responsible for conducting or coordinating tests of evidence; and the Property/Evidence Unit which maintains custody and security of all evidence and property received.

Administrative Services Bureau

This program includes Training and Recruiting, Fiscal Services, Planning and Research, Information Technology Services, and Personnel Services.

The Training Unit provides in-service and new recruit training. The Recruiting Unit actively seeks qualified applicants and the Personnel Services Unit oversees the administration of our Human Capital. The Fiscal Services Unit provides fiscal management and grants administration. The Planning and Research Unit provides long term planning for growth requirements. Information Technology Services provides computer support, statistical database maintenance, front line mobile data terminal and e-citation support.

Office of the Chief

The Office of the Chief is comprised of the Professional Standards Division, the Executive Officer to the Chief of Police, an Administrative Assistant and the Public Affairs Unit.

The Professional Standards Division is responsible for the general oversight, compliance and accountability of all Department members and consists of the following units: the Internal Affairs Unit which is responsible for investigating citizen's complaints and all administrative and law violations by agency personnel; the Staff Inspections Office which is responsible for providing information on Department efficiencies and effectiveness and conducting inspections and audits; and the Accreditation Office which is responsible for maintaining the Department's accredited status with Commission on Accreditation for Law Enforcement Agencies (CALEA).

The Executive Officer to the Chief of Police serves as the personal representative of the Chief for community concerns and business matters.

The Public Affairs Unit is responsible for gathering, developing and presenting information about the programs, services, policies and activities of the Department.

RESOURCE ALLOCATION				
	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19
Appropriations				
Personal Services	\$50,592,073	\$53,758,862	\$53,802,091	\$57,243,243
Operating	5,662,967	6,104,169	7,439,203	6,618,145
Capital and Other	78,114	269,980	153,612	22,000
Transfers	93,776	234,582	217,964	251,622
Subtotal Appropriations	\$56,426,930	\$60,367,593	\$61,612,870	\$64,135,010
Total Appropriations	\$56,426,930	\$60,367,593	\$61,612,870	\$64,135,010
Full Time Employees	615	656	656	656
Part Time	-	-	-	-
Revenues				
Discretionary Program	\$56,343,725 83,205	\$60,274,014 93,579	\$61,529,394 83,476	\$64,056,651 78,359
Total Revenues	\$56,426,930	\$60,367,593	\$61,612,870	\$64,135,010
<i>Grant</i>				
Personal Services	\$ 373,002	\$ 199,751	\$ 866,230	\$ 199,751
Operating	418,010	1,036,006	941,102	1,036,006
Capital and Other	20,875	-	387,855	-
Total Appropriations	\$ 811,887	\$ 1,235,757	\$ 2,195,187	\$ 1,235,757
Full Time Employees	-	16	16	16
Part Time	-	-	-	-
Revenues				
Grants	\$ 811,887	\$ 1,235,757	\$ 2,195,187	\$ 1,235,757
Total Grant Revenue	\$ 811,887	\$ 1,235,757	\$ 2,195,187	\$ 1,235,757
Total Budget	\$57,238,817	\$61,603,350	\$63,808,057	\$65,370,767

BUDGET ISSUES FOR FY 2018-19

- The attrition rate through the first seven months of FY18 averaged 5.1 officers per month, which impacts the presence of law enforcement officers on the streets. New hiring and retention incentives, and a new sworn pay structure, will help to reduce the current operational vacancy rate, but the targeted rate of 6% of funded officers will be a challenge to meet for FY19. Lapsed salaries will be available to operate academies, with the approval of the City Manager.
- The operational vacancy rate for the Department averaged 17.0% per month for the first seven months of the fiscal year. Overtime appropriations are used to fund special crime fighting initiatives and to compensate for operational vacancies through a minimum staffing initiative.

- A staffing analysis conducted by the International Association of Chiefs of Police (IACP) demonstrates a significant need for additional resources and modification to the existing organizational structure. As such, the Department is redeploying existing resources as staffing levels allow.
- A beat alignment and patrol scheduling analysis being conducted by the IACP will be completed in FY18, with the goal of adding efficiencies to patrol services. The results and recommendations of this study will be thoroughly analyzed, and any implementation will likely occur in FY19.
- The Department will continue to explore innovative recruiting techniques, with emphasis on an updated website and digital advertising. In an increasingly web-oriented society, these internet based technologies will help deliver focused messages to markets containing the desired demographics.
- Additional training funds would allow the Department to support more of its employees in enhancing their job-related skills.
- The new Police headquarters should be complete in August, 2018, with occupancy slotted for late August/September, 2018. Divisions will be relocated from both the current headquarters and the central district substation into the new building. The transition is expected to be smooth as units move into their new environments.

ACCOMPLISHMENTS FOR FY 2017-18

- The Department continues to focus on reducing violent and property crimes. When comparing violent crimes committed per 100,000 in FY16 to violent crimes committed per 100,000 in FY17, there was an overall increase in violent crimes committed of 3.9% (876 to 910).
- When comparing property crimes committed per 100,000 in FY16 to FY17, there was an overall increase in property crimes of 2.2% (3,939 to 4,024).
- Hired 37 recruits for the August 2017 academy, of which 21 have now graduated and are in field training. Hired 34 recruits for the February 2018 Basic Law Enforcement Training (BLET) academy. The current sworn real vacancy rate is 3.6%.
- The Department was well above the national average in property crime clearance rates for cities with similar populations, but fell behind the national average in aggravated assault and overall violent crime clearances.
- Maintained an average response time to Priority 1 calls for service in the first half of FY18 of 6.25 minutes, compared to the target time of 5.8 minutes.
- The Department was awarded grant funding for the acquisition of an Integrated Ballistics Identification System, which will aid in crime clearances by allowing comparison of ballistic evidence locally, regionally, and nationally through the ATF managed National Integrated Ballistics Identification Network.
- As a result of the IACP staffing study in 2016, the Department began practical, prioritized structural changes to the organization to upgrade the effectiveness and productivity of police services. These changes included the creation of a Robbery Task Force and a Community Engagement Unit. The Community Engagement Unit provides law enforcement services in our Public Housing Community and was formed in February, 2018.
- After an RFP and thorough testing and evaluation for the body-worn camera program in FY16-17, a five year contract with VieVu, LLC was approved by City Council. Body cameras have been fully deployed to 470 officers and are in use in the field. To date, over 122,000 videos have been recorded.
- The Department began implementation of a take-home car program for Uniform Patrol officers living within Durham City limits. 35 take-home vehicles were rolled out in FY17, with 34 more due to be rolled out before the end of this fiscal year.
- Through the ETC Institute, the Department distributed its second annual Police Department Resident Satisfaction Survey. ETC is currently analyzing the data, and a final report should be complete in March.
- Recognitions and efforts made to improve the Department's image include the following:
 - The Department continued a contract through You & Five-O, LLC to conduct multiple workshops on Practical Strategies for Interacting With Law Enforcement in accordance with the Department's community policing philosophy.
 - Four Durham police officers were part of the 17-member delegation that went to Mexico for a week as part of Go Global NC's Latino Initiative. The officers started their program in Mexico City where they learned about Mexican history, art and culture. They conducted ride-alongs with local Mexican police officers, and stayed with families in Taretan and Guanajuato City where they met residents and learned about the communities. Since returning, Durham officers have been meeting with Pilar Rocha-Goldberg at El Centro to form action plans they can implement in their districts. They plan to have officers meet with Mexican families in Durham to learn more about their stories and why they came to Durham. They also hope to start children's programs for Latino youth and meet regularly with Latino residents.

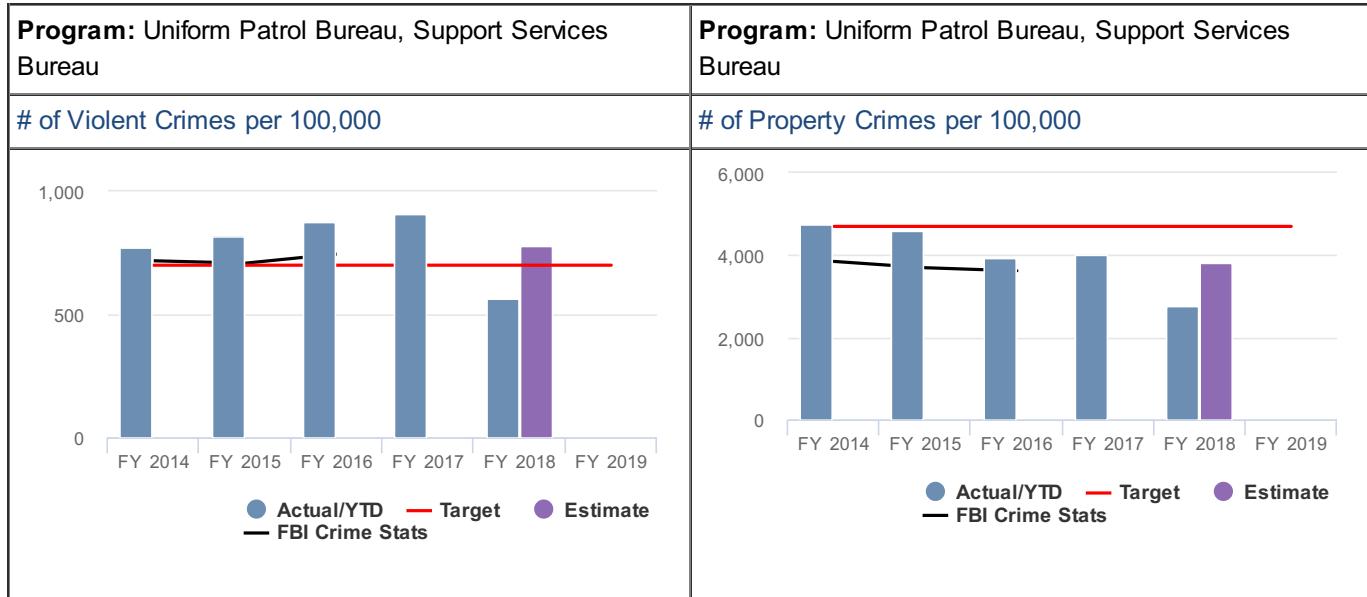
- DPD Chief C.J. Davis appeared on the September 26 “Megyn Kelly Today” show with Raleigh Police Chief Cassandra Deck-Brown, Morrisville Police Chief Patrice Andrews (former DPD captain) and Fayetteville Police Chief Gina Hawkins. The four chiefs spoke about how they broke the glass ceiling as female African-American police chiefs. During the show, they received a \$20,000 scholarship donation to the North Carolina Law Enforcement Women’s Association from Bank of America.
- DPD’s Police Athletic League (PAL) held the final youth soccer games of the season at the Holton Career and Resource Center. The theme for the final day of soccer was “Social Media Day with PAL.” DPD invited residents to attend and support the young athletes. Those in attendance were encouraged to use their smart phones to take action photos of the athletes during the games and share the photos on their various social media platforms, including Facebook, Twitter and Instagram – using the hashtag #DurhamPAL. DPD’s 2017 PAL Soccer League consisted of more than 300 elementary school students from 17 Durham schools. Fifteen police officers and four non-sworn employees participated in PAL soccer as coaches or support staff.
- Officers from the Crisis Intervention Team (CIT) partnered with Healing With CAARE to hand out food packages to some of Durham’s residents. Due to unusually hot temperatures, CIT Officers handed out additional supplies to the homeless including water, food and shoes to several individuals.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

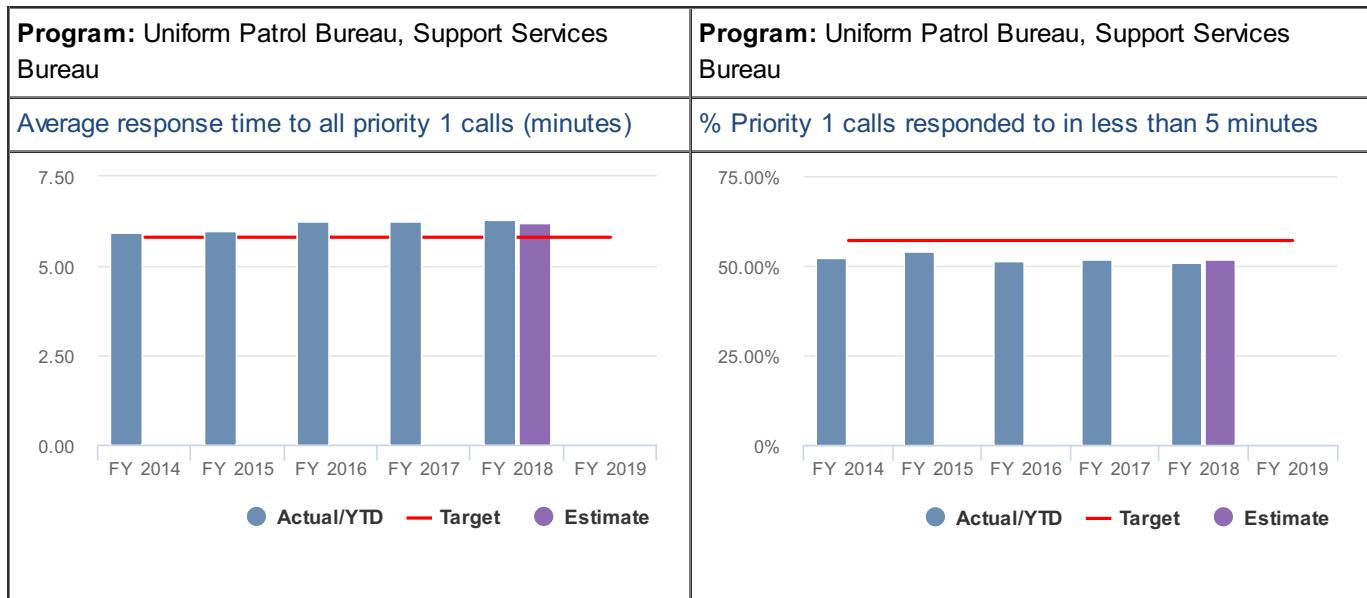
- Fully implement a restructuring of the Department to improve our operational effectiveness.
- Continue implementation with year 3 of the Take-Home Patrol Vehicle program.
- Complete implementation of state mandated crime statistic reporting system known as NIBRS.
- Begin construction on restroom facilities at the Firing Range.
- Move into the new Police headquarters facility.
- Continue to focus on the reduction of violent crime and property crime.
- Continue to evaluate and strengthen our recruiting efforts in order to hire and graduate BLET academies as needed.
- Conduct an annual resident survey to gauge the public perception of the Department.
- Enhance agency effectiveness through public and private partnership to develop strategies in reducing gun crimes.
- Maintain an average sworn operational vacancy rate of 6% or less.
- Meet or exceed the national average in crime clearance rates for cities with similar populations.
- Reduce Part 1 crimes per capita in comparison to the previous calendar year.
- Maintain acceptable response times to all Priority 1 calls.
- Continue efforts to improve the Department’s public image.
- Overtime efforts will continue to be used to raise staffing levels due to high vacancies.
- Continue the Bulls-Eye and Residential Awareness Program Initiatives.

DEPARTMENT PERFORMANCE SUMMARY

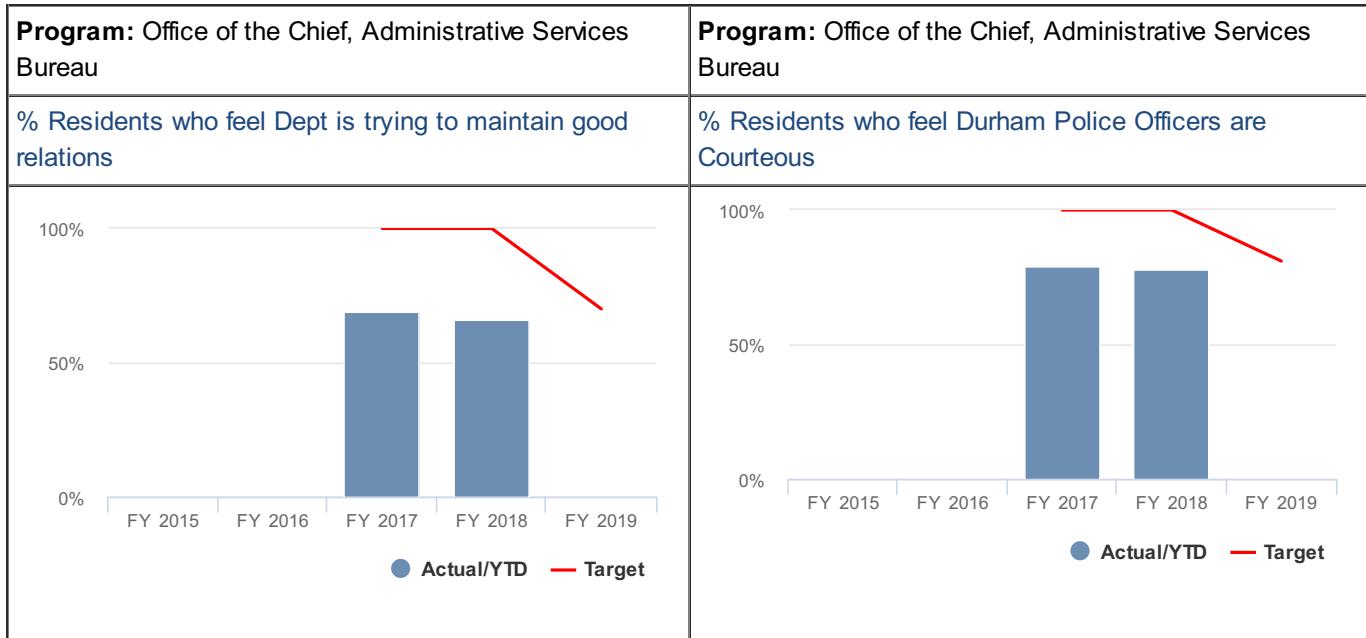
Objective: Reduce the impact and fear of crime through effective proactive policing.



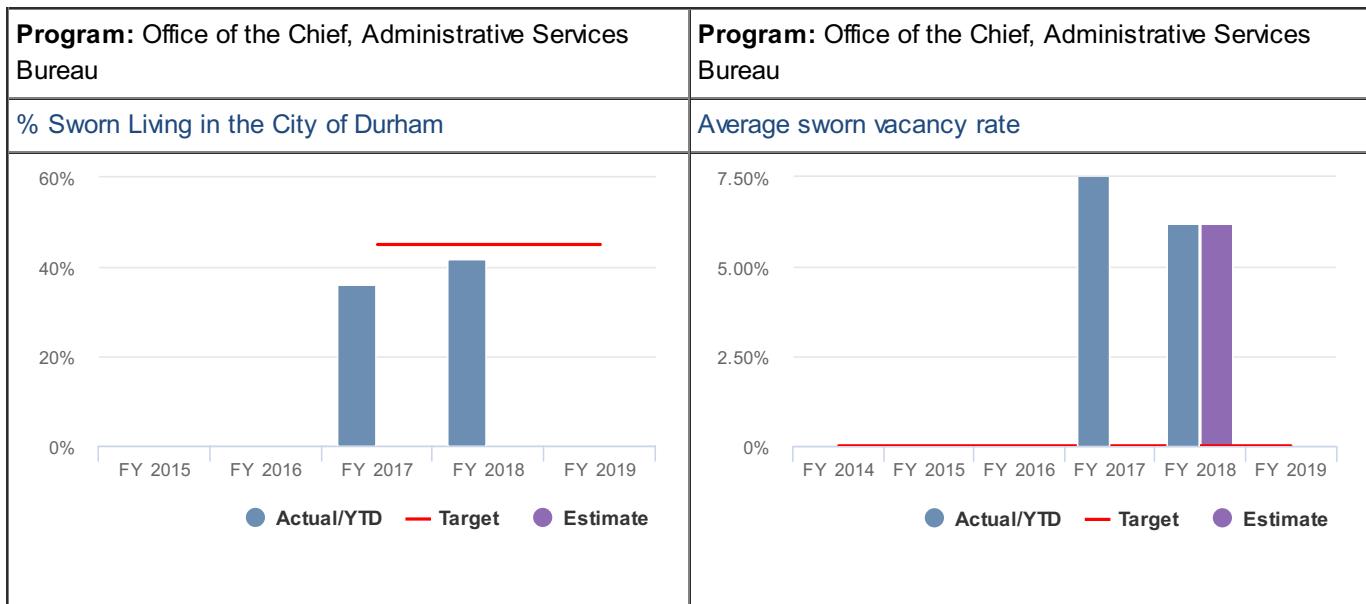
Objective: Meet response time goals to improve service delivery.



Objective: Strengthen community relations through proactive community engagement.



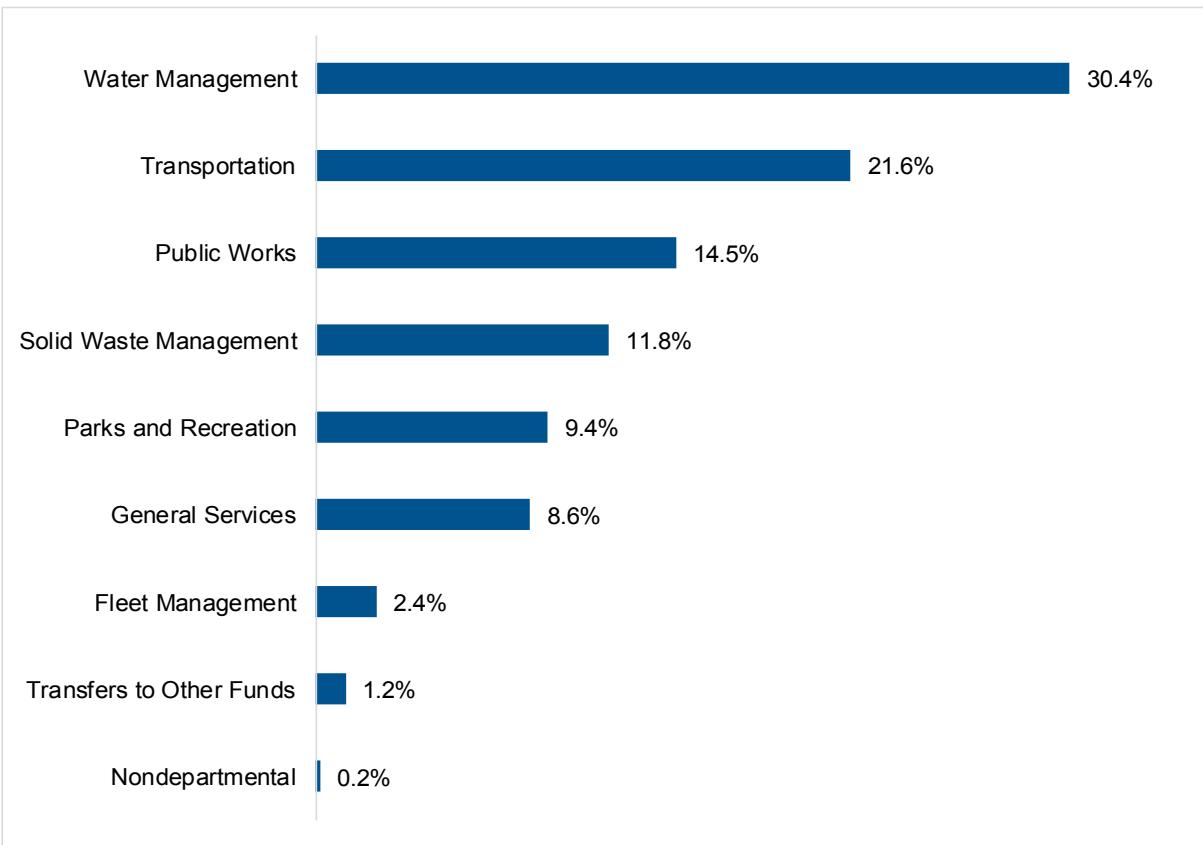
Objective: Effectively recruit, train and retain well qualified and diverse employees.



PUBLIC SERVICES
BUDGET SUMMARY

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Non-Grant Appropriations					
Fleet Management	\$ 3,409,699	\$ 3,359,358	\$ 3,629,743	\$ 3,730,155	11.0%
General Services	12,776,436	13,461,370	14,283,964	13,184,669	-2.1%
Parks and Recreation	13,457,288	13,543,890	14,199,687	14,276,098	5.4%
Public Works	18,967,480	21,062,742	22,684,485	22,137,550	5.1%
Solid Waste Management	16,320,570	16,460,931	17,439,971	17,994,804	9.3%
Transportation	28,325,480	31,158,444	32,181,111	32,875,548	5.5%
Water Management	43,986,659	44,548,502	46,705,555	46,364,420	4.1%
Nondepartmental	135,718	200,000	200,000	\$259,200	29.6%
Transfers to Other Funds	2,696,777	1,488,417	1,637,398	\$1,803,777	21.2%
Total Appropriations	\$ 140,076,107	\$ 145,283,654	\$ 152,961,914	\$ 152,626,221	5.1%
Full Time Employees	1,003.5	1,011.5	1,011.5	1,056.5	45
Part Time	86	81	81	81	-
Revenues					
General Fund					
Discretionary Program	\$ 39,404,370	\$ 42,471,710	\$ 45,679,795	\$ 44,080,954	3.8%
General Fund Subtotal	5,087,043	3,579,260	3,898,432	3,708,597	3.6%
Ballpark Fund	\$ 44,491,413	\$ 46,050,970	\$ 49,578,227	\$ 47,789,551	3.8%
Parking Fund	42,022	112,610	-	162,711	44.5%
Solid Waste Disposal Fund	2,987,217	3,548,128	3,708,262	4,056,852	14.3%
Storm Water Fund	16,534,258	16,728,131	17,753,520	18,264,939	9.2%
Transit Fund	8,091,101	9,751,844	9,968,403	9,972,151	2.3%
Water and Sewer Fund	20,461,180	20,769,725	21,707,797	21,820,502	5.1%
Total Revenues	\$ 140,076,107	\$ 145,283,654	\$ 152,961,914	\$ 152,626,221	5.1%
Grants					
Transit Grant	\$ 6,169,196	\$ 5,830,979	\$ 6,001,610	\$ 5,830,979	0.0%
Transportation Planning	2,354,229	2,772,896	2,632,446	2,772,896	0.0%
Total Grants	\$ 8,523,425	\$ 8,603,875	\$ 8,634,056	\$ 8,603,875	0.0%
Full Time Employees	11.5	11.5	12.5	12.5	1
Part Time	2	2	2	2	-
Total Budget	\$ 148,599,532	\$ 153,887,529	\$ 161,595,970	\$ 161,230,096	4.8%

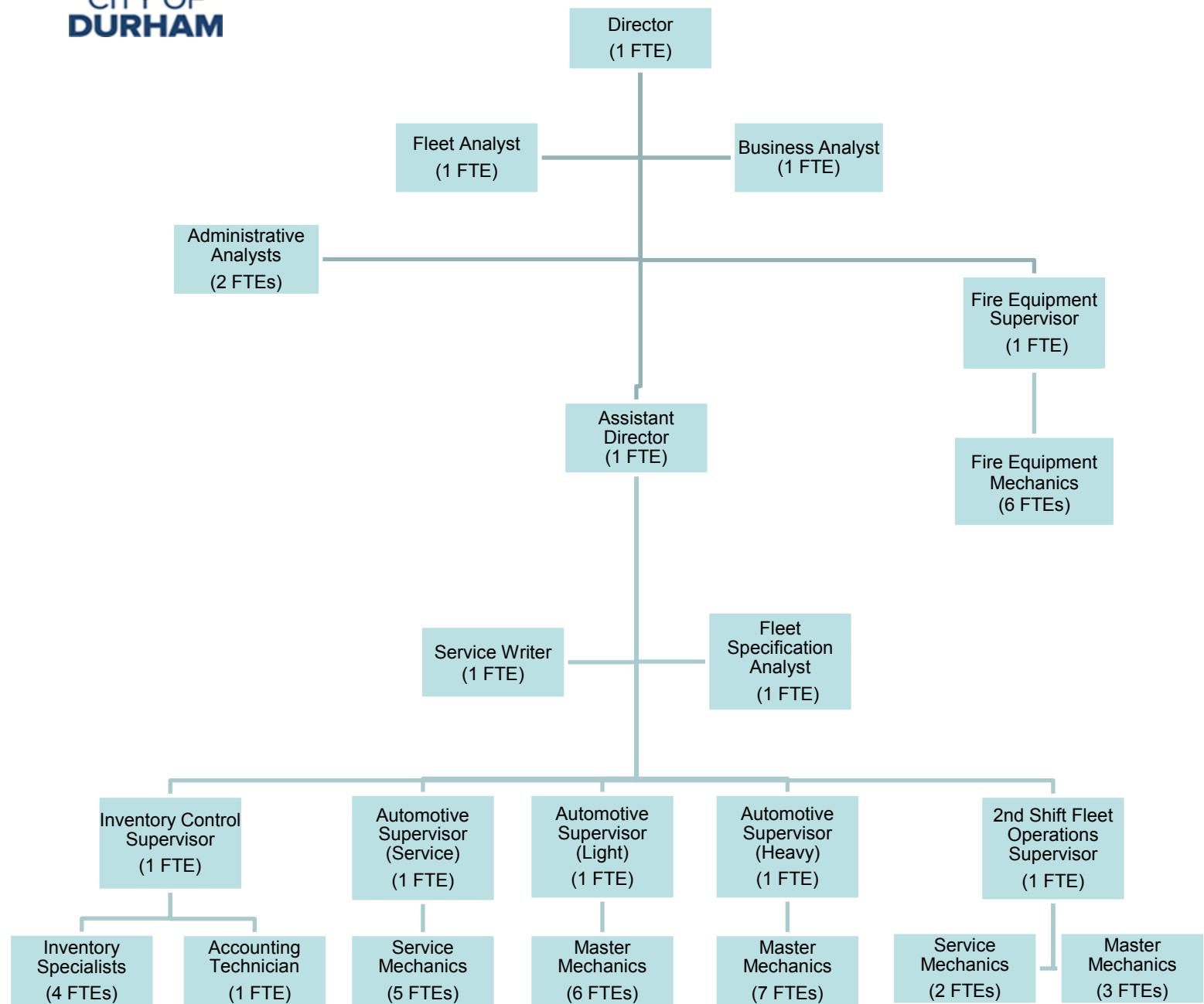
PUBLIC SERVICES





Fleet Department

(48 FTEs)



FLEET MANAGEMENT

Purpose Statement:

To provide timely, cost effective and high quality services to our customers while achieving the highest levels of customer satisfaction. The Department of Fleet Management consists of three core business functions: Fleet Asset Management, Fleet Maintenance, and Fire Maintenance. The department strives to maintain a high level of compliance with the preventive maintenance program (PM), manage a consolidated vehicle/equipment replacement program, provide 24/7 support to the Fire Department's suppression vehicles, and 24/7 support for fleet functions during emergency events.

DEPARTMENT DESCRIPTIONS

Fleet Management	\$3,730,155
	48 FTEs

Fleet Asset Management/Fleet Maintenance/Fire Maintenance

Fleet Operations provides cost effective, quality and timely vehicle repair and management services to all city departments. Services are provided through seven organizational teams: Heavy Equipment, Light Equipment, Service, Night, Fire, Parts, and Administrative. The division supports over 1,700 vehicles/equipment for departments including; Police, Fire, Public Works, Solid Waste, Water Management, General Services, and others. Fleet provides refueling for all city vehicles at two operational sites. Fire Maintenance operates out of an additional facility and supports the City's fire suppression vehicles. This includes emergency services 24 hours a day, 7 days a week. Fleet's support to the Police and Fire departments affects their ability to fight crime and fire. Fleet also has a direct support mission for all departments that provide core services to our citizens (Solid Waste, Water Management, Public Works, General Services, Parks and Recreation, etc.). Fleet services are extended during emergency events to include 24-hour operations when needed.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 2,931,290	\$ 2,999,368	\$ 3,075,963	\$ 3,364,165	12.2%
Operating	285,100	359,990	398,530	365,990	1.7%
Capital and Other	193,309	-	155,250	-	0.0%
Total Appropriations	\$ 3,409,699	\$ 3,359,358	\$ 3,629,743	\$ 3,730,155	11.0%
Full Time Employees	53	45	45	48	3
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 3,258,740	\$ 3,342,358	\$ 3,612,743	\$ 3,730,155	11.6%
Program	150,959	17,000	17,000	-	-100.0%
Total Revenues	\$ 3,409,699	\$ 3,359,358	\$ 3,629,743	\$ 3,730,155	11.0%

BUDGET ISSUES FOR FY 2018-19

- Ongoing building, grounds, and equipment maintenance needs on two aging facilities.
- Fleet staffing levels; slightly understaffed according to industry standards (vehicle/technician ratio).
- Fire Maintenance is quickly outgrowing maintenance facility.
- Downtime and availability issues related to facilities age and staffing levels.

ACCOMPLISHMENTS FOR FY 2017-18

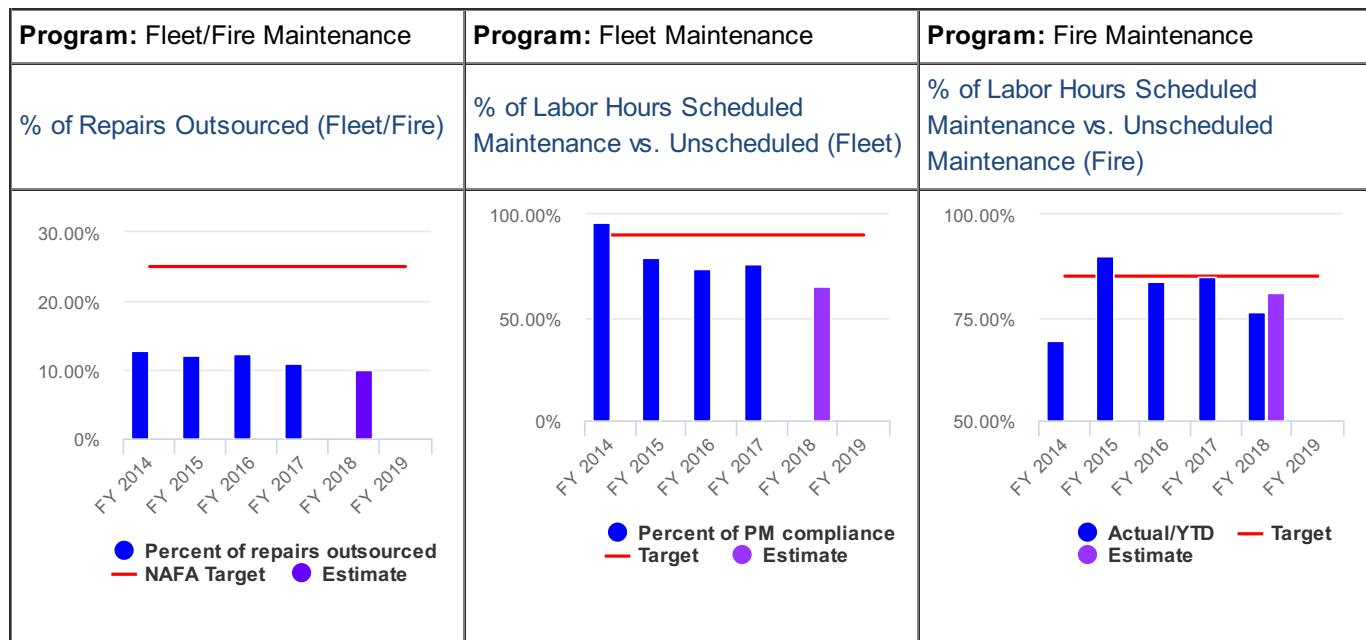
- Recognized as the 7th best managed government fleet in the nation by 100 Best Government Fleets.
- Received Honorable Mention by the Government Green Fleet awards.
- Recognized as a Top 50 Fleet by Leading Fleets.
- Recognized in Government Fleet Magazine's article: "Bright ideas to improve your Fleet"
- Named as a 2017 Smart Fleet Champion by NC Mobile Care and the NC Lean Energy Technology Center.
- Improved Employee Satisfaction Survey (ESS) scores.
- Installed two (2) Diesel Exhaust Fluid (DEF) dispensing units, one at Fleet, and one at PWOC.
- Installed a new lubricant inventory and dispensing unit.
- Purchased column lifts.
- Completed 2nd year of a 10-year comprehensive vehicle and equipment replacement plan.
- Completed 4th year of a contract to provide repair services for Durham County Fire.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

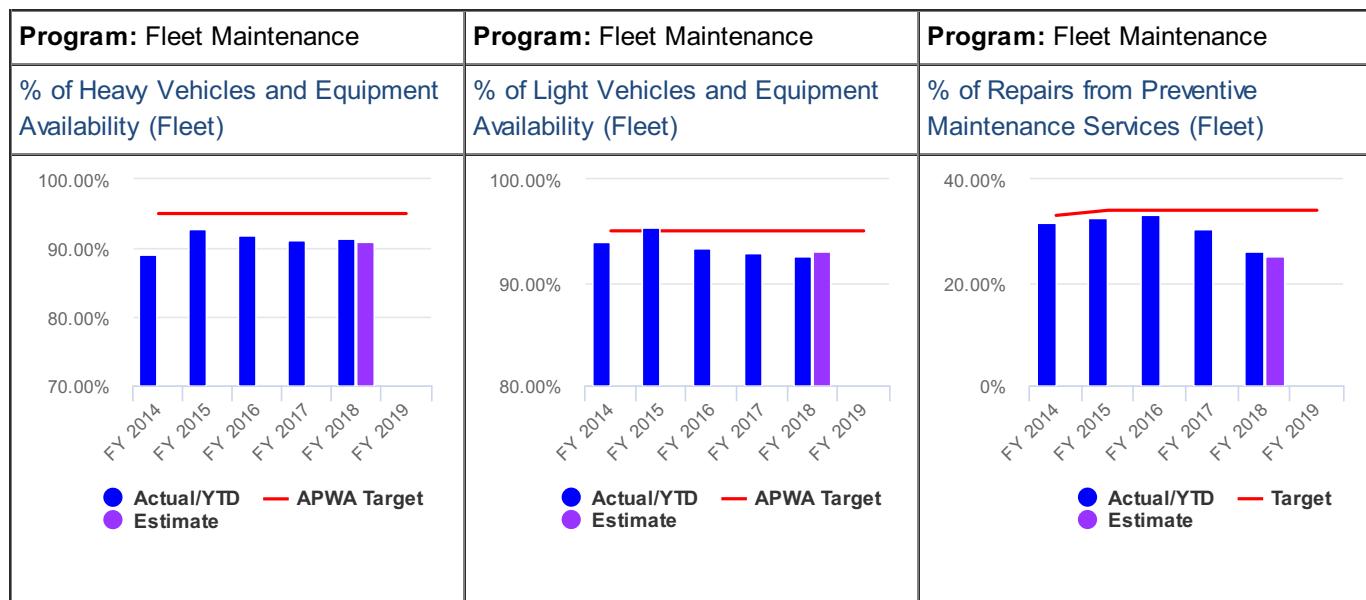
- Remain on the Government Green Fleet list possibly advancing our previous position.
- Remain in contention for a position in the 100 Best Fleets.
- Remain in contention for a position in the Leading Fleets.
- Continue best business practices for citywide vehicle utilization program.
- Sustain consolidated vehicle replacement plan.
- Develop and implement a new 2 year Strategic Plan.
- Become an Accredited Sustainable Fleet through the NAFA Fleet Management Association.

DEPARTMENT PERFORMANCE SUMMARY

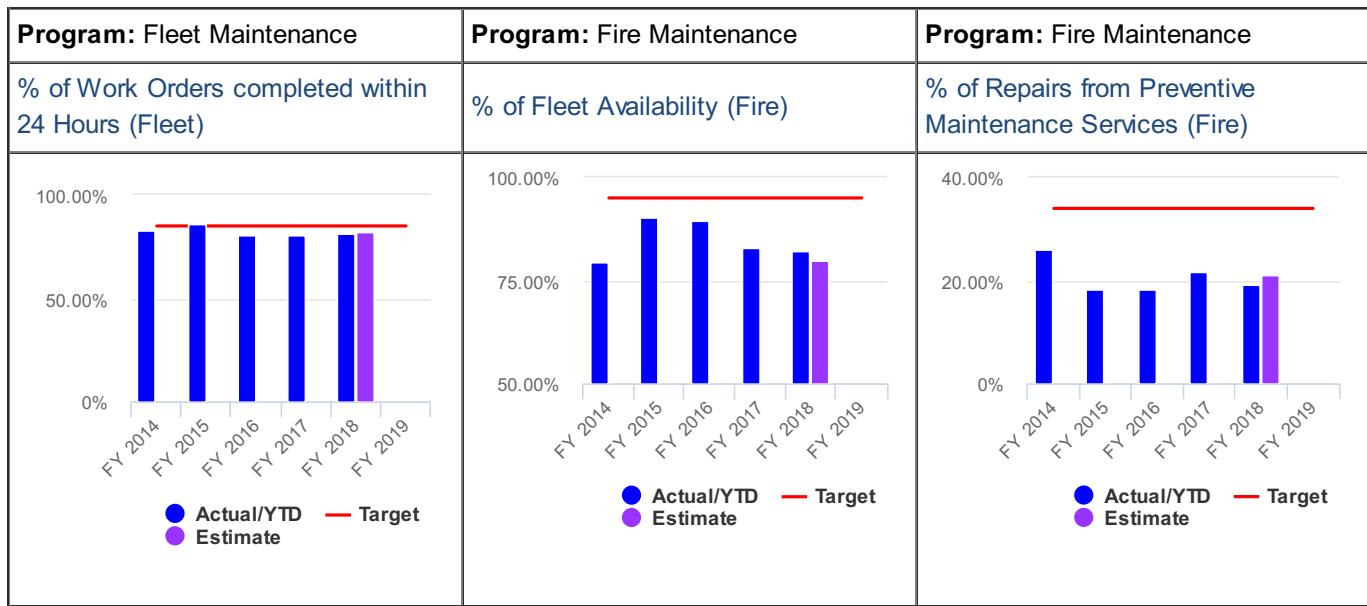
Objective: To utilize existing reports in conjunction with an asset index to create a business plan to effectively manage City Resources.



Objective: Maintain an acceptable level of vehicle/equipment availability through a comprehensive Preventive Maintenance program and the use of data analytics (descriptive and predictive)



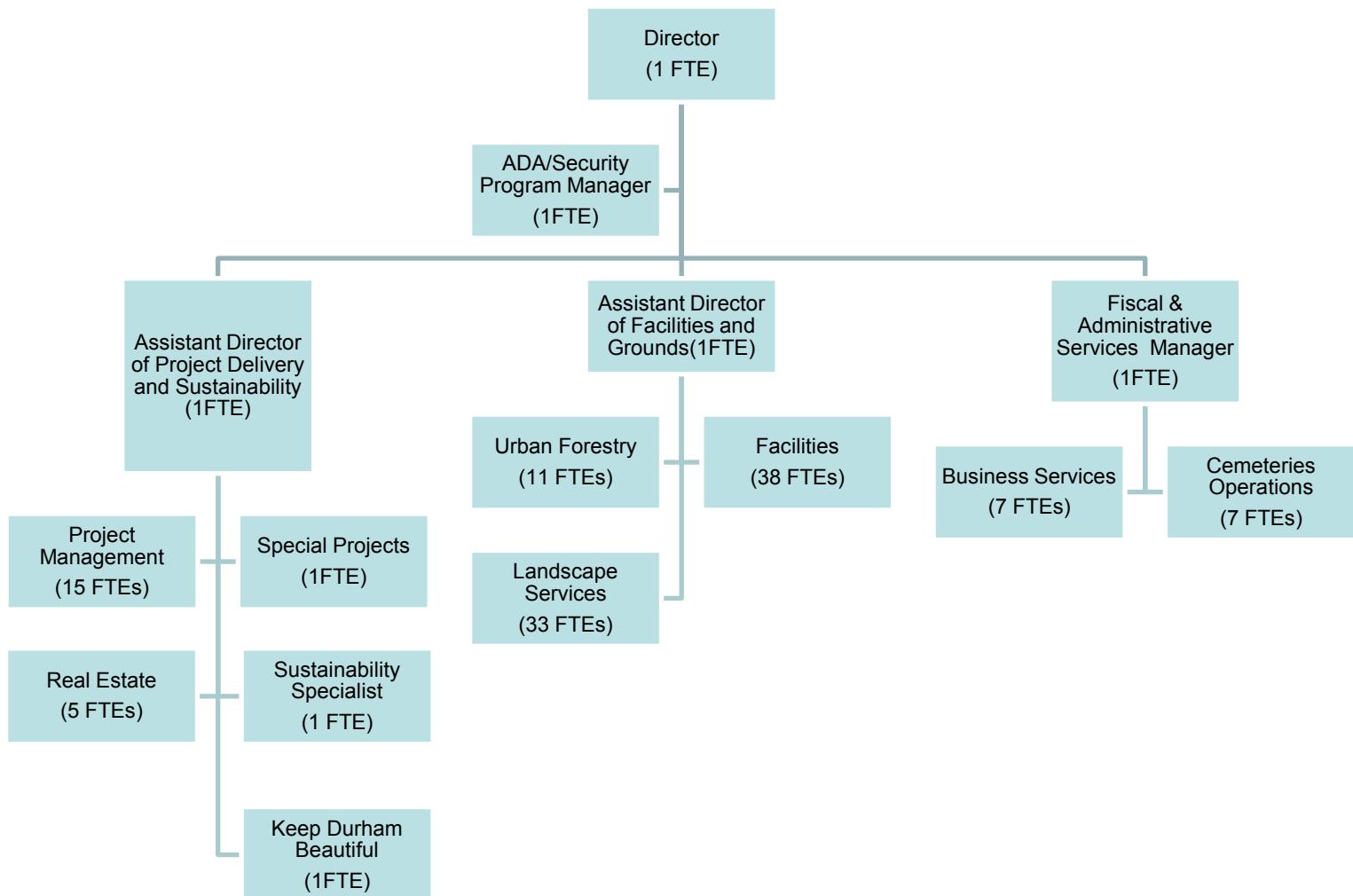
Objective: Maintain an acceptable level of vehicle/equipment availability through a comprehensive Preventive Maintenance program and the use of data analytics (descriptive and predictive)





General Services

(124 FTEs)



GENERAL SERVICES

Purpose Statement:

The department's purpose is to build and maintain city properties on-time and on-budget to make Durham a great place for people to live, work and play.

DEPARTMENT DESCRIPTION

General Services

General Fund: \$13,021,958

124 FTEs

Ballpark Fund: \$162,711

Administration

Administration manages the department and provides business and support services to the individual divisions. All administrative activities for the entire department are channeled through and coordinated by this unit. In addition to offering departmental support, the Business Services and Work Control groups deliver administrative and contract management support to the City's Community Facilities. Administration assists with city-wide compliance with the Americans with Disabilities Act (ADA), Public Art and Placemaking, asset/space management, City-wide Physical Security, planning for other departments' facilities and other special projects.

Facilities Management

The Facilities Operations division is responsible for the maintenance of 2 million square feet of City buildings, including the Durham Performing Arts Center (DPAC), City Hall, Durham Arts Council, Carolina Theatre, Durham Convention Center, Durham Station, Durham Athletic Park and the Durham Bulls Athletic Park. This core service provides preventative maintenance and repairs and associated contract administration of HVAC, electrical and plumbing systems, as well as carpentry and painting, for City facilities, and parks and recreation centers. Custodial services for City facilities and the small neighborhood recreation centers are also provided. This operation provides after hours on-call service for responding to emergencies.

Landscape and Urban Forestry Services

The Landscape Services division is responsible for enhancing and maintaining the City's public spaces, public cemeteries, select recreation centers and rights-of-way using current horticultural practices to implement grounds maintenance, landscape installation and turf management. The division maintains over 1,144 lane miles of roadside in addition to maintaining the landscape installations in public areas, plazas and outdoor amenities on City property in downtown Durham. The Urban Forestry division provides tree services including pruning, planting, removal and protection, ordinance enforcement, and consultation to the residents of Durham regarding trees on maintained City property and rights-of-way. The current Urban Forestry Management Plan includes the planting of over 1,500 trees across the city to maintain or exceed the streets tree canopy of 52%. This operation also provides after hours on-call service for responding to emergencies.

Cemeteries

The Cemetery division operates and maintains the City's two cemeteries: Maplewood and Beechwood (a total of approximately 150 acres). Services provided include the sale of grave spaces, columbarium and mausoleum niches, burials, and grave marker installation.

Project Management

The Project Management division oversees the design and construction of a wide range of the City's public infrastructure including new and renovated city buildings, parks and trails. The division also monitors the use of an over \$1.8M facility energy cost budget and delivers operational savings through strategic energy improvement initiatives in those facilities. During 2017-2018, the division managed 75 projects valued at over \$153M.

Real Estate

The Real Estate division provides support services to all City departments. Services include property acquisition and disposition, leasing and property management, development support, comparative market analyses, and management of the City's property inventory.

Keep Durham Beautiful, Inc.

The Keep Durham Beautiful (KDB) division encourages community greening, litter prevention and waste reduction by fostering community awareness and resident involvement through educational and programmatic activities. KDB also functions as a 501(c)(3) non-profit volunteer-based organization whose mission is to engage and inspire individuals to take greater responsibility for their community environment. As a local affiliate of the national organization, KDB forms partnerships with businesses, organizations and individuals to leverage resources to enhance Durham's appearance. KDB has many initiatives including cigarette litter prevention, tire recycling, tree planting, pollinator habitat preservation, organized litter cleanups including Big Sweep and Creek Week, waste reduction at special events, a community grants program, environmental education, and other beautification activities.

Sustainability and Energy Management

The Sustainability and Energy Management division oversees the City's Sustainability Roadmap and the 4-STAR Durham Community Certification to coordinate goals, performance measures, and targets related to the City's Strategic Plan. Additionally, it works with Project Management for energy saving projects such as upgrading lighting, replacing HVAC systems with more efficient systems and other cost saving measures to reduce energy consumption by 5% each year. An annual report is provided regarding the Sustainability and Energy Program. The City – County joint sustainability initiative is funded as part of the General Services budget.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 8,392,411	\$ 8,558,927	\$ 8,230,938	\$ 9,076,418	6.0%
Operating	4,364,725	4,900,443	6,044,196	4,106,251	-16.2%
Capital and Other	19,300	2,000	8,830	2,000	0.0%
Total Appropriations	\$12,776,436	\$13,461,370	\$14,283,964	\$13,184,669	-2.1%
Full Time Employees	124	122	122	124	2
Part Time	-	-	-	-	-
Revenues					
Discretionary Program	\$12,168,700 565,714	\$12,862,760 486,000	\$13,797,964 486,000	\$12,505,958 516,000	-2.8% 6.2%
Total General Fund	\$12,734,414	\$13,348,760	\$14,283,964	\$13,021,958	-2.4%
Ballpark Fund	42,022	112,610	-	162,711	44.5%
Total Revenues	\$12,776,436	\$13,461,370	\$14,283,964	\$13,184,669	-2.1%

BUDGET ISSUES FOR FY2017-18

- New Positions for Custodial and Landscaping services.
- New Equipment and Vehicles - bucket truck, knuckle boom, mini excavator and truck.
- Citywide Facility Condition Plan.

- City Hall and Annex Space Assessment.
- Street Tree Removal.
- Building Automation Systems to include Analytics and Sensors (Facilities Work Plan FY18-21)
- General Fund Sources of Special Project Funding for non- CIP feasibility plans or studies.

ACCOMPLISHMENTS FOR 2017-18

- Completed the first of a five-year tree removal contract for the removal of trees per the Tree Inventory.
- Completed the landscape renovation of Guess Road.
- Completed the landscape renovation of Hillandale Road.
- Completed the Eastern interchanges of the Cole Mill Road interchange at I-85.
- Completed the Urban Forestry Management Plan.
- Council adopted the first Sustainability Roadmap Plan.
- Certified as a 4-STAR Community Rating System.
- Continued implementation of inventory control system for Facilities Custodial Services and Building Maintenance Operations Divisions.
- Continued to support and manage the Smart Energy in Offices Campaign as the Operator Rep through Duke Energy.
- More emphasis will be in efforts of fund raising to offset the County and City's contribution for any considerations of future positions as KDB's programs grow.
- Received grants to KDB nonprofit totaling \$115,000 for waste reduction, pollinator gardens, trail building and tree planting.
- Planted 1,100 trees through grants and partnerships in historically underrepresented communities.
- Established and trained an active Tree Keepers program which will train community leaders to oversee volunteer tree planting efforts.
- Coordinated annual Big Sweep, Creek Week, ReUse Rodeo, I Love Durham Limpio, Tire Recycling Drive, Litter Index.
- Re-established "I Love Durham Limpio" cleanup rally for Latino community.
- Funded 12 Community Beautification Grants through KDB Nonprofit.
- Provided community beautification service projects for 9/11 Day of Service, Veterans Day, Martin Luther King Day of Service, and Earth Day.
- Managed Adopt a Bus Stop and Adopt a Street programs.
- Continued Maintenance and Repair Reviews and Support for City Civic Spaces to include: DPAC, DBAP, Convention Center, Arts Council and Carolina Theater.
- Completed the Guthrie Street tree planting funded by the Duke Energy Foundation grant.
- Completed downtown parking garage elevator modernizations.
- Completed feasibility studies/amenity expansion concept design for Snow Hill Road Park.
- Completed parks lighting improvements: Crest Street Park baseball lights.
- Completed Lake Michie ADA improvements and dock replacement.
- Completed City-wide security upgrades at operations sites, pools and recreation centers.
- Completed FY17 park restroom upgrades.
- Completed upgrades of lights in City Council Chambers.
- Completed updates at Maplewood Cemetery.
- Completed West Ellerbee Creek Trail.
- Completed Fire Station 17.
- Completed Sign and Signal Shop.
- Completed DCC carpet replacement.
- Completed DPAC carpet and seat replacement.
- Completed DPAC trash handling project.
- Completed replacement of DPAC boilers.
- Completed City Hall Innovation Lab.
- Completed installation of neighborhood park murals at Southern Boundaries Park.
- Completed installation of Public Art Pilot on traffic signal boxes at Hayti, Wellons Village and Walltown.
- Completed installation of Public Art at West Ellerbee Creek Trail underpass.
- Began construction of Solid Waste truck washing station and Annex renovation.
- Began construction of Downtown Parking Garage.
- Began construction of new restroom at Longmeadow Park.

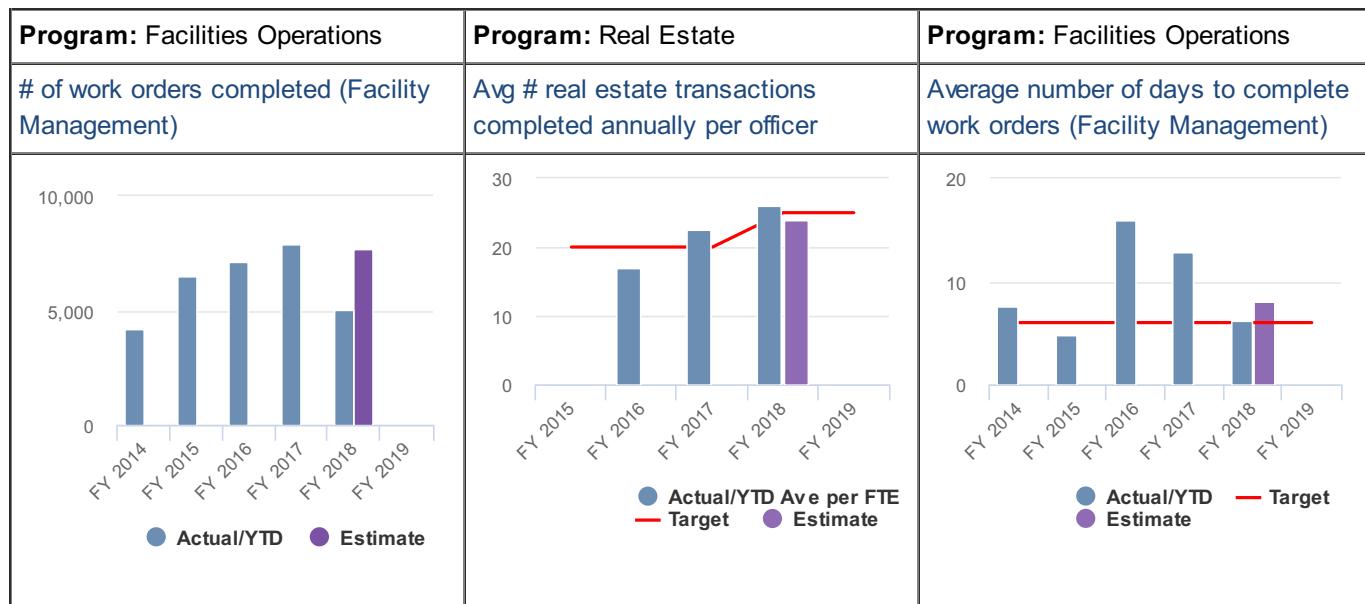
- Began construction of Valley Springs ADA improvements.
- Completed Phase I of public engagement process for disposition of existing Police Headquarters.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

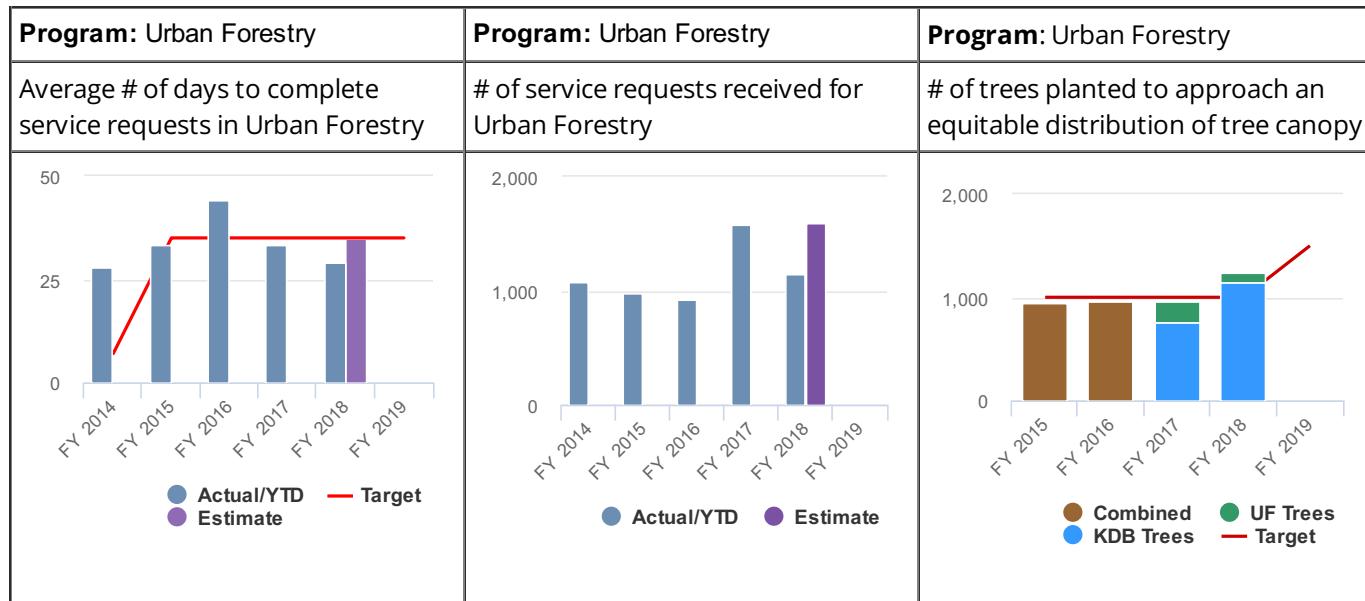
- Complete the second of a five-year tree removal contract for the removal of trees per the Tree Inventory.
- Implement the planting and tree maintenance specified within the Urban Forestry Management Plan.
- Continue to compile tree inventory data for entry into Open Tree Map.
- Implement the Wood Utilization Yard on Glenn Road.
- Building Automation Systems to include analytics and sensors.
- Complete Lyon Park restroom improvements.
- Complete ADA improvements in Valley Springs Park.
- Complete Moreene Road Park Athletic Court resurfacing.
- Complete Twin Lakes Park Amenity Expansion Study.
- Complete Solid Waste Annex renovation and truck wash facility.
- Complete American Tobacco Trail Parking Lot.
- Complete Birchwood Park Parking Lot.
- Complete Downtown Parking Garage.
- Complete Phase I Hillandale Golf Cart path replacement.
- Complete installation of Public Art at Downtown Mixed-Use Parking Garage.
- Complete installation of Public Art Wall at Durham Central Park.
- Complete installations of Public Art at Durham Police Headquarters.
- Complete installation of SmART Corcoran Garage Art Wrap.
- Complete disposition of 505 W. Chapel Hill Street.
- Complete disposition/Repurposing of Former Impact Team Building.
- Complete Police firing range restrooms.
- Initiate design for R.Kelly Bryant Bridge North and South Trail.
- Initiate design for Third Fork Creek Trail.
- Initiate design for Durham Beltline.
- Initiate design for PWOC Renovation.
- Initiate design CM Herndon Park soccer field conversion and Parking lot addition.
- Complete Design Complete Crest Street restroom replacement.
- Complete acquisitions for the Pickett Road Sidewalk Project (anticipated assignment Fall, 2018)
- Complete property exchange with Durham Public Schools at Lucas Middle School (projected June, 2018).
- Complete acquisition of property adjacent to Mist Lake.
- Implement place-based KDB signage at partnership sites to strengthen the brand.
- Prevent cigarette litter in public spaces through awareness campaign and strategic distribution of portable and stationary ash receptacles.
- Program for national service holidays, Big Sweep, Creek Week, ReUse Rodeo, I Love Durham Limpio, Tire Recycling Drive.
- Coordinate Litter Prevention Task Force to collaborate with community partners.
- Establish fundraising goals for personnel and general funds.
- Seek grants, donations and partnerships to plant trees in historically underrepresented communities according to the Urban Forestry Plan.
- Disseminate Waste Wise Event Handbook/Guidelines.
- Coordinate annual Big Sweep, Creek Week, ReUse Rodeo, I Love Durham Limpio, Tire Recycling Drive, Litter Index.
- Provided community beautification service projects for 9/11 Day of Service, Veterans Day, Martin Luther King Day of Service, and Earth Day.
- Manage Adopt a Bus Stop and Adopt a Street program.s
- Complete Impact Team (former Fire Station) RFP.
- Complete acquisitions for the Raynor Avenue Sidewalk Projec.t
- Complete acquisition of property adjacent to Mist Lake.
- Complete acquisitions for the Duke Street Sidewalk Project.
- Complete acquisitions for the Fayetteville-Buxton-Riddle/Fayetteville Road Widening Project.

DEPARTMENT PERFORMANCE SUMMARY

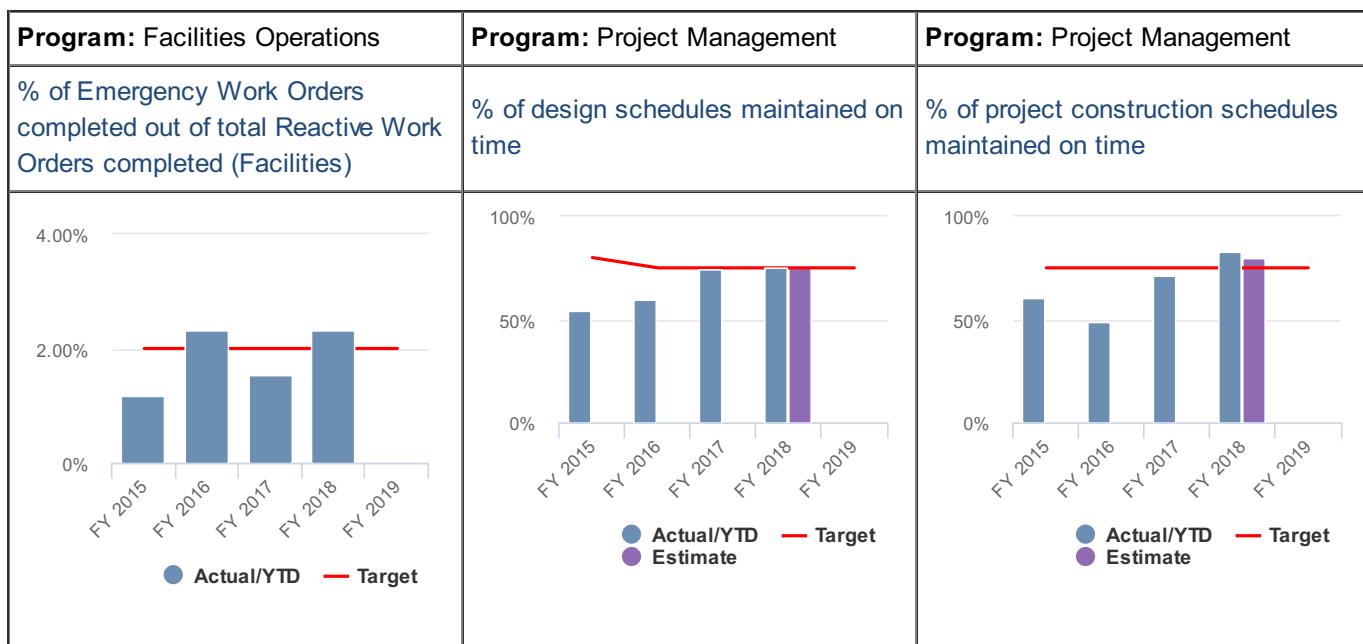
Objective: Exceed customer expectations by delivering excellent customer service and demonstrated performance measures outcomes within functional areas



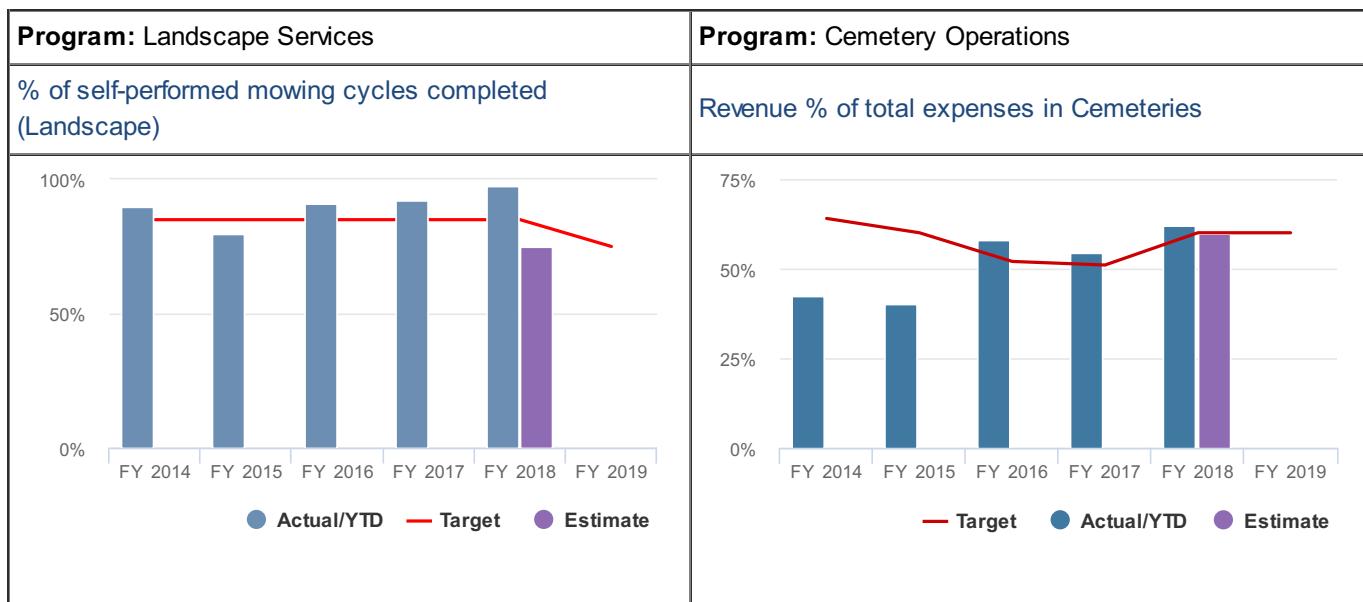
Objective: Exceed customer expectations by delivering excellent customer service and demonstrated performance measures outcomes within functional areas



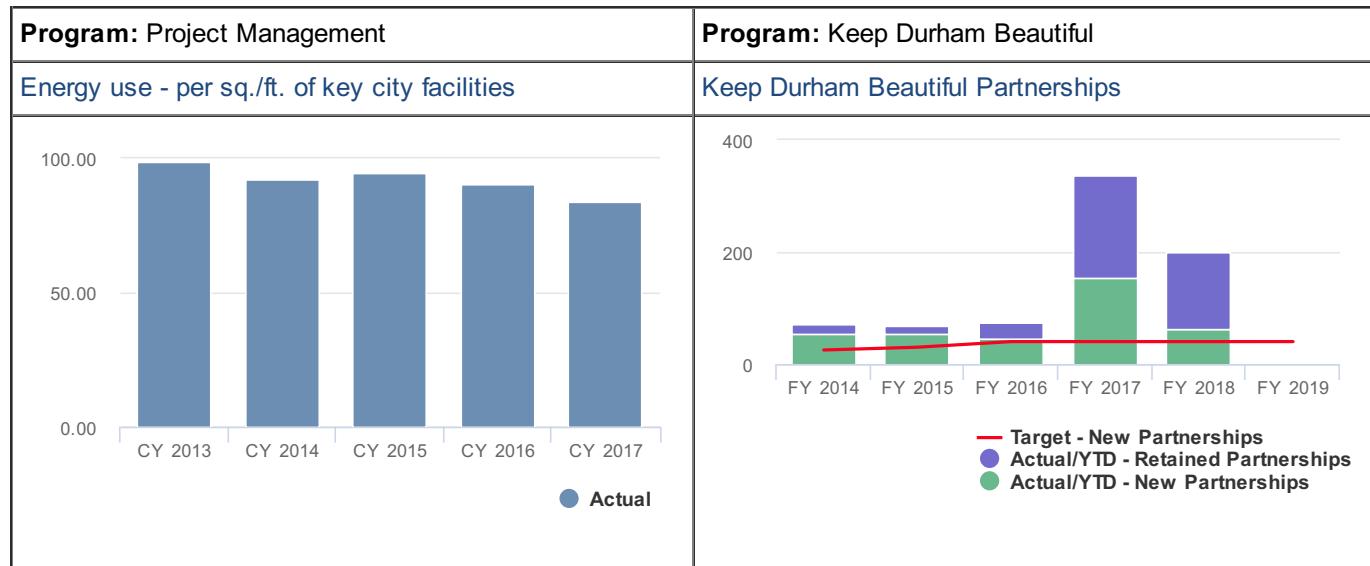
Objective: Construct, deliver, and maintain sustainable, high-quality, visually appealing infrastructure and facilities



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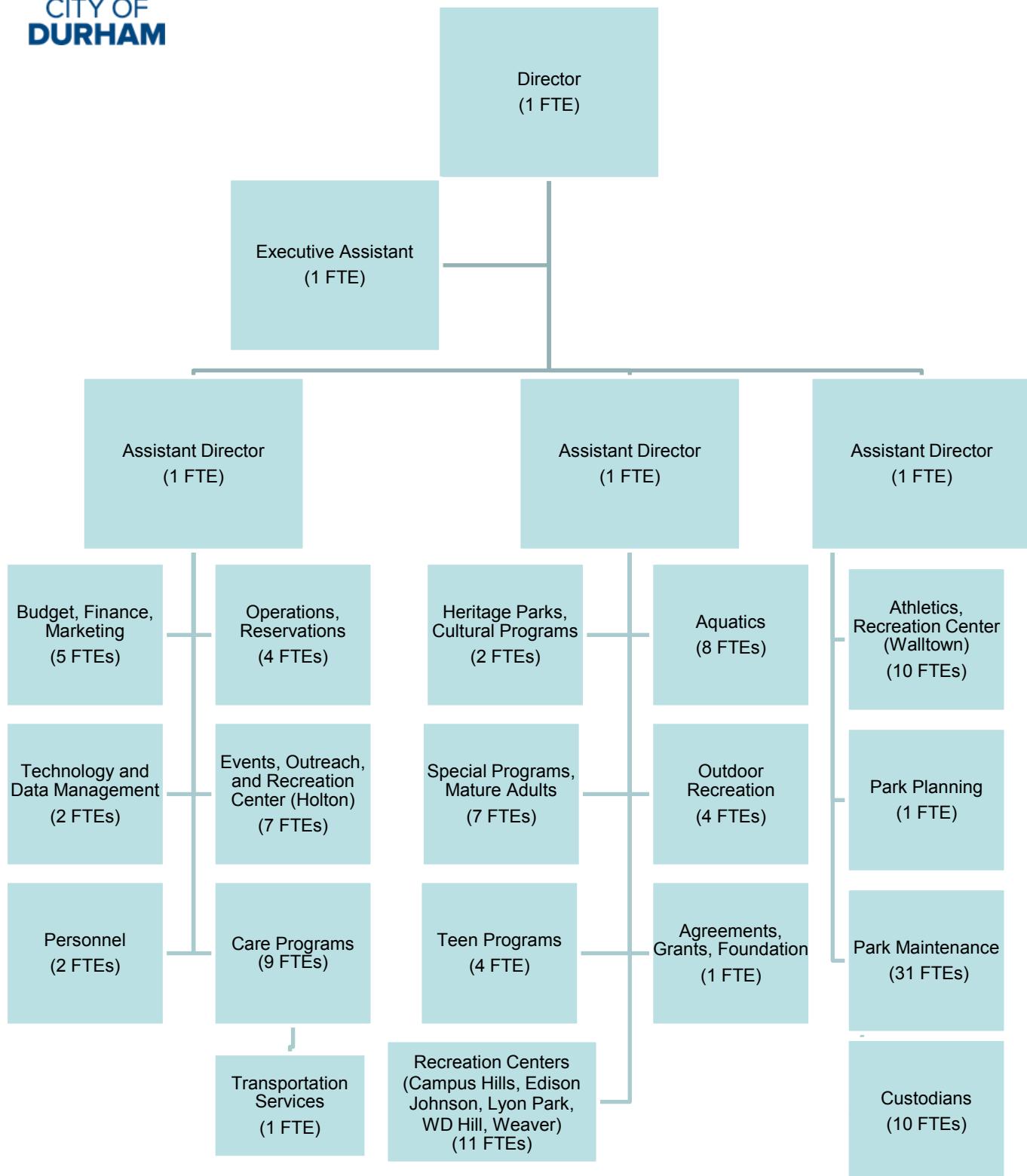


Objective: Promote environmental sustainability to achieve energy efficiency, pollution and litter reduction, and support global warming prevention





Parks and Recreation (124 FTEs)



PARKS AND RECREATION

Purpose Statement:

Play More: Connecting our whole community to wellness, the outdoors and lifelong learning.

DEPARTMENT DESCRIPTION

Parks and Recreation	\$14,276,098
	124 FTEs

Operational Services

Operational Services provides support to staff and their programs, coordinates the department's budget, and develops and implements policies and standard operating procedures. It provides oversight to personnel management and is responsible for the department's Strategic Plan, planning, research and implementation of best practices, recreation software management, accreditation, marketing and public relations, special events, grants, sponsorships, facility agreements and rentals, data management, center computer labs and outreach programs.

Administration

This unit is responsible for providing professional management that is accountable, efficient and transparent. The unit provides the support and executive leadership to all full time and seasonal/part-time staff and programs. Staff members execute the department's work plan in accordance with the Master Plan, the City's Strategic Plan, and the department's Strategic Plan.

Budget, Finance & Marketing

This unit develops, coordinates, and provides oversight to the departmental budget. Staff manages accounts payables, receivables, purchasing functions, and management of grants and discount/waiver programs (Sliding Fee Scale, Facility Fee Waivers). This unit is also responsible for the marketing and public relations functions for the department. Staff are responsible for department branding, all media relations, the DPR website, print materials including the "*Play More*" program guide, flyers and brochures, *DPRInfo* email, public service announcements, social media, promotional items and exhibit equipment, and marketing campaigns for special programs and events.

Personnel

This unit provides the timekeeping function for the department's full-time and part-time staff. Staff assist Human Resources in the screening and referral of seasonal applications, provide policy interpretation and assistance to staff, manage leave and attendance records, personnel requisitions, personnel actions, and ensure personnel are paid in a timely manner. The unit manages the department's background check requirements for employees, volunteers, and contractors and ensures departmental compliance with City, State, and Federal guidelines (e.g. 1,000 hour employee benefits, retirement benefits, FLSA, etc.) The unit also coordinates benefits and training for departmental employees.

Technology and Data Management

Technology management, data control and computer lab management are the primary functions of this unit. Staff researches, recommends, implements, and manages technology hardware and software applications. This unit is responsible for providing development and management of program evaluations. Staff plays a critical role in the ongoing management of the department's recreation software. The unit serves as liaison to the Technology Solutions department, provides software training, and manages the department's technology inventory. In addition, staff are responsible for providing networking, hardware, and software management of the computer labs within the recreation centers.

Operations, Playground Safety, and Facility Reservations

This unit provides oversight of many of the key day-to-day operational functions within the department. Staff provides leadership and management of the department's CAPRA (Commission for the Accreditation of Parks and Recreation Agencies) accreditation status and ongoing compliance. Staff also oversees the research, development, implementation and maintenance of departmental policies, standard operating procedures, and manuals. This unit provides reception at the Administrative Services office, and is responsible for reservations and facility management of rental facilities including the historic Armory in downtown Durham, Spruce Pine Lodge

at Lake Michie, Forest Hills Neighborhood Clubhouse, McCown-Mangum House at West Point on the Eno Park, picnic shelters, outdoor plazas, and campsites, allowing for a variety of community events. Other operations managed by this work unit include volunteer management, Canine Recreation, Adopt-a-Park/Adopt-a-Trail program, and safety programs (e.g. liaisons to Risk Management regarding employee and participant accidents, manages inspections, safety equipment and supplies, etc.).

Park Planning

Park planning includes a wide range of planning management for existing facilities, including 68 parks, covering almost 3,000 acres, the surrounding park area for the City's ten recreation centers, and nearly 30 miles of greenway trails. It also provides planning for several major regional facilities including the Armory, Spruce Pine Lodge, West Point on the Eno, Little River Lake and Lake Michie. Staff in this unit also directs the department's land acquisition, public meetings, development review, and liaison with General Services' project management division. This unit is also responsible for ongoing park planning, including master planning, cultural/historical planning and natural resource planning.

Recreation Programs and Events

Teen Programs

Teen Programs provide safe and healthy opportunities that connect teens to experiences that inspire hope and prepare them to choose positive options through lifelong learning. This unit also manages the "MyDurham" program which provides drop-in opportunities for teens throughout the school year between the hours of 3:00 pm and 7:00 pm at six (6) designated recreation centers, including the Teen Center (at Lyon Park), Holton Career and Resource Center, W. D. Hill Recreation Center, I. R. Holmes, Sr. Recreation Center at Campus Hills, Walltown Park Recreation Center, and the Weaver Street Recreation Center. The "My Durham" program will also offer two (2) Teen programs during the summer of 2019.

Outdoor Recreation and City Lakes

This unit conducts outdoor adventure programs and trips, and environmental education classes. Staff interact with other community agencies to develop a wide array of outdoor activities for youth and teens throughout the community. The unit operates a Low Ropes Challenge Course at Spruce Pine Lodge and a High Ropes Discovery Course at Bethesda Park, where participants focus on experiential learning. This unit makes a concerted, strategic effort to introduce young people into positive and satisfying activities that encourage their personal growth and help them meet challenges. Lake Michie and Little River Lake offer outdoor activities such as boating, fishing, hiking, camping and picnicking.

Aquatics Programs

The Aquatics unit is responsible for the operation of five city aquatic facilities, including indoor aquatic centers (Campus Hills Pool and Edison Johnson Aquatic Center) and seasonal outdoor pools (Forest Hills Pool, Long Meadow Pool, and Hillside Pool). This unit offers both structured and unstructured aquatic activities such as swim lessons, fitness programs, recreational and lap swim, and safety trainings. The aquatics unit is also responsible for aquatic facility rentals. The goal is to provide aquatic programs of sufficient quality and diversity that appeal to all of Durham's residents.

Athletics

Athletic activities are offered for participants of all ages, beginning at age three. Athletic leagues and tournaments are offered in a variety of sports, including basketball, softball, tennis, flag football, pickleball, soccer and volleyball. The unit also works cooperatively with local athletic associations and leagues to offer an even wider range of active sports. The unit manages athletic fields (baseball, softball, soccer, multipurpose) and courts (tennis, basketball) for the department.

Events and Outreach

This unit is responsible for planning and executing special events for the Durham community including Earth Day, Bimbé Cultural Arts Festival, the "Rock the Park" series providing movies and concerts within City parks, Latino Festival, the Holiday Parade and Fun Fest, and the Senior Holiday Party. Staff also assists with the coordination of Durham Senior Games, and the July 4th Celebration. Outreach programs offer structured opportunities and classes at central locations to residents who have interests in a particular area. Outreach Coordinators assist the department in developing and marketing outreach programs specifically to the Latino community. Staff coordinates the collaborative efforts of the department to reach out to community agencies, developing partnerships for a more efficient use of available resources.

Heritage Parks/Cultural Programs

The City has several National Register Historic sites in its park portfolio, including West Point on the Eno Park, which offers passive recreational opportunities (hiking, fishing, picnicking), tours of the functioning mill and the McCown Mangum House, a facility that may be rented for private events; and Leigh Farm Park, a historic nineteenth century farmhouse with outbuildings and extensive natural areas.

Recreation Centers

This unit includes the operations of the Edison Johnson, Walltown Park, W. D. Hill, Weaver Street and the Irwin R. Holmes, Sr. at Campus Hills Recreation Centers. It also includes the operation of department offerings at the Community Family Life and Recreation Center at Lyon Park and provides recreation programs at the Holton Career and Resource Center. Also cultural programs are coordinated for families, including Kwanzaa, Black History Month, and the Martin Luther King, Jr. celebration. These centers also offer a wide variety of additional enrichment opportunities through fitness, performing arts, technology, and martial arts. Partnership programs, providing safe, structured recreational and educational activities are offered at the East Durham and W. I. Patterson Recreation Centers.

Special Programs and Mature Adults Programs

This unit provides recreational programs for adults and children with developmental and physical disabilities. The specialized programs include instructional, leisure, athletic and recreational activities. Special Olympic programs, programs for participants with visually impairments, and outings are also offered. In addition to offering specialized programs, this unit facilitates oversight of inclusion by making accommodations within all other recreation programs. This unit is also responsible for coordinating programs for Mature Adults (55 and up), such as socials, trips, fitness, and the annual Durham Senior Games events.

Care Programs

After School programs for youth ages 5-12 are provided at the Walltown Park Recreation Center, Edison Johnson Recreation Center, I. R. Holmes, Sr. Recreation Center at Campus Hills, W. D. Hill Recreation Center, and for ages 6-12 at the Holton Career and Resource Center. After School programs are also provided for teens and young adults with developmental and physical disabilities. "Explore" After School, for ages 13-21, provides an alternative to inclusion and promotes development of participants' life skills. Typical after school activities are offered, including arts and crafts, sports, games and educational activities.

A variety of Summer Camp opportunities are provided for youth ages 5-12 at the Walltown Park Recreation Center, Edison Johnson Recreation Center, I. R. Holmes, Sr. Recreation Center at Campus Hills, Community Family Life and Recreation Center at Lyon Park, Weaver Street Recreation Center, West Point on the Eno, W. D. Hill Recreation Center, W. I. Patterson Center, and East Durham Center and for ages 6-12 at the Holton Career and Resource Center. Teen Summer Camp programs for ages 13-17 are provided at Walltown Park Recreation Center and the Holton Career and Resource Center. "Explore" Summer Camp, for ages 13-21, provides an alternative to inclusion and promotes development of participants' life skills.

Intersession camps are provided during "out of school" time for year-round students for three periods, three weeks each, during the year for a total of nine weeks of programming. Programs are offered 7:30 am – 6:00 pm daily for the fall, winter and spring sessions. Fun Days are offered 7:30 am – 6:00 pm at various Recreation Centers throughout the year during planned public school closures. Activities including sports, games, arts and crafts, dance, etc. are provided.

Park and Facility Maintenance

Park Maintenance

The maintenance unit is responsible for mowing and maintaining athletic fields, parks, park and trail cleanup, inspections and minor repairs of parks and trails, and special event set-up and support. Staff members implement and provide ongoing support of the department's maintenance management system with operational standards adopted as part of the department's accreditation process.

Custodial Services – Recreation Centers

Provide aesthetically pleasing recreation facilities for public use by providing regular and frequently scheduled service and monitoring of large recreation centers to meet the needs of user groups, to support existing and new programs, and to reduce liability risks throughout the system.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 8,971,821	\$10,186,628	\$ 9,989,242	\$10,729,505	5.3%
Operating	2,368,359	2,690,220	2,965,989	2,912,593	8.3%
Capital and Other	2,117,108	667,042	1,244,456	634,000	-5.0%
Total Appropriations	\$13,457,288	\$13,543,890	\$ 14,199,687	\$14,276,098	5.4%
Full Time Employees	116	121	121	124	3
Part Time	82	78	78	78	-
Revenues					
Discretionary	\$12,178,679	\$12,360,580	\$ 13,054,965	\$13,065,723	5.7%
Program	1,278,609	1,183,310	1,144,722	1,210,375	2.3%
Total Revenues	\$13,457,288	\$13,543,890	\$ 14,199,687	\$14,276,098	5.4%

BUDGET ISSUES FOR FY 2018-19

- Achieving desired maintenance standards within existing resources for athletic fields, parks, trails, and custodial services in recreation centers to address priorities identified in the resident satisfaction survey.
- Dealing with aging recreation facilities and the continuing effects of deferred maintenance on those facilities.
- Ensuring all programs and facilities are as accessible as possible for all Durham residents.
- Develop a security plan that will improve the safety of participants and staff, uphold and enforce park ordinances, discourage and reduce criminal activity, including those damaging or vandalizing park properties.
- Continue efforts to transition critical part-time positions to full-time positions in order to improve efficiencies by increasing retention of qualified, professional staff which creates continuity of service and subsequently improved customer service.

ACCOMPLISHMENTS FY 2017-18

- As part of the efforts to increase connectivity of programs and facilities with customers and partners, the department continued agreements with the Achievement Academy for their usage of the W. I. Patterson Recreation Center, the Bicycle Cooperative for their usage of the facilities at Duke Park (previously used by the department's Park Maintenance unit), the East Durham Children's Initiative for their usage of East Durham Recreation Center, Duke Healthy Lifestyles Clinic's Bull City Fit at the Edison Johnson Recreation Center, Durham Housing Authority at the T. A. Grady Recreation Center, KidzNotes at the Holton Career and Resource Center, Special Olympics North Carolina, Durham Central Park, Inc., and Durham Public Schools (joint use agreement).
- Through DPR, Durham maintains its designation as a Playful City USA by KaBOOM!, a national non-profit dedicated to bringing play back into children's lives.
- "Hardening" and renovation of park bathrooms were completed at Solite Park, Sherwood Park, and Garrett Road Park.
- DPR continues to work alongside the Durham Parks Foundation, an independent non-profit organization to advocate and collect funding for parks, programs, special events, trails, and open space.
- Implemented KRONOS mobile to support our staff working in various parks and other locations without access to a timeclock. This was another module to complement our workforce management solution for automation of timekeeping allowing for the achievement of desired consistencies and efficiencies, minimization of compliance risks, and control of labor costs.

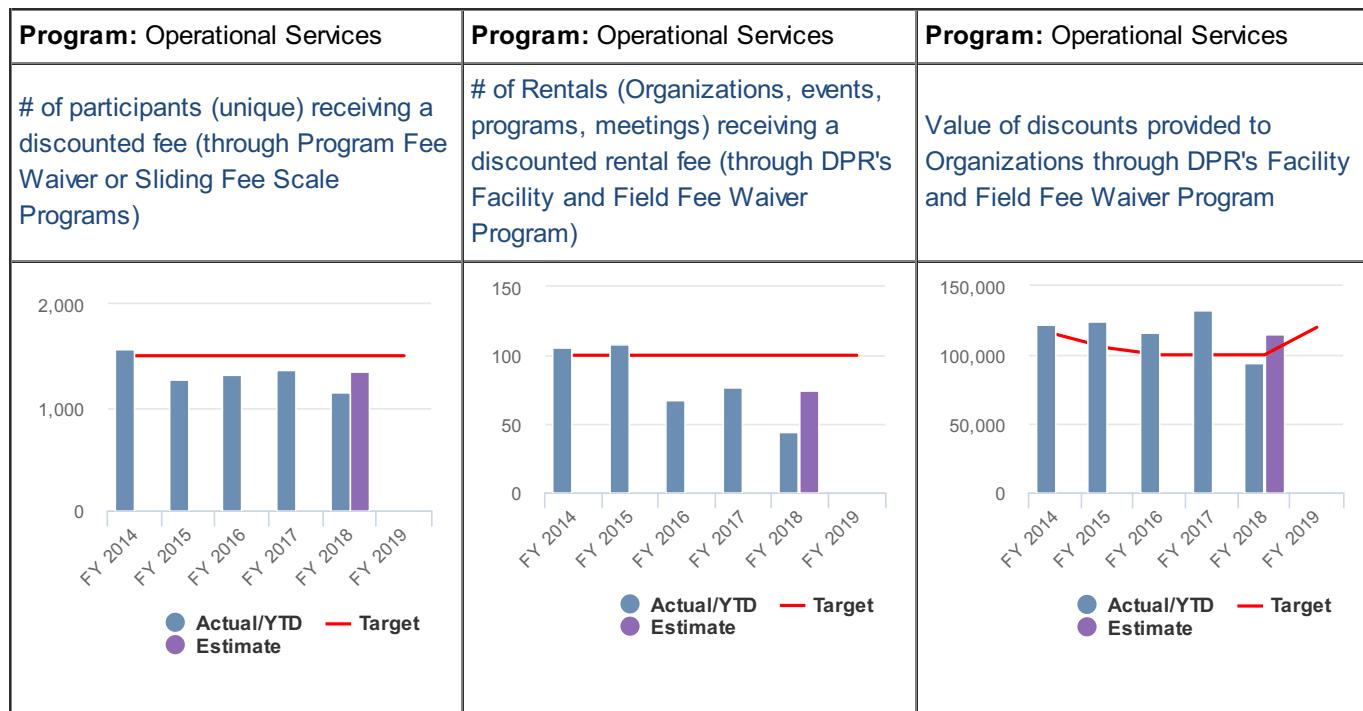
- Continued to maintain the Trails Action Group (TAG) comprised of representatives from all City departments that have responsibilities regarding trails. This allows for efficiencies in project management, funding, and management of the City's trail system.
- Completed a Trails Condition Assessment initiative of our 30+ miles of existing trails. This project will help the department to prioritize maintenance issues for all trails, including solid costs, potential issues, and time frame for implementation.
- Through the National Recreation and Parks Asspciatoin (NRPA) Parks Builds Community grant, Walltown Park received funding that was used to resurface and line the basketball courts and replace goals. Also, added two horseshoe pits (increasing the number to three).

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

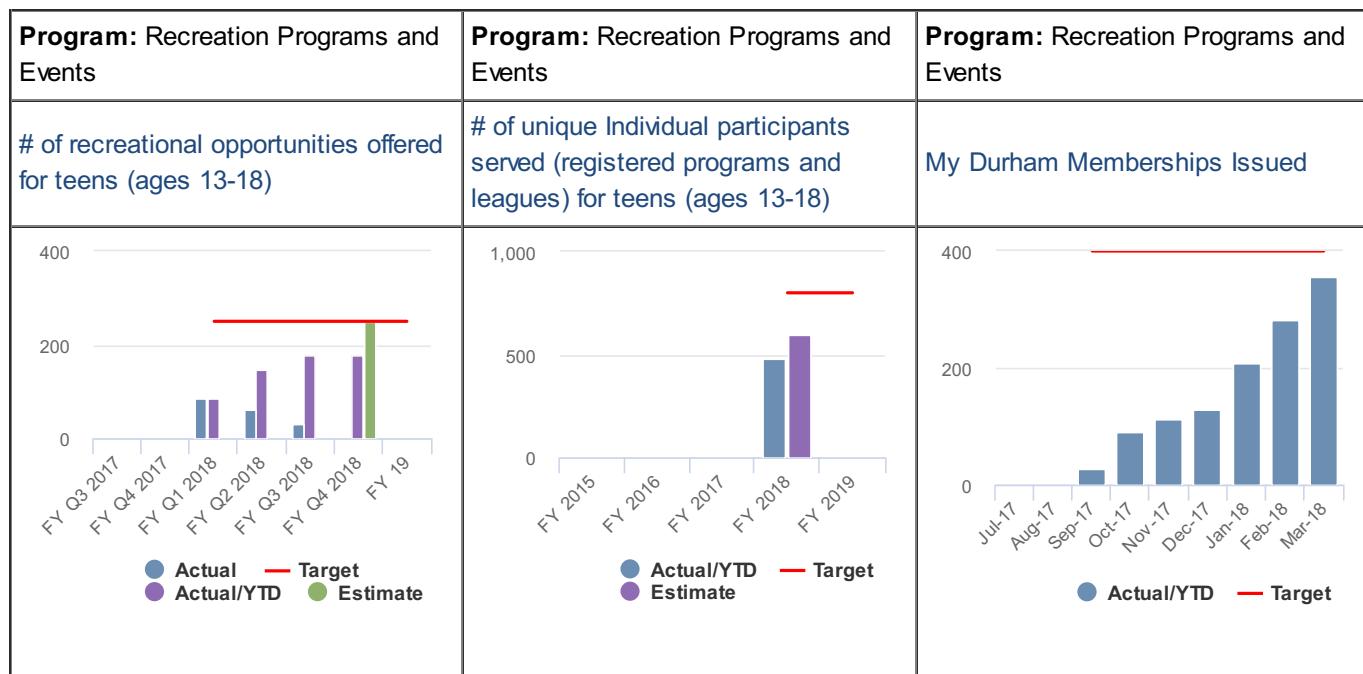
- Increase connectivity of programs and facilities with customers and partners. Continue collaboration with community partners and prioritize relationships with similar agencies toward common community goals.
- Reallocate resources from programs not meeting minimum registration requirements to support offering new and trendy programs and services identified through public input in the development of the Master Plan.
- Enhance and expand marketing efforts to increase participation.
- Diversify offerings to include activities in parks that are designed to strengthen communities.
- Continue efforts with ½ Penny maintenance funding to pave park driveways, “harden”/renovate park bathrooms; and repair fencing in parks.
- “My Durham” expansion: expands on the piloted “My Durham” teen program by expanding it to the Holton Career and Resource Center and the Teen Center (at Lyon Park). A summer camp component is also included that will be offered in the summer of 2019. Also, allows for expansion of marketing efforts of all programs for teens by converting the part-time with benefits Marketing Coordinator position to a full-time position.
- The department will continue targeted programming efforts identified in the Master Plan and in our departmental Strategic Plan, and Recreation Program Plan.
- The department has accepted the invitation to participate in year four of the NRPA’s Meet Me At the Park Initiative! (formerly Parks Build Community). We have received a \$20,000 grant for a physical park improvement project for 1 of 3 proposed park projects, selected after a community vote for their favorite project. Project to be completed by August 31, 2018.
- Maintain the department’s national accreditation status by adhering to CAPRA (Commission for Accreditation of Parks and Recreation Agencies) standards. DPR submitted an application and self-assessment for re-accreditation, per the 5-year renewal process. The audit by CAPRA is scheduled for May 2018, with anticipated re-accreditation occurring in September 2018 at the National Recreation and Park Association Congress in Indianapolis, IN. DPR is one of eleven Parks and Recreation Departments accredited in the state of NC.
- Continue efforts on the development of a Trail Maintenance Plan in collaboration with Stormwater, and their initiative to complete a storm water structure assessment in parks, trails, and cemeteries, scheduled for completion later this fiscal year. Both of these projects provide much needed data required for the City to develop a plan to repair and maintain critical infrastructure systems.

DEPARTMENT PERFORMANCE SUMMARY

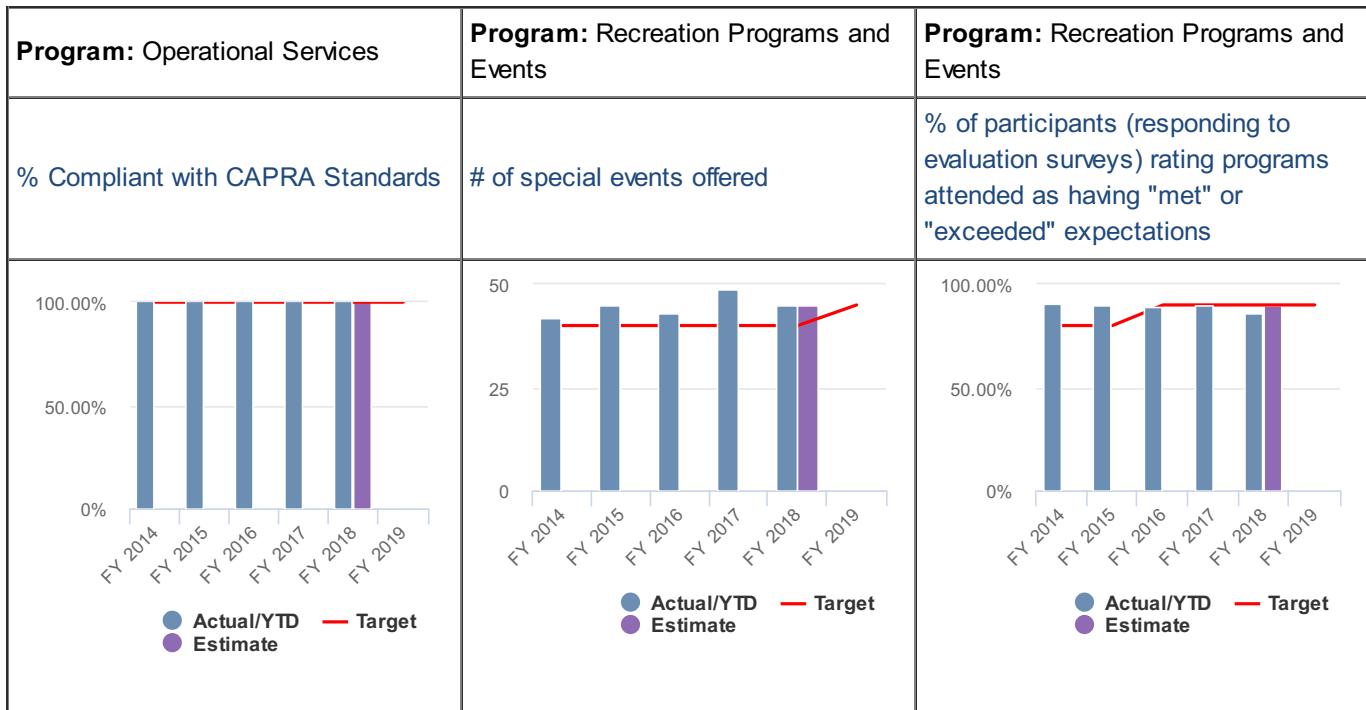
Objective: Increase connectivity to programs and services through reductions in physical and economic barriers, and increasing relationships and awareness



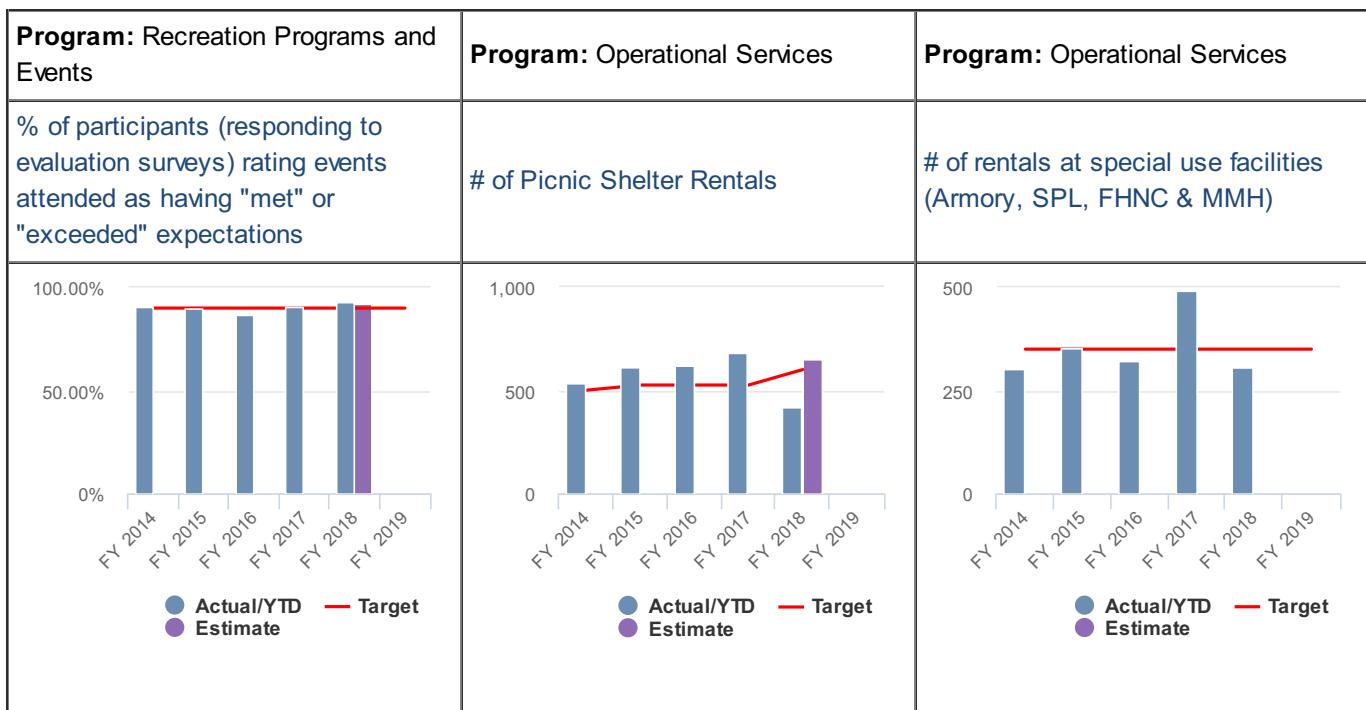
Objective: Creating opportunities to connect youth to health, wellness, the outdoors and to continue lifelong learning by developing and implementing a Teen (13-18) Strategy for Durham



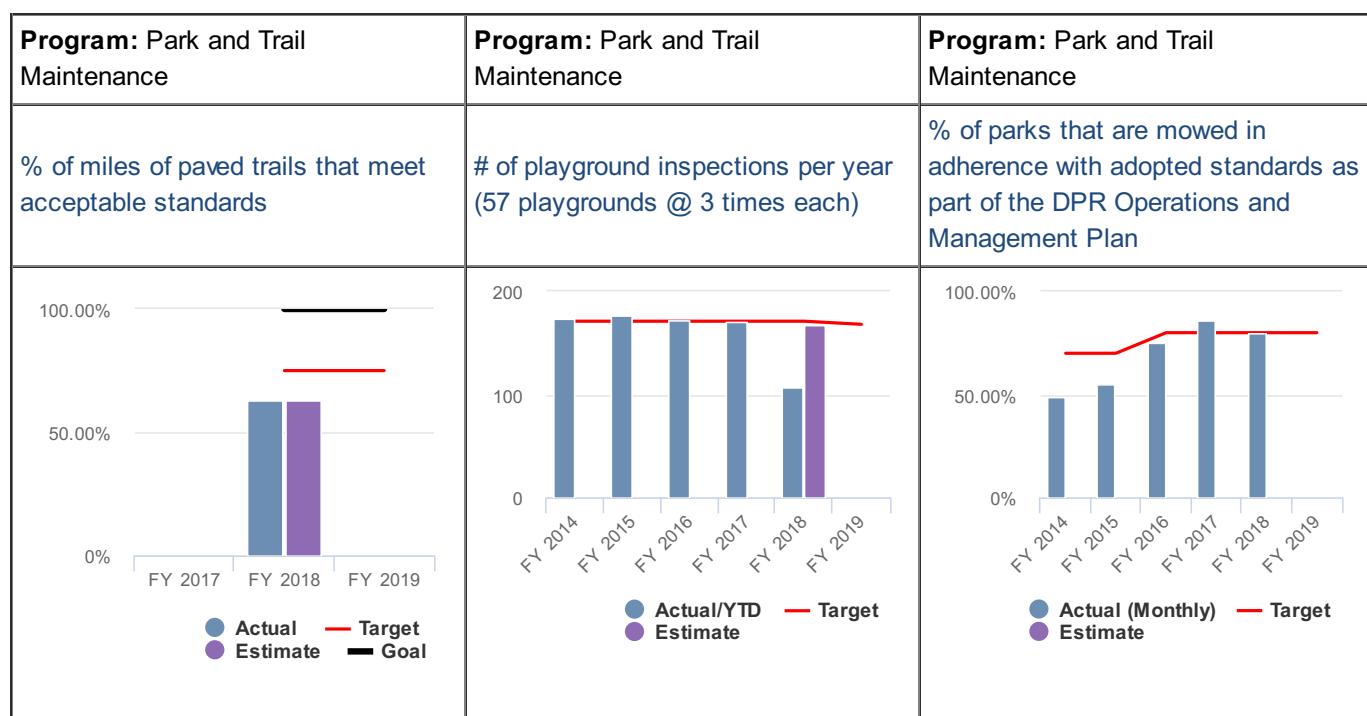
Objective: Attract and retain a talented and dedicated workforce that values innovation, excellence, and customer-focused service



Objective: Attract and retain a talented and dedicated workforce that values innovation, excellence, and customer-focused service



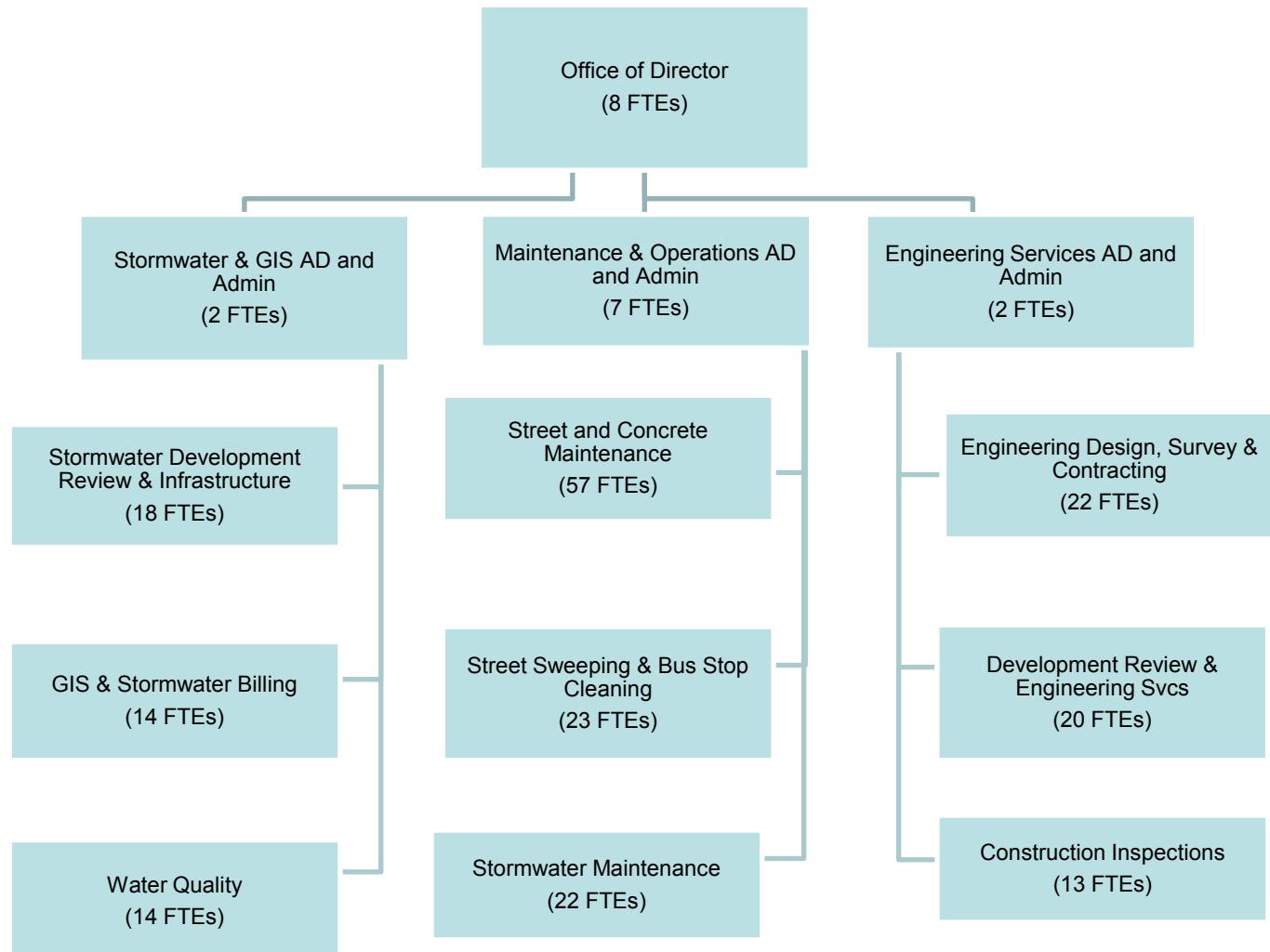
Objective: Continue developing and improving current facilities and parks according to current departmental plans in an effort to eliminate deferred maintenance, harden, and update dated equipment





CITY OF
DURHAM

Public Works (222 FTEs)



PUBLIC WORKS

Purpose Statement:

From streets to streams, we are committed to building and maintaining infrastructure today for a better tomorrow.

DEPARTMENT DESCRIPTION

Public Works Department

General Fund: \$7,726,569
Water and Sewer Fund: \$4,449,630
Stormwater Fund: \$9,961,351
222 FTEs

Engineering Survey, Design and Contracting

This program provides full scale engineering services to all Public Works Divisions as well as other City of Durham Departments. Services provided include field surveys, utility location, engineering design, acquisition of permits, contract management, project management, project consulting, and public hearings on proposed projects. The projects include streetscapes, pavement preservation, new street construction, existing street reconstruction, water and sewer extensions, new sidewalks, sidewalk repair and traffic calming.

Paved, Dirt Street and Sidewalk Maintenance

This program has responsibility for public roadway maintenance, street repaving, alley maintenance and sidewalk maintenance within the City. This program completes water and sewer utility cut repairs within the City. Street Maintenance also plans and executes the City's winter weather plan and assists other departments in debris removal operations from natural disasters.

Stormwater Quality

The Stormwater Quality Program management manages projects to improve surface waters through compliance with a National Pollutant Discharge Elimination System (NPDES) permit, Neuse River Nutrient Sensitive Waters Management Strategy, Jordan Lake Rules, Falls Lake Rules, and Water Supply Watershed Protection Rules. Program implementation is monitored and reported to regulatory agencies. The program provides industrial inspections and enforcement, municipal inspections and education, chemical, biological and hydrologic monitoring, and public education. The program detects, investigates and eliminates unauthorized connections and illegal discharges. The program also reviews and comments on proposed stormwater control measures (SCM's), water quality legislation, federal/state rule development, development of ordinances and implementation plans for federal and state rules. In addition, this program supports the development of watershed plans and implementation of those plans; and evaluates the compliance of public and private SCM's, coordinates stream restoration activities, and implements water quality projects.

Stormwater Infrastructure Maintenance, Street and Bus Stop Cleaning

The program maintains the stormwater drainage system within the City's Right-of-way (ROW). Other services include catch basin maintenance and repair, mechanical sweeping, carcass removal from City streets and vet hospitals, and litter removal from ditches, sidewalks, downtown areas and other public street ROW. This program also provides support during severe winter weather events by assisting with snow removal operations and roadway pretreatment operations. Bus Stop Cleaning provides general cleaning services and trash collection for all city bus shelters.

Engineering Inspections

This program provides inspections services for street construction and rehabilitation, water, sewer and stormwater infrastructure that is built by private developers, through City contracts, or through NCDOT contracts. The Inspections Group provides front-line assurance through every stage of the construction process that new installations are in accordance with all applicable local and state construction standards. They further assure a sustainable and reliable infrastructure by reviewing as-built infrastructure drawings and digital submittals for construction projects, and review and track surety bonds and other financial instruments posted by the development community in conjunction with obtaining plat approval for the projects.

Stormwater Infrastructure and Development Review

The Stormwater Infrastructure group is responsible for non-routine repair and improvement of stormwater infrastructure, drainage and floodplain customer response, and floodplain management services. The Drainage Projects Unit (DPU) provides for the evaluation, design, contracting, and project/construction management for stormwater infrastructure projects involving City Right-of-way (ROW), City owned property, and private drainage assistance. The Drainage and Floodplain Unit (DFU) investigates and responds to customer inquiries regarding private drainage/flooding issues and provides technical support for the National Flood Insurance Program (NFIP), coordinates flood mitigation grant submittals, and processes private drainage assistance requests.

Stormwater Development Review ensures new development is in compliance with applicable federal, state, and local stormwater regulations. This is achieved by reviewing development plans (zoning, site plans, preliminary plats, construction drawings, and final plats), stormwater impact analyses and engineering calculations. It also includes ensuring proposed Stormwater Control Measures (SCMs) are properly constructed through construction oversight, an as-built plan/certification program, and by obtaining proper construction securities. Additionally, Stormwater Development Review ensures post-development stormwater compliance through education and the SCM Maintenance Certifier program, which includes annual inspection reports for SCMs, inspections, and enforcement.

GIS & Billing

The GIS & Stormwater Billing program maintains GIS mapping data for the City which includes data on street centerlines, sidewalks, the stormwater system, and the water and sewer collection and distribution system. This data set is utilized by the Emergency Communications, water and sewer maintenance personnel, stormwater maintenance personnel, engineers, planners, developers, and citizens. In addition, this program is responsible for all aspects of billing for the stormwater utility, including customer service inquiries, bill verification and adjustments, new fee implementation, mapping of stormwater impervious areas within the City limits for purposes of stormwater bill calculation, and the acquisition of imagery and impervious area extraction for quality control purposes. The program supports Tyler Technologies, Munis ERP software and the Azteca Cityworks software which is utilized city-wide to track incoming service requests; along with labor, equipment, and material costs associated with work done by Public Works staff and various City departments.

Engineering Development Review

Development Review provides a centralized location for the most common public works customer needs, from new commercial and residential development, to customer questions and concerns about water and sewer service, infrastructure petitions, and assessments. This program provides a location for the receipt, tracking, distribution, and pickup of Public Works permits, inspection requests, as well as payment of all Public Works fees and construction securities. Such permits include water, sewer, storm and street authorizations to construct, and permits for public and private projects. Additional services include the review of development plans in coordination with other City, county and state departments and agencies.

Office of the Director

The Office of the Director provides administrative, financial and technical planning as well as leadership support for all programs in the department. This office maintains, analyzes and reports on performance measures and other data for the department. This office also provides policy direction, financial monitoring, safety management and human resource leadership for the department.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 14,267,041	\$ 16,583,395	\$ 16,118,923	\$ 17,542,117	5.8%
Operating	4,658,084	4,172,425	5,748,633	4,311,261	3.3%
Capital and Other	42,355	306,922	816,929	284,172	-7.4%
Transfers	-	-	-	-	0.0%
Total Appropriations	\$ 18,967,480	\$ 21,062,742	\$ 22,684,485	\$ 22,137,550	5.1%
Full Time Employees	217	220	220	222	2
Part Time	1	-	-	-	-
Revenues					
Discretionary Program	\$ 5,106,040 2,074,395	\$ 6,389,954 880,000	\$ 7,609,816 1,252,568	\$ 6,715,569 1,011,000	5.1% 14.9%
Total General Fund	\$ 7,180,435	\$ 7,269,954	\$ 8,862,384	\$ 7,726,569	6.3%
Water and Sewer Fund	3,695,944	4,040,944	3,853,698	4,449,630	10.1%
Stormwater Fund	8,091,101	9,751,844	9,968,403	9,961,351	2.1%
Total Revenues	\$ 18,967,480	\$ 21,062,742	\$ 22,684,485	\$ 22,137,550	5.1%
Total Budget	\$ 20,310,403	\$ 21,062,742	\$ 22,684,485	\$ 22,137,550	5.1%

BUDGET ISSUES FOR FY 2018-19

- A stormwater rate increase will not be proposed, pending review of the implementation dates of the Fall and Jordan Lake rules by the State of North Carolina. Once revised implementation dates for water quality standards have been established by the State, the DPW will review the rate model to address future CIP needs.
- The department continues to refine performance measures for FY19. Measures proposed for the budget book have been further reduced and simplified to help give the public a clearer view of the department's activities and performance. Numerous internal measures have been refined to aid management in guiding both the day-to-day operations and long-term strategic direction of the department.
- Requests from citizens for street and sidewalk improvements continue to grow. Additional funding will be required to support these requests.

ACCOMPLISHMENTS FOR FY 2017-18

- Began rehabilitation and renovation of seven (7) stormwater control measures (SCMs) for category 4 failed developments (Ravenstone and Stonehill Estates Subdivisions).
- Construction of the Carver Street Extension continues.
- Completed design of the Fayetteville/Buxton/Riddle intersection realignment project and bid the project.
- Resurfaced through contracts 9.9 lane miles of road to help increase road integrity and raise the PCI rating of each segment.
- Repaired and resurfaced through contract 11.5 lane miles of roadway infrastructure in two of the largest subdivisions in the Failed Development program.
- Completed through contract construction of 5,820 linear feet of new sidewalk on NC55.
- Completed through contract construction of 2,880 linear feet of new sidewalk across multiple locations that were identified in the 2017 Bike+Walk Plan.
- Completed repair of brick pavers in over 20 locations around downtown.
- Began construction on three federally funded bicycle and pedestrian projects on Avondale Drive, Fayetteville Road, and Campus Walk and LaSalle Streets.

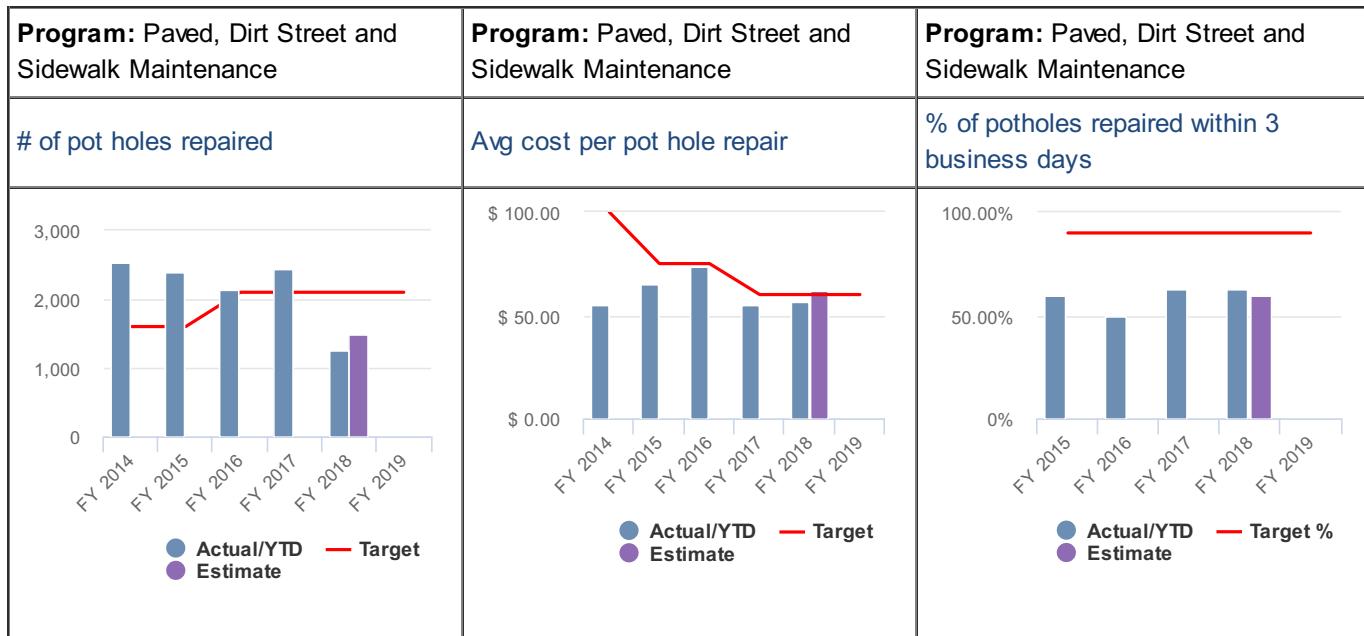
- Repaired or replaced over 10,000 linear feet of sidewalks through the use of contracted services.
- Completed three quarterly seminars for the development community on changes to design, construction and as-built characteristics of development within the City.
- Bid a contract for bridge repair and development of a bridge maintenance program.
- Completed in-house design of four petition dirt street projects.
- Began work on the Eno River Watershed Plan.
- Completed work on Small Scale Residential Stormwater Retrofits Project.
- Completed 35 drainage repair projects within City rights-of-way, on City-owned property, or on private property.
- Completed the construction of the Third Fork Creek Stream Restoration Project.
- Began and completed the majority of work on the Stormwater Infrastructure Inventory and Assessment for Parks, Trails and Cemeteries.
- Began design of two large culvert replacements (Odyssey Drive and Alpine Road).
- Began project management activities on Hazard Mitigation Grant Program projects to elevate one structure and acquire twelve structures that have suffered from repetitive flood losses.
- Completed pilot Algal Turf Scrubber project to address stormwater nutrient reduction requirements.
- Continued fieldwork for lower Ellerbe Creek Groundwater/Surface water interaction study by the US Geological Survey.
- Continue nutrient loading study in Sandy and Ellerbe Creeks with the U.S. Geological Survey. Field work was completed this fiscal year. Data analysis and reporting is expected through FY2019.
- Completed Rain Catchers post-installation monitoring. Data analysis and reporting is expected through FY2019.
- Continued to facilitate downtown waste cooking oil/grease management with Solid Waste, Planning, Downtown Durham Inc., Water Management, and other departments.
- Mapped all gravel streets within the City limits and developed a formal gravel road paving program.
- Developed and implemented PW/GIS Web Map services application and SW billing customer Web application.
- To date in FY2018, controlled 150 pollution sources through the water quality investigations program. Also completed 152 inspections of private business stormwater practices.
- Began field testing of a beaver dam retrofit to improve oxygen levels in Ellerbe Creek.
- Began expanded monitoring of Sandy Creek in preparation of the New Hope Creek watershed implementation plan.
- Began building demolition for the South Ellerbe stormwater restoration project.
- Completed flushing of 65,000 linear feet of stormwater pipes.
- Began the development of a comprehensive safety and training program for all divisions within the department.
- Repaired and replaced 7,500 linear feet of damaged sidewalks citywide.
- Began contract for repairs to two city-owned SCMs in contract SWDR-2018-01.
- Continued additional enforcement measures to improve SCM maintenance and post-construction compliance.
- Updated various sections and checklists in the Reference Guide for Development to reflect latest stormwater requirements and procedures.
- Water Meters /Laterals/Taps: Approximately 51K meters added to the GIS from GPS results collected during AMR (Automated Meter Replacement) contracts. Approximately 42K associated taps and laterals added as well.
- Databases: Beta testing a new benthic macroinvertebrate database ongoing. Fire Department Hydrant Inspections moved to CityWorks.
- Completed Employee Satisfaction Survey.
- Completed concrete parking lot repairs at Durham Station.
- Completed a series of Institute for Transportation Research and Education (ITRE) Safety Training.
- Upgraded security system at Public Works Operations Center.
- Made significant reductions in key expenditure accounts.
- Increased production in key road maintenance categories.
- Videoed over 31,713 linear feet of storm drain pipe so far in FY2018.
- Repaired over 2,167 linear feet of concrete sidewalk so far in FY2018.
- Swept over 17,107 curb miles of roadway so far in FY2018.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

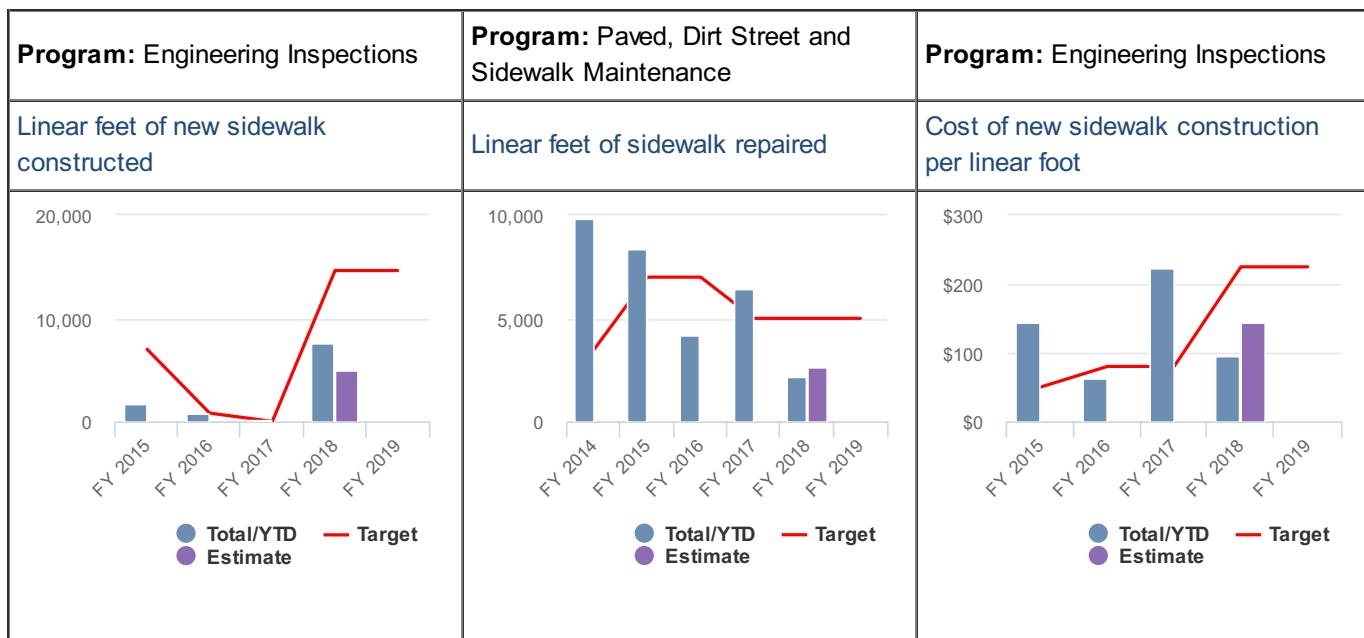
- Complete 35 drainage repair projects within City rights-of-way, on City-owned property, or on private property.
- Complete construction of two large culvert replacements (Odyssey Drive and Alpine Road).
- Complete construction and demolition activities for Hazard Mitigation Grant Program projects.
- Issue RFP for the New Hope Creek Watershed plan.
- Complete rehabilitation and renovation contract on seven (7) stormwater control measures (SCMs) for category 4 failed developments (Ravenstone & Stonehill Estates Subdivisions).
- Update Section 8.1 and other various sections in the Reference Guide for Development to reflect latest stormwater requirements and procedures.
- Contract for the preliminary design and site selection for a full scale Algal Flow-way project.
- Develop a multi-year sidewalk maintenance plan that ensures compliance with currently proposed national ADA/Public Right of Way Accessibility Guidelines (PROWAG).
- Complete the update of the PCI study which will assess and rate the asphalt condition on almost 800 center line miles of roadway.
- Continue to refine a multi-year pavement preservation and rehabilitation program.
- Complete through contract an assessment of the 20+ miles of dirt road throughout the City.
- Continue to monitor the five different fiber companies that continue to install their infrastructure in the public rights of way throughout the City.
- Complete construction of the Carver Street Extension project.
- Begin construction of the Fayetteville/Buxton/Riddle intersection realignment and Fayetteville Road Widening project.
- Perform, through contracts, over 50 lane miles of asphalt repaving and pavement preservation to help increase road integrity and potentially raise the PCI rating of each segment.
- Repair or replace 12,000 linear feet of sidewalks through the use of contracted services.
- Begin development of a comprehensive asset management plan for streets, sidewalks, bridges, and stormwater infrastructure.
- Complete construction on three federally funded bicycle and pedestrian projects on Avondale Drive, Fayetteville Road, and Campus Walk and LaSalle Streets.
- Complete consultant design on eight federally funded bike and pedestrian improvements projects.
- Complete construction on four petition dirt street projects.
- Complete in-house design on five new sidewalk projects that were identified in the 2017 Bike+Walk Plan.
- Complete assessment of the beaver dam retrofit to improve oxygen in Ellerbe Creek.
- Complete expanded monitoring and draft report of results for Sandy Creek.
- Complete 3 seminars providing professional development hours to the design and development community.
- Continue implementation of the Public Works STEM YouthWork Internships.
- Address the needs of users in Engineering Services through multiple internal process improvements and database development efforts to better support their efforts.
- City Limits/annexations GIS Database and associated web map service.
- Redesigned Roads GIS Database.
- Upgrade and implement CityWorks enhancements.

DEPARTMENT PERFORMANCE SUMMARY

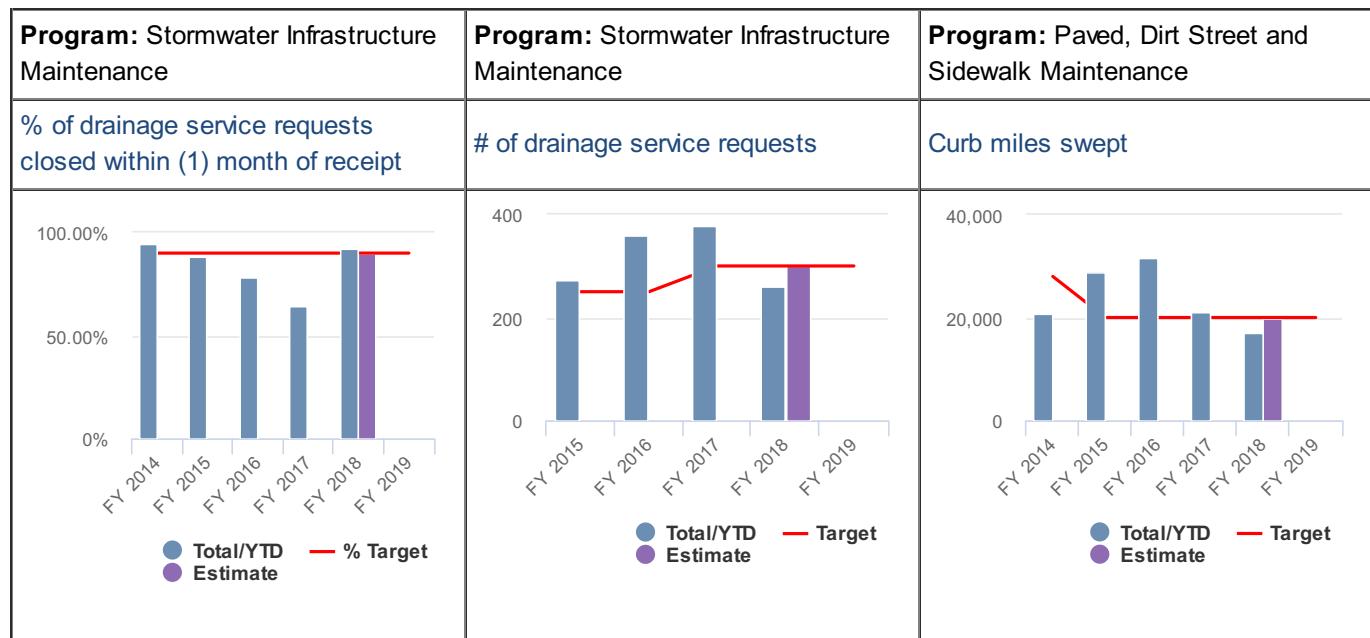
Objective: Manage a proactive street maintenance program that is cost effective at an accepted level of service



Objective: Build a sidewalk network that meets community needs and creates a connected community



Objective: Maintain a stormwater system to meet or exceed all federal, state and local stormwater and environmental requirements

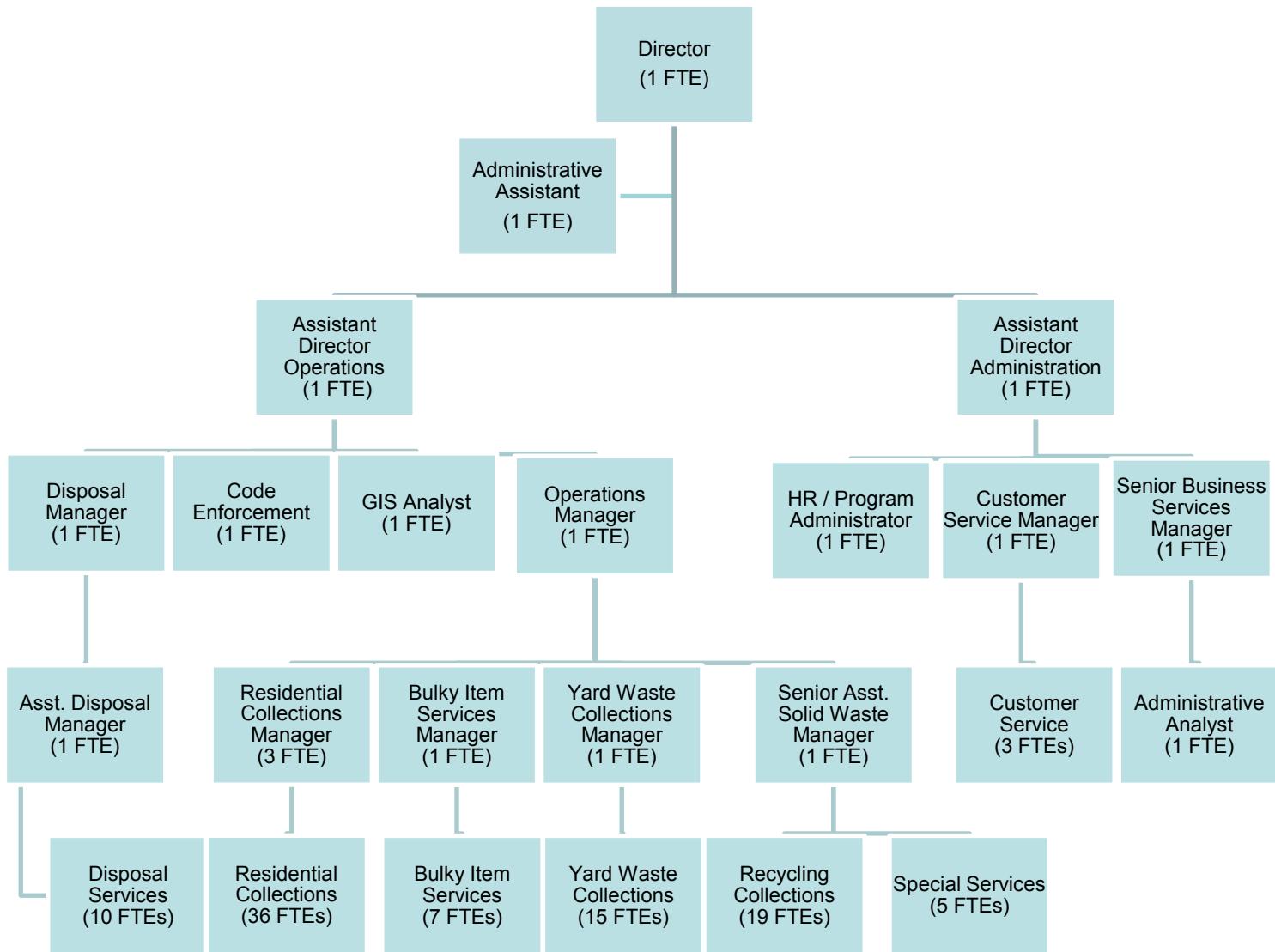




CITY OF
DURHAM

Solid Waste Management

(114 FTEs)



SOLID WASTE MANAGEMENT

Purpose Statement:

To provide industry leading waste collection, recycling and disposal services. We will be responsive, accountable, and dependable to the residents of Durham.

DEPARTMENT DESCRIPTION

Solid Waste Management	Solid Waste Fund: \$17,994,804 114 FTEs
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The Department is primarily responsible for the collection and disposal of residential municipal solid waste, and bulky items. The Department also provides curbside recycling services and subscriber-based yard waste collection and processing. Staff assures that all collection and disposal activities are performed in accordance with State regulatory mandates, City Manager directive and according to City Council goals.

The Department is committed to its vision of accomplishing our mission in a safe, efficient, cost effective and environmentally sound manner; and to be a leader in the solid waste industry.

Administration

The Administration division provides leadership, administrative and planning support for all solid waste management programs and divisions, including management of the Department's annual budget development process. This division directly administers all aspects of customer service to Durham's residents, which includes service request management, providing information to the public, resolving internal/external service issues and maintaining the highest level of customer satisfaction.

Residential Collection

The Residential Collection division collects household waste in carts that are provided by the City. The carts are placed curbside by residential customers and some small businesses on a weekly basis. Fully automated and semi-automated vehicles are used to collect these carts. The division provides exempt services to residents who are physically unable to roll their carts to the curb for collection.

Yard Waste Collection

The Yard Waste Collection division collects yard waste on a weekly basis from customers who subscribe to this service. This division also provides Christmas tree collection to all households within the City limits. This program is designed to divert debris from the waste stream by recycling it into reusable earth products.

Curbside Recycling

The Curbside Recycling division provides single stream collection of recyclable materials to residents on a bi-weekly schedule. The Recycling Division collects recyclable materials in carts that are provided by the City. The Implementation of single stream recycling supported City Council's goals and the Department's mission of providing economical and environmentally safe collections of recyclable material. The division provides exempt services to residents who are physically unable to roll their carts to the curb for collection.

City Facilities and Downtown Collections

This cost is associated with services provided by the Department to collect solid waste from all City-owned facilities, as well as residents and businesses in the "downtown loop" area that require stationary container services.

Bulky Item/Bulky Brush Collection

The Bulky Item Collection division is a weekly curbside collection service for residents who have large items, e.g. household appliances (white goods) and furniture that is too large to be collected by the residential collection division, and quantities of brush too large to be collected by yard waste crews. The Bulky Item Division also provides limb and branch debris removal from streets following severe weather incidents. Collection of additional yard waste and more than three bulky items are provided on a fee-for-service basis.

Code Enforcement Services

The Code Enforcement division responds to reported complaints to ensure compliance with solid waste management ordinances that support City Council's goals. This division interprets and enforces solid waste disposal and recycling ordinances, general statutes, and policies of the Department and the City of Durham.

Waste Reduction

The Department provides City-wide waste reduction education activities and programs. Each year, City staff provides educational programs and activities that target various public and private schools and community groups. This division strives to promote community awareness of recycling events throughout the community. In the absence of dedicated waste reduction staff, the department provides limited reduction, reuse and recycling outreach services, based on staff availability.

Transfer Station

The Transfer Station provides proper municipal solid waste (MSW) disposal services for Durham residents and visitors. The program includes oversight of the transfer station and associated contract management. This division maintains equipment assigned to the post-closure Land Clearing & Inert Debris (LCID) site. The division operates a Scale House which captures weights for all municipal solid waste disposal, recycling, and yard waste activities by way of its scale system. The number of customers served during the year and the weight of the waste and recyclable materials brought to either the transfer station or the yard waste facility flows through this cost center and determine payments by the City to its contractors. The Transfer Station also receives waste from commercial haulers, and Durham County and Orange County on a fee for service basis.

Convenience Center

The Convenience Center, located at the Transfer Station site, provides services associated with efforts to reduce the amount of waste that goes into a landfill, which is consistent with the City's recycling goals. Major activities include: white goods (appliances) and other scrap metal recycling, scrap tire recycling, e-waste recycling (computer equipment and other electronics), and an active "swap shop", where reusable items are made available to the public at no cost. Other commodities such as used motor oil, automobile batteries, and cooking grease are also accepted at the Convenience Center for reprocessing and reuse.

Yard Waste Composting Facility

The Yard Waste Composting Facility is permitted to receive up to 14,000 tons of yard waste material annually. Yard Waste is brought to the facility and ground by a private service provider into mulch and other "earth products" for reuse. This cost center captures labor, equipment, contractual services and other direct expenses associated with the operation of this facility.

Scrap Tire Disposal

The Scrap Tire Disposal program provides for collection and proper disposal of tires that are delivered to the convenience center. This program enables diversion of tires from the waste stream and provides an environmentally safe disposal service for discarded tires.

Hazardous Household Waste

The Hazardous Household Waste (HHW) program, located at the City's Transfer Station site, provides for special collection of items such as paints, solvents, household cleaners, pesticides, aerosols, and other similar waste products. These types of wastes, considered hazardous household waste, are unsafe to dispose of with regular trash and must be handled separately. The City provides for special collection of such items for residents of Durham, Orange, Wake, and Chatham Counties, on a drop-off basis, six days per week.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 7,181,399	\$ 7,028,659	\$ 7,407,551	\$ 7,558,848	7.5%
Operating	9,139,171	9,201,577	9,738,188	10,417,456	13.2%
Capital and Other	-	230,695	294,232	18,500	-92.0%
Total Appropriations	\$ 16,320,570	\$ 16,460,931	\$ 17,439,971	\$ 17,994,804	9.3%
Full Time Employees	109	111	111	114	3
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 8,959,856	\$ 9,081,150	\$ 9,680,738	\$ 10,156,469	11.8%
Program	7,360,714	7,379,781	7,759,233	7,838,335	6.2%
Total Revenues	\$ 16,320,570	\$ 16,460,931	\$ 17,439,971	\$ 17,994,804	9.3%

BUDGET ISSUES FOR FY 2018-19

- Maintaining a high level of service as the City continues to grow.
- Implementing programs and services to increase diversion.
- Staffing availability.
- Monitoring recycling commodity markets.

ACCOMPLISHMENTS FOR FY 2017-18

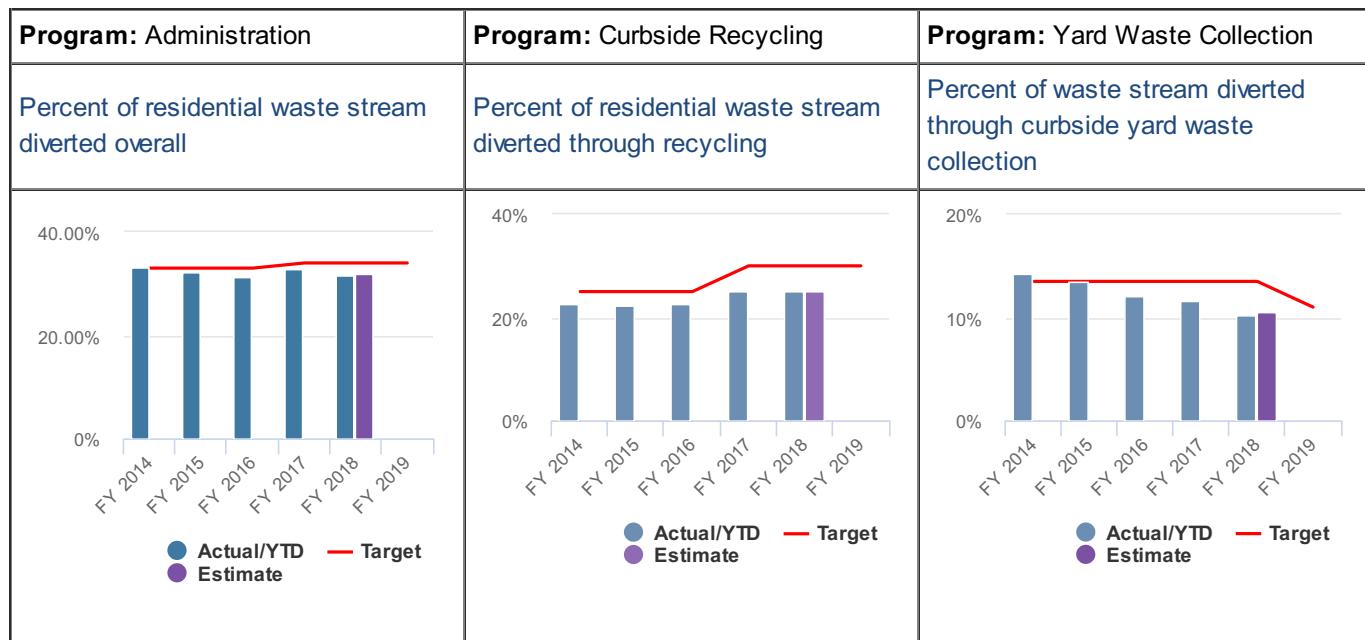
- Improved efficiency and customer service through bringing cart services in-house.
- Implementation and evaluation of an organics composting pilot program.
- Installation of additional downtown compactors.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

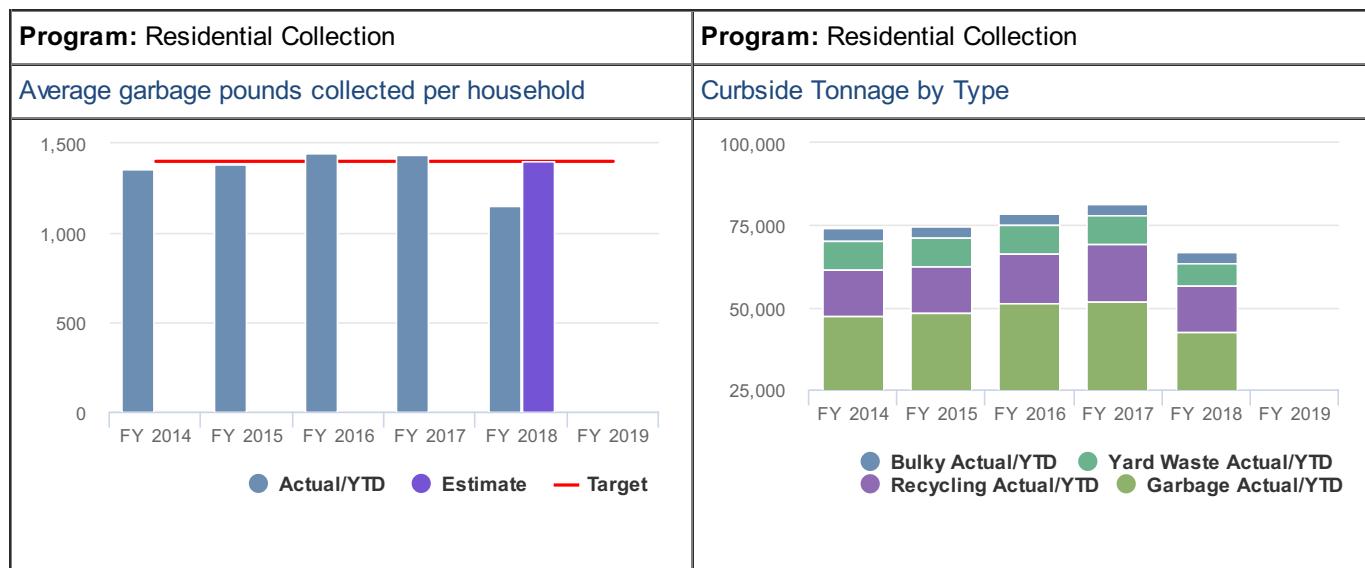
- Greater diversion of waste from disposal.
- Implementation of type 4 full scale composting program.
- Improved collection efficiency through rebalancing routes.

DEPARTMENT PERFORMANCE SUMMARY

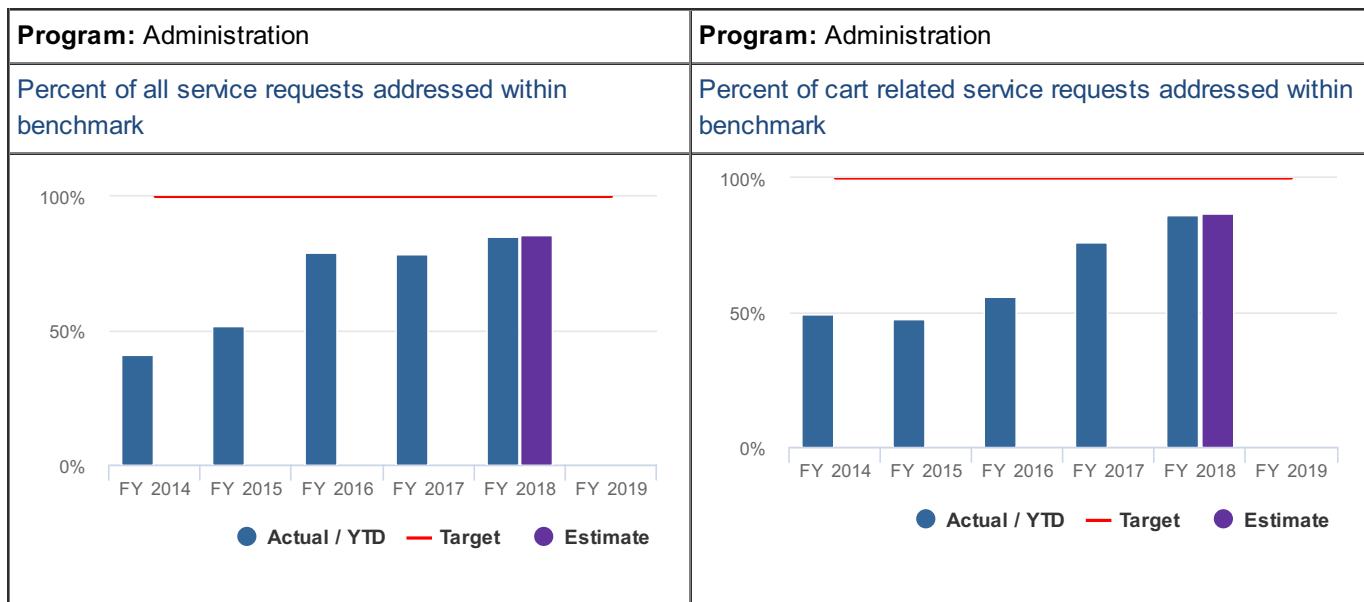
Objective: Develop and implement strategies to promote environmentally sound practices (to include the diversion of reusable and recyclable products from the waste stream thus increasing the diversion rate).



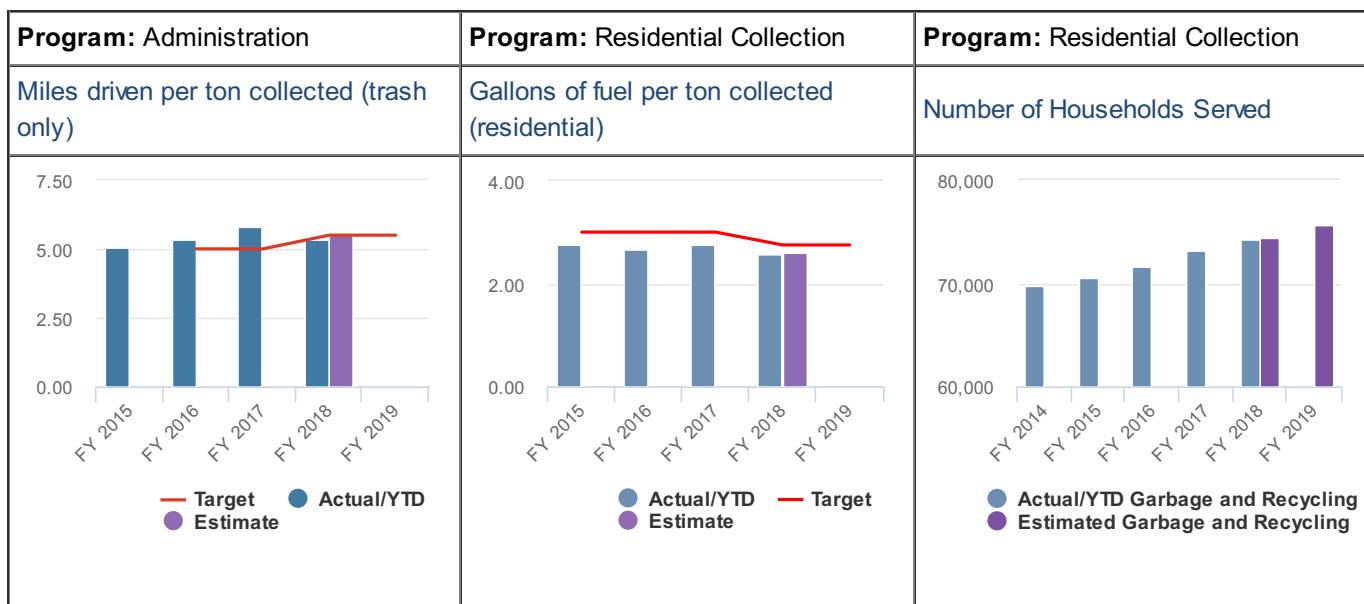
Objective: Develop and implement strategies to promote environmentally sound practices (to include the diversion of reusable and recyclable products from the waste stream thus increasing the diversion rate).



Objective: Improve collaboration with partner departments increasing resident education to deliver high quality services



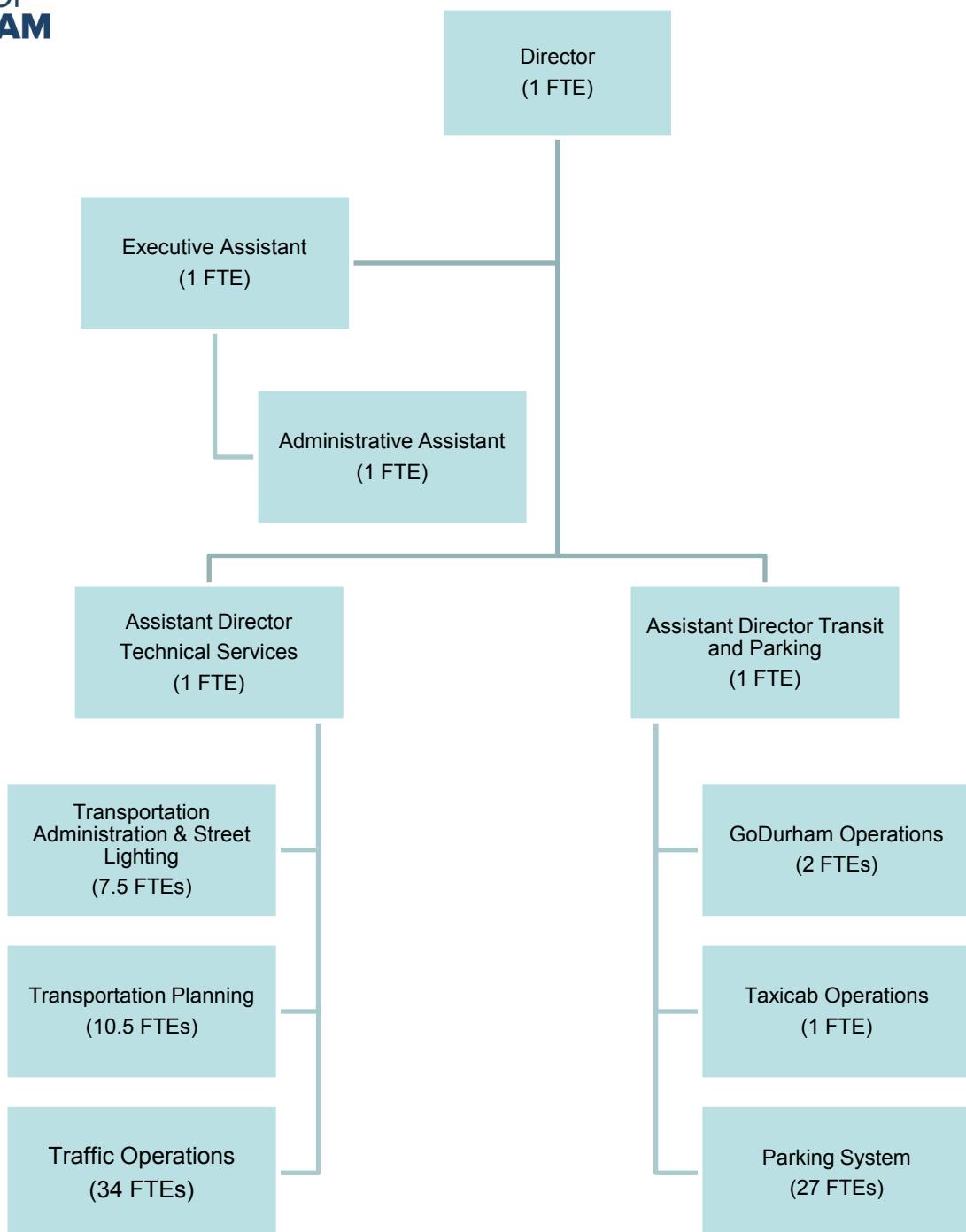
Objective: Reduce carbon footprint and improve operational efficiencies





Transportation

(87 FTEs)



TRANSPORTATION

Purpose Statement:

To serve our citizens, businesses and visitors by ensuring a safe, efficient, accessible and convenient transportation system that meet our City's interests and enhance the quality of life of our citizens, today and into the future.

DEPARTMENT DESCRIPTION

Transportation Department	General Fund: \$8,701,971 47.5 FTEs
	Transit Fund: \$21,820,502
	Parking Fund: \$4,056,852 27 FTEs
	Grant Funds: \$9,306,518 12.5 FTEs

Transportation Services

Transportation Services includes the Office of the Director, development review services, project planning, transportation planning, bicycle and pedestrian activities, and administration of the City's Passenger Vehicle for Hire program. Transportation Planning functions include fulfillment of Federal and State requirements for comprehensive multimodal transportation planning, including updates of the Long Range Transportation Plan, transportation systems monitoring and reporting, travel demand model forecasting, bi-annual development of the Transportation Improvement Program, state and regional project coordination, and related Clean Air Act compliance. Services include administrative support for the Metropolitan Planning Organization's advisory Technical Committee and Policy Board. Transportation planning is funded primarily through grant funds with a City match. The City's Passenger Vehicle for Hire program includes issuance and regulation of operator and driver permits, vehicle inspections, driver training, and administrative support to the City Council's Passenger Vehicle for Hire Subcommittee and the Passenger Vehicle for Hire Commission.

Traffic Operations

Traffic Operations includes the operation and maintenance of the City's traffic signals, traffic control signs, street name markers, and pavement markings. This includes operation of the City's traffic signal computer system which coordinates signal timing operations throughout the City and adjacent urban area. Other functions include studies, design, and construction management of traffic signal and pavement markings projects.

Street Lighting

The Street Lighting Program includes the utility cost for nearly 22,000 street lights, which are owned and operated by the City's two electric service providers: Duke Energy Carolinas and Piedmont Electric Membership Corporation.

Transit

Transit service functions include the administration, planning and operation costs of the City's public mass transit system, GoDurham. Effective October 1, 2010 Triangle Transit assumed oversight responsibility for the City's fixed route and Paratransit services. This new arrangement includes former City staff as well as shared resources between the City and Triangle Transit and provides expanded and broad support for the City's transit system. The GoDurham fixed route service provides citizens with alternative transportation options and is essential to transit dependent riders which often include senior citizens and students. The GoDurham Paratransit service (ACCESS) is a transportation option for citizens whose disabilities prevent them from using the fixed route service. Both services improve mobility, job access, and the quality of life within the community. Fixed route and ACCESS service is provided by a private contractor managed by GoTriangle.

Parking

The Division of Parking Management is led by parking industry professionals that manage the City's public parking programs, including parking enforcement, monthly, transient, construction contractor, and special event parking permit programs, the Controlled Parking Residential Area Program, general and specialized operations, facility maintenance and capital improvement projects.

The Division is responsible for collecting, monitoring, reconciling, auditing and reporting parking revenues and expenditures. The unit also negotiates and manages third-party contracts and operating agreements with entities for parking-related matters. In addition, the Division oversees the contract with Republic Parking Systems, who is

responsible for the day-to-day operations and general housekeeping maintenance and security, as well as on- and off-street enforcement of parking regulations.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 3,248,930	\$ 3,872,496	\$ 3,932,608	\$ 4,197,444	8.4%
Operating	24,634,376	27,007,489	28,098,111	28,380,431	5.1%
Capital and Other	442,174	278,459	150,392	297,673	6.9%
Transfers	2,646,777	1,438,417	1,587,398	1,703,777	18.4%
Total Appropriations	\$30,972,257	\$32,596,861	\$33,768,509	\$34,579,325	6.1%
Full Time Employees	48.5	50.5	50.5	74.5	24.0
Part Time	1	1	1	1	-
Revenues					
Discretionary Program	\$ 6,506,433	\$ 7,266,058	\$ 7,354,308	\$ 7,730,749	6.4%
Total General Fund	\$ 7,523,860	\$ 8,279,008	\$ 8,352,450	\$ 8,701,971	5.1%
Transit Fund	20,461,180	20,769,725	21,707,797	21,820,502	5.1%
Parking Fund	2,987,217	3,548,128	3,708,262	4,056,852	14.3%
Total Revenues	\$30,972,257	\$32,596,861	\$33,768,509	\$34,579,325	6.1%
Grants					
Transportation Planning Grant					
Personal Services	\$ 1,268,438	\$ 1,269,500	\$ 1,215,396	\$ 1,269,500	0.0%
Operating	1,085,791	1,503,396	1,417,050	823,005	-45.3%
Total Appropriations	\$ 2,354,229	\$ 2,772,896	\$ 2,632,446	\$ 2,092,505	-24.5%
Full Time Employees	9.5	9.5	10.5	10.5	1.0
Part Time	2	2	2	2	-
Transportation Planning Grant Revenues	\$ 2,354,229	\$ 2,772,896	\$ 2,632,446	\$ 2,092,505	-24.5%
Transit Grant					
Personal Services	\$ 179,791	\$ 182,744	\$ 185,869	\$ 191,610	4.9%
Operating	4,054,117	4,057,362	4,224,868	4,543,698	12.0%
Capital and Other	1,935,288	1,590,873	1,590,873	2,478,705	55.8%
Total Appropriations	\$ 6,169,196	\$ 5,830,979	\$ 6,001,610	\$ 7,214,013	23.7%
Full Time Employees	2	2	2	2	-
Part Time	-	-	-	-	-
Transit Grant Revenues	\$ 6,169,196	\$ 5,830,979	\$ 6,001,610	\$ 7,214,013	23.7%
Total Budget	\$39,495,682	\$41,200,736	\$42,402,565	\$43,885,843	6.5%

BUDGET ISSUES FOR FY 2018-19

- Manage limited resources without service impacts.
- Update the multi-year budget for the transit system.
- Update the multi-year budget for the Parking Enterprise Fund.
- Public/Private parking opportunities in the Downtown.
- Alternative modes of transportation to offset parking demand challenges.

ACCOMPLISHMENTS FOR FY 2017-18

- Developed/published a Departmental Annual Report for FY 2016-17.
- Created a Departmental Twitter Account (@movesafedurham) to provide timely communications to residents.
- Created an action plan for the Vision Zero Program with a goal of reducing traffic related fatalities to zero.
- Continued the development of a Complete Streets Policy.
- Completed the Duke Beltline Master Plan.
- Coordinated with Public Works to design and construct eight sidewalk gap projects identified in the Durham Walks! Pedestrian Plan.
- Coordinated with Public Works to initiate design work on ten additional sidewalk gap projects and seven sidewalk corridor projects.
- Initiated design work for an additional eight miles of bicycle lanes and seven miles of neighborhood bicycle boulevards.
- Developed a dockless bikeshare ordinance/program to permit private companies to operate dockless bikeshare programs within the public right-of-way at no cost to the City. Three companies are now operating with approximately 1,500 total bicycles.
- Installed 450 new street lights.
- Replaced existing street lighting within the Orange Street Pedestrian Mall with new decorative fixtures matching the downtown streetscape standards.
- Optimized traffic signal timing at 150 intersections.
- Monitored at least 90% of major facilities for congestion.
- Continued the installation of green bicycle lanes in high conflict areas.
- Installed 70 miles of pavement markings.
- Installed/replaced 3,200 traffic signs.
- Continued the City's Speed Hump Program with traffic studies, petitions, installations.
- Coordinated design work with NCDOT on the Durham Signal System replacement project.
- Initiated preliminary planning work on the US 15-501 Corridor Study.
- Initiated preliminary planning work on the Downtown Durham Transportation Study.
- Initiated preliminary planning work on the Downtown Durham Wayfinding project.
- Initiated preliminary planning work associated with the Woodcroft Parkway Extension project.
- Continued planning and execution of improvements to accessibility and amenities at GoDurham bus stops.
- Implemented free Wi-Fi onboard all buses. The average usage per bus has exceeded expectations at approximately 28GB per month.
- Implemented a new paratransit communications system that provides phone, email, and/or SMS text messages to customers about when their vehicle is nearing their pickup location, next day reservation reminders, adverse weather alerts, and more.
- Transported 21,762 daily fixed-route customers and over 400 daily ADA paratransit customers.
- Installed new HD 10-camera video surveillance systems onboard 31 GoDurham buses.
- Implemented a automated notification system for GoDurham ACCESS to inform passengers of important announcements, reservation reminders (with option to cancel), and imminent arrivals.
- Completed the repower (engine replacement) of 7 GoDurham buses.
- Completed the refurbishment of 2 GoDurham buses.
- Replaced hybrid battery systems on 20 GoDurham buses.
- Replaced radio systems for the GoDurham ACCESS fleet, 1/3 of the GoDurham bus fleet, as well as replacement systems for dispatch and operations supervision.
- Maintained a high-quality safety record with less than 1 preventable accident per 100,000 miles.
- Completed an on-board customer satisfaction survey of the GoDurham system that provides statistically valid results for each route and at the system-level.
- Received delivery of and put into service 15 new 40ft, low-floor buses.

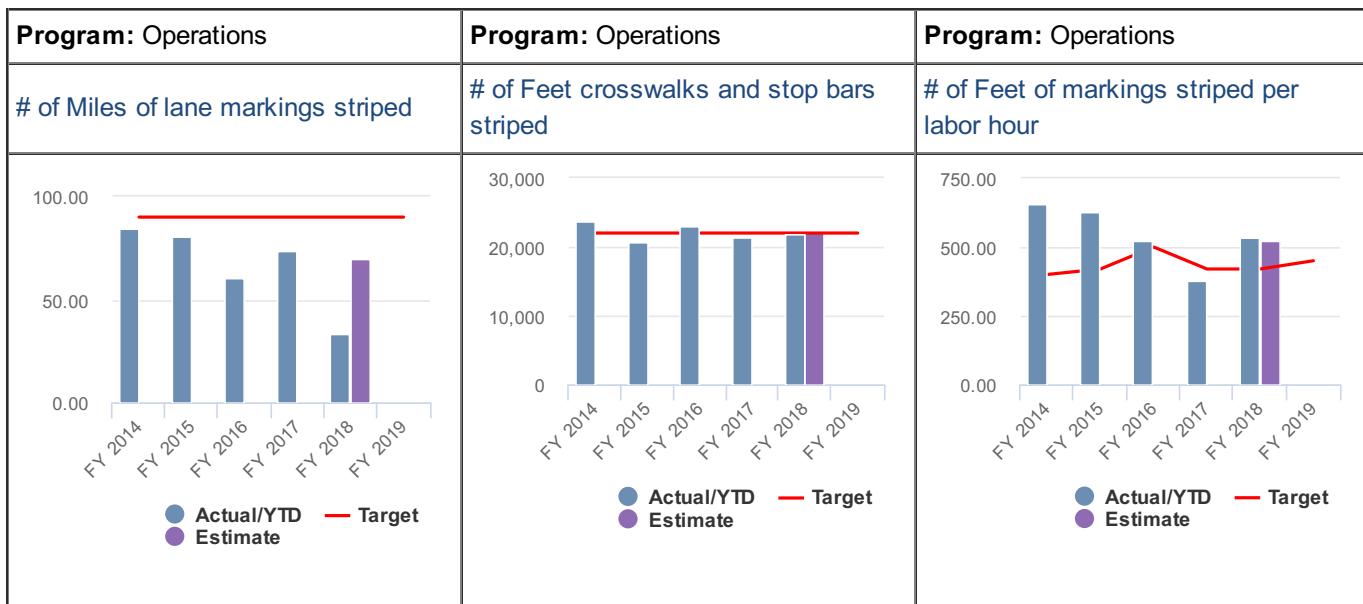
- Received delivery of and put into service 5 new light transit vehicles for the GoDurham ACCESS service/Improved accessibility and amenities at GoDurham bus stops.
- Received the Innovator of the Year Award from the National Parking Association.
- Received the Award of Excellence for Parking Innovation from the Carolinas Parking Association.
- Received the Award of Excellence for Marketing and Communication from the Carolinas Parking Association.
- Completed the 2017 Downtown Parking Study.
- Completed Elevator Modernization projects in off-street parking garages.
- Implemented new off-street parking access and revenue control equipment.
- Commenced construction of a new mixed-use parking garage.
- Hired part-time administrative and data analyst.
- Began resurfacing of two surface parking lots.
- Installed an Electric Vehicle Charging Station in the Corcoran Street garage.
- Commenced upgrading the security cameras in the parking garages.
- Began implementation of enhanced online customer portal, including advance reservation system.
- Expanded pay-by-phone functionality to the surface parking lots.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

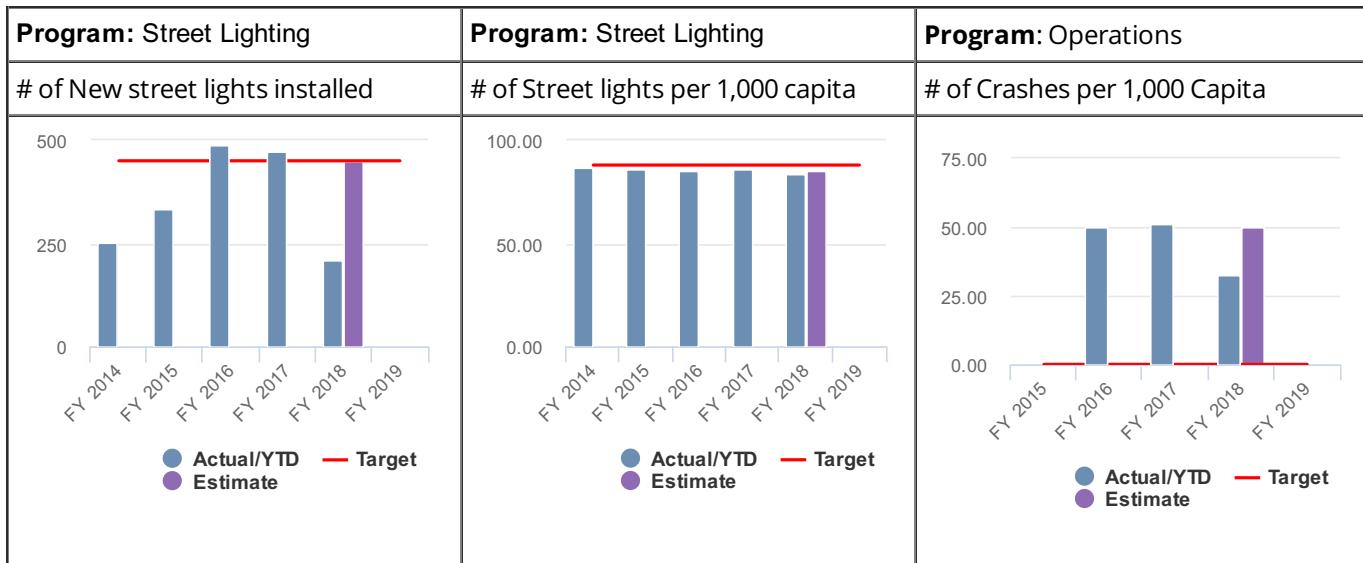
- Evaluate the effectiveness of the dockless bike-share program.
- Develop/publish a Departmental Annual Report for FY 2017-18.
- Continue to implement the Vision Zero Program with a goal of reducing traffic related fatalities to zero.
- Complete the development of a Complete Streets Policy.
- Coordinate with Public Works to design and construct additional sidewalk gap projects identified in the Durham Walks! Pedestrian Plan.
- Coordinate with Public Works to complete design work on seven sidewalk corridor projects.
- Install an additional eight miles of bicycle lanes and seven miles of neighborhood bicycle boulevards.
- Installed 450 new street lights.
- Optimize traffic signal timing at 190 intersections.
- Monitor at least 90% of major facilities for congestion.
- Continue the installation of green bicycle lanes in high conflict areas.
- Install 90 miles of pavement markings.
- Install/replace 3,700 traffic signs.
- Continue the City's Speed Hump Program with traffic studies, petitions, installations.
- Continue coordinating design work with NCDOT on the Durham Signal System replacement project.
- Complete preliminary planning work on the US 15-501 Corridor Study.
- Complete preliminary planning work on the Downtown Durham Transportation Study.
- Complete preliminary planning work on the Downtown Durham Wayfinding project.
- Complete preliminary planning work associated with the Woodcroft Parkway Extension project.
- Amend Passenger Vehicle for Hire Ordinance to address digital dispatching services.
- Transport 21,590 daily fixed-route customers and over 400 daily ADA paratransit customers.
- Continue improving accessibility and amenities at GoDurham bus stops.
- Receive delivery of and put into service 2 new 40ft low-floor buses for the GoDurham bus service, and 6 new light transit vehicles for the GoDurham ACCESS service.
- Complete repowering (engine replacement) on 14 GoDurham buses.
- Complete refurbishment of 19 GoDurham buses.
- Complete radio replacements on the GoDurham bus fleet.
- Upon City approval, begin implementation of service improvements recommended in the 2018 Short-Range Transit Plan.
- Selected as the Host City for the 2019 Carolinas Parking Association's Annual Conference.
- Implement a centralized command center to provide enhanced customer service and parking facility surveillance.
- Implement online special event parking reservation system.
- Complete the Parking Wayfinding Program, to include mobile technologies and apps.
- Expand pay-by-phone functionality to the parking garages.
- Open the new parking garage.
- Enhance the functionality of off-street parking access and revenue control system.
- Revamp the website to ensure optimal service delivery.

DEPARTMENT PERFORMANCE SUMMARY

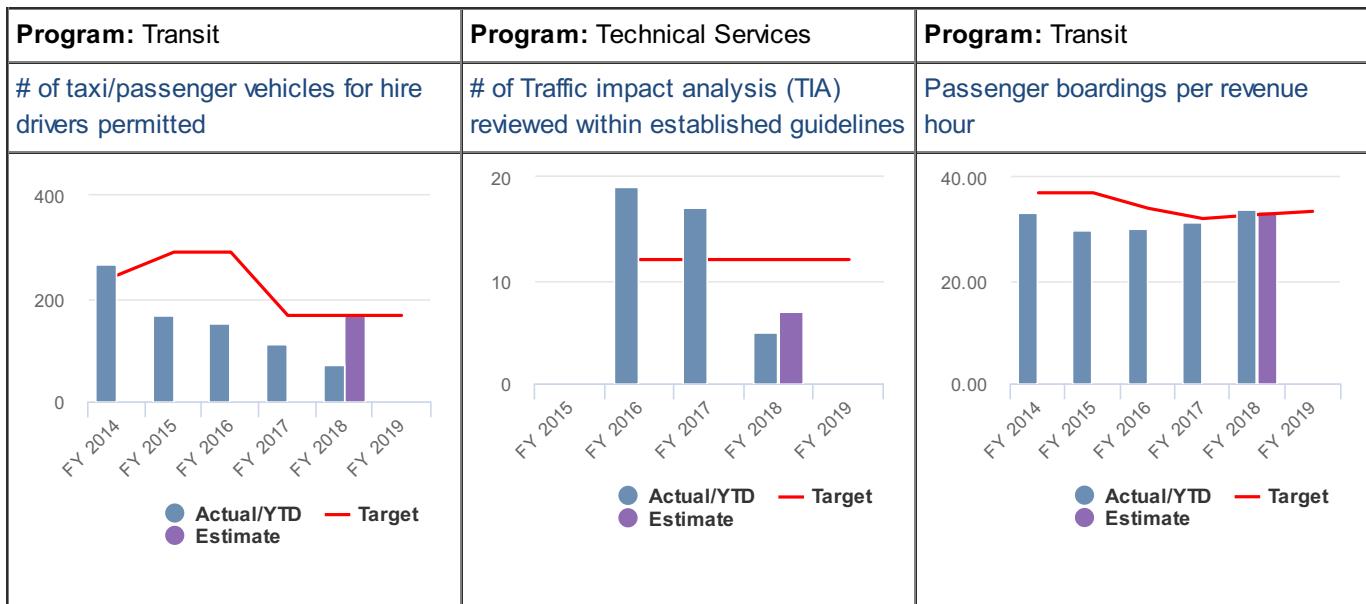
Objective: Enhance safety and accessibility of crosswalks, walkways, school zones, trails and bikeways for residents and visitors to get from one point to another.



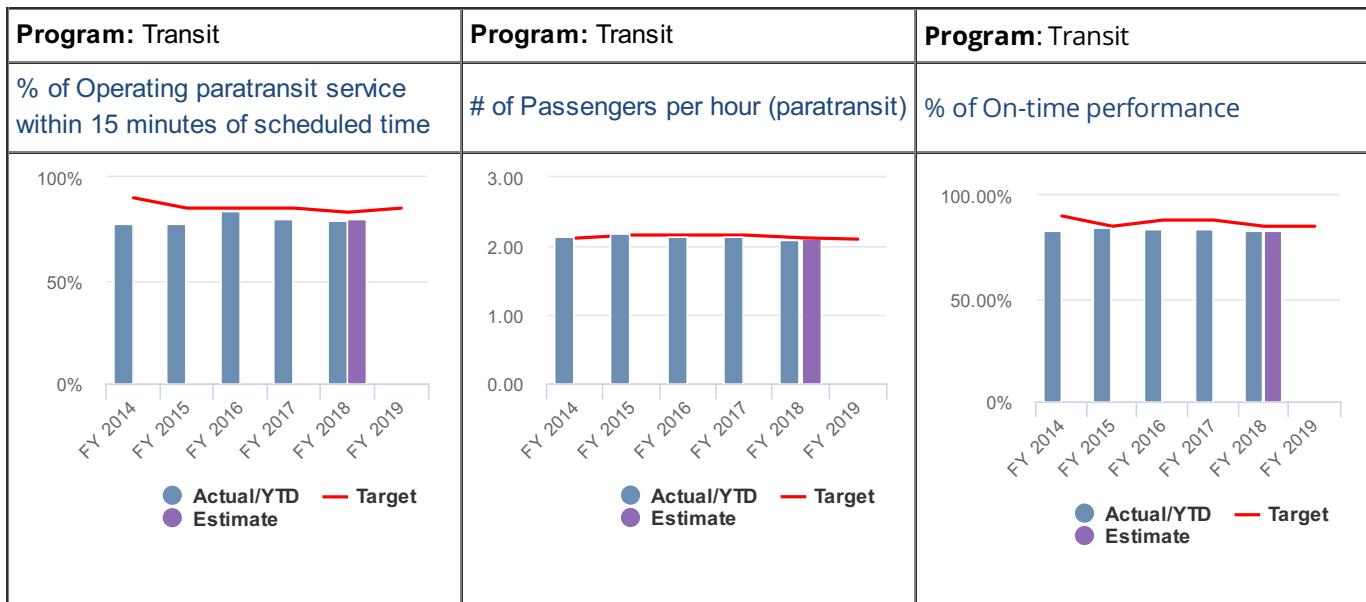
Objective: Promote zero fatalities on our roadways through the Vision Zero program, a program where community members share responsibility for ensuring the safety of the community.



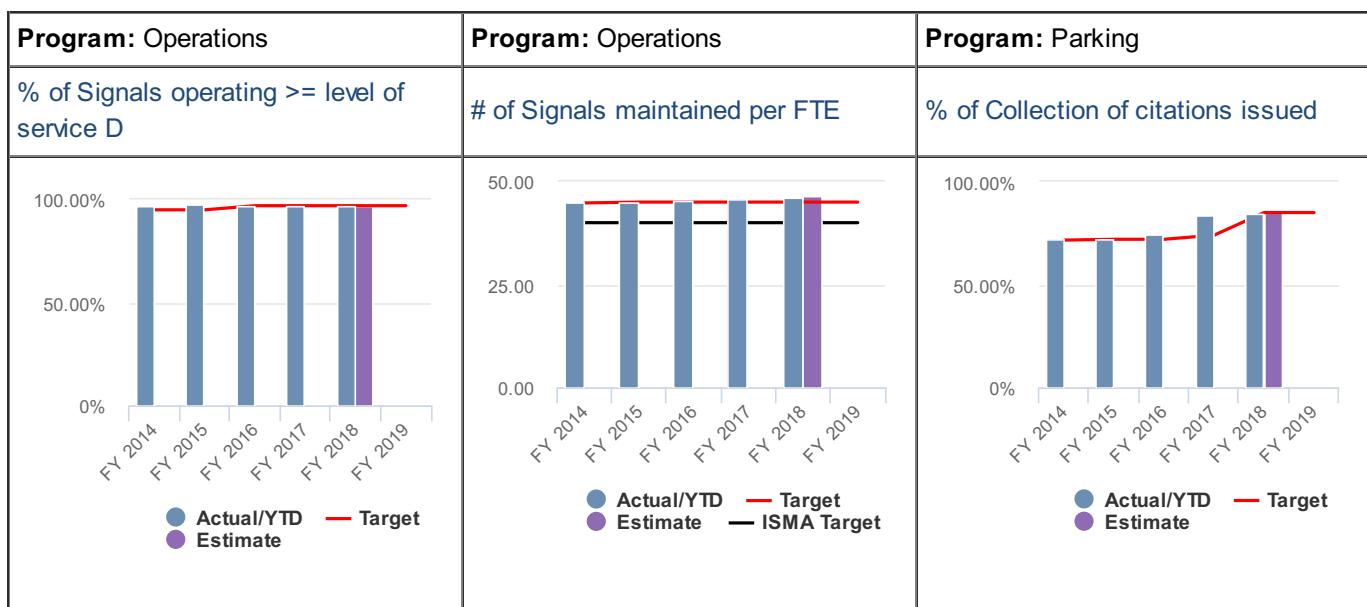
Objective: Promote multi-modal transportation options that are environmentally sustainable, affordable, clean, safe, and efficient.



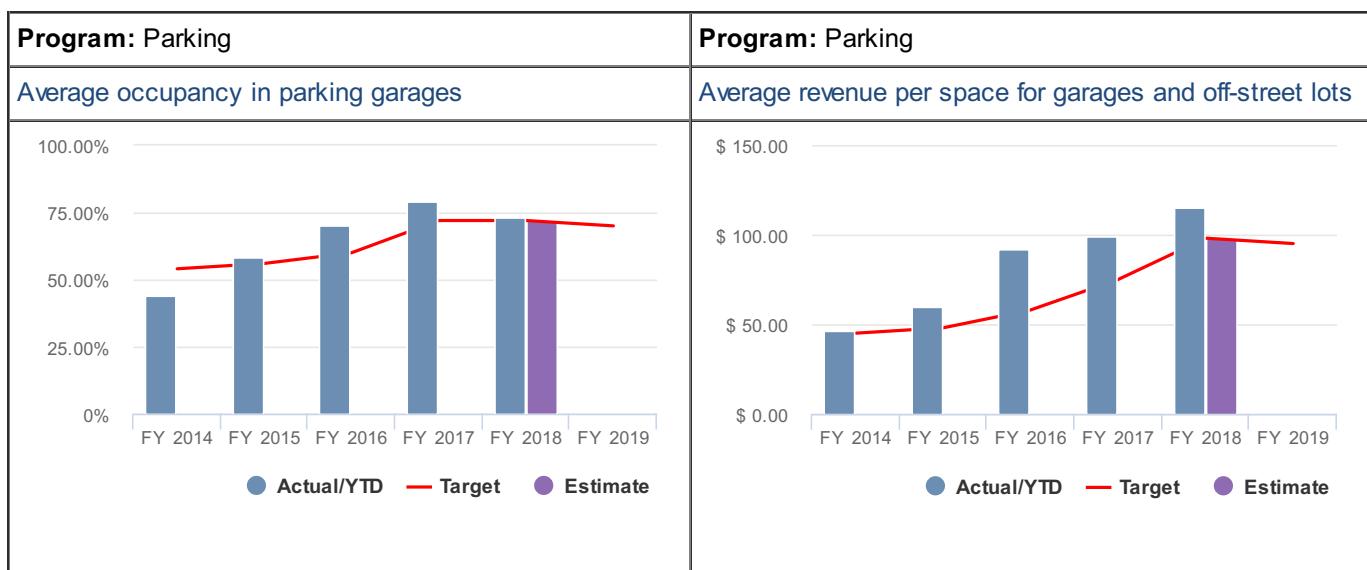
Objective: Promote multi-modal transportation options that are environmentally sustainable, affordable, clean, safe, and efficient.



Objective: Proactively address situations associated with single occupant vehicles, such as parking and congestion, with hired vehicle usage and transportation delivery to reduce vehicle miles traveled.



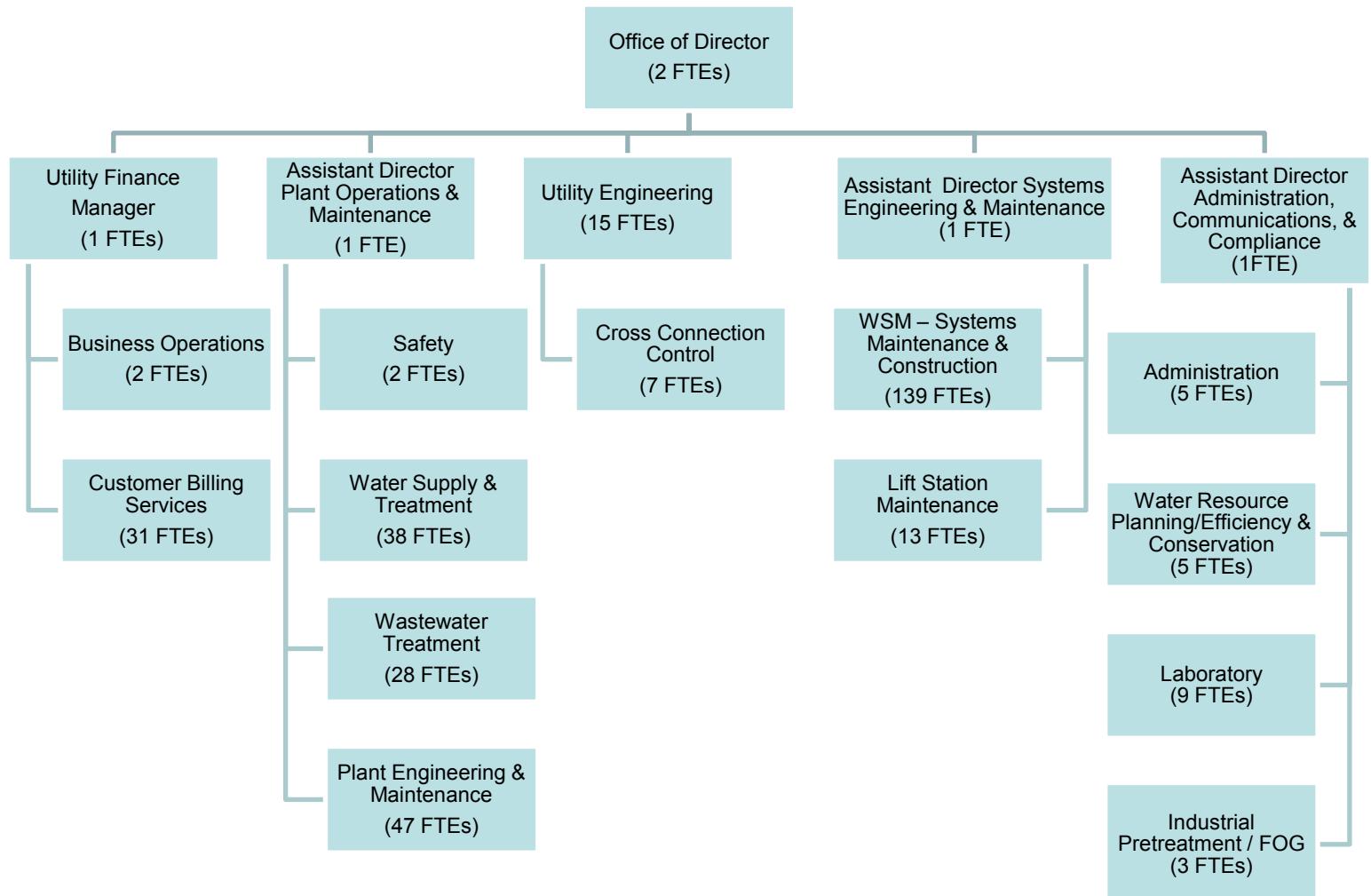
Objective: Proactively address situations associated with single occupant vehicles, such as parking and congestion, with hired vehicle usage and transportation delivery to reduce vehicle miles traveled.





Water Management

(350 FTE)



WATER MANAGEMENT

Purpose Statement:

To provide cost-effective water and wastewater services that meet customers' expectations and all regulatory requirements.

DEPARTMENT DESCRIPTION

Water Management**Water and Sewer Fund: \$46,094,285**

349.5 FTE

Solid Waste Fund: \$270,135
0.5 FTE

The Department of Water Management provides critical services for public health and safety by providing water that is safe to drink and use for other key purposes including fire protection. Additional functions include ensuring sustainable, reliable operations of water supply and water and wastewater treatment facilities. Standardized operations of the wastewater collection system and treatment facilities protect the public's health and safety, the environment, and downstream users. Through the delivery of these vital services, the department supports the City's goals of maintaining a strong and diverse economy; providing a safe and secure community; and thriving, livable neighborhoods. Attention to security for water and wastewater facilities and systems remains an integral part of operations for reliable short and long-term needs. The department champions the City's goal of stewardship of our physical and environmental assets through effective maintenance and improvement activities. Through self-evaluation, benchmarking opportunities, and other sound business practices, the department pursues efforts to remain competitive with other cities and utilities, while promoting a positive image for the City and the services provided. Support for expanded automation of plant operations continues with the goal of maximizing chemical and power efficiencies, despite increasingly stringent regulatory requirements and escalating energy costs. The department is committed to ensuring Durham citizens live and work in an innovative and high performing City with efficient and accountable provision of water and sewer services by improving reliability and maximizing staff deployment. Implementation of the long-range Capital Improvement Plan continues to be a focus to promote stewardship of the City's physical assets. Staff will continue to develop appropriate tools to expand departmental financial management strategies.

Administrative Work UnitsAdministration

Water & Sewer Fund: \$2,505,697

15 FTE

Administration is tasked with the management, oversight, and planning necessary to provide adequate and sustainable water supplies and treatment capacity for both drinking water and wastewater to meet the needs of a growing community and provide the foundation for a prosperous economy. Personnel are responsible for the fiscal management of the Water and Sewer fund and administering a broad range of environmental programs to ensure citizens are safe, enjoy a flourishing economy and healthy environment, and have an efficient and accountable city government. These efforts provide critical services to the citizens of Durham related to water quality, wastewater treatment, and industrial/commercial activity. Administrative staff is also responsible for addressing regulatory concerns, monitoring legislative activity, and coordinating public information activities. The departmental Safety Program staff activities are included in the Administrative work group. They are responsible for ensuring that employees across the department receive job-specific training and appropriate tools/personal protection equipment for the hazards they are exposed to in the field or at their work sites. A key mission for the department is to ensure that all workers complete their jobs with a "Safety First" mindset.

Customer Billing Services

Water & Sewer Fund: \$3,025,354

31 FTE

This division is the first point of contact for most customers in the service area. Staff provides billing and collection services for the utility which include receiving payments, responding to customer inquiries, starting and stopping service, updating customer accounts for any changes, and enforcing collection of past due charges from active customers.

Industrial Waste Control/FOG ProgramWater & Sewer Fund: \$361,691
3 FTE

This program administers the City's mandated Industrial Waste Pretreatment/Fats, Oils and Grease Program under the City's Sewer Use Ordinance, the Water Reclamation Facility's NPDES permits, and the Collection System Permit. Staff also conducts active public education, outreach, and advertising campaigns to promote public awareness of proper grease disposal.

Laboratory ServicesWater & Sewer Fund: \$959,569
9 FTE

The Laboratory Services Section of the department, located at the South Durham Facility, provides lab analysis in the State certified laboratory for the water, wastewater, industrial waste, and stormwater programs. This ensures citizens enjoy an efficient and accountable city government while assuring drinking water meets state and federal standards and wastewater discharges meet permit limits to protect the environment and downstream users.

Water Resources Planning/Water Efficiency & Conservation ProgramWater & Sewer Fund: \$715,774
5 FTE

The Water Resources Planning/Water Efficiency and Conservation Program supports water supply management strategies by tracking compliance with the year-round water irrigation measures, implementing the water efficiency rebate program, and active advertising and marketing of water efficiency programs and practices. This workgroup is responsible for long-range planning to ensure the City is poised to meet community demands for a viable, sustainable, innovative, and high-performing City. Responsibilities also include oversight of land conservation and acquisition in Durham's watersheds for protection of our high quality water supplies.

Plant Operations and MaintenanceWater Supply and TreatmentWater & Sewer Fund: \$8,261,638
38 FTE

The key mission of this division is to provide a safe, reliable, economical, and sufficient supply of drinking water to the citizens of Durham City and County. Through optimizing treatment processes, maximizing water transfer strategies, and conducting monitoring activities, staff ensures adequate supplies of consistently high quality drinking water are available. The Water Supply and Treatment Division operates and maintains two conventional water treatment facilities with a combined treatment capacity of 52 million gallons per day (MGD), and two surface water reservoirs with a combined safe yield of 27.9 MGD. Certified staff operates equipment and adjusts treatment technologies to optimize the physical and chemical processes vital for effective water treatment and selects pumping scenarios to assure adequate supplies at economical costs. Major projects are under way, and include expanding capacity at Brown Water Treatment Plant from its current 30 MGD to 42 MGD; installing advanced System Control and Data Acquisition (SCADA) systems at the Brown and Williams plants; and providing reliable and permanent residuals handling facilities at both plants.

Water ReclamationWater & Sewer Fund: \$8,781,976
28 FTE

Charged with providing the citizens of Durham with cost effective, wastewater treatment and residuals management, certified staff optimizes the treatment processes so the North Durham and South Durham Water Reclamation Facilities (WRFs) discharge consistently high quality effluent in compliance with State permit requirements. The North and South Durham workgroups operate and maintain state-of-the-art tertiary treatment facilities, each with a permitted capacity of 20 MGD. Both facilities are tasked with developing operational strategies through SCADA operational controls to reduce the discharge of nutrients into receiving streams in accordance with state mandates such as the Falls and Jordan Lake Rules. Numerous facility upgrades are either under way or in the planning phase to meet stringent water quality or biosolids disposal regulations. Other costs included under this program are charges the City pays to Durham County and the Orange Water & Sewer Authority for wastewater from Durham customers treated at their facilities.

Plant Engineering and MaintenanceWater & Sewer Fund: \$4,044,773
47 FTE

The Plant Engineering and Maintenance division provides essential support for water and wastewater facilities, pump stations, raw water lake facilities and elevated storage tanks by providing both major corrective maintenance and conducting minor construction activities. This division also provides support in the long-term maintenance of the closed landfill. Expenses for these support services are apportioned to the appropriate core services of water and wastewater as they relate to performance indicators.

Systems Engineering, Maintenance and ConstructionWater and Sewer MaintenanceWater & Sewer Fund: \$13,014,796
139 FTE

The Water and Sewer Maintenance division provides routine and emergency maintenance to the water distribution and wastewater collection systems as well as the installation of new service lines. Tasks include the inspection, cleaning, and repair of water mains and sewer trunk lines. This division also operates and maintains fire hydrants and water valves, and installs and repairs water and sewer service connections. This workgroup is also responsible for reading water meters using automated meter reading technology and providing routine and emergency response to water meter problems, including leaks, unusual consumption rates, and water pressure concerns. Employees in the field services unit provide routine connection and disconnection services for customers. Additional activities include maintenance of outfalls and easements to ensure access to City infrastructure.

Lift Station MaintenanceWater & Sewer Fund: \$1,914,864
13 FTE

This workgroup is responsible for oversight and maintenance of the 65 lift stations along with the SCADA monitoring and controls located throughout the city's sewer service area, as well as the Air Relief Valves located throughout the Collection System. These activities are vital to assure that the wastewater carried through the system remains in the pipes to avoid overflows causing environmental damage, adverse health impacts or permit violations and resulting enforcement activities.

Utility EngineeringWater & Sewer Fund: \$1,910,708
14.5 FTE

Utility Engineering manages the ongoing evaluation and improvement of departmental facilities and engineering projects for water and wastewater facilities as a part of the Capital Improvements Program. This unit also provides water distribution and wastewater collection system monitoring and analytical support necessary for detecting inflow and infiltration problems. Additionally, the program has oversight of manhole rehabilitation and replacement projects, supplemental flow studies, and major pipeline reconstruction and renewal services for both the water distribution and wastewater collection systems.

Cross-Connection Control ProgramWater & Sewer Fund: \$597,445
7 FTE

Program staff implements the City's Cross-Connection Control Ordinance to ensure the protection of the potable water system. Tasks include monitoring annual testing of backflow prevention devices (BFP), reviewing plans, conducting inspections of BFP installations, and training BFP testers.

Post-Closure MonitoringSolid Waste Fund: \$270,135
0.5 FTE

This service area provides oversight for the monitoring and maintenance of the closed landfill and is supported by the Solid Waste Fund. With the implementation of the landfill gas to power project, there is a revenue stream associated with this function.

RESOURCE ALLOCATION

	Actual FY 2016-17	Adopted FY 2017-18	Estimated FY 2017-18	Adopted FY 2018-19	Change
Appropriations					
Personal Services	\$ 21,834,077	\$ 23,652,594	\$ 23,941,870	\$ 25,374,807	7.3%
Operating	21,687,156	20,845,908	22,456,173	20,966,613	0.6%
Capital and Other	465,426	50,000	307,512	23,000	-54.0%
Total Appropriations	\$ 43,986,659	\$ 44,548,502	\$ 46,705,555	\$ 46,364,420	4.1%
Full Time Employees	336	342	342	350	8
Part Time	2	2	2	2	-
Revenues					
Water and Sewer Fund	\$ 43,772,972	\$ 44,281,302	\$ 46,392,007	\$ 46,094,285	4.1%
Solid Waste Disposal Fund	213,688	267,200	313,549	270,135	1.1%
Total Revenues	\$ 43,986,660	\$ 44,548,502	\$ 46,705,556	\$ 46,364,420	4.1%

BUDGET ISSUES FOR FY 2018-2019

- Maintain current levels of water and wastewater services. Energy and chemical costs continue to make up a substantial portion of water and wastewater treatment costs. These ongoing expenditures are necessary to meet increasingly stringent standards for drinking water quality and wastewater discharges.
- Ensure utility revenues are adequate to:
 - Address Capital Project Improvement (CIP) funding
 - Protect the long-term financial health of the Water and Sewer Fund
 - Sustainably fund infrastructure rehabilitation and replacement
- Continue to evaluate opportunities to enhance revenue streams through
 - On-going improvements and enhancements to MUNIS Utility Billing System
 - Robust and effective delinquent account collection practices.
- Continue to refine and update long range plans for system reliability and water supply, both raw and treated water, which will require additional CIP funding. Predicted changes in weather patterns and climate may impact the reliability of current sources.
- Continue to evaluate and implement technological efficiencies with business processes and customer service delivery which required increased financial and human resources.
- Assure human resources are adequately trained to safely deliver services to Durham's residents.

ACCOMPLISHMENTS FOR FY 2017-2018

- Provided 26.77 Million Gallons per Day (MGD) of drinking water that met all state and federal water quality standards to Durham customers (calendar year).
- Discharged 17.25 MGD of highly treated effluent meeting all NPDES permit requirements into the receiving waters in the Neuse and Cape Fear basins (calendar year).
- Received the EPA's 2017 WaterSense® Excellence Award for Excellence in Education and Outreach at the WaterSmart Innovations Conference in October [Water Efficiency and Conservation Program].
- Continued to implement the departmental 2015 Employee Satisfaction Survey (ESS) Response plan and participated in the 2017 ESS.
- With Western Intake Partners, continued collaboration on development of a regional intake and water treatment facility on the western side of Jordan Lake, and completed a financial feasibility study.
- Developed an expanded water supply system status report for distribution which utilizes the probabilistic triggers in the City's OASIS-based model and includes forecasts based on current flow and precipitation data.
- Completed the Water Supply Watershed Protection Plan (WSWPP) and entered an agreement with the Conservation Trust for North Carolina to implement the Plan.

- The WSWPP received the Surface Water Planning, Source Water Protection Award for 2018 from the North Carolina Source Water Collaborative.
- Began construction of Phase I of the WRF Improvements at North and South Durham.
- Continued rehabilitation for the Lake Michie and Little River dams.
- Continued construction of the Brown Water Treatment Plant Expansion and Williams WTP Upgrades.
- Continued construction of the Residuals Handling project at the Brown and Williams WTPs.
- Completed design and advertised for construction for Phase I of the Eno Outfall Replacement Project.
- Continued design of the Water Management Facility Expansion.
- Successfully began electronic submittals of monthly Discharge Monitoring Reports to DEQ for the South Durham Water Reclamation Facility [NPDES requirement].
- Successfully incorporated the cashiering function into Customer Billing Services to facilitate payment posting accuracy and minimize crossover activity between Finance and Customer Billing.
- Implemented electronic payments, including bill presentment software, enabling e-billing, secure one time and recurring payments via credit card and/or bank draft, and linking multiple accounts for landlords and businesses.
- Implemented on-line application process for water and sewer service.

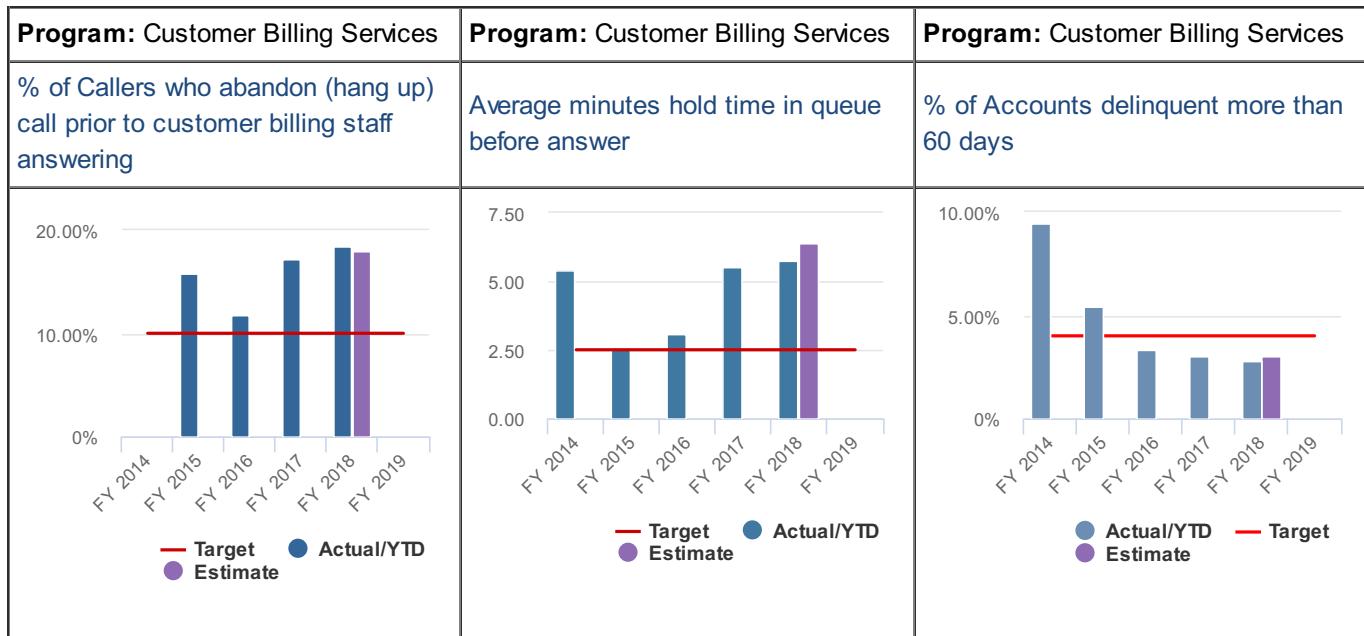
ANTICIPATED ACCOMPLISHMENTS FOR FY 2018-19

- Work with Jordan Lake Partners to expand and recast the organization as the Triangle Water Partnership with continued focus on regional water supply planning.
- Continued improvements in customer responsiveness through new/expanded technologies for payment options over the phone and web as well as communication options.
- Continue to implement tools and strategies to increase collection rates for water and sewer bills.
- Complete sewer replacement and rehabilitation projects at numerous sites.
- Continue construction for Cured in Place Pipe lining and manhole rehabilitation.
- Begin construction of Phase I of the Eno Outfall Replacement project.
- Begin construction for the Water Management Facility Expansion.
- Continue construction of the Water Treatment Regulatory Compliance and Water Facilities Rehabilitation projects.
- Continue construction of the Water Treatment Plants Residuals Handling project.
- Begin construction of the Downtown East-West Reinforcing Main.
- Complete design and begin construction of the American Tobacco District Water Main Replacement Project.
- Complete design and advertise construction bid of the Southeast Regional Lift Station.
- Continue construction of Phase I of the Water Reclamation Facility improvements at North and South Durham.
- Complete the Professional Engineer's Report (PER) and begin design for Raw Water Pumping Stations at Lake Michie and Little River.
- Begin PER for the Lake Michie and Little River Dam Improvements project.
- Complete hydrologic evaluation of Teer Quarry water supply reservoir operation.
- Continue to participate in the City's strategic plan implementation and more closely align update the department's Strategic Plan.
- Continue succession planning effort for department, focusing on key/critical positions as a part of employee and leadership development within the department.
- Update departmental and divisional actions plans to incorporate issues noted in the 2017 Employee Satisfaction Survey. Expand intra-departmental communications through various means.
- Continue the implementation of an asset management system and integration of asset management culture throughout the Department.
- Continue support of professional development and certification attainment for all staff where applicable.
- Maintain emphasis on working safe, expanding safety training to ensure worker safety while protecting the City's/department's investment in equipment/vehicles.
- Continue to develop a safety culture and programs that drive the Department closer to achieving the North Carolina Department of Labor SHARP status.
- Continue to train new employees and have current employees take refreshers as necessary via the Smith Driving System to reduce vehicle accidents.

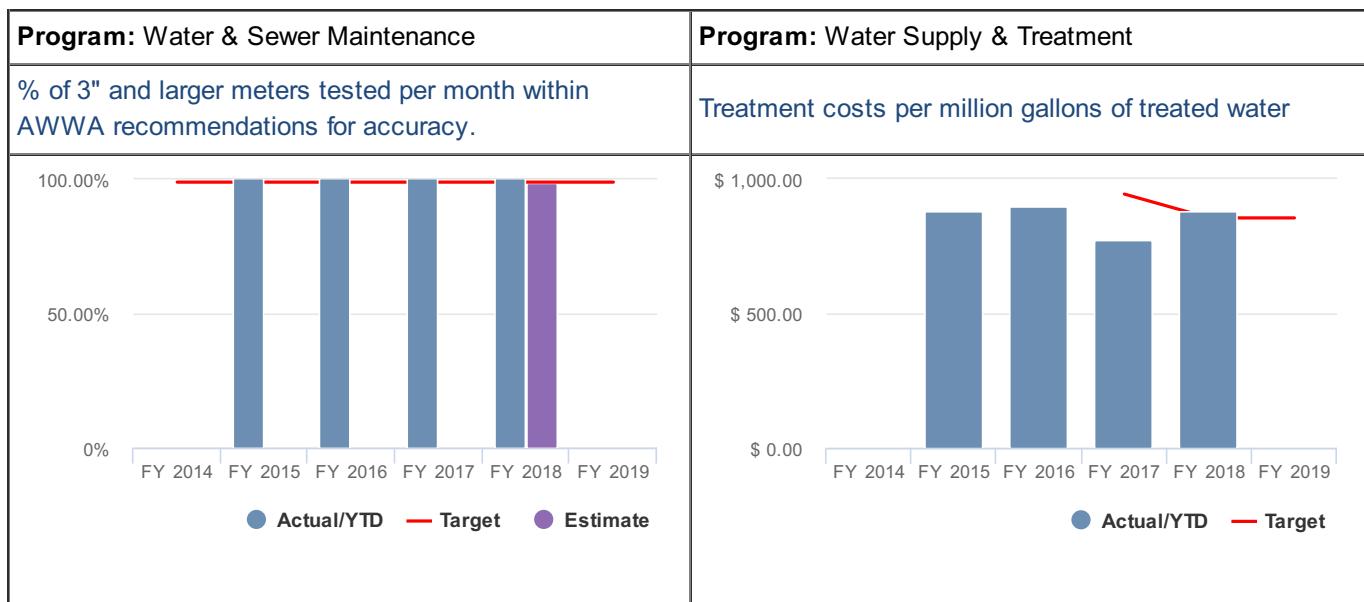
- Continue strategic marketing of departmental educational and outreach activities through expanded use of social media platforms, with a focus on the water conservation/efficiency and the Fats, Oils and Grease programs
- Maintain and expand water efficiency incentive programs with a focus on low income families.
- Expand and improve customer communications through social media platforms, utilize surveys to solicit feedback for improvements.
- Continue to work with NIS and Community Development regarding enforcement of landlord repairs for high water bills caused by plumbing issues.
- Continue collaboration with the Sustainability Office to implement actions where practicable.
- Complete restructuring of CBS workgroups creating one stop customer interaction in lobby/cashiering area.
- Continue to work with General Services Real Estate to select new customer service site to combine all staff in one location.

DEPARTMENT PERFORMANCE SUMMARY

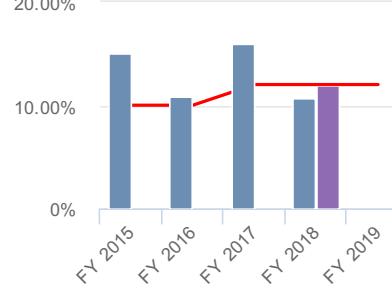
Objective: Maintain satisfied customers



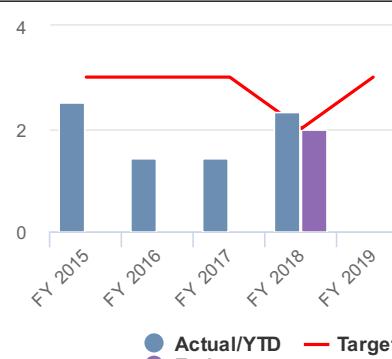
Objective: Maintain water/wastewater systems to an acceptable level of effectiveness and quality



Objective: Develop and build water/wastewater systems to meet growth needs and regulatory requirements

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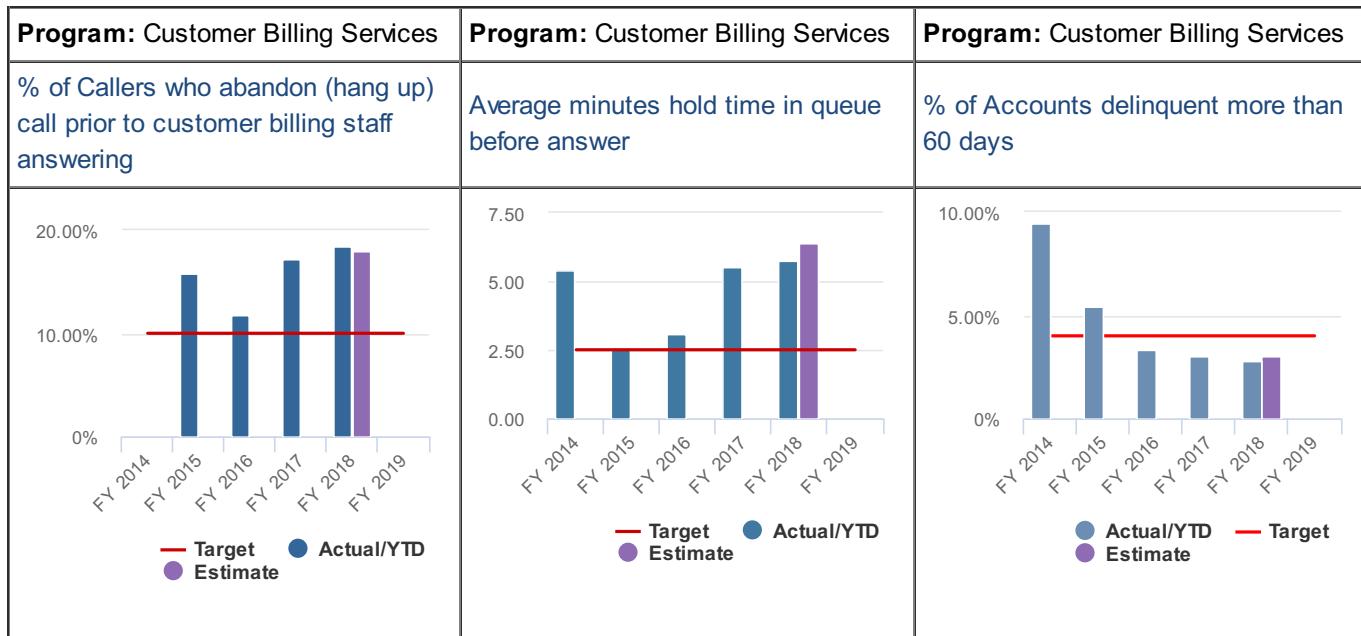
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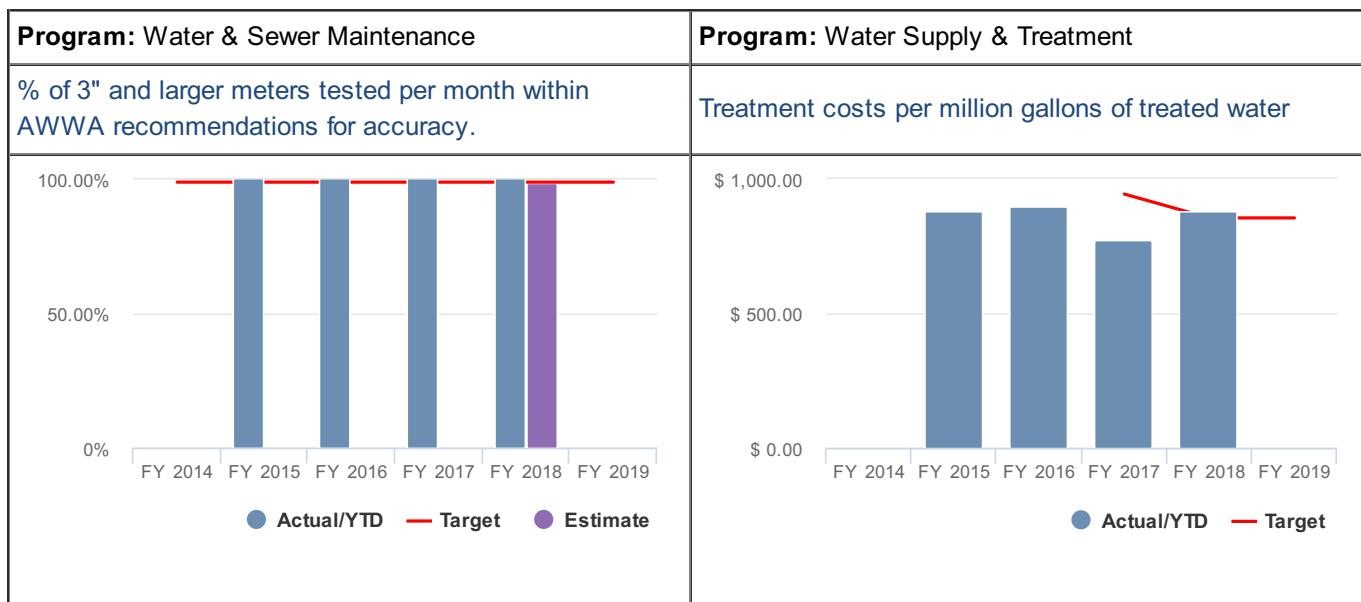
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DEBT MANAGEMENT

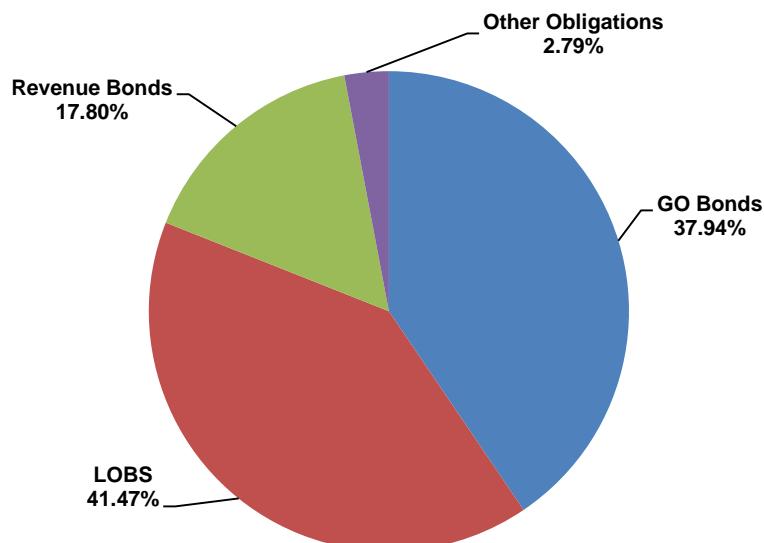
The City manages its long term financing needs through periodic issuance of General Obligation Bonds. Debt service expenditures include principal and interest payments on the City's outstanding bonded debt. These payments are budgeted in the funds that incur the debt: for example, water and sewer debt service is paid from the Water and Sewer Fund. In addition to General Obligation bonds, the City issues revenue bonds and enters into installment sales/lease obligations as allowed under state statutes.

Ratings: Bond ratings are measures of the City's credit worthiness. The rating agencies analyze the City's economic condition, debt management, administrative leadership, and fiscal planning and management to determine the quality of the City's credit. The City has a "triple A" rating from all three rating agencies (Standard and Poor's, Fitch Ratings Ltd. and Moody's Investor Service). This represents the highest possible rating for municipal debt, indicating that the City has outstanding credit worthiness. The City's high bond ratings have allowed it to broaden the market for its bonds and to lower the interest costs for borrowing.

Summary of Outstanding Debt Issues

	Fiscal Year 2018-19 Obligations			Future Obligations		
	Principal	Interest	Total	Principal	Interest	Total
General Obligation Bonds	\$17,965,000	\$5,623,543	\$23,588,543	\$129,370,000	\$25,226,687	\$154,596,687
Revenue Bonds	2,635,000	2,043,838	4,678,838	51,110,000	21,430,006	\$72,540,006
Limited Obligation Bonds	8,065,000	5,524,315	13,589,315	129,305,000	39,643,535	\$168,948,535
<u>Other Obligations</u>	2,245,000	278,655	2,523,655	9,515,000	1,830,160	\$11,345,160
Total Debt Service:	\$ 30,910,000	\$ 13,470,350	\$ 44,380,350	\$319,300,000	\$ 88,130,389	407,430,389

**Outstanding Debt by Type of Issue
FY2018-19**



Legal Debt Limit:

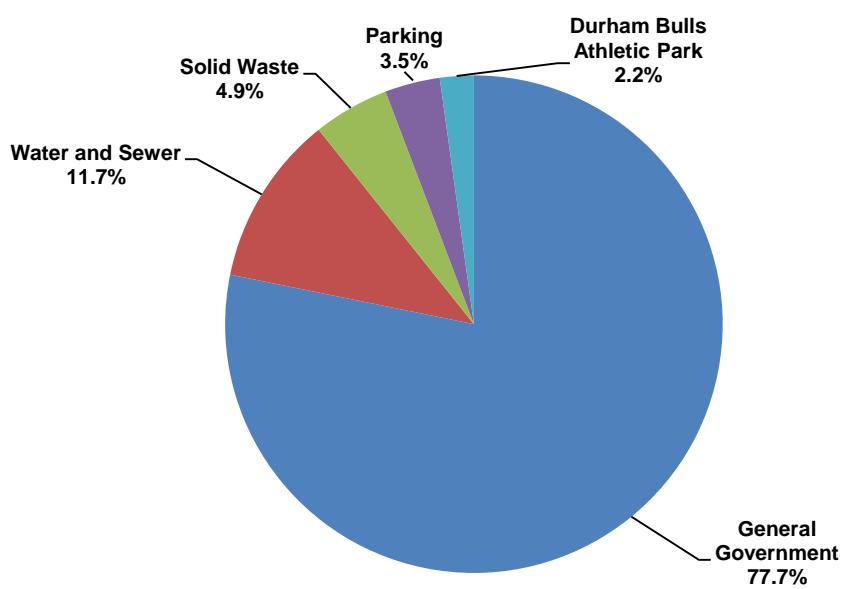
The City is subject to the Local Government Bond Act. The Act limits the net bonded debt that the City may have outstanding to eight percent of the appraised value of property subject to taxation. As of March 1st, 2018 the statutory limit for bonded debt for the City was \$2,332,604,032 providing a debt margin of approximately \$2,052,467,263.

Outstanding General Obligation Debt

General Obligations

General Government	\$115,205,687
Water & Sewer	16,328,231
Solid Waste	7,285,901
Parking	5,275,815
Durham Bulls Athletic Park	3,239,367
Total	\$147,335,000

**Outstanding General Obligation Debt
FY 2018-19**



Annual Principal and Interest Requirements FY 2018-19

<i>Issue</i>	<i>Principal</i>	<i>Interest</i>	<i>Future Principal Obligation</i>
General Obligation Bond Series 2009	1,680,000	108,250	485,000
General Obligation Bond Series 2010A	2,190,000	1,116,900	26,280,000
General Obligation Bond Series 2012A	460,000	223,281	6,390,000
General Obligation Bond Series 2012C	2,230,000	1,303,750	31,200,000
General Obligation Bond Series 2012D	1,180,000	351,250	7,490,000
General Obligation Bond Series 2015A	5,300,000	2,154,950	43,120,000
General Obligation Bond Series 2017A	1,320,000	98,022	3,950,000
General Obligation Bond Series 2017B	3,605,000	267,140	10,455,000
HUD-2015-A	370,000	204,630	6,690,000
LEASE-2015-A	1,875,000	74,025	2,825,000
Limited Obligation Bonds Series 2010A	1,220,000	777,384	14,660,000
Limited Obligation Bonds Series 2010-R1	655,000	71,600	1,300,000
Limited Obligation Bonds Series 2010-R2	700,000	268,650	6,235,000
Limited Obligation Bonds Series 2012B	790,000	124,735	4,375,000
Limited Obligation Bonds Series 2013A	1,585,000	372,981	8,105,000
Limited Obligation Bonds Series 2013B	485,000	413,367	9,785,000
Limited Obligation Bonds Series 2015A	1,440,000	796,225	26,000,000
Limited Obligation Bonds Series 2017A	1,190,000	1,212,873	29,115,000
Limited Obligation Bonds Series 2017B	0	1,486,500	29,730,000
Utility Revenue Bonds Series 2005A	1,465,000	243,075	3,165,000
Utility Revenue Bonds Series 2011	1,170,000	171,350	2,515,000
Utility Revenue Bonds Series 2016	0	1,629,413	45,430,000
	30,910,000	13,470,350	319,300,000



CITY OF DURHAM, NORTH CAROLINA

CAPITAL IMPROVEMENT PLAN FY 2019 – 2024



Durham – Where Great Things Happen

CITY OF DURHAM CAPITAL IMPROVEMENT PROGRAM PROCESS

The Capital Improvement Program (CIP) is a statement of the City of Durham's policy regarding long-range capital asset development. It is vital to the City because it is the principal planning tool designed to achieve urban growth and development. This program strategically focuses on projects for a six year period and is updated and revised annually. To be included in the CIP, a project should require a total expenditure of at least \$100,000.

By providing a planned schedule, cost estimates, and location of public sector improvements, the Capital Improvement Program provides private sector decision makers with valuable information upon which to base investment decisions. It also provides local elected officials and the public with valuable information concerning proposed public facilities and their associated costs. Ultimately, this coordination of orderly and efficient programs of private and public investment will benefit the City.

The 2019 CIP Process

For the preparation of the 2019-24 CIP the City continues its strategic prioritization process in the selection of capital projects. The process involves the participation of senior management, the internal CIP advisory committee, and the Community Capital Improvement Panel (CCIP). Keys to ensuring that the City's capital needs will continue to be met under restrictive financial limitations include asset management, effective project costing, and ongoing prioritization of capital projects.

CIP Preparation

The CIP process includes a professional analysis of projects, the guidance of citizens, businesses, and community leaders, and the leadership of the City Manager and City Council to produce a sound CIP for FY 2019-2024. The City also maintains a web-based application that allows citizens to view an update on all capital projects at: <http://ww2.durhamnc.gov/cip/>.

CIP PROCESS

The FY 2019-24 CIP process included the participation of the CIP Advisory Committee and a Community Capital Improvement Panel (CCIP).

The CIP Advisory Committee consists of representatives from across the organization charged with:

1. Aligning projects with identified master and strategic plans.
2. Identifying issues that may be barriers to successful project management.
3. Strengthening cross-functional communication between internal project managers.
4. Focusing on continuous improvement in the Capital Improvement process.

The Scoring Team was composed of CIP Internal Committee members who are City staff with professional expertise in the range of project categories. The team was charged with:

1. Reviewing and refining the project scoring matrix.
2. Guiding departments through the project scoring process.
3. Ensuring consistency, fairness, and objectivity through the scoring and ranking process.

The Community Capital Improvement Panel (CCIP) is composed of business and community leaders charged with:

1. Helping City staff prioritize the right combination of new capital improvement projects.
2. Advising the City Council of the most critical CIP projects to meet the City's ongoing needs.
3. Evaluating and recommending projects for funding in the Capital Improvement Plan.

The Budget and Management Services Department (BMS) initiated the CIP process by soliciting proposals from departments for capital project needs within the scope of their operations. The CIP Advisory Committee assisted with the identification of projects. Departments scored their own projects

using the refined scoring matrix. Department staff presented their rationale for project scores to the Scoring Team, who then reviewed all project scores and modified scores to ensure consistency and objectivity.

While the Scoring Team managed the internal review and assessment of requested projects, the CCIP received a presentation on capital project needs, and developed guiding principles by which projects are prioritized. This year, City Council participated heavily in the process by completing a survey of CIP projects in order to develop a consensus of priorities based on the most pressing capital needs.

The FY 2019-24 CIP includes approximately \$180.3 million for capital projects funded through impact fees, enterprise funds, grants, the capital project fund, pay-go funding, and debt financings. The majority of these projects are Enterprise Fund projects.

The recommendations of the CIP Advisory Committee, the Scoring Team, and the CCIP were submitted to the City Manager for review and were presented to the City Council. The Plan was adopted by the City Council on June 18, 2018.

GOALS OF THE CIP

The CIP is prepared with the guidance of two major goals:

1. *To address the City's immediate and long-term capital needs*, especially those related to:

- Maintaining the existing infrastructure in order to protect the City's investments.
- Expanding the tax base in a way that will benefit both future and current citizens.
- Managing and encouraging orderly growth in compliance with the Comprehensive Plan.
- Providing City services in the most efficient and safe manner.
- Maintaining and improving the quality of life in a way that enhances the perception of the community by citizens and potential investors.

2. *To explore all feasible funding sources (as time and resources permit) in order to finance the City's capital needs.*

The CIP is also prepared with the guidance of the five adopted goals of the City Council:

- Shared Economic Prosperity
- Creating a Safer Community Together
- Connected, Engaged and Diverse Communities
- Innovative and High Performing Organization
- Sustainable Natural and Built Environment

FUNDING PRIORITIES

Projects with the following characteristics are given priority for funding:

- Public health and public safety – prevents or corrects a major or minor health or safety hazard.
- Legal requirement – clearly demonstrates a mandate by State or Federal law.
- Major deferred maintenance on existing, large infrastructure/facilities – lack of project will likely result in compounded repair costs in the future and/or materially disrupts the enjoyment of the facilities.
- Economic development – directly increases net annual revenues and creates indirect community wealth, i.e. jobs, business retention, etc.
- Cultural, social, or leisure demand – directly addresses a major cultural, social, or leisure demand.
- Operating budget impact – directly reduces operating costs or is eligible for available funding sources.

- Extent of primary service area – serves the entire City.
- Relationship to other projects – completes a project that is underway or advances the effectiveness of another project.
- Comprehensive and/or strategic plans or policies – is consistent with the City's existing long range strategic plans.
- Equitable distribution – considers geographic, environmental and socio-economic balance.
- Green projects – uses sustainable environmental building principles and minimizes traffic and sprawl.
- Joint use – combines two or more projects in the same site or facility resulting in immediate or future savings.
- Enhance artistic/cultural heritage – preserves existing cultural activities and historic features of the community or attracts new beneficial cultural and artistic activities.
- Best practices – maintains the City's systems or facilities for delivering services and information to the public.

RELATIONSHIP OF THE CIP TO THE OPERATING BUDGET

The operating budget and the CIP are closely related. The CIP is a program that matches the City's major capital needs with the financial ability to meet those needs. As a plan, it is subject to change. However, a sound and reliable CIP is critical to maintaining the good financial health of the City.

CIP projects that are proposed to be funded via the General Fund, Water and Sewer Fund and Stormwater Fund are intended to be included in the annual budget in the appropriate year(s). Even so, because circumstances may change between the adoption of the CIP and the annual budget, CIP projects must be resubmitted as part of each department's annual capital improvement budget request. Funds for such projects are not available unless and until they are included by specific ordinance in the annual budget approved by the City Council. The needs greatly outpace the resources available to address adequately, so many projects are deferred each year. Projects with revenue sources showing as "Unidentified" have no set funding source and must compete for the same limited resources each year.

In many cases, the completion of capital projects will impact a department's operating budget as projects are completed and require maintenance and upkeep. Some facilities may require additional utilities, such as electricity and water, above current consumption levels – an impact may not be readily evident when projects are funded and then constructed over several years. Consequently, the impacts of capital projects on the annual operating budget are estimated when available and noted in the CIP under each project. Most projects will not have an operating impact in the year during which they are funded since this is typically the construction/installation phase. Also, if a project is a renovation which does not include expansion and the operating costs are already captured in the department's annual operating budget, no additional operating costs will be listed.

RELATIONSHIP OF THE CIP TO IMPLEMENTATION OF PLANNING AND GROWTH MANAGEMENT POLICIES

It is essential that CIP project proposals support plans and policies previously adopted by the City Council in order to coordinate and direct the physical development of the City. In evaluating each CIP proposal, particular attention is given to the conformity of proposals with the strategic plan, the City's broadest overall policy and planning tool for managing growth.

CIP CATEGORIES

- I. Culture and Recreation. Projects in this category are related to enhancing the cultural and recreational opportunities for city residents, including park and recreation center renovations, the construction of new parks, playgrounds, trails, and athletic fields. This year's CIP included funding to continue Athletic Court Renovations to various city basketball and tennis courts, CM Herndon Park Soccer Field and Parking lot renovations, planning and design of the Hoover Road Athletic facility and the continuation of the cultural public art fund.

- II. Downtown Revitalization. Projects in this category provide for the revitalization and enhancement of downtown Durham.
- III. General Services. Projects in this category are related to city buildings and facilities. This year's CIP includes funding for the continuation of a comprehensive long-term fleet replacement plan and final phase of the Take Home Vehicle program, Energy management projects and begins the planning and design phase of the Public Works Operation Center Renovation.
- IV. Public Protection. Public protection projects will enhance the City's ability to protect lives and property through police, fire, and emergency communication services. Projects in this category include deferred maintenance corrections at police and fire facilities and the renovation of city-owned buildings. This year's CIP includes funding for the final phase of critical Public Safety Radio Replacements.
- V. Solid Waste. This category contains funding for solid waste management projects. This year's CIP includes funding for the purchase of Solid Waste fleet vehicles and construction of the Solid Waste Annex Truck Wash facility.
- VI. Stormwater. Projects in this category are designed to address and improve stormwater flow throughout the City. Projects capture the City's efforts to correct sustained damage resulting from defective and malfunctioning city lines. This year's CIP includes funding for future watershed planning and design, major stormwater infrastructure improvements, funding for Stormwater fleet replacement vehicles and the much anticipated South Ellerbee Creek Stormwater Restoration Project at the former Duke Diet and Fitness Center location.
- VII. Technology. This category contains projects that improve the technological capabilities of the City, producing a more innovative, efficient and accountable government. This year's CIP includes funding for annual IT Governance Projects and the beginning phase of a joint private/public fiber optic network expansion project with Duke University and the County of Durham.
- VIII. Transportation. Transportation projects provide street, thoroughfare, sidewalk, and mass transit improvements by constructing new infrastructure or making significant improvements to the City's existing roadway and sidewalk network. This year's CIP includes funding for street paving and maintenance, construction of new sidewalks, rail safety improvements and the continuation of the Durham Belt Line Trail project.
- IX. Water. Projects in this category are related to water treatment projects such as Jordan Lake, maintenance such as Water Distribution System Rehabilitation, or water regulatory improvements.
- X. Wastewater. Projects in this category are related to maintenance such as the Sewer Collection System Rehabilitation, or improvement of the City's sanitary sewer collection and treatment system. Funding for projects this fiscal year will come from the Capital Facilities Fee Fund, Water and Sewer Fund operating revenues and revenue bonds. This year's CIP includes funding for Water & Sewer fleet replacement vehicles and wastewater process rehabilitation at Lake Michie and Little River.
- XI. Other Enterprise Funds. Projects in this category are specific to unique enterprise funds that were established to address capital infrastructure needs for the Parking Fund and Transit Fund. This year's CIP including funding for Off-Street parking upgrades, Bus Stop Improvements; and the continuation of Parking Security Upgrades and Transit Fund Fleet purchases.

REVENUE SOURCES

The City of Durham uses many revenue sources to finance capital projects. The planned uses of these sources are reflected in the FY 2019-2024 Capital Improvement Program. The following describes the City's major revenue sources:

Pay-As-You-Go

This funding originates from revenue generated from the General Fund and the Capital Projects Fund, or from enterprise fund appropriations made in the City's annual operating budget. Typically, these appropriations are transferred to the Capital Projects Fund for accounting purposes if the project period lasts more than one fiscal year. CIP projects that are proposed to be funded via the annual operating budget are intended to be included in the annual budget in the appropriate year. Funds for such projects are not available unless and until they are approved by the City Council.

General Obligation Bond

The City may borrow money from lenders, pledging the full faith and credit of the City to pay the loan through property tax revenue. This method generally requires both the approval of voters through a referendum and the approval of the Local Government Commission. The City's voters approved referenda during November 1996, November 2005, November 2007, and November 2010 to finance capital projects with general obligation bonds.

The City sells general obligation bonds to pay for expenses associated with capital projects. Bond sales are held as needed. The City may issue general obligation debt under the two-thirds rule, wherein the City may issue up to two-thirds the value of the general obligation debt retired in the prior year so long as no new general obligation debt was issued in the same year.

Revenue Bond

The City may borrow money from lenders, pledging the revenues generated from the specific operations of the project to pay the debt. Because of the nature of the security, revenue bonds do not require voter approval. Like general obligation bonds, the City sells revenue bonds as needed to pay for expenses associated with capital projects.

Installment Sales

The City may enter into an installment sales (Certificates of Participation) contract for a building or for equipment using that building or equipment to secure the financing, similar to a mortgage transaction. The City does not pledge the use of its taxing power to pay the contract. The Local Government Commission must approve the use of installment sales contracts.

Impact Fees

Impact fees are one-time charges levied against new development based on the impact on city infrastructure as determined by the land use of the project. The impact fees will be used as a funding source for a proportionate cost of capital facilities and land made necessary by new construction. Impact fees cannot be used for routine or periodic maintenance, or improvements made to the existing infrastructure where the improvements are not related to new development.

The City's impact fees are collected in three zones for streets, parks and recreation facilities, and open space land; Street Zone 4 (Southwest Durham), Street Zone 5 (Northeast Durham), Street Zone 6 (Downtown), Recreation and Open Space Zone 1 (Southwest Durham), Recreation and Open Space Zone 2 (East Durham) and Recreation and Open Space 3 (North Durham). Impact fees will be used only to serve the zone where the fees were collected. The revenue must be appropriated within ten years or returned to the developer. The expenditure of this revenue is programmed with the CIP cycle.

Intergovernmental Revenues

This category of revenues identifies funding from Durham County, the State of North Carolina, and the Federal Government. The funding sources include the State's revolving loan fund for wastewater

treatment plants, state and federal funding for transportation and transit-related improvements. Project pages also show Community Development Block Grant and HOME funds in Housing CIP projects for informational purposes.

Other

Capital projects may be fully or partially funded through miscellaneous revenue sources not referenced above. Examples of other funding sources include program revenues, land sales or contributions, payments in lieu of taxes, private contributions, loan repayments, and rental income.

Unidentified

Projects that do not have an identified source of future revenue to fund them are listed here. These projects usually compete for a small pool of general fund dollars, though some may later be determined to be eligible for use of impact fees or certificates of participation. These projects are also candidates for inclusion in future general obligation bond referendums.

Completed Projects

The following CIP projects were completed during FY 2018:

Culture and Recreation

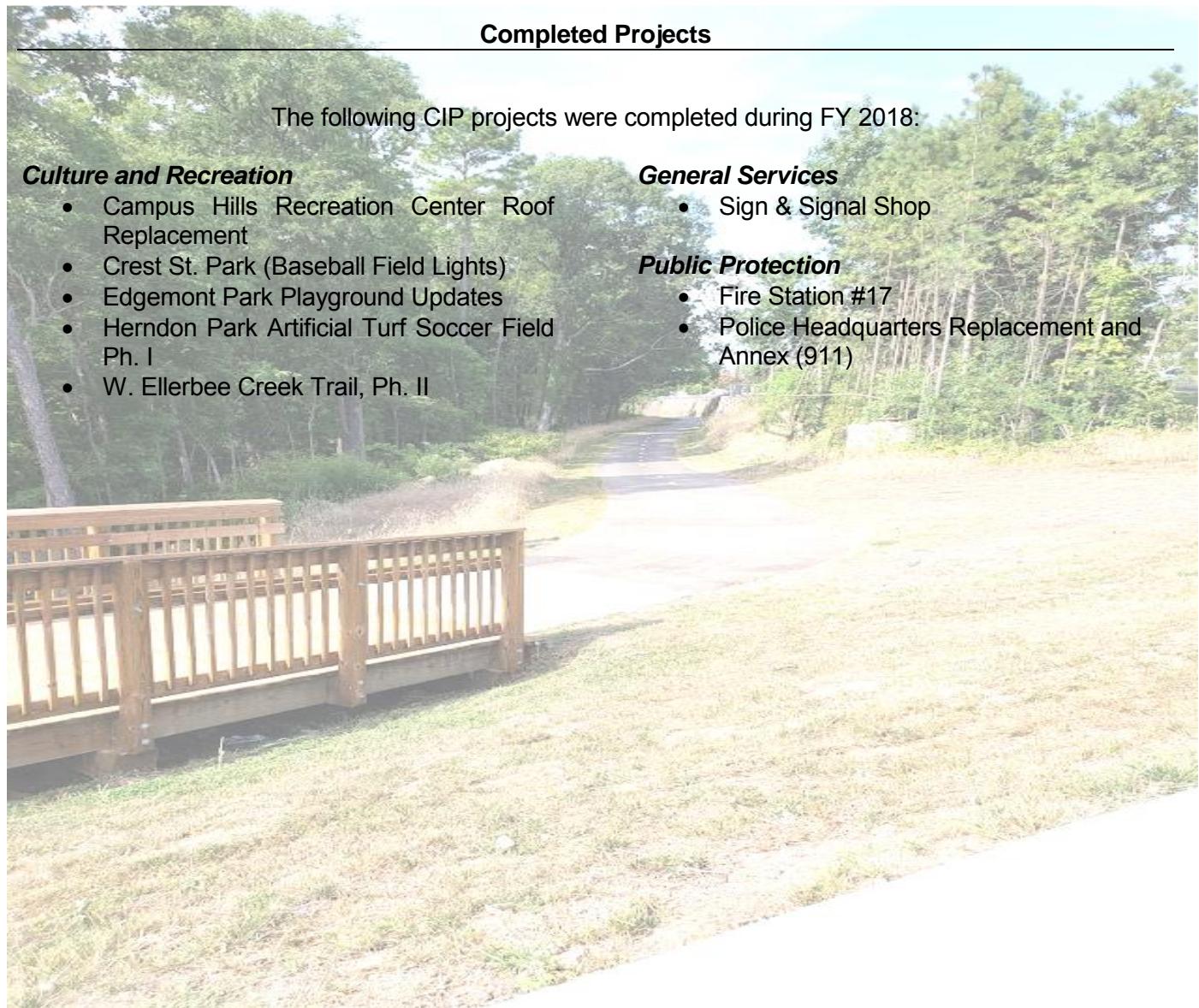
- Campus Hills Recreation Center Roof Replacement
- Crest St. Park (Baseball Field Lights)
- Edgemont Park Playground Updates
- Herndon Park Artificial Turf Soccer Field Ph. I
- W. Ellerbee Creek Trail, Ph. II

General Services

- Sign & Signal Shop

Public Protection

- Fire Station #17
- Police Headquarters Replacement and Annex (911)



**CITY OF DURHAM
CAPITAL IMPROVEMENT PROGRAM**

FY 2019 - 2024 CAPITAL IMPROVEMENT PROGRAM SUMMARY

SUMMARY BY PROJECT CATEGORY

Category	Prior Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Future Years	Total Request
Culture & Recreation	15,212,161	12,185,987	75,000	75,000	75,000	75,000	75,000	75,000	27,848,148
Downtown Revitalization	250,000	0	0	0	0	0	0	0	250,000
General Services	35,334,125	14,889,991	0	0	0	0	0	0	50,224,116
Other Enterprise Funds	29,590,288	783,570	0	0	0	0	0	0	30,373,858
Public Protection	10,658,582	2,000,000	0	3,212,202	3,308,568	0	0	0	19,179,352
Solid Waste	10,976,543	3,947,000	0	0	0	0	0	0	14,923,543
Stormwater	35,986,756	7,983,013	9,150,000	7,900,000	7,225,000	4,150,000	0	0	72,394,769
Technology	1,000,000	6,410,209	0	0	0	0	0	0	7,410,209
Transportation	73,715,159	13,870,083	9,432,254	10,348,859	5,195,403	15,145,257	1,500,000	0	129,207,015
Wastewater	354,999,974	104,800,000	30,591,800	42,047,900	39,208,780	37,371,800	0	0	609,020,254
Water	264,872,138	13,465,102	33,255,000	23,080,000	106,949,999	6,200,000	6,200,000	500,000	454,522,239
	\$832,595,726	\$180,334,955	\$82,504,054	\$86,663,961	\$161,962,750	\$62,942,057	\$7,775,000	\$575,000	\$1,415,353,503

SUMMARY BY REVENUE SOURCE

Source	Prior Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Future Years	Total Funds
GOB Authorized	12,107,325	0	0	0	0	0	0	0	12,107,325
GOB Unauthorized	239,342	0	0	0	0	0	0	0	239,342
Impact Fees	24,217,789	2,982,212	0	0	0	0	0	0	27,200,001
Installment Sales	66,641,467	36,848,933	0	0	2,388,105	11,683,802	0	0	117,562,307
Intergovernmental	31,154,048	783,570	0	0	0	0	0	0	31,937,618
Other	57,961,725	10,953,750	6,000,000	7,000,000	0	0	0	0	81,915,475
Pay-As-You-Go	166,142,148	55,566,490	46,460,000	14,750,000	14,625,000	11,550,000	1,000,000	0	310,093,638
Rev Authorized	9,533,654	0	0	0	0	0	0	0	9,533,654
Rev Unauthorized	463,748,228	73,200,000	26,536,800	58,277,900	138,758,779	36,171,800	5,200,000	500,000	802,393,507
Unidentified	850,000	0	3,507,254	6,636,061	6,190,866	3,536,455	1,575,000	75,000	22,370,636
	\$832,595,726	\$180,334,955	\$82,504,054	\$86,663,961	\$161,962,750	\$62,942,057	\$7,775,000	\$575,000	\$1,415,353,503

Operating Costs from Associated Capital Expenditures

	<u>Prior</u> Years	2018-19	2019-20	2020-21	2021-22	2022-23	<u>Future</u> Years	
								Total
Culture & Recreation								
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000	\$ 4,000,000
Maint/Operations	91,000	-	-	-	-	-	800,000	800,000
Personnel	40,000	-	-	-	-	-	-	-
Total	\$ 131,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,800,000	\$ 4,800,000
Public Protection								
Maint/Operations	\$ 3,000	\$ -	\$ 1,450,000	\$ 1,416,250	\$ 1,458,738	\$ 1,502,500	\$ 1,815,000	\$ 7,642,487
Personnel	1,894,592	100,188	101,161	956,493	994,753	1,034,543	-	5,081,730
Total	\$ 1,897,592	\$ 100,188	\$ 1,551,161	\$ 2,372,743	\$ 2,453,490	\$ 2,537,043	\$ 1,815,000	\$ 12,724,217
Technology								
Maint/Operating	\$ 800,000	104,560	1,148,921	348,921	1,148,921	348,921	1,148,921	\$ 5,049,165
Total	\$ 800,000	\$ 104,560	\$ 1,148,921	\$ 348,921	\$ 1,148,921	\$ 348,921	\$ 1,148,921	\$ 5,049,165
Water								
Maint/Operating	\$ 11,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,000
Total	\$ 11,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,000
General Capital Improvements								
Operating Costs Total:	\$ 2,828,592	\$ 204,748	\$ 2,700,082	\$ 2,721,664	\$ 3,602,411	\$ 2,885,964	\$ 7,763,921	\$ 22,584,382
All Capital Improvements								
Operating Costs Total:	\$ 2,839,592	\$ 204,748	\$ 2,700,082	\$ 2,721,664	\$ 3,602,411	\$ 2,885,964	\$ 7,763,921	\$ 22,595,382

**CITY OF DURHAM
GENERAL CAPITAL IMPROVEMENTS PROJECT ORDINANCE**

FISCAL YEAR 2018-19

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY	
Culture and Recreation	\$ 45,638,539
Downtown Revitalization	12,000
General Services	41,814,931
Housing	28,191,509
Public Protection	94,043,480
Technology	10,056,765
Transportation	109,368,189
TOTAL	\$329,125,413

Section 1. Description of Projects

(a) Culture and Recreation

Number	Project Title	Revenue Source	Appropriation	Revenue
1	American Tobacco Trail Phase E CH056		11,816,838	
		Open Space Impact Fees (Zone 1)		468,956
		Private Grant		150,000
		Miscellaneous Revenue		38,375
		Payment in Lieu Zone 1B Third Fork		73,150
		Payment in Lieu Zone 1-C Northeast Creek		73,150
		Debt		221,494
		General Obligation Bonds (2005)		273,826
		General Obligation Bonds (2007)		472,000
		2/3 Bond - Series 2008		1,500,000
		Parks and Recreation Bonds (1996)		350,986
		Federal Match/ Grants		7,497,057
		Distributed Interest		197,844
		Impact Fees P&R Zone 3		201,316
		Open Space Impact Fees (Zone 3)		112,389
		Open Space Impact Fees (Zone 2)		186,295
2	American Tobacco Trail Parking Lot CH285		257,718	
		Parks and Recreation Impact Fees (Zone 1)		252,718
		NC Horse Council Grant (2014)		5,000
3	Aquatic Updates (Dehumidifier Units) CH002		1,583,600	
		General Obligation Bonds (2005)		20,815
		Debt		1,562,785
4	Aquatic Upgrades (Citywide Master Plan) CH003		117,500	
		Open Space Impact Fees (Zone 1)		40,000
		Open Space Impact Fees (Zone 2)		40,000
		Open Space Impact Fees (Zone 3)		37,500

5	Athletic Courts Improvements CH510		3,167,187
	2013 Limited Obligation Bonds	297,195	
	2/3 Bond - Series 2012	71,815	
	Debt	1,481,863	
	Miscellaneous Revenue	103,154	
	2009 Limited Obligation Bonds	297,495	
	General Obligation Bonds (2005)	915,665	
6	Athletic Field Irrigation/Lighting (Snow Hill) CH058		520,171
	Debt	225,000	
	2013 Limited Obligation Bonds	295,171	
7	Birchwood Park - Parking Lot Upgrades CH005		213,863
	Open Space Impact Fees (Zone 2)	213,863	
8	Campus Hills Baseball Field Lighting CH019		250,000
	Debt	250,000	
9	Campus Hills Field Renovations CH024		116,000
	Parks and Recreation Impact Fees (Zone 1)	116,000	
10	C.M. Herndon Pk. Soccer Field Conversion CH119		1,639,091
	Debt	1,639,091	
11	Central Park Improvements CH700		164,244
	Transfer from General Fund	164,244	
12	Crest Street Park (Baseball Field Lights) CH012		235,000
	Open Space Impact Fees (Zone 3)	235,000	
13	Crest Street Park (Restroom Replacement) CH219		266,509
	Debt	266,509	
14	Edgemont Park (Playground Equipment) CH195		200,000
	Parks and Recreation Impact Fees (Zone 2)	200,000	
15	Hoover Road - Athlethic Park CH319		8,955,660
	Debt	6,213,448	
	Park and Recreation Impact Fees (Zone 2)	2,742,212	
16	Indian Trail Park (Playground Upgrades) CH013		180,000
	Debt	180,000	
17	Lake Michie Upgrade CH007		868,710
	Debt	336,564	
	General Obligation Bonds (2005)	532,146	
18	Long Meadow Pk. Restroom Renovation CH197		250,000
	Parks and Recreation Impact Fees (Zone 2)	250,000	
19	Lyon Park Upgrade CH340		735,494
	Debt	185,832	
	2009 Limited Obligation Bonds	386,495	
	General Obligation Bonds (2005)	163,167	
20	Northgate Renovations CH193		44,938
	Debt	44,938	
21	Public Art Funding 70003		220,000
	Distributed Interest	220,000	
22	Red Maple Park (Restroom Replacement) CH519		258,000
	Debt	258,000	
23	R. Kelly Bryant Bridge Trail CH032		5,469,031
	Debt	1,479,410	
	NC Department of Transportation - Grant	3,989,621	

24	Rock Quarry Park Renovation		750,000
	CH701	Debt	500,000
		Parks and Recreation Impact Fees (Zone 3)	250,000
25	Snow Hill Park - Expansion Study		100,000
	CH017	Parks and Recreation Impact Fees (Zone 3)	100,000
26	Third Fork Creek Trail		3,602,670
	CH033	Debt	748,670
		NC Department of Transportation - Grant	2,854,000
27	Twin Lakes - Feasibility Study		99,759
	CH134	Debt	99,759
28	Valley Springs Park		471,000
	CH022	Debt	471,000
29	Weaver Street (Kitchen/Bath Renovations		32,000
	CH199	Debt	32,000
30	West Ellerbee Creek Trail Phase 2		3,010,910
	CH505	2013 Limited Obligation Bonds	56,153
		Debt	2,480
		Interest Income	15,303
		Miscellaneous Revenue	210,564
		Other (CMAQ)	1,823,910
		Payment in Lieu Zone 3-A South Eno	88,561
		Parks and Recreation Impact Fees (Zone 3)	721,788
		Open Space Impact Fees (Zone 3)	92,151
31	West Point on the Eno Park		42,646
	CH023	Miscellaneous Revenue	36,904
		Transfer from General Fund	5,742
	TOTAL		\$ 45,638,539 \$ 45,638,539

(b) Downtown Revitalization

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Durham Arts Council Upgrade		12,000	
	CC023	Debt		12,000
	TOTAL		\$ 12,000	\$ 12,000

(c) General Services

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Campus Hills Rec. Ctr. Roof Replacement		250,000	
	CC024	Debt		250,000
2	Cemeteries Upgrade		2,746,451	
	CC018	Debt		1,120,000
		Transfer from General Fund		1,286,451
		Transfer from Cemetery Fund		340,000
3	Citywide Security Upgrades - Ph. II		1,170,270	
	CC003	Debt		1,166,494
		General Obligation Bonds (2005)		3,776
4	DPR Operations Facility		2,186,545	
	CH520	Parks and Recreation Impact Fees (Zone1)		442,575
		Parks and Recreation Impact Fees (Zone2)		442,576
		Parks and Recreation Impact Fees (Zone3)		442,575
		Debt		64,806
		2005 GO Bonds		747,956
		Private Replacement (2008)		46,057

5	Energy Management Projects Ph. II & III CH295		2,172,490
	2013 Limited Obligation Bonds		493,070
	2/3 Bond - Series 2012		253,093
	Debt		1,426,327
6	Facilities & Operations Staff Fall Protection CC021	124,000	
	Debt		124,000
7	General Fund Fleet Vehicles S3017	5,281,927	
	Transfer from General Fund		1,575,000
	Debt		3,706,927
8	General Fund Fleet Vehicles S3018	7,126,680	
	Debt		5,563,144
	Transfer from General Fund - PD		1,286,696
	Transfer from Inspection Fund		118,480
	Transfer from Risk Fund		158,360
9	General Fund Fleet Vehicles S3019	7,673,418	
	Debt		6,326,623
	Transfer from General Fund - PD		1,143,900
	Transfer from Inspection Fund		65,303
	Transfer from Risk Fund		137,592
10	New Sign & Signal Shop CL001	4,954,662	
	Debt		2,944,930
	Distributed Interest		50,000
	2/3 Bond - Series 2012		1,000,485
	Investment Income		118,387
	Miscellaneous Revenue		3,000
	Transfer from General Fund		178,990
	Transfer from Stormwater Fund		43,382
	General Obligation Bonds (2005)		615,488
11	Planning Renovation Project CC025	500,000	
	Transfer from Inspection Fund		500,000
12	Project Financial Management AA000	209,020	
	Transfer from CIP		209,020
13	PWOC Renovation CC026	7,419,468	
	Debt		7,419,468
	TOTAL	\$ 41,814,931	\$ 41,814,931

(d) Housing and Neighborhood Revitalization

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Loan Servicing/Administration DB010	1,182,569		
	Loan Repayments			1,182,569
2	Reserve for Pending Projects DB001	1,268,550		
	Loan Repayments			1,067,413
	Miscellaneous Revenue			201,137
3	Southside East Phase I QEP1Y	15,392,941		
	Sale of Land			367,360
	Sale of Property			2,531,254
	Section 108 Loan			5,400,392
	Miscellaneous Income			137,935
	Federal Grant			65,000
	Loan Repayments			4,753,786
	Investment Income			2,137,214

4	Southside West Homeownership Redevelopment QWH1Y	Section 108 Loan Loan Repayments	3,852,652 3,264,023 588,629
5	Southside East Phase II QEP2Y	Loan Repayments Loan Repayments General Fund Sale of Property Section 108 Loan Transfer from Dedicate Housing Fund	3,794,669 474,971 36,866 18,638 57,573 135,585 3,071,036
6	Southside Dedicated Funding QWDFY	Transfer from Dedicate Housing Fund	2,560,245 2,560,245
7	Southside East Infrastructure Balance (Bond PI) QEP3Y	Loan Repayments	139,883 139,883
	TOTAL		\$ 28,191,509 \$ 28,191,509

(e) Public Protection

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Fire Admin. Bldg. Updates (Roof/HVAC) CB012	Debt	1,030,000	1,030,000
2	Fire Station #1 Upgrade CB009	2/3 Bonds - Series 2008 Debt General Obligation Bonds (2005) Investment Income Limited Obligation Bonds (2013) Miscellaneous Revenue	553,523 23,237 322,569 45,509 64,404 4,980 92,824	
3	Fire Station #6 - Structural Repair CB014	Debt	42,000	42,000
4	Fire Station # 9 CB007	Investment Income Transfer from General Fund Debt General Obligation Bonds (2005) Limited Obligation Bonds Private Placement (2008)	4,321,600 254,021 1,333,056 36,442 115,108 1,219,842 1,363,131	
5	Fire Station #17 CB011	General Obligation Bonds (2005) Transfer from General Fund Intergovernmental Revenues Debt	6,466,339 412,426 50,000 1,155,921 4,847,992	
6	Fire Station #18 CB013	Debt	1,000,000	1,000,000
7	Police HQ Replacement & Annex CK002	Debt 2/3 Bonds - Series 2012 General Obligation Bonds (2005) Miscellaneous Revenue Rental Income 2013 Limited Obligation Bonds	71,909,000 63,506,070 1,032,503 84,906 440,874 113,385 6,731,262	

8	Police Headquarters Repair CK001		4,721,018
	Certificates of Participation - AB		2,500,000
	Debt		196,992
	2/3 Bonds - Series 2012		477,538
	Investment Income		46,018
	Limited Obligation Bonds (2013)		25,470
	General Obligation Bonds (2005)		1,475,000
9	Public Safety Radio Replacements CK004	4,000,000	
	Debt		4,000,000
	TOTAL	\$ 94,043,480	\$ 94,043,480

(f) Technology

Number	Project Title	Revenue Source	Appropriation	Revenue
1	IT Infrastructure Improvements NP001		1,751,556	
	Water and Sewer Construction Fund			87,000
	Transfer from Water & Sewer Fund			1,664,556
2	Network Infrastructure Project N0004		895,000	
	Transfer from General Fund			146,961
	Transfer from Water Capital Fund			737,762
	Transfer from Transit Fund			4,797
	Transfer from Solid Waste Fund			3,817
	Transfer from Stormwater Fund			1,663
3	IT Governance Projects N0005		1,297,519	
	Transfer from General Fund			1,270,769
	Transfer from Inspections Fund			20,000
	Transfer from Solid Waste Fund			6,750
4	City/Duke Fiber Optic Network Partnership N0040		6,112,690	
	Transfer from Water Construction			1,008,706
	Miscellaneous Debt			5,103,984
	TOTAL		\$ 10,056,765	\$ 10,056,765

(g) Transportation

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Alston Avenue Culver Handrail LC182		11,000	
	Transfer from General Fund			11,000
2	Alston Avenue Sidewalk Project LC191		913,339	
	Miscellaneous Debt			268,979
	Department of Transportation			644,360
3	Alston Avenue Widening Sidewalks LC129		71,226	
	Transfer from General Fund			71,226
4	Avondale Drive Sidewalk Project LC149		558,313	
	Miscellaneous Debt			137,677
	Transfer from General Fund			84,927
	2/3 Bond Proceeds (2012)			11,802
	Department of Transportation			323,907
5	Barbee/Herndon/Massey Ch. Roundabout LC192		100,000	
	Street Impact Fees (Zone 1)			25,000
	Street Impact Fees (Zone 4)			75,000
6	Bike Lanes Project - CMAQ LC412		100,800	
	Debt			100,800

7	Bike Share Project - CMAQ LC411	Debt	150,000
8	Bicycle Facilities LC401		100,000
9	Brick Pavers Repairs LF700	Debt	250,000
		Miscellaneous Revenues	93,549
		Transfer from General Fund	156,451
10	Bridge Repair LE500		515,000
11	Campus Walk/LaSalle St. Sideway Project LC132	Debt	515,000
		Department of Transportation	340,856
		Distributed Interest	2,727
		Miscellaneous Debt	69,129
12	Carpenter-Fletcher Rd. Bike Lanes LCC86		4,688,983
		Miscellaneous Debt	1,157,930
		Department of Transportation	3,531,053
13	Carver Street Extension LE003		8,782,000
		Street Impact Fees (Zone 3)	1,432,191
		Street Impact Fees (Zone 5)	7,349,809
14	Cornwallis Rd. Bike Lanes and Sidewalks LCC84		5,432,020
		Department of Transportation	4,217,000
		Miscellaneous Debt	1,215,020
15	Dirt/Petition Street Paving LF800		2,887,851
		Debt	2,887,851
16	Downtown Loop Bike Lane - CMAQ LC410		65,625
		Debt	65,625
17	Downtown Wayfinding Project - CMAQ LC408		695,750
		Department of Transportation - Grant	556,600
		Miscellaneous Debt	139,150
18	Duke Belt Line Trail LC400		11,469,932
		Debt	4,892,232
		Department of Transportation - Grant	6,280,000
		TIGER Grant 2015	222,700
		Transfer from General Fund	75,000
19	Durham Traffic Signal System Upgrades LC407		600,000
		Debt	600,000
20	East End Connector (U-0071) Project LC148		59,397
		Miscellaneous Debt	59,397
21	Failed Development Infrastructure LE450		4,711,877
		Other Revenues	1,167,362
		Pay As You Go	500,000
		Transfer from General Fund	1,668,249
		Transfer from Stormwater Fund	1,200,016
		Transfer from Water and Wastewater Fund	149,077
		Debt	27,173
22	Fayetteville Road Widening Phase II LE004		8,900,789
		Street Impact Fees (Zone 1)	567,953
		Street Impact Fees (Zone 4)	8,332,836
23	Fayetteville Road Widening (U-6021) LC402		41,000
		Street Impact Fees (Zone 4)	41,000
24	Fayetteville/Buxton/Riddle Rd. Improvements LF900		5,000,000
		Street Impact Fees (Zone 1)	2,041,128
		Street Impact Fees (Zone 4)	2,958,872

25	Hillandale Rd. Bike Lanes & Sidewalks LCH85	Department of Transportation Miscellaneous Debt	3,107,941 2,290,499 817,442
26	LaSalle St. Sidewalk (EB-5703) Project LC187	Department of Transportation Miscellaneous Debt	742,232 537,680 204,552
27	Mangum Street/Dillard St. - New Traffic Signal LC262	Debt	150,000 150,000
28	MLK Jr. Blvd/Bay Pointe Drive - New Traffic Signal LC261	Debt	125,000 125,000
29	Miscellaneous Thoroughfares and Street Improvements LC200	Transfer from General Fund Debt	2,624,522 509,032 2,115,490
30	Morreene Rd. Bike Lanes & Sidewalks LCM83	Department of Transportation Miscellaneous Debt	6,317,129 4,899,000 1,418,129
31	N. Duke St. Sidewalk (EB-5715) Project LC189	Department of Transportation Miscellaneous Debt	1,608,372 1,165,120 443,252
32	NC 157 Sidewalk (EB-5834) Project LC405	Department of Transportation Debt	1,103,803 728,000 375,803
33	NC 54 Sidewalk (EB-5708) Project LC190	Department of Transportation Miscellaneous Debt	364,435 330,000 34,435
34	NC 55 Sidewalk (EB-5838) Project LC406	Debt	295,067 295,067
35	NC 751/NC 54 E. Garrett (E-291) Project LC115	Department of Transportation Miscellaneous Debt	390,734 264,172 126,562
36	NC 751 Roundabout & Sidewalks (U-5745) LC403	Debt	10,000 10,000
37	Neighborhood Greenways - CMAQ LC409	Department of Transportation - Grant Debt	644,728 505,498 139,230
38	New Sidewalks LC500	Debt	1,500,000 1,500,000
39	Old Chapel Hill Rd. Bike/Ped (EB-4707) LC135	Debt General Obligation Bonds (2005) Sale of Land Transfer from General Fund	1,905,453 1,459,813 39,342 78,827 327,471
40	Rail Safety Improvements LC264	Debt	100,000 100,000
41	Raynor St. Sidewalk (EB-5704) Project LC188	Department of Transportation Miscellaneous Debt	364,435 264,000 100,435
42	Roxboro/Latta/Infinity Rd. Intersection LC128	Street Impact Fees (Zone 3)	2,240,000 2,240,000
43	Safe Route to Schools Grant-Faye LC140	Department of Transportation Miscellaneous Debt Transfer from General Fund	500,900 450,700 42,882 7,318

44	Sidewalk Repair, ADA and Gaps LF150	6,693,184
	Debt	5,013,436
	Sidewalk-in-Lieu of Payment	974,283
	Investment Income	35,122
	Distributed Interest	170,343
	Transfer from General Services	500,000
45	Street Paving & Maintenance LE950	16,816,386
	General Fund FY19	7,000,000
	General Fund FY18	6,600,000
	General Fund FY17	3,000,000
	General Fund FY16	216,386
46	Traffic Calming LC160	657,147
	General Obligation Bonds (2005)	40,419
	Debt	566,275
	Transfer from General Fund	37,604
	Investment Income	12,849
47	University Dr. Bike/Ped Project LC181	561,063
	General Obligation Bonds (2005)	89,409
	Miscellaneous Debt	347,337
	Other Revenues	124,317
48	University Dr. Bike Lane/Sidewalks Project LC151	1,025,000
	Department of Transportation	1,025,000
49	Woodcroft Parkway Extension (U-5823 LC404	3,074,900
	Department of Transportation - Grant	633,000
	Street Impact Fees (Zone 4)	2,441,900
	TOTAL	\$ 109,368,189 \$ 109,368,189

Section 2. Each project authorized by this ordinance is for the period of July 1, 2018 through June 30, 2019.

Section 3. The City Manager is hereby authorized to undertake each project listed under "Project Title" above within the limitations of the revenues listed as associated with it under "Revenue Source." The amounts listed under "Revenue Source" are estimated to be available for the project. Each of the amounts listed under "Appropriation" is hereby appropriated for the project in its row. In case of conflict, the dollar amounts listed in the "Appropriation" and "Revenue" columns control over the dollar amounts shown in the "Summary" section of this ordinance.

Section 4. This Capital Improvement Projects Ordinance is adopted pursuant to G.S. Section 159-13.2 in the Local Government Budget and Fiscal Control Act.

Section 5. Any other ordinances that conflict with this ordinance are hereby repealed to the extent of the conflict.

Section 6. Within five days after adoption, the City Clerk shall file a copy of this ordinance with the Director of Finance and the Budget Director.

Section 7. This ordinance shall be in full force and effect from and after its passage.

APPROVED BY
CITY COUNCIL

JUN 18 2018

CITY CLERK



Ordinance 15333
CITY OF DURHAM
DURHAM PERFORMING ARTS CENTER CAPITAL IMPROVEMENTS PROJECT ORDINANCE

FISCAL YEAR 2018-19

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY			
Durham Performing Arts Center Fund	\$	2,386,857	
TOTAL	\$	2,386,857	

Section 1. Description of Projects

(a) Durham Performing Arts Center

	Project Title	Revenue Source	Appropriation	Revenue
1	DPAC Condo Purchase		650,000	
	CH901	DPAC Operating Fund		650,000
2	DPAC Furnishings		250,000	
	CH902	DPAC Operating Fund		250,000
3	DPAC Replacement Project		1,486,857	
	CHVAC	DPAC Operating Fund		1,486,857
	TOTAL		\$ 2,386,857	\$ 2,386,857

Section 2. Each project authorized by this ordinance is for the period of July 1, 2018 through June 30, 2019.

Section 3. The City Manager is hereby authorized to undertake each project listed under "Project Title" above within the limitations of the revenues listed as associated with it under "Revenue Source." The amounts listed under "Revenue Source" are estimated to be available for the project. Each of the amounts listed under "Appropriation" is hereby appropriated for the project in its row. In case of conflict, the dollar amounts listed in the "Appropriation" and "Revenue" columns control over the dollar amounts shown in the "Summary" section of this ordinance.

Section 4. This Capital Improvement Projects Ordinance is adopted pursuant to G.S. Section 159-13.2 in the Local Government Budget and Fiscal Control Act.

Section 5. Any other ordinances that conflict with this ordinance are hereby repealed to the extent of the conflict.

Section 6. Within five days after adoption, the City Clerk shall file a copy of this ordinance with the Director of Finance and the Budget Director.

Section 7. This ordinance shall be in full force and effect from and after its passage.

**APPROVED BY
CITY COUNCIL**

JUN 18 2018

CITY CLERK



**CITY OF DURHAM
PARKING CAPITAL IMPROVEMENTS PROJECT ORDINANCE**

FISCAL YEAR 2018-19

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY		
Parking Fund	\$	27,986,288
TOTAL	\$	27,986,288

Section 1. Description of Projects

(a) Parking

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Downtown Parking Garage		23,095,288	
	CC402	Debt		23,095,288
2	Parking Garages - Elevators		1,891,000	
	CC022	Debt		1,891,000
3	Parking Security Upgrade/Enhancements		500,000	
	CC403	Debt		500,000
4	On-Street Parking Upgrades		1,500,000	
	CC400	Debt		1,500,000
5	Off-Street Parking Upgrades		1,000,000	
	CC401	Debt		1,000,000
	TOTAL		\$ 27,986,288	\$ 27,986,288

Section 2. Each project authorized by this ordinance is for the period of July 1, 2018 through June 30, 2019.

Section 3. The City Manager is hereby authorized to undertake each project listed under "Project Title" above within the limitations of the revenues listed as associated with it under "Revenue Source." The amounts listed under "Revenue Source" are estimated to be available for the project. Each of the amounts listed under "Appropriation" is hereby appropriated for the project in its row. In case of conflict, the dollar amounts listed in the "Appropriation" and "Revenue" columns control over the dollar amounts shown in the "Summary" section of this ordinance.

Section 4. This Capital Improvement Projects Ordinance is adopted pursuant to G.S. Section 159-13.2 in the Local Government Budget and Fiscal Control Act.

Section 5. Any other ordinances that conflict with this ordinance are hereby repealed to the extent of the conflict.

Section 6. Within five days after adoption, the City Clerk shall file a copy of this ordinance with the Director of Finance and the Budget Director.

Section 7. This ordinance shall be in full force and effect from and after its passage.

**APPROVED BY
CITY COUNCIL**

JUN 18 2018

CITY CLERK



Ordinance 15330
CITY OF DURHAM
SOLID WASTE CAPITAL IMPROVEMENTS PROJECT ORDINANCE

FISCAL YEAR 2018-19

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY	
Solid Waste Fund	\$ 9,999,320
TOTAL	\$ 9,999,320

Section 1. Description of Projects

(a) Solid Waste

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Solid Waste Fleet Vehicles		3,947,000	
	S4419	Debt		3,947,000
2	Solid Waste Fleet Vehicles		1,530,756	
	S4418	Debt		1,530,756
3	Solid Waste Fleet Vehicles		1,592,564	
	S4417	Debt		1,592,564
4	Solid Waste Convenience Ctr. Improvements		154,000	
	CM007	Pay-Go		154,000
5	Solid Waste Annex & Truck Wash		2,775,000	
	CM006	Debt		2,775,000
	TOTAL		\$ 9,999,320	\$ 9,999,320

Section 2. Each project authorized by this ordinance is for the period of July 1, 2018 through June 30, 2019.

Section 3. The City Manager is hereby authorized to undertake each project listed under "Project Title" above within the limitations of the revenues listed as associated with it under "Revenue Source." The amounts listed under "Revenue Source" are estimated to be available for the project. Each of the amounts listed under "Appropriation" is hereby appropriated for the project in its row. In case of conflict, the dollar amounts listed in the "Appropriation" and "Revenue" columns control over the dollar amounts shown in the "Summary" section of this ordinance.

Section 4. This Capital Improvement Projects Ordinance is adopted pursuant to G.S. Section 159-13.2 in the Local Government Budget and Fiscal Control Act.

Section 5. Any other ordinances that conflict with this ordinance are hereby repealed to the extent of the conflict.

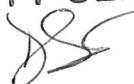
Section 6. Within five days after adoption, the City Clerk shall file a copy of this ordinance with the Director of Finance and the Budget Director.

Section 7. This ordinance shall be in full force and effect from and after its passage.

**APPROVED BY
CITY COUNCIL**

JUN 18 2018

CITY CLERK



Ordinance 15329
CITY OF DURHAM
STORMWATER CAPITAL IMPROVEMENTS PROJECT ORDINANCE

FISCAL YEAR 2018-19

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY		
Stormwater Fund	\$	42,243,721
TOTAL	\$	42,243,721

Section 1. Description of Projects

(a) Stormwater

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Algae Turf Scrubber LK111		500,000	
2	Drainage Repair of City Owned Properties LK105	Stormwater Fund		500,000
		Miscellaneous Revenues	4,249,764	
		Stormwater Fund		14,347
				4,235,417
3	Floodplain Mitigation LK106		946,000	
		Stormwater Fund		771,000
		Grants (HMGP)		175,000
4	Major Stormwater Infrastructure & BMP Improvements LK107		11,015,700	
		Stormwater Fund		11,015,700
5	Private Property Drainage Projects LK100		5,102,670	
		Stormwater Fund		5,102,670
6	South Ellerbe Stormwater Restoration LK110		2,100,000	
		Stormwater Fund		2,100,000
7	Stormwater Fleet Vehicles S4317		2,243,984	
		Fleet 2017 - Pay As You Go		544,944
		Insurance Proceeds		387,445
		Transfer from Stormwater Operating		1,311,595
8	Stormwater Fleet Vehicles S4318		714,816	
		Fleet 2018 - Pay As You Go		714,816
9	Stormwater Fleet Vehicles S4319		103,013	
		Fleet 2019 - Pay As You Go		103,013
10	Stormwater Retrofitting LK109		6,173,000	
		Stormwater Fund		6,173,000
11	Watershed Planning & Design LK102		9,094,774	
		Stormwater Fund		9,094,774
	TOTAL		\$ 42,243,721	\$ 42,243,721

Section 2. Each project authorized by this ordinance is for the period of July 1, 2018 through June 30, 2019.

Section 3. The City Manager is hereby authorized to undertake each project listed under "Project Title" above within the limitations of the revenues listed as associated with it under "Revenue Source." The amounts listed under "Revenue Source" are estimated to be available for the project. Each of the amounts listed under "Appropriation" is hereby appropriated for the project in its row. In case of conflict, the dollar amounts listed in the "Appropriation" and "Revenue" columns control over the dollar amounts shown in the "Summary" section of this ordinance.

Section 4. This Capital Improvement Projects Ordinance is adopted pursuant to G.S. Section 159-13.2 in the Local Government Budget and Fiscal Control Act.

Section 5. Any other ordinances that conflict with this ordinance are hereby repealed to the extent of the conflict.

Section 6. Within five days after adoption, the City Clerk shall file a copy of this ordinance with the Director of Finance and the Budget Director.

Section 7. This ordinance shall be in full force and effect from and after its passage.

APPROVED BY
CITY COUNCIL

JUN 18 2018

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CITY CLERK

**CITY OF DURHAM
TRANSIT FUND CAPITAL IMPROVEMENTS PROJECT ORDINANCE**

FISCAL YEAR 2018-19

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY			
Transit Fund	\$	5,758,570	
TOTAL	\$	5,758,570	

Section 1. Description of Projects

(a) Transit

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Transit Fleet Vehicles		4,650,000	
	S4501	Intergovernmental Revenues		4,650,000
2	Bus Stop Improvements Project		1,108,570	
	CH800	Intergovernmental Revenues		1,108,570
	TOTAL		\$ 5,758,570	\$ 5,758,570

Section 2. Each project authorized by this ordinance is for the period of July 1, 2018 through June 30, 2019.

Section 3. The City Manager is hereby authorized to undertake each project listed under "Project Title" above within the limitations of the revenues listed as associated with it under "Revenue Source." The amounts listed under "Revenue Source" are estimated to be available for the project. Each of the amounts listed under "Appropriation" is hereby appropriated for the project in its row. In case of conflict, the dollar amounts listed in the "Appropriation" and "Revenue" columns control over the dollar amounts shown in the "Summary" section of this ordinance.

Section 4. This Capital Improvement Projects Ordinance is adopted pursuant to G.S. Section 159-13.2 in the Local Government Budget and Fiscal Control Act.

Section 5. Any other ordinances that conflict with this ordinance are hereby repealed to the extent of the conflict.

Section 6. Within five days after adoption, the City Clerk shall file a copy of this ordinance with the Director of Finance and the Budget Director.

Section 7. This ordinance shall be in full force and effect from and after its passage.

**APPROVED BY
CITY COUNCIL**

JUN 18 2018

CITY CLERK



CITY OF DURHAM
WATER AND WASTEWATER CAPITAL IMPROVEMENTS PROJECT ORDINANCE
FISCAL YEAR 2018-19

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM, that the following capital projects are authorized:

SUMMARY			
Water	\$	289,398,931	
Wastewater		394,455,487	
TOTAL	\$	683,854,418	

Section 1. Description of Projects

(a) Water

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Asbestos Cement Line Replacement P0100	Appropriation from Fund Balance Water and Sewer Operating Fund Revenue Bonds	750,000 231,039 18,961 500,000	
2	Brown Water Treatment Plant Expansion and Rehabilitation P0200	Revenue Bonds Capital Facilities Fees General Obligation Bonds (2005)	13,577,957 3,065,563 9,512,394 1,000,000	
3	Downtown East-West Reinforcing Main P0420	Water and Sewer Operating Fund	7,700,000	7,700,000
4	Jordan Lake Water Treatment Plant P0610	Appropriation from Fund Balance Future Revenue Bonds Revenue Bonds Water and Sewer Operating Fund	6,088,149 389,364 2,048,085 103,948 3,546,752	
5	Lake Michie and Little River Rehabilitation P0500	Water and Sewer Operating Fund	11,546,238	11,546,238
6	Southeast Distribution System Expansion P0B08	Appropriation from Fund Balance Water and Sewer Operating Fund Revenue Bonds	7,162,000 466,674 6,532,383 162,943	
7	Teer Quarry Water Supply Phase II P0800	Future Revenue Bonds Capital Facilities Fees Revenue Bonds	15,016,950 10,792,864 4,024,086 200,000	
8	Two-Inch Water Main Replacement P0900	Appropriation from Fund Balance Water and Sewer Operating Fund Revenue Bonds	1,988,000 300,000 458,000 1,230,000	
9	Water Distribution System Rehabilitation P0B01	Appropriation from Fund Balance Water and Sewer Operating Fund Distributed Interest Future Revenue Bonds Miscellaneous Operating Revenue Revenue Bonds Transfer from Solid Waste Fund Transfer from Ball Park Fund General Obligation Bonds (2005)	68,953,070 616,167 35,114,017 114,137 25,917,355 240,864 42,653 3,410,211 2,420,886 1,076,780	

10	Water Facilities Rehabilitation		52,609,352
	P0B09		
	Grants - EPA 2016		562,875
	Appropriation from Fund Balance		12,826
	Capital Facilities Fees		9,393,224
	Distributed Interest		607,337
	Transfer from Reserves		33,893
	Future Revenue Bonds		4,500,000
	Revenue Bonds (2009)		3,982,648
	Investment Income		21,149
	Water and Sewer Operating Fund		33,495,400
11	Water - Future Supply/Source Protection		8,873,721
	P0B03		
	Future Revenue Bonds		3,123,757
	Water and Sewer Operating Fund		3,934,801
	Appropriation from Fund Balance		1,182,230
	Distributed Interest		287,851
	Revenue Bonds		345,082
12	Water Lines Extensions & Improvements		8,126,834
	P0A00		
	Future Revenue Bonds		6,020,832
	Capital Facilities Fees - Farrington		124,672
	Sale of Land		500
	Water and Sewer Operating Fund		1,793,575
	Loans		115,489
	Revenue Bonds		52,520
	General Obligation Bonds (2005)		19,246
13	Water Regulatory Improvements		35,268,000
	P0B06		
	Appropriation from Fund Balance		1,146,115
	Revenue Bonds (2009)		564,395
	Water and Sewer Operating Fund		33,557,490
14	Water Residuals Handling		45,550,000
	P0B10		
	Water and Sewer Operating Fund		30,105,700
	Water and Sewer Construction Fund		2,000
	Investment Income		492,596
	Future Revenue Bonds		14,949,704
15	Water & Sewer Fleet Vehicles		911,502
	S4117	Fleet 2017 Pay-As-You-Go	911,502
16	Water & Sewer Fleet Vehicles		1,712,056
	S4118	Fleet 2018 Pay-As-You-Go	1,712,056
17	Water & Sewer Fleet Vehicles		3,565,102
	S4119	Fleet 2019 Pay-As-You-Go	3,565,102
	TOTAL		\$ 289,398,931 \$ 289,398,931

(b) Wastewater

Number	Project Title	Revenue Source	Appropriation	Revenue
1	Enhanced Nitrogen Removal		20,821,456	
	P2130	Water and Sewer Operating Fund		7,512,723
		Revenue Bonds		919,246
		Future Revenue Bonds		12,389,487
2	Facility Paving		9,038,665	
	P2110	Water and Sewer Construction Fund		330,000
		Future Revenue Bonds		7,320,000
		Water and Sewer Operating Fund		1,388,665
3	Orange Co. Economic Development Zone Improvements		2,550,000	
	P2650	Water and Sewer Operating Fund		2,550,000
4	Reclaimed Water Systems Phase I & II		8,981,000	
	P2530	Revenue Bonds		48,750
		Water and Sewer Operating Fund		580,250
		Future Revenue Bonds		8,352,000

5	Sewer Collection System Rehabilitation P2800		97,363,204
	Water and Sewer Operating Fund	77,676,539	
	Appropriation from Fund Balance	674,633	
	Distributed Interest	18,379	
	Revenue Bonds	346,258	
	Transfer from Reserves	239,504	
	Future Revenue Bonds	17,954,107	
	General Obligation Bonds (2005)	453,784	
6	Sewer Lines Extensions & Improvements P2600	11,656,521	
	Water and Sewer Construction Fund	3,039,436	
	Transfer from Reserves	390,593	
	Future Revenue Bonds	8,114,571	
	Revenue Bonds	29,596	
	General Obligation Bonds (2005)	82,325	
7	Southeast Regional Lift Station P2840	60,800,000	
	Future Revenue Bonds	58,391,546	
	Souteast Regional Lift Station Fees	2,082,926	
	Water and Sewer Operating Fund	325,528	
8	Wastewater Process Rehabilitation P2510	122,413,641	
	Future Revenue Bonds	95,989,584	
	Revenue Bonds	2,304,564	
	Appropriation from Fund Balance	869,414	
	Distributed Interest	109,889	
	Capital Facilities Fees	7,318,588	
	Water and Sewer Operating Fund	15,198,921	
	Water and Sewer Construction Fund	622,681	
9	Water Mgmt. Facility Expansion P2120	60,831,000	
	Future Revenue Bonds	41,073,452	
	Appropriation from Fund Balance	332,023	
	Water and Sewer Operating Fund	19,425,525	
	TOTAL	\$ 394,455,487	\$ 394,455,487

Section 2. Each project authorized by this ordinance is for the period of July 1, 2018 through June 30, 2019.

Section 3. The City Manager is hereby authorized to undertake each project listed under "Project Title" above within the limitations of the revenues listed as associated with it under "Revenue Source." The amounts listed under "Revenue Source" are estimated to be available for the project. Each of the amounts listed under "Appropriation" is hereby appropriated for the project in its row. In case of conflict, the dollar amounts listed in the "Appropriation" and "Revenue" columns control over the dollar amounts shown in the "Summary" section of this ordinance.

Section 4. This Capital Improvement Projects Ordinance is adopted pursuant to G.S. Section 159-13.2 in the Local Government Budget and Fiscal Control Act.

Section 5. Any other ordinances that conflict with this ordinance are hereby repealed to the extent of the conflict.

Section 6. Within five days after adoption, the City Clerk shall file a copy of this ordinance with the Director of Finance and the Budget Director.

Section 7. This ordinance shall be in full force and effect from and after its passage.

APPROVED BY
CITY COUNCIL

JUN 18 2018


CITY CLERK



CITY OF DURHAM, NORTH CAROLINA

GRANT PROJECT ORDINANCES



Durham – Where Great Things Happen

EMPLOYMENT AND TRAINING FUND

The City of Durham is awarded Employment and Training grants annually from the North Carolina Department of Commerce, Division of Employment and Training. The grants are multi-year grants and are not included in the Employment and Training Department's annual operating budget. Unexpended grant dollars may be carried over to the following year to be used in accordance with the cost categories established by each grant or title.

Prior Year Employment & Training (Workforce Innovation Opportunity Act) Grants:

FY 2016-18 Grants:

PY16-18 WIA ADMINISTRATIVE

Amount of Grant	\$ 150,243
Expenditures	150,243
BALANCE	\$ -

PY16-18 WIA ADULT

Amount of Grant	\$ 419,806
Expenditures	418,005
BALANCE	\$ 1,801

PY16-18 WIA DISLOCATED WORKER

Amount of Grant	\$ 448,757
Expenditures	395,357
BALANCE	\$ 53,400

PY16-18 WIA YOUTH

Amount of Grant	\$ 483,619
Expenditures	483,619
BALANCE	\$ -

ANTICIPATED PY18-20

WIOA Administrative	\$ 163,145
WIOA Adult	515,105
WIOA Dislocated Worker	428,562
WIOA Youth	524,638
Total	\$1,631,450

FY 2017-19 Grants:

PY16-18 WIA ADMINISTRATIVE

Amount of Grant	\$ 182,577
Expenditures	144,811
BALANCE	\$ 37,766

PY16-18 WIA ADULT

Amount of Grant	\$ 532,981
Expenditures	293,318
BALANCE	\$ 239,663

PY16-18 WIA DISLOCATED WORKER

Amount of Grant	\$ 502,982
Expenditures	229,213
BALANCE	\$ 273,769

PY16-18 WIA YOUTH

Amount of Grant	\$ 607,234
Expenditures	277,830
BALANCE	\$ 329,404

**CITY OF DURHAM EMPLOYMENT AND TRAINING 2018-2020 GRANT
PROJECT ORDINANCE FOR FEDERAL GRANT
July 1, 2018– June 30, 2020**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM,
NORTH CAROLINA** that, pursuant to Section 13.2 of Chapter 159 of the General
Statutes of North Carolina, the following grant project ordinance is hereby adopted.

- Section 1. The project authorized is the implementation of Workforce Innovation and Opportunity Act (WIOA) funds as a part of the City of Durham Employment and Training Department Program as approved by the City Council of the City of Durham for the period July 1, 2018 to June 30, 2020.
- Section 2. The City Manager is hereby directed to proceed with the implementation of the project within the terms of the various grant agreements.
- Section 3. The following revenues are anticipated to be available to the City of Durham, North Carolina to complete the project:

Federal Grant	\$1,631,450
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- Section 4. The following amount is appropriated for the project:

WIOA - Administrative	\$163,145
WIOA - Adult	\$515,105
WIOA - Dislocated Worker	\$428,562
WIOA - Youth	\$524,638

Total	\$1,631,450
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- Section 5. A copy of this ordinance shall be furnished within five days after adoption to the Budget Director, to the Finance Director, to the Accounting Manager, and to the City Clerk. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law.

- Section 6. This ordinance shall be in full force and effect from and after its passage.

**APPROVED BY
CITY COUNCIL**

JUN 18 2018

CITY CLERK

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**CITY OF DURHAM EMPLOYMENT TRAINING 2018 - 2019 GRANT PROJECT
ORDINANCE FOR FEDERAL GRANT
July 1, 2018 – June 30, 2019**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM,
NORTH CAROLINA** that, pursuant to Section 13.2 of Chapter 159 of the General
Statutes of North Carolina, the following grant project ordinance is hereby adopted.

Section 1. The project authorized is the implementation of Workforce Innovation and Opportunity Act (WIOA) funds as part of the City of Durham Employment and Training Program as approved by the City Council of the City of Durham for the period July 1, 2018 to June 30, 2019.

Section 2. The City Manager is hereby directed to proceed with the implementation of the project within the terms of the various grant agreements.

Section 3. The following revenues are anticipated to be available to the City of Durham, North Carolina, to complete the project:

Federal Grant	\$29,399.28
---------------	-------------

Section 4. The following amount is appropriated for the project:

WIOA - Infrastructure	\$2,088.28
WIOA - Brochures	\$2,311.00
WIOA – Business Services	\$25,000.00

Total	\$29,399.28
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Section 5. A copy of this ordinance shall be furnished within five days after adoption to the Budget Director, to the Finance Director, to the Accounting Manager, and to the City Clerk. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law.

Section 6. This ordinance shall be in full force and effect from and after its passage.

APPROVED BY
CITY COUNCIL

JUN 18 2018

Scudder
CITY CLERK

**FY2018-19 CITY OF DURHAM AND STATE APPRENTICE PROGRAM GRANT
AUTHORIZATION TO EXECUTE GRANT AGREEMENT**

WHEREAS, the City of Durham anticipates receiving grants by the North Carolina Department of Transportation for Durham's mass transit system; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking for the City of Durham;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

- Section 1. This ordinance is a grant project ordinance authorizing the transit projects for the Durham transit system beginning on June 1, 2018 until all projects are completed.
- Section 2. The City Manager is authorized to execute the grant agreement and other documents that are required or appropriate in order for the City to receive the State Apprentice Program Grant and to undertake the project.
- Section 3. The following revenues are anticipated to be available to the City of Durham to complete the program:
- | | |
|--------------------------------|----------|
| State Apprentice Program Grant | \$29,189 |
|--------------------------------|----------|
- Section 4. The following amount is available to provide the City match for these grants:
- | | |
|----------------------------------------------|---------|
| State Apprentice Program Grant- General Fund | \$6,775 |
|----------------------------------------------|---------|
- Section 5. The following amount is appropriated for the project:
- | | |
|--------------------------------------------------|----------|
| State Apprentice Grant Program Project Ordinance | \$35,964 |
|--------------------------------------------------|----------|
- Section 6. Within five days after the adoption the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, Transportation Director, Assistant Director (Transit), and the Budget and Management Services Director. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law

**APPROVED BY
CITY COUNCIL**

JUN 18 2018

CITY CLERK

D. Currier

**FY2018-19 CITY OF DURHAM AND STATE APPRENTICE PROGRAM GRANT
AUTHORIZATION TO EXECUTE GRANT AGREEMENT**

WHEREAS, the City of Durham anticipates receiving grants by the North Carolina Department of Transportation for Durham's mass transit system; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking for the City of Durham;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

- Section 1. This ordinance is a grant project ordinance authorizing the transit projects for the Durham transit system beginning on June 1, 2018 until all projects are completed.
- Section 2. The City Manager is authorized to execute the grant agreement and other documents that are required or appropriate in order for the City to receive the State Apprentice Program Grant and to undertake the project.
- Section 3. The following revenues are anticipated to be available to the City of Durham to complete the program:
- | | |
|--------------------------------|----------|
| State Apprentice Program Grant | \$29,189 |
|--------------------------------|----------|
- Section 4. The following amount is available to provide the City match for these grants:
- | | |
|----------------------------------------------|---------|
| State Apprentice Program Grant- Transit Fund | \$6,775 |
|----------------------------------------------|---------|
- Section 5. The following amount is appropriated for the project:
- | | |
|--------------------------------------------------|----------|
| State Apprentice Grant Program Project Ordinance | \$35,964 |
|--------------------------------------------------|----------|
- Section 6. Within five days after the adoption the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, Transportation Director, Assistant Director (Transit), and the Budget and Management Services Director. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law

**APPROVED BY
CITY COUNCIL**

JUN 18 2018

CITY CLERK



**FY2017-18 CITY OF DURHAM AND STATE APPRENTICE PROGRAM GRANT
ORDINANCE SUPERSEDES GRANT PROGRAM ORDINANCE #15139
AUTHORIZATION TO EXECUTE GRANT AGREEMENT**

WHEREAS, the City of Durham anticipates receiving grants by the North Carolina Department of Transportation for Durham's mass transit system; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking for the City of Durham;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

Section 1. This ordinance is a grant project ordinance authorizing the transit projects for the Durham transit system beginning on June 1, 2017 until all projects are completed.

Section 2. The City Manager is authorized to execute the grant agreement and other documents that are required or appropriate in order for the City to receive the State Apprentice Program Grant and to undertake the project.

Section 3. The following revenues are anticipated to be available to the City of Durham to complete the program:

State Apprentice Program Grant	\$27,898
--------------------------------	----------

Section 4. The following amount is available to provide the City match for these grants:

State Apprentice Program Grant- Transit Fund	\$4,413
----------------------------------------------	---------

Section 5. The following amount is appropriated for the project:

State Apprentice Grant Program Project Ordinance	\$32,311
--------------------------------------------------	----------

Section 6. Within five days after the adoption the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, Transportation Director, Assistant Director (Transit), and the Budget and Management Services Director. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law

**APPROVED BY
CITY COUNCIL**

JUN 18 2018

CITY CLERK

Sewell

FY 2018-19 TRANSIT PLANNING AND CAPITAL GRANT PROJECT ORDINANCE AND
AUTHORIZATION TO EXECUTE GRANT AGREEMENT

WHEREAS, the City of Durham anticipates receiving grants from the Federal Transit Administration and the North Carolina Department of Transportation for Durham's mass transit system; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking for the City of Durham;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

- Section 1. This ordinance is a grant project ordinance authorizing this transit project for the Durham transit system beginning on July 1, 2018 until the project is completed.
- Section 2. The City Manager is authorized to execute the grant agreements and other documents that are required or appropriate in order for the City to receive the Federal Transit Administration and the North Carolina Department of Transportation Transit planning and capital grant and to undertake the project.

- Section 3. The following revenues are anticipated to be available to the City to complete the project:

FTA Section 9 Planning Grant	\$ 244,986
FTA Section 9 Capital Grant	<u>\$ 3,872,500</u>
TOTAL	\$ 4,117,486

- Section 4. The following amount is available to provide the City match for these grants:

Transit Fund- Section 9 Planning	\$ 61,247
Transit Fund- Section 9 Capital	<u>\$ 968,125</u>
TOTAL	\$ 1,029,372

- Section 5. The following amount is appropriated:

FY2018-19 Transit Planning Grant Project Ordinance	\$ 306,233
FY2018-19 Transit Capital Grant Project Ordinance	<u>\$ 4,840,625</u>
TOTAL	\$ 5,146,858

- Section 6. Within five days after the adoption the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, Transportation Director, Assistant Transportation Director (Transit), and the Budget Director. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law.

APPROVED BY
CITY COUNCIL

JUN 18 2018

CITY CLERK *Schowir*

FY 2016-17 TRANSIT PLANNING AND CAPITAL GRANT PROJECT ORDINANCE
SUPERSEDES GRANT PROJECT ORDINANCE #15198 AND
AUTHORIZATION TO EXECUTE GRANT AGREEMENT

WHEREAS, the City of Durham anticipates receiving grants from the Federal Transit Administration and the North Carolina Department of Transportation for Durham's mass transit system; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking for the City of Durham;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

- Section 1. This ordinance is a grant project ordinance authorizing this transit project for the Durham transit system beginning on July 1, 2016 until the project is completed.
- Section 2. The City Manager is authorized to execute the grant agreements and other documents that are required or appropriate in order for the City to receive the Federal Transit Administration and the North Carolina Department of Transportation Transit planning and capital grant and to undertake the project.
- Section 3. The following revenues are anticipated to be available to the City to complete the project:
- | | |
|------------------------------|---------------------|
| FTA Section 9 Planning Grant | \$ 233,203 |
| FTA Section 9 Capital Grant | <u>\$ 3,745,613</u> |
| TOTAL | \$ 3,978,816 |
- Section 4. The following amount is available to provide the City match for these grants:
- | | |
|----------------------------------|-------------------|
| Transit Fund- Section 9 Planning | \$ 58,301 |
| Transit Fund- Section 9 Capital | <u>\$ 936,403</u> |
| TOTAL | \$ 994,704 |
- Section 5. The following amount is appropriated:
- | | |
|----------------------------------------------------|---------------------|
| FY2016-17 Transit Planning Grant Project Ordinance | \$ 291,504 |
| FY2016-17 Transit Capital Grant Project Ordinance | <u>\$ 4,682,016</u> |
| TOTAL | \$ 4,973,520 |
- Section 6. Within five days after the adoption the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, Transportation Director, Assistant Transportation Director (Transit), and the Budget Director. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law.

APPROVED BY
CITY COUNCIL

JUN 18 2018

[Signature]
CITY CLERK

FY 2017-18 TRANSIT PLANNING AND CAPITAL GRANT PROJECT ORDINANCE
SUPERSEDES GRANT PROJECT ORDINANCE #15199 AND
AUTHORIZATION TO EXECUTE GRANT AGREEMENT

WHEREAS, the City of Durham anticipates receiving grants from the Federal Transit Administration and the North Carolina Department of Transportation for Durham's mass transit system; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking for the City of Durham;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

- Section 1. This ordinance is a grant project ordinance authorizing this transit project for the Durham transit system beginning on July 1, 2017 until the project is completed.
- Section 2. The City Manager is authorized to execute the grant agreements and other documents that are required or appropriate in order for the City to receive the Federal Transit Administration and the North Carolina Department of Transportation Transit planning and capital grant and to undertake the project.
- Section 3. The following revenues are anticipated to be available to the City to complete the project:
- | | |
|------------------------------|---------------------|
| FTA Section 9 Planning Grant | \$ 244,986 |
| FTA Section 9 Capital Grant | <u>\$ 3,872,500</u> |
| TOTAL | \$ 4,117,486 |
- Section 4. The following amount is available to provide the City match for these grants:
- | | |
|----------------------------------|-------------------|
| Transit Fund- Section 9 Planning | \$ 61,247 |
| Transit Fund- Section 9 Capital | <u>\$ 968,125</u> |
| TOTAL | \$ 1,029,372 |
- Section 5. The following amount is appropriated:
- | | |
|----------------------------------------------------|---------------------|
| FY2017-18 Transit Planning Grant Project Ordinance | \$ 306,233 |
| FY2017-18 Transit Capital Grant Project Ordinance | <u>\$ 4,840,625</u> |
| TOTAL | \$ 5,146,858 |
- Section 6. Within five days after the adoption the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, Transportation Director, Assistant Transportation Director (Transit), and the Budget Director. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law.

APPROVED BY
CITY COUNCIL

JUN 18 2018

D. Schuyler
CITY CLERK

Ordinance 15314

**FY 2019 FTA SECTION 5303 METROPOLITAN TRANSIT PLANNING GRANT PROJECT
ORDINANCE AND AUTHORIZATION TO EXECUTE GRANT AGREEMENT**

- WHEREAS, the City of Durham has been awarded a Section 5303 metropolitan transit planning grant by the Federal Transit Administration (FTA) through the North Carolina Department of Transportation for conducting transit planning projects; and
- WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and Desirable undertaking of City staff; and

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

- Section 1. The ordinance is a grant project ordinance concerning the Federal Transit Administration Section 5303 Metropolitan Transit Planning project for the period July 1, 2018 through June 30, 2019 as described in the Unified Planning Work Program for the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, fiscal year 2019, as amended. Funds are for FY 2019 or until funds are expended and /or projects are completed.
- Section 2. The City Manager is authorized to execute the grant agreement and other documents that are required in order for the City to receive the Federal Transit Administration (FTA) and the North Carolina Department of Transportation (NCDOT) Section 5303 metropolitan transit planning and to undertake the project.
- Section 3. The following revenue is anticipated to be available to the City of Durham to Complete the project:
- | | |
|-----------------------------------------------|----------------|
| FTA Section 5303 Grant (passed through NCDOT) | \$ 280,000 |
| NCDOT-PTD Section 5303 Matching Grant | 35,000 |
| City of Durham -GoDurham Matching Grant | 17,850 |
| Town of Chapel Hill Matching Grant | 17,150 |
|
TOTAL |
\$ 350,000 |
- Section 4. The following amount is appropriated for the project:
- | | |
|-------------------------------------------------|----------------|
| City of Durham GoDurham | \$ 178,500 |
| Pass Through Grants (upon appropriate invoice): | |
|
Chapel Hill |
\$ 171,500 |
|
TOTAL |
\$ 350,000 |
- Section 5. The grant match to be provided by the Town of Chapel Hill is reflected in this ordinance.
- Section 6. Within five days after the adoption, the City Clerk shall file a copy of this ordinance with the Budget Director, Director of Finance, Accounting Services Manager and the Transportation Manager. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law.

APPROVED BY
CITY COUNCIL

JUN 18 2018

CITY CLERK
D. Sawyer

**CITY OF DURHAM AND NORTH CAROLINA DEPARTMENT OF TRANSPORTATION SECTION
104(f) AND SECTION 133(b)(3)(7) TRANSPORTATION PLANNING GRANT PROJECT ORDINANCE –
FY 2019 AND AUTHORIZATION TO EXECUTE GRANT AGREEMENT**

WHEREAS, the City of Durham has been awarded a grant by the Federal Highway Administration through the North Carolina Department of Transportation for conducting a transportation planning project; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and Desirable undertaking of City staff; and

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

Section 1. The ordinance is a grant project ordinance concerning a transportation planning Project for the period July 1, 2018 through June 30, 2019 as described in the Unified Planning Work Program for the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization, fiscal year 2019, as amended. Funds are for FY 2019 or until funds are expended.

Section 2. The City Manager is authorized to undertake the project within the terms of the “Disbursement and Accounting of Urban Transportation Planning Funds Appropriated Under Section 104(f), Title 23 United States Code” and the “Disbursement and Accounting of Transportation Funds Appropriated Under Section 133(b)(3)(7), Title 23 United States Code” agreements with the North Carolina Department of Transportation.

Section 3. The following revenue is anticipated to be available to the City of Durham to Complete the project:

Federal Transportation Planning Grant (passed	
Through the State)	\$1,972,813
City of Durham Matching Grant	306,780
Town of Carrboro Matching Grant	18,966
Town of Chapel Hill Matching Grant	58,458
Orange County Matching Grant	23,121
Triangle-J COG Match	16,250
GoTriangle Match	18,621
Durham County Match	37,320
Chatham County Match	9,573
Hillsborough	4,115
TOTAL	\$2,466,017

Section 4. The following amount is appropriated for the project:

City of Durham NCDOT Planning Grant Project	\$2,257,293
Pass Through Grants (upon appropriate invoice):	
Carrboro	28,639
Chapel Hill	98,835
Orange County	0
Triangle-J COG	81,250
GoTriangle	0
Durham Co.	0
Chatham Co	0
Hillsborough	0
TOTAL	\$2,466,017

Section 5. The grant matches to be provided by the Town of Chapel Hill, the Town of Carrboro, Orange County, Triangle-J COG, Hillsborough, Durham County, Chatham County and GoTriangle are reflected in this ordinance.

Section 6. Within five days after the adoption, the City Clerk shall file a copy of this ordinance with the Budget Director, Director of Finance, Accounting Services Manager and the Transportation Planning Manager. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law.

**APPROVED BY
CITY COUNCIL**

JUN 18 2018

CITY CLERK

Schulz

Ordinance 15316

FFY-2017 & FFY-2018 FTA Section 5339 BUS AND BUS FACILITIES GRANT
PROJECT ORDINANCE (GPO) AND AUTHORIZATION TO
EXECUTE GRANT AGREEMENT

WHEREAS, the City of Durham has been awarded a Section 5339 Bus and Bus Facilities grant by the Federal Transit Administration (FTA) for capital funding to replace, rehabilitate and purchase bus and related equipment and to construct bus-related facilities projects; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking of City staff; and

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

Section 1 The ordinance is a grant project ordinance concerning the Federal Transit Administration Section 5339 Bus and Bus Facilities funding for the federal fiscal year 2017 and 2018 (FFY-2017 and FFY2018) project beginning July 1, 2017 as described in the federal Registrar and the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHCMPO) Split Letter to FTA. Funds are valid until completion of the grant project or until funds are expended and /or projects are completed.

Section 2 The City Manager is authorized to execute the grant agreement and other documents that are required or appropriate in order for the City to receive the Federal Transit Administration (FTA) Section 5339 bus and bus facilities funds for approved projects and to undertake the project. The 5339 grant funding will be used in conjunction with financing allocated within the state/federal match budget of the Transportation Department.

Section 3. The following revenues are anticipated to be available to the City to complete the project:

FTA Section 5339 Grant	\$ 989,238
NCDOT Section 5339 Grant	\$ 123,655
TOTAL	\$1,112,893

Section 4. The following amount is available to provide the City match for these grants:

Transit Fund	\$ 123,655
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Section 5. The following amount is appropriated:

Section 5339 Grant Project Ordinance	\$1,236,548
--------------------------------------	-------------

Section 6. Within five days after the adoption the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, Transportation Director, Assistant Transportation Director (Transit), and the Budget Director. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law.

APPROVED BY
CITY COUNCIL

JUN 18 2018

CITY CLERK

**FY2018-19 CITY OF DURHAM AND STATE TECHNOLOGY GRANT
AUTHORIZATION TO EXECUTE GRANT AGREEMENT**

WHEREAS, the City of Durham anticipates receiving a grant from the North Carolina Department of Transportation for Durham's mass transit system; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking for the City of Durham;

**NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE
CITY COUNCIL OF THE CITY OF DURHAM that:**

- Section 1. This ordinance is a grant project ordinance authorizing the transit projects for the Durham transit system beginning on July 1, 2018 until all projects are completed,
- Section 2. The City Manager is authorized to execute the grant agreement and other documents that are required or appropriate in order for the City to receive the State Technology Grant and to undertake the project.
- Section 3. The following revenues are anticipated to be available to the City of Durham to complete the project:
- | | |
|------------------------|------------|
| State Technology Grant | \$ 258,300 |
|------------------------|------------|
- Section 4. The following amount is available to provide the City match for this grant:
- | | |
|-----------------------------------|-----------|
| State Technology Grant City Match | \$ 28,700 |
|-----------------------------------|-----------|
- Section 5. The following amount is appropriated for the project:
- | | |
|------------------------------------------|------------|
| State Technology Grant Project Ordinance | \$ 287,000 |
|------------------------------------------|------------|
- Section 6. Within five days after the adoption the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, Transportation Director, Assistant Director (Transit), and the Budget and Management Services Director.

**APPROVED BY
CITY COUNCIL**

JUN 18 2018

CITY CLERK



**FY2018-19 CITY OF DURHAM AND TRIANGLE J COUNCIL OF GOVERNMENTS –
TRANSPORTATION DEMAND MANAGEMENT (TDM) PROGRAM GRANT
AUTHORIZATION TO EXECUTE GRANT AGREEMENT**

WHEREAS, the City of Durham anticipates receiving grants by the Triangle J Council of Governments for Durham's multi-modal system; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking for the City of Durham;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

- Section 1. This ordinance is a grant project ordinance authorizing a transportation demand management program for Durham's multi-modal system beginning on June 1, 2018 until program is completed.
- Section 2. The City Manager is authorized to execute the grant agreement and other documents that are required or appropriate in order for the City to receive the Triangle J Council of Governments – Transportation Demand Management Program Grant and to undertake the program.
- Section 3. The following revenues are anticipated to be available to the City of Durham to complete the program:

Triangle J Council of Governments – TDM Program Grant	\$25,000
\$29,189	

- Section 4. The following amount is available to provide the City match for these grants:

Parking Fund	\$25,000
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- Section 5. The following amount is appropriated for the project:

TDM Program Project Ordinance	\$50,000
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- Section 6. Within five days after the adoption the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, Transportation Director, Assistant Director (Transit), Parking Administrator, and the Budget and Management Services Director. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law

APPROVED BY
CITY COUNCIL

JUN 18 2018

CITY CLERK



**DURHAM AND ORANGE COUNTY TRANSIT PLANS – STAFF WORKING GROUP
ADMINISTRATOR GRANT FY2019 – GRANT PROJECT ORDINANCE**

WHEREAS, on August 21, 2017, the City Council authorized the City Manager to establish a full-time position with the DCHC MPO for the purposes of transit planning and administering the County transit plans; and

WHEREAS, the Durham and Orange County Transit Plans, adopted in April 2017, create a Staff Working Group (SWG) and fund an administrator to provide services to support the SWGs; and

WHEREAS, the City of Durham (Durham Chapel-Hill Carrboro Metropolitan Planning Organization) has been awarded a grant through the Durham and Orange County Transit Plans for administering the Staff Working Group; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and Desirable undertaking of City staff; and

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

Section 1. The ordinance is a grant project ordinance concerning a position within the Durham Chapel-Hill Carrboro Metropolitan Planning Organization to administer the Staff Working Group of the Durham and Orange County transit plans. All invoices must be submitted to GoTriangle for reimbursement through the County transit plan tax district.

Section 2. The City Manager is authorized to execute the grant agreement and other documents that are required or appropriated in order for the City to receive the County Transit Plans Staff Work Group Administrator Grant.

Section 3. The following revenue is anticipated to be available to the City of Durham to complete the project:

Durham and Orange County Transit Plan Grant (passed through GoTriangle)	\$53,700
TOTAL	\$53,700

Section 4. The following amount is appropriated for the project:

County Transit Plans Staff Work Group Administrator Grant	\$53,700
TOTAL	\$53,700

Section 5. Within five days after the adoption, the City Clerk shall file a copy of this ordinance with the Budget Director, Director of Finance, Accounting Services Manager and the Transportation Planning Manager. A copy of this ordinance shall be filed in the office of the City Clerk and shall be available for public inspection as provided by law.

APPROVED BY
CITY COUNCIL
JUN 18 2018
[Signature]
CITY CLERK

**DURHAM POLICE DEPARTMENT
NEW ORDINANCES FOR FY 2018/2019:**

**THE U.S. DEPARTMENT OF JUSTICE, FY 2018/2019 FEDERAL ASSET
FORFEITURE GRANT FUNDS - \$565,000**

Every year, the Police Department equitably shares in cash received from federal asset forfeitures and we set up an ordinance each year to receive the expected revenues. The federal asset forfeiture revenue and all accrued interest must be used for law enforcement purposes only, to supplement, and not supplant, the Police Department's existing resources.

**THE STATE OF NORTH CAROLINA FY 2018/2019 CONTROLLED
SUBSTANCE ABUSE GRANT FUNDS - \$200,000**

Every year, the Police Department equitably shares in cash received from North Carolina controlled substances excise tax assessments, also called Tax Stamp Funds, and we set up a new ordinance each year to receive the expected revenues. The controlled substance excise tax assessment revenue and all accrued interest must be used to enhance the ability of law enforcement agencies to deter and investigate crimes, especially drug offenses, and must supplement, and not supplant, the Police Department's existing resources.

**THE FEDERAL GOVERNMENT, 2018 FEDERAL TASK TEAM INITIATIVES
GRANT FUNDS - \$125,000**

The City of Durham has entered into an agreement with the Federal Government, to provide experienced City of Durham Investigators to assist the Bureau of Alcohol, Tobacco and Firearms, the Drug Enforcement Agency, the FBI and Organized Crime Drug Enforcement Task Force. The government agreed to reimburse the City for overtime wages for specific investigators and the City's cost will be a match in the form of benefits provided for these wages.

**THE UNITED STATES MARSHALS SERVICE, 2019 FUGITIVE
APPREHENSION TASK FORCE AGREEMENT GRANT FUNDS - \$18,638**

The City of Durham, through the Durham Police Department, has been awarded funding through The Presidential Threat Protection Act of 2000 that provides, "the Attorney General shall, upon consultation with appropriate Department of Justice and Department of the Treasury law enforcement components, establish permanent Fugitive Apprehension Task Forces consisting of Federal, State, and local law enforcement authorities in designated regions of the United States, to be directed and coordinated by the US Marshals Service, for the purpose of locating and apprehending fugitives." The government agrees to reimburse the City for overtime wages for specific investigators and the City's cost will be a match in the form of benefits provided for these wages.

**THE U.S. DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS,
BUREAU OF JUSTICE ASSISTANCE 2018 JUSTICE ASSISTANCE GRANT -
\$80,130**

The City of Durham, through the Durham Police Department, has been awarded funding from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance (USDOJ/OJP/BJA) for the Justice Assistance Grant (JAG). The grant has been made available to be split evenly between the City of Durham and to the County of Durham where as the County of Durham has agreed to be designated as the applicant/fiscal agent. The grant award must be used for the purpose of reducing crime and improving public safety and must supplement, and not supplant, existing resources.

**THE CITY OF DURHAM AND THE U.S. DEPARTMENT OF JUSTICE
PROGRAMS, 2018 HIGH INTENSITY DRUG TRAFFICKING AREA (HIDTA)
GRANT FUNDS - \$306,989**

The City of Durham, through the Durham Police Department, has been awarded funding from the Executive Office of the President, Office of National Drug Control Policy for the 2018 High Intensity Drug Trafficking Area (HIDTA) Program. The grant award must be used to support initiatives designed to implement the Strategy proposed by the Executive Board of the Atlanta High Intensity Drug Trafficking Area (HIDTA) and approved by the Office of National Drug Control Policy (ONDCP). The HIDTA program enhances and helps to coordinate drug trafficking control efforts among federal, state, and local law enforcement agencies. HIDTA works to complement and support federal, state, and local law enforcement agencies collaborating to fight drug traffic. HIDTA funding supports this joint effort between local law enforcement agencies.

**THE U.S. DEPARTMENT OF JUSTICE, U.S. MARSHALL'S OFFICE, FY 2018/2019
FEDERAL ASSET FORFEITURE FUNDS GRANT PROJECT ORDINANCE**

WHEREAS, the City of Durham, through the Durham Police Department, has and will continue to equitably share in cash received from the U.S. Department of Justice, U.S. Marshall's Office, Federal Asset Forfeiture program; and

WHEREAS, such funds and accrued interest from the funds must be used for law enforcement purposes only and must supplement, and not supplant, existing resources; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

Section 1. The project described in "A Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies" (April 2009) is hereby authorized to be undertaken until all project activity is completed.

Section 2. The City Manager is authorized to execute the grant agreement and other documents that are required or appropriate in order for the City to receive U.S. Department of Justice, U.S. Marshall's Office, Federal Asset Forfeiture funds.

Section 3. The following revenues are anticipated to be available to the City of Durham to complete this project:

U.S. Department of Justice, U.S. Marshall's Office, FY 2018/2019 Federal Asset Forfeiture Program	\$550,000
Interest Income	<u>15,000</u>
Total	\$565,000

Section 4. The following amounts are appropriated for this project:

FY 2018/2019 Federal Asset Forfeiture Funds Grant \$565,000

Section 5. Within five (5) days after this ordinance is adopted, the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, and the Budget Director.

APPROVED BY
CITY COUNCIL

JUN 18 2018

[Signature]
CITY CLERK

**THE STATE OF NORTH CAROLINA, DEPARTMENT OF JUSTICE,
DEPARTMENT OF REVENUE, FY 2018/2019 CONTROLLED SUBSTANCE ABUSE
FUNDS GRANT PROJECT ORDINANCE**

WHEREAS, the City of Durham, through the Durham Police Department, has and will continue to equitably share in cash received from the state controlled substances excise tax, as determined under the State of North Carolina, Department of Justice, Department of Revenue, Controlled Substance Abuse Funds Program; and

WHEREAS, such funds and accrued interest from the funds must be used to enhance the ability of law enforcement agencies to deter and investigate crimes, especially drug offenses, and must supplement, and not supplant, existing resources; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

Section 1. The project described in N.C.G.S. 105-113.111 (b), State Controlled Substance Excise Tax Assessments, is hereby authorized to be undertaken until all project activity is completed.

Section 2. The City Manager is authorized to execute the grant agreement and other documents that are required or appropriate in order for the City to receive the N.C. State Controlled Substance Excise Tax Assessments funds.

Section 3. The following revenues are anticipated to be available to the City of Durham to complete this project:

N.C. State Controlled Substance Excise Tax Assessments Funds FY 2018/2019	\$195,000
Interest Income	<u>5,000</u>
Total	\$200,000

Section 4. The following amount is appropriated for this project:

FY 2018/2019 Controlled Substance Abuse Funds Grant	\$200,000
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Section 5. Within five (5) days after this ordinance is adopted, the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, and the Budget Director.

**APPROVED BY
CITY COUNCIL**

JUN 18 2018

D. Cleary
CITY CLERK

2018 FEDERAL TASK TEAM INITIATIVES GRANT PROJECT ORDINANCE

WHEREAS, the City of Durham has agreed to provide experienced City of Durham Police Department Investigators for specified task teams; and

WHEREAS, the Federal Government will reimburse the City of Durham for approved overtime costs for Investigators assigned to specific investigations; and

WHEREAS, funds received will be used to reimburse the City of Durham's overtime accounts; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

Section 1. The grant project is the participation of the City of Durham in Federal Task Team Initiatives and is hereby authorized to be undertaken during the grant period of October 1, 2018 through September 30, 2019 or until all funds are expended.

Section 2. The City Manager is authorized to execute the grant agreement and other documents that are required or appropriate in order for the City to receive the Federal Government grant and to undertake the project.

Section 3. The following revenues are anticipated to be available to the City of Durham to complete this project:

Federal Government	\$100,000
Local Match (Police General Funds Budget)	<u>25,000</u>
Total	\$125,000

Section 4. The following amount is appropriated for this project:

2018 Federal Task Team Initiatives	\$125,000
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Section 5. Within five (5) days after this ordinance is adopted, the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, and the Budget Director.

APPROVED BY
CITY COUNCIL

JUN 18 2018


CITY CLERK

**THE UNITED STATES MARSHALS SERVICE, 2019 FUGITIVE APPREHENSION
TASK FORCE AGREEMENT PROJECT ORDINANCE**

WHEREAS, the City of Durham, through the Durham Police Department, has been given a memorandum of understanding from the US Marshals Service (USMS). The agreement has been made available to the City of Durham under the 2019 Fugitive Apprehension Task Force Program in the amount of \$18,638; and

WHEREAS, the funds must be used in direct support of overtime activities involving the USMS fugitive apprehension task forces and approved by the USMS Supervisory Deputy, Chief Deputy, or US Marshal; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

Section 1. The project described in the US Marshals Service MOU is hereby authorized to be undertaken during the period of October 1, 2018 through September 30, 2019 or until all funds are expended.

Section 2. The City Manager is authorized to execute the agreement and other documents that are required or appropriate in order for the City to receive the 2018 Fugitive Apprehension Task Force Agreement and to undertake the project.

Section 3. The following revenues are anticipated to be available to the City of Durham to complete this project:

US Marshals Service 2019 Fugitive Apprehension Task Force \$18,638

Section 4. The following amount is appropriated for this project to be expended in the following manner:

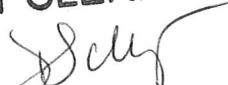
FY 2019 Fugitive Apprehension Task Force Agreement	\$15,000
Local Match (Police Department's General Fund)	<u>3,638</u>
Total Grant Amount	\$18,638

Section 5. Within five (5) days after this ordinance is adopted, the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, and the Budget Director.

APPROVED BY
CITY COUNCIL

JUN 18 2018

CITY CLERK



**THE U.S. DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS, BUREAU
OF JUSTICE ASSISTANCE, 2018 LOCAL SOLICITATION EDWARD BYRNE
MEMORIAL JUSTICE ASSISTANCE GRANT (JAG) PROJECT ORDINANCE**

WHEREAS, the City of Durham, through the Durham Police Department, has been awarded a grant from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance (USDOJ/OJP/BJA). The grant has been made available to the City of Durham and to the County of Durham jointly, under the 2018 Local Solicitation Edward Byrne Memorial Justice Assistance Grant (JAG) Program in the amount of \$160,260; and

WHEREAS, the Council has authorized the City Manager to execute an inter-local agreement between the County of Durham and the City of Durham to submit a joint application for the aggregate of funds allocated to Durham county and for the City to receive \$80,130.00 of the awarded JAG funds for purposes identified in the joint application; and

WHEREAS, the County of Durham has agreed to be designated as the applicant/fiscal agent and thus, all JAG fund \$80,130.00 of the awarded JAG funds to the City of Durham; and

WHEREAS, the grant award and all accrued interest must be used for the purpose of reducing crime and improving public safety and must supplement, and not supplant, existing resources; and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

- Section 1. The project described in the US/DOJ/BJA Local Solicitation JAG grant application is hereby authorized to be undertaken during the grant period of October 1, 2018 through September 30, 2021 or until all funds are expended.
- Section 2. The City Manager is authorized to execute the grant agreement and other documents that are required or appropriate in order for the City to receive the US/DOJ/BJA Local Solicitation JAG and to undertake the project.
- Section 3. The following revenues are anticipated to be available to the City of Durham to complete this project:

US/DOJ/BJA Local Solicitation JAG	\$80,130.00
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- Section 4. The following amount is appropriated for this project to be expended in the following manner:

2018 US/DOJ/BJA Local Solicitation JAG Grant \$80,130.00

Section 5. Within five (5) days after this ordinance is adopted, the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, and the Budget Director.

APPROVED BY
CITY COUNCIL

JUN 18 2018

CITY CLERK



**THE EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF NATIONAL DRUG
CONTROL POLICY, 2018 HIGH INTENSITY DRUG TRAFFICKING AREAS (HIDTA)
GRANT PROJECT ORDINANCE**

WHEREAS, the City of Durham, through the Durham Police Department, has been awarded a grant from the Executive Office of the President, Office of National Drug Control Policy. The grant has been made available to the City of Durham under the 2018 High Intensity Drug Trafficking Areas (HIDTA) Program in the amount of \$306,989; and

WHEREAS, the grant funds must be used to support initiatives designed to implement the Strategy proposed by the Executive Board of the Atlanta High Intensity Drug Trafficking Area (HIDTA) and approved by the Office of National Drug Control Policy (ONDCP); and

WHEREAS, the City Council of the City of Durham deems this activity to be a worthy and desirable undertaking;

NOW, THEREFORE, PURSUANT TO N.C.G.S. 159-13.2, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

Section 1. The project described in the ONDCP grant application is hereby authorized to be undertaken during the grant period of January 1, 2018 through December 31, 2019 or until all funds are expended.

Section 2. The City Manager is authorized to execute the grant agreement and other documents that are required or appropriate in order for the City to receive the ONDCP HIDTA Grant and to undertake the project.

Section 3. The following revenues are anticipated to be available to the City of Durham to complete this project:

ONDCP HIDTA	\$296,376
Local Match (Police General Funds)	<u>10,613</u>
Total Grant Amount	\$306,989

Section 4. The following amount is appropriated for this project to be expended in the following manner:

FY 2018 ONDCP HIDTA	\$306,989
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Section 5. Within five (5) days after this ordinance is adopted, the City Clerk shall file a copy of this ordinance with the Finance Director, Accounting Services Manager, and the Budget Director.

APPROVED BY
CITY COUNCIL
JUN 18 2018

[Signature]
CITY CLERK

Annual Budget Development Process

The City of Durham's annual budget development process is the framework for communicating major financial operational objectives and for allocating resources to achieve those objectives. This process is a complex undertaking involving the entire government. The process begins in October and ends in June. By state law, the City must adopt an annual budget ordinance by June 30 of each year. Coordination of the process is essential to the development of the budget. To achieve coordination, a calendar of activities is summarized on this page.

Once the budget is approved, the focus of the budget becomes control. Ongoing monitoring of expenditures and revenues throughout the year is a responsibility shared by department directors and the Budget Department. The Accounting Services Division ensures that changes are correctly entered and payments are appropriate.

The Budget and Management Services Department reviews all requests from departments to make sure that sufficient appropriations have been budgeted. All funds are reviewed on a regular basis, and a budget report is submitted to the City Manager monthly and to City Council on a quarterly basis.

The City Manager has the authority to transfer budgeted amounts between departments within any fund. However, transfers between funds, or additions or deletions require a budget amendment. To amend the budget, a revised budget ordinance must be approved by the City Council.

January <ul style="list-style-type: none">◆ Budget kick-off. City Manager and Budget Director present financial and operational objectives.◆ Public input on budget sought through engagement activities; "Community Conversations" held in combination with County and Public Schools.	February <ul style="list-style-type: none">◆ Department budgets submitted to Budget office.◆ City Council retreat to discuss financial projections.◆ Coffees with Council continue.◆ City Council retreat to discuss vision and service issues.	March <ul style="list-style-type: none">◆ First formal public hearing conducted at a regular City Council meeting.◆ Budget office prepares revenue projections.
April <ul style="list-style-type: none">◆ Departments present budgets to the City Manager.◆ Balance expenditure requests with revenue estimates.	May <ul style="list-style-type: none">◆ Preliminary Budget and Capital Improvement Plan prepared and formally transmitted to City Council.◆ City Council conducts work sessions on proposed budget.	June <ul style="list-style-type: none">◆ Second Public Hearing is held in accordance with state law.◆ The City Council adopts the budget. State law requires it to be adopted by June 30.
July <ul style="list-style-type: none">◆ New fiscal year begins. Budget becomes control instrument for all expenditures.◆ Budget is available online for review by public.	August <ul style="list-style-type: none">◆ Ongoing monitoring of expenditures and revenues throughout the year is a responsibility shared by Department Directors, Budget and Finance.	September <ul style="list-style-type: none">◆ Annual audit of prior year expenditures is conducted and Comprehensive Annual Financial Report (CAFR) is published.
October <ul style="list-style-type: none">◆ Management Team discusses and develops overall budget goals for next fiscal year.	November <ul style="list-style-type: none">◆ Appropriation transfers and budget amendments are reviewed and processed throughout the year, as necessary.	December <ul style="list-style-type: none">◆ Budget manual is developed, and departments are trained in use of budget development software.◆ Departments have Budget Pre-Meetings with the City Manager.

2018-19 CITY OF DURHAM BUDGET ORDINANCE

WHEREAS, the budget estimate for fiscal year 2018-19 for the City of Durham, North Carolina was submitted to the City Council on May 21, 2018 by the City Manager (Budget Officer) and filed in the Office of the City Clerk; and has continuously been made available for public inspection; and a copy of same has been made available to all news media in Durham County; and a statement has been published in the Durham Herald-Sun on May 23, 2018 and May 27, 2018, stating that the budget estimate will be presented to the City Council, a copy of same is on file in the Office of the City Clerk, and the City would hold a public hearing on June 4, 2018 at which time any persons who wish to comment on the budget may appear; and the budget estimate for fiscal year 2018-19 for the City of Durham, North Carolina, was submitted to the City Council and filed in the Office of the City Clerk at least ten (10) days prior to the adoption of this ordinance; and

WHEREAS, on June 4, 2018, the City Council of the City of Durham, North Carolina held a public hearing at which time any persons who wished to comment on the budget could appear; now therefore, pursuant to North Carolina General Statute 159-13,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM:

- Section 1. That for the purpose of financing the City of Durham, North Carolina for the fiscal year 2018-19 beginning July 1, 2018 and ending June 30, 2019, the amounts included in Attachment 1 are appropriated from the taxes and other revenues collectible for the use of the various departments and subdivisions of the City, and for the payment of its bonded indebtedness.
- Section 2. Appropriations made for purposes other than those authorized by North Carolina General Statute 160A-209 are hereby made and authorized from revenues derived by sources other than the levy of property taxes.
- Section 3. It is estimated that the revenues sources included in Attachment 2 will be available during the fiscal year 2018-19 beginning July 1, 2018 and ending June 30, 2019 to meet the appropriations included in Attachment 1.
- Section 4. The following tax rates are hereby levied on each one hundred dollars (\$100) valuation of taxable real and personal property within the corporate limits of the City of Durham, North Carolina as listed on the first day of January, 2018, for the purpose of raising revenue to defray expenses for the proper governance of the City for fiscal year 2018-19 (as shown in the Revenue Section of this Ordinance as General Property Taxes):

2018-19 CITY OF DURHAM BUDGET ORDINANCE, CONTINUED

General Fund Operations	\$0.3329
Debt	\$0.1272
Solid Waste	\$0.0629
Transit Operations	\$0.0356
Dedicated Housing Funding	\$0.0200

Total Rate per \$100 Valuation of Taxable Property \$0.5786

- Section 5. The following tax rate is hereby levied on each one hundred dollars (\$100) valuation of taxable real and personal property within the established boundaries of the Municipal Service District (commonly referred to as the Business Improvement District) of the City of Durham, North Carolina as listed on the first day of January, 2018, for the purpose of raising revenue to fund downtown service enhancements for fiscal year 2018-19. This is shown in the Revenue Section of this Ordinance under the Business Improvement District Fund as General Property Taxes:

**Business Improvement District
Rate per \$100 Valuation of Taxable Property \$0.0700**

Section 6. That the taxes hereby levied shall be due and collectible on September 1, 2018.

Section 7. That any operating funds encumbered on the financial records as of June 30, 2018 are hereby re-appropriated to the FY 2018-19 budget.

Section 8. A copy of this ordinance shall be furnished to the Finance Director (as Finance Officer) to be kept on file in his office for his direction in the disbursement of City funds, and to the Director of Budget and Management Services.

Section 9. This ordinance shall be in full force and effect from and after its passage.

**2018-19 City of Durham Budget Ordinance
Appropriations**

General Fund	\$	201,635,652
Emergency Telephone System Fund		1,883,848
Business Improvement District Fund		1,026,064
Inspection Fund		7,642,077
Dedicated Housing Fund		13,315,400
Debt Service Fund		40,041,090
Impact Fee Fund		4,955,353
Water and Sewer Fund		157,757,430
Transit Fund		22,776,812
Solid Waste Disposal Fund		26,344,003
Storm Water Fund		19,898,870
Ballpark Fund		1,403,498
Parking Facilities Fund		7,917,042
Durham Performing Arts Center Fund		4,339,047
Total	\$	510,936,186

2018-19 City of Durham Budget Ordinance
Revenues

General Fund

General Property Taxes	\$ 98,310,069
Other Local Taxes	70,141,404
Licenses and Permits	348,000
State-Shared Revenues	11,851,475
Intragovernmental Revenue	6,694,530
Charges for Current Services	8,930,425
Investment and Rental Income	116,661
Other Revenue	844,050
Appropriation from Fund Balance	4,399,038
Subtotal	\$ 201,635,652

Emergency Telephone System Fund

Other Local Taxes	\$ 1,712,703
Investment and Rental Income	3,000
Appropriation from Fund Balance	168,145
Subtotal	\$ 1,883,848

Business Improvement District Fund

General Property Taxes	\$ 776,064
Transfer from Other Funds	250,000
Subtotal	\$ 1,026,064

Inspection Fund

Licenses and Permits	\$ 7,427,195
Investment and Rental Income	72,682
Charges for Services	142,200
Subtotal	\$ 7,642,077

Dedicated Housing Fund

General Property Taxes	\$ 5,833,917
Other Revenue	15,000
Intergovernmental Transfer	932,047
Appropriation from Fund Balance	6,534,436
Subtotal	\$ 13,315,400

Debt Service Fund

General Property Taxes	37,103,710
Interest	23,000
Other Revenue	576,480
Appropriation from Fund Balance	2,337,900
Subtotal	\$ 40,041,090

Impact Fee Fund

Operating Revenue	\$ 4,955,353
Subtotal	\$ 4,955,353

2018-19 City of Durham Budget Ordinance
Revenues

Water and Sewer Fund

Licenses and Permits	\$ 139,750
Operating Revenue	\$99,894,487
Other Revenue	1,348,000
Investment and Rental Income	767,980
Appropriation From Fund Balance	55,607,213
Subtotal	\$ 157,757,430

Transit Fund

General Property Taxes	\$ 10,384,372
Licenses and Permits	2,750,000
Intergovernmental Revenue	5,964,925
Operating Revenue	2,691,919
Other Revenue	163,727
Appropriation From Fund Balance	821,869
Subtotal	\$ 22,776,812

Solid Waste Disposal Fund

General Property Taxes	\$ 18,347,668
State Shared Revenue	167,322
Operating Revenue	7,728,291
Investment and Rental Income	18,300
Transfer from Other Funds	82,422
Subtotal	\$ 26,344,003

Storm Water Fund

Operating Revenue	\$ 15,660,539
Investment and Rental Income	67,000
Transfer from Other Funds	109,047
Appropriation From Fund Balance	4,062,284
Subtotal	\$ 19,898,870

Ballpark Fund

Operating Revenue	\$ 268,259
Investment and Rental Income	6,667
Transfer From Other Funds	1,072,528
Appropriation From Fund Balance	56,044
Subtotal	\$ 1,403,498

Parking Facilities Fund

Operating Revenue	\$ 5,676,422
Investment and Rental Income	25,000
Transfers from Other Funds	918,176
Appropriation From Fund Balance	1,297,444
Subtotal	\$ 7,917,042

**2018-19 City of Durham Budget Ordinance
Revenues**

Durham Performing Arts Center Fund

Other Local Taxes	\$ 1,400,000
Operating Revenue	1,841,948
Investment and Rental Income	44,599
Other Revenues	1,052,500
Subtotal	<hr/> \$ 4,339,047
Total All Revenues	\$ 510,936,186

**APPROVED BY
CITY COUNCIL**

JUN 18 2018

CITY CLERK



**RESOLUTION ESTABLISHING FY 2018-19 FINANCIAL PLANS
FOR INTERNAL SERVICE FUNDS**

WHEREAS, FY 2018-19 financial plans for the City's Internal Service Funds are submitted to the City Council as required under North Carolina General Statutes 159-13.1, and

WHEREAS, While these internal service funds are not required to be included in the budget ordinance, the City Council must adopt balanced financial plans for each fund, now therefore;

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DURHAM that:

Section 1. The following FY2018-19 financial plan is adopted for the **Risk Reduction Fund**:

Estimated Revenues:

Charges for Current Services	\$ 5,780,754
Investment Income	72,652
Appropriation from Fund Balance	69,135
TOTAL	\$5,922,541

Estimated Expenses:

Personnel	\$ 572,518
Operating	5,212,431
Transfer to Other Funds	137,592
TOTAL	\$5,922,541

Section 2. The following FY2018-19 financial plan is adopted for the **Employee Insurance Fund**:

Estimated Revenues:

Charges for Current Services	\$ 38,086,286
Investment Income	33,000
TOTAL	\$ 38,119,286

Estimated Expenses:

Personnel	\$ 628,518
Operating	35,898,575
Transfer to Fund Balance	1,592,193
TOTAL	\$ 38,119,286

Section 3. The approved financial plans will be entered into the minutes of the governing board upon approval.

Section 4. This resolution is effective July 1, 2018.

APPROVED BY
CITY COUNCIL

JUN 18 2018

CITY CLERK
Dewey

NOTICE OF PROPOSED FEES

The following proposed fee changes will be on the agenda for these meetings: Work Session, which begins at 1:00 PM on Thursday May 24, 2018; and Monday night meeting, which begins at 7:00 PM on June 4, 2018. Both meetings will be in the Durham City Hall, 101 City Hall Plaza, Durham, NC 27701.

ORDINANCE REVISING BUILDING PERMIT FEES

WHEREAS, the Inspections Department issues building permits pursuant to State law and Durham City Code 10-48; and

WHEREAS, recent changes in State law require that the Inspections Department issue some new types of permits; and

WHEREAS, the following fees need to be updated or added so that the City can recover its costs in administering its building permitting and inspections program.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM THAT:

SECTION 1. Chapter 4 of the City of Durham's Fee Schedule is revised as follows,

Chapter 4 - Primary implementing department: City-County Inspections
Part 4-101 (Building fees)

Pursuant to city code section 10-50(a), the following schedule of fees applies to permits required by city code section 10-48:

All building plan reviews will require a plan review fee at the time of building plan application submittal. The amount of the plan review fee will be subtracted from the cost of the building permit fee at the time of permit issuance. If the building permit application exceeds six months with no activity, the building permit application will be voided, and the plan review fee will not be refunded.

Schedule A.

New residential Dwellings (One-and Two-Family, Including Townhouse Unit Ownership):

	<u>Building Permit Fee</u>	<u>Plan Review Fee</u>
Up to 1200 sq. ft. (gross area)	\$ 146.00	<u>\$146.00</u>
1201 to 1800 sq. ft.	325.00	<u>146.00</u>
1801 to 2400 sq. ft.	400.00	<u>146.00</u>
2401 to 3000 sq. ft.	456.00	<u>146.00</u>
3001 to 3600 sq. ft.	537.00	<u>146.00</u>
3601 to 4200 sq. ft.	650.00	<u>146.00</u>
4201 to 5000 sq. ft.	740.00	<u>146.00</u>
5001 sq. ft. and over	810.00	<u>146.00</u>

Schedule B.

New Multifamily Residential Buildings (Apartments, Condominiums, Triplex, and Fourplex):

	<u>Building Permit Fee</u>	<u>Plan Review Fee</u>
First unit	\$ 300.00	<u>\$450.00</u>
Each additional unit, per building	150.00	<u>no additional fee</u>

Schedule C.

Accessory Buildings:

	<u>Building Permit Fee</u>	<u>Plan Review Fee</u>
No footing	\$50.00	<u>\$50.00</u>
Footing	100.00	<u>50.00</u>

Schedule D.

Copy of contract may be required to determine the cost basis for calculating fees.

Residential Renovations and Additions:

Additions:	<u>Building Permit Fee</u>	<u>Plan Review Fee</u>
0 to \$10,000.00— no footing (add \$50.00 if footing required)	\$125.00	<u>\$125.00</u>
\$10,001.00 and over— no footing (add \$50.00 if footing required)	250.00	<u>125.00</u>
Interior renovations:		

0 to \$10,000.00	125.00	<u>125.00</u>
\$10,001.00 and over	250.00	<u>125.00</u>

Schedule E.

Nonresidential Buildings - Cost will be based on construction contracts unless a reason is identified to base cost on other information:

	<u>Building Permit Fee</u>	<u>Plan Review Fee</u>
0 to \$5000.00	\$ 104.00	<u>\$104.00</u>
\$5001.00 to \$50,000.00	104.00	<u>104.00</u>
plus, per thousand or fraction thereof over \$5,000.00	7.80	
\$50,001 to \$100,000.00	456.00	<u>230.00</u>
plus, per thousand or fraction thereof over \$50,000.00	6.60	
\$100,001.00 to \$500,000.00	786.00	<u>400.00</u>
plus, per thousand or fraction thereof over \$100,000.00	4.32	

Over \$500,000.00	2513.00	
plus, per thousand or fraction thereof over \$500,000.00	1.25	<u>1300.00</u>

Schedule F.

Miscellaneous:

Mobile home (unit installation and foundation)	\$150.00
Modular unit (unit installation and foundation)	200.00
Moving permit (including new foundation)	125.00
Demolition permit:	
Up to 5,000 sq. ft.	75.00
Over 5,000 sq. ft. (no additional cost per thousand)	150.00
Demolition associated with a forthcoming permit	75.00
Residential reroofing (addition)	75.00
Commercial roofing/reroofing:	
0 to \$20,000.00	100.00
Over \$20,000.00	150.00
Residential decks (single and two-family)	100.00
Change of occupancy permit (if no building permit is otherwise required/no construction necessary)	50.00
Reinspection fees:	
Not ready for inspection	100.00
8 or more code violations found	100.00
2nd reinspection	100.00
3rd reinspection	200.00
4th reinspection	300.00

Re-Stamp Plans or replacement copy of Digital Plans \$20.00 per plan

Change of address, PIN, or PID on permits \$10.00 per trade
(building, electrical, plumbing, mechanical, and/or fire)

Issuance of duplicate placard	5.00
Work begun without a permit	Double Fee
Voiding of permits (no maximum)	15% of permit cost
Stocking -approval	100.00
Partial occupancy approval	200.00
Posting of occupancy (not associated with a permit)	50.00
Homeowner's recovery fund	10.00

Change of impervious surface on a permit 250.00

Plans Review –re-review (applies to each trade
re-review)

1st re-review	No charge
2nd re-review	200.00
Each re-review thereafter	300.00

Floodplain Development Permit (Small):

Floodplain Development Permit initiated
through the Inspections Department that does
not require review of a flood study or approval
by an elected body.

Floodplain Development Permit (Large):

Floodplain Development Permit initiated through
the Inspections Department that requires review
of a flood study or approval by an elected body.

Schedule G:

Fire Prevention Construction Permits and Plans Review Fees:

Emergency Responder Radio Coverage (ERRC) Systems Permit \$65.00

Gate and Barricade Permit \$65.00

Smoke Control or Smoke Exhaust System Fees

Smoke Control /Smoke Exhaust System Permit \$65.00

Smoke Control /Smoke Exhaust System Review Fee \$70.00

Solar Photovoltaic Power Systems Fees

Solar Photovoltaic Power Systems Permit \$65.00

Solar Photovoltaic Power Systems Review Fee \$70.00

Building plans review \$53.00

Sprinkler plans review 60.00

Fire alarm plans review 70.00

Other plans review 53.00

Fire protection construction permits 65.00

Schedule H:

Enhanced Plan Review – This is a face to face meeting in our office whereby the owner's design/construction team and the Inspections Department staff meet over the construction drawings and work collectively to make the drawings code compliant. This is an optional plan review service that helps construction projects needing to meet financing deadlines and other timetables:

An Enhanced Plan Review fee of \$600.00 is required for reserving an appointment (will be applied to the total cost of the review).

Cancellations must be made at least 3 business days prior to the scheduled appointment. The Enhanced Plan Review fee can be refunded (minus 15% handling) or applied toward future scheduled appointments.

Cancelling the review after the deadline (3 business days), the Enhanced Plan Review fee of \$600.00 will not be refunded or applied to future Enhanced Plan Reviews.

All Enhanced Plan Review fees, based on the calculated time taken to complete the review, must be paid at the conclusion of the review.

Enhanced Plan Review fees do not contribute towards permit fees.

\$600.00 per hour (minimum 1 hour)

\$150.00 per 15 minute increments

Schedule I:

After Hours Inspections - Scheduling after hours inspections requires 24 hour notice to the Chief Inspector/Supervisor of the applicable trade. After hours inspections are scheduled based solely on the availability of an inspector. The fee must be paid at the time the inspection is scheduled.

\$125.00 per hour - Minimum of two hours directly following work hours.

\$125.00 per hour - Minimum of three hours if the inspector has to leave their home to perform the inspection.

Source: For historical reference, see 1982 city code section 6-30 and section 6-31.

Part 4-102 Omitted and reserved for future use.

Part 4-103 (Temporary electrical service)

Pursuant to city code section 10-53(a), the fee for an application for permit for temporary electrical service is \$100.00, and the fee for each additional inspection is \$50.00.

Source: For historical reference, see 1982 city code section 6-34.

Part 4-104 (Electric wiring and equipment)

Pursuant to city code section 10-114(a), the following schedule of fees applies to the inspection of electric wiring and equipment within or on any building, structure or premises in the city:

Schedule A:

New Residential (One-and Two-Family, Including Townhouse Unit Ownership):

Multifamily Residential (Apartments, Condominium, Triplex and Fourplex):

100 amp to 200 amp service	\$156.00
400 amp service	187.00

Schedule B:

Outlets:

Outlets for lights, receptacles and switches, which are installed on general-purpose branch circuits having 2 or more outlets, except for main service switches and feeder distribution switches, small appliances of less than 500 watts or motor drivers of one-eighth horsepower or less as kitchen or hood fans, bell ringing transformers, etc.:

1 to 10 outlets	\$21.00
Each additional outlet	0.83

Schedule C:

Fixtures:

1 to 10 fixtures	\$21.00
Each additional fixture	0.83

Schedule D:

Motors and Generators of One-Sixth Horsepower or Larger:

Electric motors and generators:

Minimum charge	\$18.00
Each motor	3.22
Additional charge per hp or fraction thereof, applied against total hp	0.62

Schedule E:

Branch Circuits Supplying Appliances, Devices or Equipment:

Disposal under 1 hp	\$10.90
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Dryers and dishwashers	10.90
Electric water heaters or boilers	10.90
Electric signs and outline lighting	
First circuit	10.90
Each additional circuit for same sign	3.22
Electric heat:	
Wall or baseboard heaters, first unit	10.90
Each additional unit	3.95
Electric unit heaters:	
First kW	10.90
Each additional kW	1.56
Electric furnaces, duct heating units, supplementary or auxiliary units installed in ducts or plenums:	
First kW	10.90
Each additional kW	1.56
All other devices, appliances or equipment which are installed on individual branch circuits and not covered in other schedules, each	10.90

Schedule F:

Miscellaneous Wiring Not Covered in Schedules A, B, C, D, E:

Lampholders for marquise and/or festoon lighting	\$55.00
Service equipment as determined by ampacity of buses in equipment.	
Up to 100 amperes	34.00
Each additional 100 amperes or fraction thereof	6.97
Transformers, dry or liquid type, each:	
Up to 45 kVA	33.00
46 to 150 kVA	43.00
Over 150 kVA	55.00
Feeders of all types:	
Each feeder up to 100 amps	10.90
Additional charge per 100 amps or fraction thereof applied against total ampacity after	1.56

deducting 100 amps per feeder

Schedule G:

Miscellaneous:

Solar panel inspections	
Residential	\$100.00
Commercial roof top	150.00
Commercial ground mounted	150.00
Commercial ground-mounted, charge per trip for 3rd and subsequent inspections	50.00
Service or saw pole—one inspection only	65.00
Service or saw pole—extra inspection, each (instead of 2nd, 3rd, and 4th reinspection fees listed below in this Schedule G)	47.00
Temporary service connection—commercial	150.00
Mobile home—one inspection	65.00
Mobile home—extra inspection, each (instead of 2nd, 3rd, and 4th reinspection fees listed below in this Schedule G)	47.00
Modular unit	69.00
Commercial reinspection	65.00
Minimum electrical permit fee	65.00
Reinspection fees:	
Not ready for inspection	100.00
5 or more code violations found	100.00
2nd reinspection	100.00
3rd reinspection	200.00
4th reinspection	300.00
HVAC replacement – one inspection	65.00
HVAC replacement – additional inspections, each (instead of 2nd, 3rd, and 4th reinspection fees listed above in this Schedule G)	50.00
Work begun without a permit	Double fee
Voiding of permits (no maximum) -	15% of permit cost
Minimum fee for -any permit requiring a rough-in inspection:	
Commercial	150.00
Residential	100.00

Schedule H:

After Hours Inspections - Scheduling after hours inspections requires 24 hour notice to the Chief Inspector/Supervisor of the applicable trade. After hours inspections are scheduled based solely on the availability of an inspector. The fee must be paid at the time the inspection is scheduled.

\$125.00 per hour - Minimum of two hours directly following work hours.

\$125.00 per hour - Minimum of three hours if the inspector has to leave their home to perform the inspection.

Editor's note: The provisions of Part 1-101 (Interest applicable to certain delinquent debt) apply to all charges for inspection permits imposed under this Part.

Source: For historical reference, see 1982 city code section 6-87.

Source: For historical reference, see 1982 city code section 6-113 and section 6-116.

Part 4-105 (Mechanical (heating and air) code-related)

Pursuant to city code section 10-173(a), every person who obtains a permit prescribed by city code section 10-172(a) shall pay to the city a fee for inspection of the work authorized by the permit according to the following schedules:

Schedule A:

Residential (One- and Two-Family, including Townhouses and Condominiums, -per Dwelling Unit or Side):

Installation of a heating/cooling system with any concealed ductwork or component	\$125.00
Replacement or conversion of a heating/cooling system - 1st inspection	65.00
Subsequent inspections, each (instead of 2nd, 3rd, and 4th reinspection fees listed below In Schedule G)	65.00
Installation of fireplace stoves, factory-built fireplaces, floor furnaces and wall furnaces	52.00
Gas piping	65.00
Fuel lines	65.00

Schedule B:

Multifamily Residential (Apartments, Triples, and Fourplexes):

Installation of a heating/cooling system (each dwelling unit)	\$100.00
Replacement or conversion of a heating/cooling system	65.00
Subsequent inspections, each (instead of 2nd, 3rd, and 4th reinspection fees listed below in Schedule G)	50.00

Schedule C:

Nonresidential heating/cooling: Installation of heating/cooling system, including boiler, furnace, duct heater, unit heater, air handling units and air distribution system:

Upfits, per sq. ft. (minimum \$ 98.00, maximum - \$3,000.00)	\$0.058
Heating system in total BTU input per floor, or per individual system:	
0 to 150,000	\$131.00
150,001 to 300,000	205.00
300,001 to 500,000	290.00
500,001 to 1,000,000	426.00
1,000,001 to 2,500,000	510.00
2,500,001 to 5,000,000	644.00
5,000,001 to 10,000,000	774.00
Over 10,000,000	929.00
Replacement of any component of heating/cooling system such as furnace, boiler, unit heater, duct heater, condensate receiver, feedwater pump, etc.	70.00

Schedule D:

Commercial Cooling (With Separate Distribution System):

*installation of a complete cooling system, including the distribution system and air
handling units, with either a condenser, receiver, cooling tower, or evaporative
condenser coils.*

Cooling or chiller in total tons:

0 to 25 tons	\$ 83.00
Over 25 tons	166.00

Replacement of any component of cooling system	83.00
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Schedule E:

Commercial Ventilation and Exhaust Systems:

Installation of ventilation and/or exhaust systems, including fans, blowers, and duct systems for the removal of dust, gases, fumes, vapors, etc.:

Total motor horsepower:	
0 to 5	\$72.00
6 to 15	111.00
16 to 25	178.00
26 to 50	219.00
Over 50	262.00

Schedule F:

Hood for commercial type cooking, per hood	\$150.00
Minimum fee for any heating/cooling permit or ventilation	65.00

Schedule G:

Miscellaneous:

Reinspection fees:

4 or more code violations	\$100.00
Not ready for inspection	100.00
2nd reinspection	100.00
3rd reinspection	200.00
4th reinspection	300.00

Work begun without a permit	Double Fee
Voiding of permits (no maximum)	15% of permit cost

Schedule H:

After Hours Inspections - Scheduling after hours inspections requires 24 hour notice to the Chief Inspector/Supervisor of the applicable trade. After hours inspections are scheduled based solely on the availability of an inspector. The fee must be paid at the time the inspection is scheduled.

\$125.00 per hour - Minimum of two hours directly following work hours.

\$125.00 per hour - Minimum of three hours if the inspector has to leave their home to perform the inspection.

Source: For historical reference, see 1982 city code section 6-113 and section 6-116.

Part 4-106 (Plumbing)

Pursuant to city code section 10-202(a), the following fee schedule is adopted in connection with plumbing work:

Schedule A:

*New Residential Construction; One-and Two Family, and Townhouse Unit Ownership;
Installation of New Plumbing Fixtures, Building Water and Sewer Service:*

All dwellings	\$170.00
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See Note 1.

Schedule B:

*New Multifamily Construction (Three-and Four-Family Apartments); Installation of New
Plumbing Fixtures, Building Water and Sewer:*

Per fixture	\$6.24
Minimum, per building	127.00

See Note 1.

Schedule C:

New Nonresidential; Installation of New Plumbing Fixtures, Building Water and Sewer:

Per fixture	\$7.90
Minimum (without water and sewer)	187.00
Minimum (with water and sewer)	265.00

See Note 1.

Schedule D:

*Additions, Residential and Nonresidential; Installation of New Plumbing Fixture: Building Water
and Sewer:*

1 to 2 fixtures	\$65.00
3 to 7 fixtures	94.00
8 to 15 fixtures	119.00
Over 15 fixtures (per fixture)	7.90

See Note 1.

Schedule D:

Additions, Residential and Nonresidential; Installation of New Plumbing Fixture:

<u>Building sewer and water</u>	\$65.00
<u>1 - 7 fixtures</u>	\$94.00
<u>8-15 fixtures</u>	\$119.00
<u>Over 15 fixtures (per fixture)</u>	\$7.90

See Note 1.

Schedule E:

Fixture Replacement; No Change to Rough-in;

1 to 4 fixtures	\$65.00
5 fixtures and over:	
Per fixture	6.86
Electric water heater (permit required)	65.00

See Note 1.

Schedule F:

Miscellaneous:

Residential sprinkler permit	\$170.00
Gas piping	65.00
Mobile home	65.00
Modular unit	78.00
Not listed above but has water or sewer connection	65.00
Reinspection fees:	
4 or more code items	\$100.00
Not ready for inspection	100.00
1st reinspection	100.00
2nd reinspection	200.00
3rd reinspection	300.00
Work begun without a permit	Double fee
Voiding of permits (no maximum)	15% of permit cost

See Note 1.

Schedule G:

After Hours Inspections - Scheduling after hours inspections requires 24 hour notice to the Chief Inspector/Supervisor of the applicable trade. After hours inspections are scheduled based solely on the availability of an inspector. The fee must be paid at the time the inspection is scheduled.

\$125.00 per hour - Minimum of two hours directly following work hours.

\$125.00 per hour - Minimum of three hours if the inspector has to leave their home to perform the inspection.

Note 1: For inspections under all Schedules in this Part 4-106: When due to the length of water or sewer work more than two trips are required, an additional charge for each trip after the second trip is imposed, of \$50.00.

Source: For historical reference, see 1982 city code section 6-113, section 6-116, and section 6-134.

Part 4-107 (Surcharge for paper application)

A \$5.00 surcharge will be added to the total fee for each plumbing, electrical, or mechanical application that is submitted manually (paper submittal) as opposed to an electronic submittal (paperless submittal).

Parts 4-108 – 111 (Reserved)

Part 4-112 (Impact fees imposed on new construction)

Impact fees pursuant to city code section 30-84(b) shall be as follows:

Editor's note: The tables showing the Street Impact Fee Schedule, the Open Space Land Impact Fee Schedule, and the Parks and Recreation Facility Impact Fee Schedule are in a separate document, which is titled "Fee Schedule Tables, Part 4-112." The July 10, 2009 version of that document contains the most recent changes. That document can be found at the same place on the Internet where you opened this document.

The four footnotes for the Street Impact Fee Schedule are in this document, immediately after this note.

1 Square footage shall be calculated according to gross floor area (the area within the inside perimeter of the exterior walls, with no deduction for corridors, stairs, closets, thickness of walls, columns or other features, exclusive of court and vent shafts).

2 Student - the total student capacity of any school or any addition to an existing school.

3 A standard based on acreage refers to the total land and water surface area of any lot or lots on which any primary, accessory, or incidental use or portion thereof is located.

4 Hotels or motels that contain any convention or civic center shall, in addition to paying street impact fees based on rooms, also pay the street impact fee based on general recreation for the civic center or convention center.

Part 4-113

Source: Part 4-113 was repealed by ordinance 14604, Onbase PR 9802, adopted 5-5-2014.

SECTION 2. This Ordinance shall be effective upon passage by the Durham City Council.

APPROVED BY
CITY COUNCIL

JUN 18 2018

CITY CLERK

Sawyer

ORDINANCE REVISING PUBLIC WORKS FEES

WHEREAS, the Public Works Department issues construction drawing permits, review plans, and accepts construction securities pursuant to State law and Durham City Code 62-52, 62-53, 62-82, 70-96; and

WHEREAS, it is necessary for the following fees need to be updated or added so that the City can recover its costs in administering its construction drawing permitting and review programs.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM THAT:

SECTION 1. The following Parts of Chapter 13B and Chapter 13C of the City of Durham's Fee Schedule are changed to read as follows:

Part 13B-106 (Will Serve Permit, Due Diligence Property Information, Building Permit Review, Construction drawing review, As-Built Review, CCTV Review, Construction Security Management). Note: All items in this section shall be charged the fees listed below plus a 4% technology surcharge fee.

<u>Street construction drawing review</u>	<u>\$1,200.00</u>
<u>Minimum construction drawing review</u> 500.00	<u>\$500.00</u>

<u>Will Serve Permit Fee</u>	<u>\$500.00</u>
<u>Due Diligence Property Information</u>	<u>\$20.00</u>
<u>Public Works Residential Building Permit Review</u>	<u>\$25.00</u>
<u>Public Works Commercial Building Permit Review</u>	<u>\$100.00</u>
<u>Commercial construction drawing review – No Water/Sewer Permits</u>	<u>\$1,100.00 (1)</u>
<u>Commercial construction drawing – Water or Sewer Permits (includes apartment buildings)</u>	<u>\$2,000.00 (1)</u>
<u>Construction drawing revision</u>	<u>\$1,000.00</u>
<u>Pump Station Review Fee</u>	<u>\$10,000.00</u>
<u>Construction drawing field change</u>	<u>\$100.00</u>
<u>Subdivision (Single Family or Townhome) construction drawing review</u>	<u>\$2,200.00 Plus \$15.00 per lot (1)</u>
<u>As-Built Review Fee</u>	<u>\$100.00 (1)</u>
<u>CCTV Review Fee (Storm and Sanitary Sewer only)</u>	<u>\$1.00 Per Foot</u>
<u>Construction Security Management Fee</u>	<u>0.2% of amount of construction security per bond issued (\$100.00 minimum)</u>

(1) Base fee applies per phase of project plans (ie if a 3 phase project is submitted the fee is 3 x the base fee plus lot fees if lot fees apply). Phasing any type of project after CD approval will result in a base fee charge per phase only.

Part 13B-111 (Single-permit, one-time inspections not otherwise provided for). Note: All items in this section shall be charged the fees listed below plus a 4% technology surcharge fee.

For driveways, street cuts, sidewalks, cow horn irrigation or any other single permit one-time inspection that does not have an established fee, the fee is \$80 \$107.50 per inspection.

Chapter 13C- Primary implementing department: Public Works, through Stormwater Services

Part 13C-101 (Stormwater Permit and surety fees). Note: The stormwater permit fee and the level spreader permit fee in this section shall be charged as listed below plus a 4% technology surcharge fee.

The Stormwater permit fee is \$3,500.00 \$3,700.00 for each BMP except level spreaders. The level spreader BMP permit fee is \$700.00 \$800.00.

SECTION 2. This Ordinance shall be effective upon passage by the Durham City Council.

APPROVED BY
CITY COUNCIL

JUN 18 2018

CITY CLERK

D. Currier

ORDINANCE REVISING CITY-COUNTY PLANNING FEES

WHEREAS, the City County Planning Department issues Zoning and Site Plans Approvals, reviews plans, and issues approvals pursuant to State law and Durham City Code and the City County Unified Development Ordinance; and

WHEREAS, the City County Planning Department already provides the services related to the new fees; and

WHEREAS, it is necessary for the following fees to be updated or added so that the City can recover its costs in administering its programs.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DURHAM THAT:

SECTION 1. Part 6-101, Section 1 of Chapter 6 of the City of Durham's Fee Schedule is changed to read as follows:

Chapter 6 - Primary implementing department: City-County Planning

Part 6-101 (General fees)

Section 1

A. Zoning Map Change (Rezoning):

Per-acre fees shall be calculated on the entire project and shall not be calculated on a prorata share. Cases with multiple zones, are charged the highest base fee applicable according to the zone or use categories proposed, plus the per-acre fee according to the acres in each of the categories proposed.

1. **All Residential (Not Listed Below), 5 acres or less:** \$1,000.00 per case, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.
2. **Non-Substantial Modification to Existing Design Guidelines (Only):** \$1,500.00 per case, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.
3. **All Residential (Not Listed Below), More than 5 acres:** \$3,000, plus \$65.00 per acre (rounded up), plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.
4. **PDR, Mixed Use, Office, Residential Multi-Family, Commercial, Industrial or Research with Development Plan with Development Plan:** \$4,500.00, plus \$65.00 per acre (rounded up), plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.
5. **Design District or Residential Multi-Family, Commercial, Industrial or Research without Development Plan:** \$3,500.00, plus \$65.00 per acre (rounded up), plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.

- 6. Re-Review Fees(applicable to all development applications):** Half of filing fee, plus technology surcharge of 4%, applicable at time of 2nd re-review (3rd staff review of project) and charged for each subsequent review.
- 7. Development Plan as Site Plan/Preliminary Plat:** Half of zoning base fee, plus half of the site plan or preliminary plat base fee, plus technology surcharge of 4%.
- 8. Public Works Zoning Review:** \$100.00 in addition to the applicable zoning map change base fee.

B. Consolidated Annexation:

- 1. All except Single Family and/or Duplex, with zoning map change:** \$800.00 per case, plus \$47.00 recordation fee, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.
- 2. Single Family and/or Duplex, with zoning map change:** \$800.00 per case, plus \$47.00 recordation fee, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.
- 3. All consolidated annexation cases that are a direct translation from County zoning:** \$400.00 base fee, plus \$47.00 recordation fee, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs. Please note that if requested zoning is a direct translation from County zoning, the notification surcharge for newspaper advertising is reduced by \$272.00.
- 4. Re-Review Fees (applicable to all development applications):** Half of filing fee, plus technology surcharge of 4%, applicable at time of 2nd re-review (3rd staff review of project) and charged for each subsequent review.

C. Comprehensive Plan Amendment:

- 1. Future Land Use Map Plan Amendment:** \$2,100 per case, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.
- 2. Comprehensive Plan Text Amendment:** \$3,000 per case, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.
- 3. Re-Review Fees (applicable to all development applications):** Half of filing fee, plus technology surcharge of 4%, applicable at time of 2nd re-review (3rd staff review of project) and charged for each subsequent review.

D. Board of Adjustment Applications:

- 1. Non-revenue Generating Single Family Use Permit (fences, etc.), and Reasonable Accommodations requests:** \$475.00, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.
- 2. Wireless Communication Facilities Use Permit:** \$3,165.00, plus technology surcharge of 4%, plus surcharges for Page 19 of 81 advertising, letter notice and signs, plus \$5,000.00 for independent professional consultant review.
- 3. Appeal:** \$300.00, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.

- 4. All Other BOA Applications (any other Use Permit, Appeal, Variance, etc.):** \$1,300.00, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.

E. Major Special Use Permit Applications:

- 1. Wireless Communication Facilities Use Permit:** \$3,165.00, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs, plus \$5,000.00 for independent professional consultant review.
- 2. Traffic Impact Analysis(TIA) Use Permit:** \$2,025.00, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.
- 3. All Other Major Special Use Permit Applications:** \$2,025.00, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs.

F. Site Plans:

- 1. Administrative Site Plan – Level 1** (defined as a site plan requiring only Planning Department review): \$210.00, plus technology surcharge of 4%.
- 2. Administrative Site Plan – Level 2** (defined as a site plan with a maximum of 200 square feet of new impervious surfaces added, no required or proposed changes in stormwater management, no more than 200 square feet of new building area and less than 12,000 square feet of land disturbance): ~~\$500.00~~\$650.00, plus technology surcharge of 4%.
- 3. Administrative Site Plan – Level 3** (defined as a site plan with a maximum of 200 square feet of new impervious surfaces added, no required or proposed changes in stormwater management, no more than 1,000 square feet of new building area and less than 12,000 square feet of land disturbance): ~~\$1,000.00~~\$1,700.00, plus technology surcharge of 4%.
- 4. Administrative Site Plan – Level 4** (defined as a site plan that does not meet the definitions of a Level 1, Level 2, Level 3 or Major Site Plan): ~~\$3,500~~\$4,200.00 base fee, plus \$25.00 per 1,000 square feet of gross building area [rounded up], and/or ~~\$25.00~~\$40.00 per lot, and/or ~~\$25.00~~\$40.00 per attached dwelling unit, plus technology surcharge of 4%.
- 5. Major Site Plan:** ~~\$4,000~~\$4,700.00 base fee, plus \$25.00 per 1,000 square feet of gross building area [rounded up], and/or ~~\$25.00~~\$40.00 per lot, and/or ~~\$25.00~~\$40.00 per attached dwelling unit, plus technology surcharge of 4%.
- Site Plans which do not require an initial re-review will be reimbursed 33% of the original review fee.

7.G. Re-Review Fees (applicable to all development applications): Half of filing fee plus technology surcharge of 4%, applicable at time of 2nd re-review (3rd staff review of project) and charged for each subsequent review

8.H. Site Plan Intake Fee: \$500.00, creditable to site plan application fee if site plan intake meeting is not canceled or is cancelled within prescribed timeframes published by the Planning Department and/or if site plan application is incomplete after a number of submittals as published by the Planning Department.

G. Floodplain Building Permit Review: Planning Department review of building permit applications subject to floodplain regulations - \$90.00, plus technology surcharge of 4%.

I. Landscape Extensions: Major non-residential, defined as greater than 25,000 square feet in gross floor area: \$300.00; minor non-residential, defined as less than or equal to 25,000 square feet in gross floor area: \$150.00; residential \$75.00 per lot. Plus technology surcharge of 4%.

HJ. Floodplain Development Permit (Small): Floodplain Development Permit initiated through the Planning Department that does not require review of a flood study or approval by an elected body - \$150.00 plus technology surcharge of 4%.

I. Floodplain Development Permit (Medium): Floodplain Development Permit initiated through the Planning Department that requires review of a flood study but not approval by an elected body - \$240.00, plus technology surcharge of 4%.

JK. Floodplain Development Permit (Large): Floodplain Development Permit initiated through the Planning Department that requires review of a flood study or approval by an elected body - \$500.00 plus technology surcharge of 4%.

KL. Development Plan as Site Plan/Preliminary Plat: Half of zoning base fee, plus half of the site plan or preliminary base fee, plus technology surcharge of 4%.

LM. Subdivision Plats:

1. **Preliminary Plat:** \$3,500.00 base charge fee, plus \$25.00\$40.00 per lot, plus technology surcharge of 4%, plus surcharge for letter notice on those projects requiring governing body approval; plans which do not require an initial re-review will be reimbursed 33% of the original review fee.

2. **Preliminary Plat Amendments:** \$1,000 plus technology surcharge of 4%.

3. **Final Plats:** \$700.00\$750.00, plus \$25.00\$40.00 per lot, plus technology surcharge of 4%; plans which do not require an initial re-review will be reimbursed 33% of the original review fee.

4. **Exempt Final Plats:** \$75.00\$125.00, plus technology surcharge of 4%.

5. **Re-Review Fees(applicable to all development applications):** Half of filing fee, plus technology surcharge of 4%, Page 20 of 81 applicable following initial and first re-review and charged for each subsequent review.

6. **Minor Plat** (defined as subdivision of land into six lots or less that does not require right-of-way dedication, does not require new utilities or the extension of utilities, does not require stormwater management, and is not associated with an approved preliminary plat): \$250 plus 4% technology surcharge.

7. **Landscape Extensions:** Major non-residential, defined as greater than 25,000 square feet in gross floor area: \$300.00; minor non-residential, defined as less than or equal to 25,000 square feet in gross floor area: \$150.00; residential \$75.00 per lot; plus technology surcharge of 4%.

78. **Development Plan as Site Plan/Preliminary Plat:** Half of zoning base fee, plus half of the site plan or preliminary plat base fee, plus technology surcharge of 4%.

M. Landscape Extensions: Major non-residential, defined as greater than 25,000 square feet in gross floor area: \$300.00; minor non-residential, defined as less than or equal to 25,000 square feet in gross floor area: \$150.00; residential \$75.00 per lot. Plus technology surcharge of 4%.

N. Landscape-Site Compliance Inspection Fee: \$100.00, plus technology surcharge of 4% for first re-inspection

O. Landscape-Site Compliance Re-Inspection Fees: \$100.00, plus technology surcharge of 4% for first re-inspection. For each subsequent re-inspection, the total fee under this subsection, including the technology surcharge, will increase by \$104.00. For example, the total fee for the first re-inspection will be \$104.00; the total fee for the second re-inspection will be \$208.00; and the total fee for the third re-inspection will be \$312.00.

P. Historic Preservation Fees:

- 1. Historic Landmark Designation:** \$800.00, plus technology surcharge of 4%, plus surcharges for advertising and letter notice, plus \$26.00 recordation fee.
- 2. Historic District Designation:** \$20,000 per application, plus technology surcharge of 4%, plus surcharges for letter notice and sign posting.
- 3. Major Works Certificate of Appropriateness, Historic Preservation Commission Review:** \$150.00 base fee per application, plus \$100.00 additional charge if demolition or new construction, plus technology surcharge of 4%, plus surcharges for letter notice and sign posting. Applications associated with projects begun and/or completed without required approval pay double the application base fee.
- 4. Master Certificate of Appropriateness, Historic Preservation Commission Review:** \$300.00 base fee per application, plus technology surcharge of 4%, plus surcharges for letter notice and sign posting. Applications associated with projects begun and/or completed without required approval pay double the application base fee.
- 5. Minor Works Certificate of Appropriateness, Staff Review:** \$75.00 base fee per application, plus technology surcharge of 4%. Applications associated with projects begun and/or completed without required approval pay double the application base fee.
- 6. Historic Signs:** \$150.00, plus technology surcharge of 4%, plus surcharges for advertising and letter notice. Applications associated with projects begun and/or completed without required approval pay double the application base fee.

Q. Signage

- 1. Common Signage Plan Review:** \$175.00, plus technology surcharge of 4%.
- 2. Banner Plan Review Only:** \$75.00, plus technology surcharge of 4%.
- 3. Permanent Signs Requiring Permits (as defined by the Durham UDO):** \$75.00 application fee plus technology surcharge of 4%. Applications associated with projects begun and/or completed without required approval pay double the application base fee.

- 4. Temporary Signs Requiring Permits (as defined by the Durham UDO):** \$50.00 application fee plus technology surcharge of 4%. Applications associated with projects begun and/or completed without required approval pay double the application base fee.
- 5. Sign Compliance Inspection Fee:** \$50.00 for each inspection and re-inspection.

R. Street/Alley Closing: \$800.00, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs, plus \$47.00 recordation fee.

S. Street/Alley Renaming: \$600.00, plus technology surcharge of 4%, plus surcharges for advertising, letter notice and signs; plus reimbursement for all street sign replacement costs, plus \$47.00 recordation fee.

T. Unified Development Ordinance Text Amendment: \$3,000.00, plus technology surcharge of 4%, plus surcharge for Page 21 of 81 advertising and letter notice.

U. Development Services Center Products ~~Zoning and Business Verification Letters~~ \$15.00, plus technology surcharge of 4%.

- 1V. Home Occupation Permit:** \$25.00, plus technology surcharge of 4%.
- 2W. Formal Letter of Interpretation:** \$40.00, plus technology surcharge of 4%.
- 3. Due Diligence Property Information:** \$20.00, plus technology surcharge of 4%.
- 4. Use Determination:** \$40.00, plus technology surcharge of 4%.
- 5. Zoning and Property Analysis:** \$80.00, plus technology surcharge of 4%.
- 6. Zoning Permit:** \$30.00, plus technology surcharge of 4%.
- 7. Limited Agriculture Permit:** \$25.00, plus technology surcharge of 4%.
- 8. Outdoor Seating Permit:** Application for initial annual permit - \$250.00, plus technology surcharge of 4%; application to renew annual permit - \$100.00, plus technology surcharge of 4%.
- 9. Temporary Use Permit:** \$100.00, plus technology surcharge of 4%.
- 10. Mobile Vendor Registration and Annual Renewals:** \$10.00, plus technology surcharge of 4%.
- 11. Costs for Departmental Publications:** Copies of publications on hand on June 16, 2008: \$5.00. Reproductions or new publications will be priced according to costs.
- 12. Large Format Copies:** \$1.00 per square foot (for example: a 3 foot by 6 foot map equals 18 square feet for a copying charge of \$18.00).
- 13. Custom Letters, Maps and Reports:** \$100.00.
- 14. Multi-Departmental Pre-Submittal Meetings:** \$265.00 per hour (minimum charge of one hour).

VX. Vested Rights Determination: \$5,000 application fee, plus technology surcharge of 4%, plus surcharge for advertising and signs.

WY. Watershed Determination: \$2,500 application fee, plus technology surcharge of 4%.

X. Temporary Right-of-Way Closure: \$125 base fee, plus technology surcharge of 4%, plus additional fees as follows.

- 1. Roadway Closure:** Major Thoroughfare - \$70.00 per day per lane; All Other City Streets - \$20.00 per day per lane.
- 2. Sidewalks, Parking Spaces, and Loading Zones in Design Districts:** Sidewalks - \$10.00 per day; Unmetered on-street parking space - \$5.00 per day per space; Metered on-street parking spaces - equivalent to the cost of metered parking per space per day.
- 3. Sidewalks, Parking Spaces, and Loading Zones in All Other Districts:** Sidewalks - \$2.00 per day; Unmetered on-street parking space - \$2.00 per day per space; Metered on-street parking spaces - equivalent to the cost of metered parking per space per day.

YZ. Surcharges:

1. Newspaper Advertising for:

- a. Zoning Map Change, Future Land Use Map / Plan Amendment, Historic District Designation, Historic Landmark Designation or Street Closing: \$460.00; if case has to be heard by both governing bodies, \$920.00.
- b. BOA, Major Special Use Permit, Street Renaming, Vested Rights Determination, and Historic Landmark Designations: \$230.00.
- c. Unified Development Ordinance Text Amendment and Comprehensive Plan Text Amendment: \$690.00.

2. Letter Notice for:

- a. Zoning Map Change, Historic District Designation, Historic Landmark Designation or Land Use Map/Plan Amendment: \$95.00.
- b. Vested Rights Determination, Major Works Certificate of Appropriateness, BOA, Major Special Use Permit, Street Renaming or Street Closing: \$53.00.

3. Signs: For Zoning Map Change, BOA, Major Special Use Permit, Vested Rights Determination, Street Renaming, Major Works Certificate of Appropriateness or Street Closing: \$100.00. If multiple signs are necessary to adequately notify neighbors, multiple signs will be charged for at the case intake.

AA. Costs for Departmental Publications: Copies of publications on hand on June 16, 2008: \$5.00. Reproductions or new publications will be priced according to costs.

BB. Large Format Copies: \$1.00 per square foot (for example: a 3 foot by 6 foot map equals 18 square feet for a copying charge of \$18.00).

CC. Limited Agriculture Permit: \$25.00, plus technology surcharge of 4%.

DD. Architectural Review: (per Section 3.24 of the Durham Unified Development Ordinance) \$150.00 plus technology surcharge of 4%.

EE. Outdoor Seating Permit:

1. Application for initial annual permit: \$250.00.
2. Application to renew annual permit: \$100.00.

FF. Temporary Use Permit: \$100.00, plus technology surcharge of 4%.

GG. Mobile Vendor Registration and Annual Renewals: \$10.00.

SECTION 2. This Ordinance shall be effective upon passage by the Durham City Council.

APPROVED BY
CITY COUNCIL

JUN 18 2018

CITY CLERK

D. Scuray

PERTINENT FACTS ABOUT DURHAM, NORTH CAROLINA

History

Durham is located in North Carolina's eastern Piedmont to the northeast of the state's geographical center. Located at 36 degrees north latitude and 78 degrees 55 minutes west longitude, Durham is the fourth largest city in the state, the county seat, and the only municipality in Durham County. The City takes pride in its educational, cultural, athletic, and medical assets.

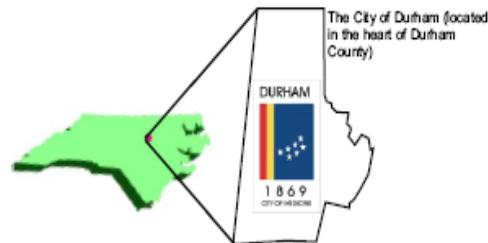
Durham's original name of Durhamville was given when the first postmaster was appointed for the area in 1851. The town's name originated from the family name of Dr. Bartlett Snipes Durham, who at that time, owned several acres of land in what is now downtown Durham. The town's first step to becoming a major city came in 1854, when the North Carolina Railroad Company decided to locate a station in the town. The station was built on four acres of land owned by Dr. Durham near today's Corcoran Street. The North Carolina General Assembly incorporated Durham in 1866 and again in 1869 after Congress reinstated the state governments of the old Confederacy.



A significant piece of United States history took place in Durham. Due to a disagreement between plantation owners and farmers, North Carolina was one of the last states to secede from the Union. Durham residents fought in several North Carolina regiments. Seventeen days after General Lee surrendered his army at Appomattox, General Sherman and Confederate General Johnston negotiated the largest surrender of confederate troops, ending the Civil War at Bennett Place in Durham.

Area and Population

Durham covers an area of 112.4 square miles. The estimated population of 267,743 includes a rich diversity of racial and ethnic backgrounds.



City Government



The City of Durham has operated under the Council–Manager form of government since 1921. Durham City Council is comprised of seven members: three members from specific wards, three at-large members and the Mayor. The terms for City Council seats are staggered and nonpartisan elections are held every two years. At-large members are elected during one cycle and ward member are elected two year later. Both at-large and ward members serve four-year terms. The Mayor is elected for a two-year term. City Council is the legislative and policy-making body for Durham and is the final authority on most matters relating to the City. The Council is responsible for establishing general policies for the City; appointing the City Manager, City Attorney, City Clerk and members of various boards and commissions; enacting ordinances, resolutions and orders; adopting the annual budget; and authorizing contracts on the City's behalf.

The City Council convenes its regular business meeting every first and third Monday at 7 pm. in the Council Chambers of City Hall (101 City Hall Plaza). The meetings are open to the public and can also be viewed on cable channel 8. Work sessions are held two Thursdays, preceding regular Council

meetings to receive information briefings and presentations. The work session is held at 1 pm. in the Council's Committee Room. Citizens Matters are held during the work session at 4 pm.

The Mayor serves as presiding officer of the City Council and votes on all matters that come before the body. The Mayor also appoints standing and special committees of the Council, unless the Council votes to elect such committees. As the official head of city government, the Mayor represents the City on ceremonial occasions. The City Manager is the administrative head of city government and is responsible for the efficient management of the City operations. The Council appoints the Manager who ensures the ordinances and policies set by Council are carried out. The Manager is also responsible for preparing the annual budget and for supervising city departments and personnel (except the City Attorney's and City Clerk's offices). As an employee of the City Council, the Manager normally attends all Council meetings.

City Government services are headquartered at City Hall in downtown Durham. Service facilities including police and fire stations, recreational facilities, water and wastewater facilities and public works operations can be found throughout the community.

Building Activity

CALENDAR YEAR	BUILDING PERMIT ACTIVITY FOR THE CITY 2006-2017 AND 2018-TO-DATE (Through April)					TOTAL
	NEW RESIDENTIAL	NON- RESIDENTIAL	RESIDENTIAL REPAIRS, ETC.	NON- RESIDENTIAL REPAIRS, ETC.		
2006	\$384,501,587	\$150,486,203	\$19,305,591	\$265,475,644	\$819,769,025	
2007	\$297,498,143	\$133,729,117	\$26,400,002	\$180,850,890	\$638,478,152	
2008	\$207,446,064	\$292,284,719	\$22,983,287	\$224,883,098	\$747,597,168	
2009	\$184,179,789	\$119,840,349	\$33,409,418	\$153,131,652	\$490,561,208	
2010	\$197,828,412	\$232,172,103	\$30,810,642	\$241,690,281	\$702,501,438	
2011	\$197,159,573	\$61,666,023	\$52,957,198	\$442,838,051	\$754,620,845	
2012	\$333,750,978	\$97,014,353	\$44,726,201	\$235,228,391	\$710,719,923	
2013	\$387,927,453	\$62,701,564	\$52,478,544	\$356,041,917	\$859,149,478	
2014	\$270,098,552	\$88,108,410	\$98,711,501	\$236,211,977	\$693,130,440	
2015	\$325,243,665	\$206,052,211	\$96,684,606	\$406,768,944	\$1,034,749,426	
2016	\$445,925,366	\$344,192,452	\$135,345,860	\$346,067,547	\$1,271,531,225	
2017	\$555,791,692	\$334,062,364	\$115,268,587	\$503,718,549	\$1,508,841,192	
2018 thru April	\$164,925,040	\$115,616,469	\$64,442,327	\$141,490,324	\$486,474,160	

Numbers are based on a calendar year period.

Commerce and Industry

In recent years, industry in the City has been diversifying rapidly, lessening the dependence of the local economy on the tobacco industry. Among the larger industries located in the city are: textiles, machinery, healthcare, biotechnology, pharmaceuticals, education, software design, banking, furniture, lumber products, building materials, life insurance, containers, chemicals, and livestock feed. Major corporate headquarters located in the Greater Durham area include GlaxoSmithKline, IBM, and Cree, Inc., among others.

The largest employers in the Durham area include:

Duke University and Medical Center	Cree, Inc.
International Business Machines (IBM)	AW North Carolina, Inc.
Durham Public Schools	U.S. Environmental Protection Agency (EPA)
GlaxoSmithKline	Durham County Government
Blue Cross and Blue Shield of North Carolina	National Institute of Environment Health Sciences
Durham City Government	North Carolina Central University
Fidelity Investments	Walmart
IQVIA	Merck & Co., Inc.
RTI International, Inc. (Research Triangle Institute)	Lab Corp
Veterans Administration Medical Center	BASF Corporation Agricultural Products Group

Research Triangle Park, the largest planned research park in the United States, is located nearly equidistant from the four major universities: North Carolina State University in Raleigh, the University of North Carolina at Chapel Hill, North Carolina Central University and Duke University in Durham. The Park was organized in 1959 and is under the direction of the Research Triangle Foundation, a non-profit organization. The 7,000 acre campus for research laboratories and research-oriented industries are adjacent to Durham. Approximately 90 percent of the total park area is located in Durham County. Since its establishment in 1959, Research Triangle Park has been home to some of the brightest minds in the world. With over 50,000 employees working for over 260 companies, RTP is one of the largest research parks in the world.

Top Ten Organizations in Research Triangle Park

<i>Lenovo (IBM)</i> 3039 Cornwallis Road P.O. Box 12195 https://www.ibm.com	<i>Net App, Inc.</i> 7301 Kit Creek Road www.netapp.com/us
<i>Cisco Systems</i> 7001-8 Kit Creek Road P.O. Box 14987 www.cisco.com	<i>Credit Suisse</i> 7200 Kit Creek Road https://www.credit-suisse.com
<i>GlaxoSmithKline, Inc.</i> 5 Moore Drive P.O. Box 13398 www.gsk.com	<i>U.S. Environmental Protection Agency (EPA)</i> 109 T.W. Alexander Drive www.epa.gov
<i>Fidelity Investments</i> 4008 E NC Highway 54 Research Triangle Park,, NC 27709 www.rtp.org/location/fidelity-investments/	<i>Biogen Idec</i> 500 Davis Drive www.biogenidec.com
<i>RTI International</i> 3040 Cornwallis Road P.O. Box 12194 www.rti.org	<i>United States Environmental Protection Agency</i> 79 T.W. Alexander Drive P.O. Box 12233 www.epa.gov

Durham Banks

Bank of America	Latino Community Credit Union
Branch Banking and Trust	Mechanics and Farmers Bank
Cardinal Bank & Trust	PSNC Bank
Coastal Federal Credit Union	Self-Help Credit union
First Citizens Bank and Trust	State Employees Credit Union
First South Bank	SunTrust
Greater Piedmont Credit Union	Wells Fargo Bank

Education

Some of Durham's greatest assets are its outstanding educational facilities. Durham is the home of two universities – Duke University and North Carolina Central University.



Duke University (www.duke.edu), founded in 1924 as Trinity College, is a private Methodist church-related university with an enrollment of 15,192 (including part-time) in its ten schools and colleges. Students pursue graduate, undergraduate and professional degrees in 120 different disciplines, including medicine, nursing, engineering and allied health fields. Duke University is among the nation's top universities. Duke University's mission is "...to provide superior liberal education to undergraduate students, attending not only to their intellectual growth but also to their development as adults committed to high ethical standards and full participation as leaders in their communities..."

The highlights of the campus include Duke Chapel, Sarah P. Duke Gardens, Cameron Indoor Stadium, 7,200 acre Duke Forest, Duke University Museum of Art, Duke University Medical Center, and the Primate Center. Vincent E. Price became the tenth president of the university as of July 1, 2017.

North Carolina Central University (www.nccu.edu), the nation's first publicly supported historically black educational institution, encourages attendance from all ethnic backgrounds. This state-supported university, founded in 1910, has an enrollment of over 8,097 students (including part-time). North Carolina Central University offers eight schools for academic enhancement – law, business, library sciences, arts, technology, nursing, education and various sciences – offering degrees in more than 146 disciplines. The university is located on a 135 acre campus in southeast Durham. The university features a bronze statue of founder Dr. James E. Shepard, an art museum, a law school rated the nation's highest for women, and the Leroy T. Walker Athletic Complex, named for the former president of the United States Olympic Committee. Johnson O. Akinleye serves as the university's twelfth chief administrator as of June 26, 2017.





Durham Technical Community College, founded in 1961, has a main campus near Research Triangle Park and auxiliary campus in northern Durham; classes are also offered in Hillsborough and Chapel Hill. Over 18,000 students attend Durham Technical Community College annually for career education, skill training, and personal enrichment. More than 75 degree, diploma and certificate programs are offered in computers, health, business, public services, industry, engineering and other career fields, along with one of the best university transfer programs in the state. Durham Tech's Corporate Education Center trains Triangle employees either at the work site or at the college.

(www.durhamtech.edu)

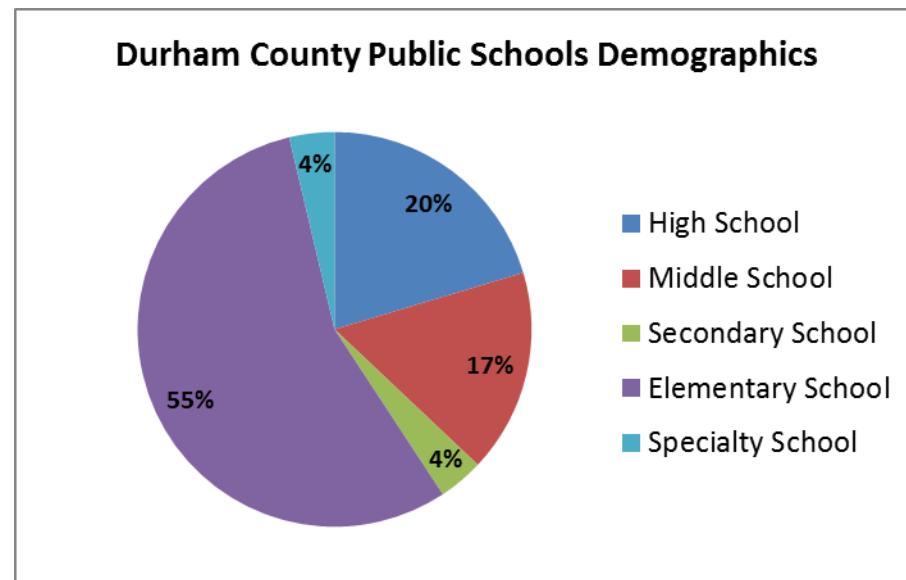
The North Carolina School of Science and Mathematics (www.ncssm.edu) opened in September 1980 and is a state-supported high school for eleventh and twelfth grade students who are exceptionally talented in the fields of science and mathematics. Located in west Durham on the site formerly occupied by the Watts Hospital facility, the School of Science and Mathematics has received national acclaim for its emphasis in advanced math and science education for high school students.



Also located near Durham are the University of North Carolina at Chapel Hill (www.unc.edu), ten miles to the southwest and North Carolina State University (www.ncsu.edu), which is located in Raleigh, 23 miles east of Durham. Both of these universities have highly rated undergraduate, graduate and professional schools.

The Durham Public School System (www.dpsnc.net) has 10 public senior high schools, 9 middle schools, 2 secondary school (grade 6-12), 1 alternative school, 1 hospital school, and 30 elementary schools that serve all sections of the City and County. Durham Public Schools currently provides education for over 32,000 students in all of its school districts.

In addition, there are 35 private and parochial schools that offer classes ranging from kindergarten through senior high and 15 charter schools.



Medicine

The Durham area has one of the highest per capita concentrations of hospital beds and physicians in the world. Two excellent university teaching hospitals are located in the area -- Duke Medical Center in Durham and UNC Hospitals (state teaching hospital) in Chapel Hill.

The north division of Duke University Hospital opened in 1980. Duke is licensed for 957 inpatient beds. In 2000, the \$30.5 million McGovern-Davison Children's Health Center, a division of Duke Medical Center, was completed. In fiscal year 2016, Duke University Hospital admitted 41,408 patients and had 1,119,151 outpatient visits. Duke Regional Hospital has served Durham, Orange, Person, Granville and Alamance counties and the surrounding communities for nearly 40 years. Duke Regional Hospital has 369 inpatient beds. In fiscal year 2016, Duke Regional Hospital admitted 15,792 patients and had 123,234 outpatient visits. The Durham VA Medical Center is a 271-bed tertiary care referral, teaching and research facility affiliated with Duke University School of Medicine. North Carolina Specialty Hospital (NCSH), is a private, physician-owned medical center that opened its doors in 1926. North Carolina Specialty Hospital has 18 licensed beds, 9 observation beds. Lincoln Community Health Center (Founded by Dr. Charles D. Watts in 1971) is a preventive and primary health care facility in South Durham primarily for economically deprived citizens of the community.

Medical technology research is prevalent in the Durham area with several laboratories in the Research Triangle Park undertaking research of pharmaceutical products, medical devices, health care products and health sciences, and processing of health information.

In recognition of the outstanding quality and quantity of medical technology and services in the Durham area, the Durham City Council designated Durham's slogan as the "City of Medicine" in 1981. A special "City of Medicine" exhibit from Durham was displayed in the 1982 World's Fair in Knoxville, Tennessee, as the result of a joint effort of a Duke physician and the North Carolina Museum of Life and Science in Durham.

Utilities

For the calendar year 2017, the City provided an average of 25.3 million gallons per day (MGD) to 275,000 customers in the service area. The City's two water treatment facilities have a combined maximum water treatment capacity of 52 MGD. Wastewater treatment capacity of the City totals 40 million gallons per day. During 2017, City wastewater treatment facilities processed an average of 18.72 MGD. The City's water and sewer system is self-supporting with approximately 90,000 City/County accounts.

Duke Power Company serves the City with electricity, PSCN provides natural gas and Verizon provides telephone service.

The City owns five off-street parking garages, with operations provided for the Chapel Hill, Church, Corcoran, Durham Centre and City Hall Annex garages operated by Republic Parking. The City owns three reserved parking lots, three public parking lots, two employee-only surface lots, and two combination reserved/hourly parking lots in the central business district. The City also leases a public parking lot on Ninth Street for hourly parking.

Transportation

Durham is served by U. S. Highways 15-501 and 70; Interstates 85 and 40; and N.C. Highways 54, 55, 98, 147 (Durham Freeway), 157 (Guess Road) and 751. The City maintains 748.61 miles of paved, 23.22 miles of unpaved and 139.99 miles of State roads.

Domestic airlines (AirTran, Delta, Frontier, Jet Blue, Southwest, Alaska, Allegiant, Air Canada, American Airlines, and United) fly over 10 million passengers annually from Raleigh-Durham International Airport, located ten miles from Durham. Direct service is available to major cities throughout the United States including New York/Newark, Washington, Orlando, Las Vegas, San Francisco and others. American Airlines offers one daily non-stop departure to London.

The City is served by two railroads - Norfolk Southern Corporation and Amtrak. Durham offers connections to all points with Greyhound/Carolina Trailways bus lines. Local bus service is provided by GoDurham with

32 bus routes throughout the city, and by GoTriangle with nine bus routes to facilitate travel through the Triangle.

Sightseeing

Durham is proud of its many historic and educational sightseeing attractions. Among these are:

American Tobacco Historic District, *400 Blackwell Street*, a former Lucky Strike cigarette factory and former headquarters of American Tobacco Company has been transformed into a one-million square feet of retail/residential/office adaptive reuse district. It is one of the most ambitious, largest, and farthest reaching historic preservation and renovation projects in the history of NC. The American Tobacco Historic District includes restaurants, shops, an amphitheater and on-site parking garages. <https://americantobaccocampus.com/>

Bennett Place State Historic Site, *4409 Bennett Memorial Road*, is the location of the surrender by Confederate General Johnston to Union General Sherman at the end of the Civil War in 1865. This site is open Tuesday through Saturday from 9 am - 5 pm. The site features a restoration with furnishings and picnic sites and modern visitors center with exhibits and AV program. There is no admission charge. <http://www.nchistoricsites.org/bennett/>

Carolina Theatre of Durham, Inc., *309 W. Morgan Street*, is located in the renovated downtown historic 1926 Beaux Arts auditorium for performing arts. Features 1,032-seat Fletcher Hall and two art-film cinemas. <http://www.carolinatheatre.org/>

Downtown Durham Historic District, *Downtown Durham, Morgan-Peabody Loop*, is North Carolina's first commercial district on the National Register of Historic Places. The Downtown Durham Historic District includes Main Street, government buildings, the central business district and the Carolina Theatre. A site of major festivals in May through September. It is also the home of the Durham Bulls. A second district near the intersection of West Main Street and Gregson Street is Brightleaf Historic District, anchored by the namesake Brightleaf Square, which includes turn-of-the-century brick tobacco warehouses with world-class restaurants, art galleries, jewelers, clothiers and specialty shops. www.preservationdurham.org

Duke Chapel, *Duke University West Campus*, is a Gothic edifice with 77 inspirational stained glass windows and a 210-ft. bell tower patterned after Canterbury Cathedral in England. During the academic year, it is open daily from 8 am -10 pm. At other times, it is open weekdays from 8 am through 8 pm. Guided tours can be arranged by calling the (919) 684-2572. www.chapel.duke.edu

Duke Homestead State Historic Site, *2828 Duke Homestead Road*, A National Historic Landmark where the Duke fortune and the nation's tobacco industry began. Adjacent to Duke Homestead, a tobacco history museum traces the history of tobacco from the Indians to the present. The site is open Tuesday through Saturday from 9 am - 5 pm. <http://www.nchistoricsites.org/duke/>

Duke University Nasher Museum of Art, *Duke University Central Campus*, is an attraction with collections of varied arts and crafts from many ages and points around the world. There is a \$5 admission for the general public, \$4 for seniors, \$3 for non-Duke students with I.D. and free for children 15 and younger. Admission is FREE to Duke University students, faculty and staff with I.D. The museum is open Tuesday, Wednesday, Friday and Saturday from 10 am- 5 pm, Thursday 10 am - 9 pm, and Sunday from Noon - 5 pm. The Museum is free to all on Thursday between the hours of 5 pm and 9 pm. www.nasher.duke.edu

Durham Bulls Athletic Park (DBAP), is located at *409 Blackwell Street*, Downtown Durham and can be accessed from the Durham Freeway. The ballpark reflects many characteristics of old-time parks and the historic Downtown Durham architecture. A 32-foot-high wall stands in left field 305 feet from home plate, resembling Fenway Park's Green Monster. The Blue Monster, as it's called in Durham, contains a similar old-style manual scoreboard. The ballpark's most distinctive feature is the Bull that stands tall above the Blue Monster. This Bull was modeled after the bull used in the 1988 film, Bull

Durham. The actual Bull from the movie is hung in the concourse level of the DBAP.
http://www.durhambulls.com/stadium/athletic_park.html

Durham Performing Arts Center (DPAC), *123 Vivian Street*, is a \$47 million state-of-the-art performing arts venue signifies that Durham's proud tradition of cultural arts continues. Featuring North Carolina's largest stage for major Broadway shows, opera, concerts, drama, and family shows, the center features 2,700 seats in a very intimate setting and has no seat more than 135 feet from the stage. The Durham Performing Arts Center is located just off the Durham Freeway (Highway 147, Exits 12B or 13), and is adjacent to the famous Durham Bulls Athletic Park. Access is fast and convenient from all parts of the region via I-40, I-540 and I-85. To learn more, visit www.dpacnc.com.

Durham Station Transportation Center, *located at 515 W. Pettigrew Street* is downtown's transportation hub and home to local, regional, intercity bus and taxi services, provides multiple alternatives to automobile traffic, an essential component needed to support Durham's growing population.

http://www.gotriangle.org/go-local/partners/durham-area-transit-authority//durham_station.cfm

The Durham Skate Park, *located at 524 Rigsbee Ave* in Durham Central Park, downtown Durham, is the City's newest park for skaters and is open daily from dawn until dusk.

<http://durhamcentralpark.org/visit/>

Hayti Heritage Center, *804 Old Fayetteville Street*, features permanent displays of photography and equipment of the early 20th-century local photographer. Contemporary exhibits featured on a rotating basis. Open Monday – Friday 10 a.m. through 5 p.m. and Saturday 10 a.m. through 3 p.m. Additional hours for special and scheduled events. (919) 683-1709. www.hayti.org

Historic Durham Athletic Park, *500 West Corporation Street*, is the film location for the movie Bull Durham starring Kevin Costner, Susan Sarandon, and Tim Robbins. It was the original home of the Durham Bulls for 50 years. The Bulls now play a few miles south in the Durham Bulls Athletic Park www.durhambulls.com, a facility which captures the brick texture of historic Durham yet remains fully state-of-the-art. (919) 687-6546.

Historic Stagville, *5825 Old Oxford Highway*, is a State Historic Site. Once among the largest plantation holdings in the South, the site features 18th and 19th century buildings dedicated to preservation as well as African American cultural/historic studies. Barn and original slave quarters at Horton Grove provide insight into plantation life, society, and culture. Admission is free and the site is open Tuesday through Saturday from 10 am to 4 pm. Guided tours begin at 11am, 1pm and 3pm. (919) 620-0120. <http://www.stagville.org/>

Museum of Durham History, *500 West Main Street*, is a 21st-century museum that uses stories about people, places and things to promote an understanding of diverse perspectives about the Durham community and its history. The museum opened in October 12, 2013. The History Hub is open Tuesday-Saturday, 10am-5pm, Sunday 1pm -5pm and extended hours on the third Friday of the month, from the months of April through October. There is no admission fee. <http://museumofdurhamhistory.org/>

North Carolina Museum of Life and Science, *433 Murray Avenue*, is a state-of-the-art interactive indoor/outdoor science-technology center including the renowned Magic Wings Butterfly House, a Farmyard, Ellerbee Creek Railway, weather and aerospace displays, daily science shows, and ever-changing traveling hands-on exhibits. The museum is open Mondays through Saturdays from 10 am - 5 pm. and on Sunday from 12 pm- 5 pm. Beginning Memorial Day weekend through Labor Day, the Museum is open until 6 pm. A general admission charge applies (adults \$20, seniors \$18, children \$15 (ages 3-12), children under age 2 are free). <http://www.lifeandscience.org/>

Sarah P. Duke Memorial Gardens, *Duke University West Campus*, is a valley of flora bordered by a pine forest and centering on a lily pond, stone terraces and wisteria-covered gazebo, with seasonal plantings in a spectacular array of color. It attracts approximately 300,000 visitors annually to view 55 acres. It is open daily to the public without charge from 8:00 am until dusk. <http://gardens.duke.edu/>

St. Joseph's A.M.E. Church, *804 Old Fayetteville Street*, is one of the first autonomous African-American churches in America. The 1891 brick sanctuary includes a stained-glass portrait of Washington Duke. The church was converted into a performance hall in the fall of 2001. The sanctuary is trimmed with beautiful glass and Richardsonian architecture. The performance hall contains 416 seats and is adjacent to the Hayti Heritage Center. (919) 683-1709. <http://hayti.org/about-us/>

The Streets at Southpoint, *6702 Fayetteville Road*, is a super-regional mall that includes an outdoor cityscape called Main Street. It features 1.3 million square feet of retail space with more than 150 shops and restaurants. Featuring North Carolina's first Nordstrom, The Streets at Southpoint also includes Sears, JC Penny, Belk, and Macy's as anchor stores. <http://www.streetsatsouthpoint.com/>

West Point on the Eno, *Roxboro Road across from Riverview Shopping Center*, is a forty-acre city park, part of over four-hundred acres owned by the City of Durham along a two-mile stretch of the Eno River. Nestled within this wilderness area, West Point on the Eno has a strong historical focus. There are trails and woods and waters, each somewhat as they were centuries ago when this area was the home of the Shocco Adshusheer and Eno Indians. There are also restored buildings and gardens, designed to give visitors an accurate picture of life as it was in the heyday of this once-thriving mill community. The restored McCown-Mangum House is a visitor center and small museum. Special activities sponsored by the "Eno River Association" are held at the park site on July 4th each year. The area is open year-round to the public daily, 8 a.m. to dark, free of charge. <http://durhamnc.gov/Facilities/Facility/Details/West-Point-on-the-Eno-158>

GLOSSARY

Adjusted Appropriations	The annual budget may be adjusted (increased or decreased) by subsequent City Council action.
Americans with Disabilities Act (ADA)	A wide-ranging civil rights law that prohibits, under certain circumstances, discrimination based on disability.
Annual Budget	The annual budget forecasts revenues and outlines expenditures planned for the current fiscal year.
Appropriated Fund Balance	The amount of fund balance appropriated as a revenue source for the current fiscal year.
Appropriation	An authorization by the City Council to spend money for a specific purpose.
Assessed Valuation	The total value of real and personal property in the City. The assessed valuation is used as the basis for levying property taxes.
Associated Revenues	Revenues that include user fees, licenses, permits, and intergovernmental revenues which are associated with a particular City department.
Authorized Positions	Positions authorized by the City Council to perform specific duties within a City department. Salaries and benefits of authorized positions are budgeted in the department the authorized position is assigned to.
Benchmarking	A strategic management process in which organizations evaluate various processes in relation to identified best practices from other organizations.
Best Management Practices (BMP)	Nationally accepted practices with regard to stormwater management and the evaluation of stormwater management practices.
Best Practice	A management technique or process which has been identified as being more effective at delivering a desired outcome than other identified techniques or processes.
Bond	The City sells bonds to finance major capital projects. A bond is a written promise to pay back the amount of bonds sold plus interest within a specified period of time. General Obligation bonds require voter approval and are secured by the City's full faith and credit (taxing ability). Revenue bonds do not require voter approval and are backed by enterprise revenues.
Bond Rating	An evaluation of the credit risk associated with a particular bond issue. Bond ratings range from AAA (extremely strong capacity to pay interest and repay principal) to D (currently in default). A higher bond rating results in a lower interest rate, thus reducing the cost of a capital project financed with bonds. The City of Durham currently has a AAA rating.

Budget Ordinance	The legal document adopted by the City Council which outlines the annual spending plan and anticipated revenues for City government for the fiscal year.
Build America Bonds (BABs)	Taxable municipal bonds which carry special tax credits and federal subsidies for either the bond issuer or the bondholder.
Business Improvement District (BID)	A defined area in the downtown core within which businesses pay an additional tax or fee in order to fund improvements within the district's boundaries.
Capital Expenditure	Money spent to acquire or upgrade physical assets such as buildings and machinery.
Capital Improvement Program (CIP)	A long-range plan which outlines proposed capital projects and estimates the costs and funding sources associated with capital projects.
Capital Outlay	Includes budgeted expenditures of at least \$5,000 for tangible items with a useful life of at least one year.
Capital Project	Major City projects with estimated costs of at least \$100,000. Capital projects generally include acquisition of property, construction of City facilities, or acquisition of major equipment.
Capital Projects Fund	A fund used to account for revenues and expenditures associated with capital projects.
Certificates of Participation (COPs)	An accepted alternative financing mechanism in which certificates are sold to investors to finance capital projects. Principal and interest are paid back within a specified period of time. Certificates of Participation do not require voter approval and are generally secured by the project financed.
Charges for Current Services	Charges to individuals, corporations, and other units of government for services performed by City departments.
Contingency	Funds reserved in the General Fund or Water and Sewer Fund for unanticipated expenditures during the fiscal year. Contingency funds are appropriated as necessary by the City Council.
Coverage Ratio	Related to revenue bond covenants, the coverage ratio is a measurement of the amount of net revenues available to cover required debt service payments.
Debt Covenants	Legal obligations contained in a bond issue, such as a covenant for a specified debt service coverage ratio.
Debt Service	The payment of principal and interest to creditors on outstanding debt.
Dedicated Housing Fund	A one-cent portion of the property tax is dedicated to housing related issues.
Discretionary Revenue	Revenues not derived from or dependent upon direct activity from a single targeted activity. These revenues can be appropriated at the discretion of City Council, since they have no legal tie to a specific use.

Durham Bulls Athletic Park (DBAP)	Durham Bulls (Triple A Baseball Club) Athletic Park.
Durham Performing Arts Center (DPAC)	Opened in Downtown Durham in 2008, a center for live entertainment.
Employee Satisfaction Survey	An annual survey of all City employees to assess the satisfaction of the organization.
Encumbrance	A financial commitment to pay for goods and services that have not yet been delivered.
Enterprise Fund	A fund used to account for operations in which the cost of providing services are financed or recovered primarily through user charges.
Enterprise Revenue	Generated by user charges for City provided services.
Environmental Protection Agency (EPA)	A federal agency whose mission is to “protect human health and the environment.”
Equivalent Residential Units (ERU)	A standardized square foot measurement of impervious surface used to determine stormwater billing charges.
Expenditure	An amount paid by the City for a specific good, service, program, or project.
Fiduciary Fund	A fund used to account for assets held by the City in a trustee capacity.
Fiscal Year (FY)	The twelve-month period to which the annual operating budget applies. The City of Durham's Fiscal Year 2018-19 (abbreviated as FY19) begins on July 1, 2018 and ends on June 30, 2019.
Fringe Benefits	Funds budgeted in the Personal Services budget category for the City's contribution for employee benefits. Fringe benefits include such items as social security, retirement, and health, dental, and life insurance.
Fund	A fiscal and accounting entity with a self-balancing set of accounts segregated to carry out specific activities.
Fund Balance	The difference between the accumulated revenues and expenditures for a particular fund.
General Fund	The principal operating fund for City government. The General Fund is used to account for all City government activities, except those activities with a legal, contractual, or managerial requirement to be accounted for in a separate fund. The General Fund provides resources for services including the functional areas of general government, development, public protection, general services, parks and recreation, and non-departmental expenditures.
General Obligation Bonds	Bonds issued by the City which are backed by the full faith and credit (taxing ability) of the City.

Geographic Information Systems (GIS)	Rooted in the science of geography, GIS integrates many types of data. It analyzes spatial location and organizes layers of information into visualizations using maps and 3D scenes.
GoDurham	The public bus and para-transit (van) service in Durham. Previously known as the Durham Area Transit Authority.
Government Accounting Standards Board (GASB)	The source of generally accepted accounting principles used by state and local governments in the United States.
Government Finance Officers Association (GFOA)	A professional association of approximately 19,000 state, provincial, and local government finance officers in the United States and Canada.
Grants	Federal and State allocations of funding for a defined use which the City competes for. Grants often have strict spending requirements and timeframes, and may require a City match to obtain.
Housing and Urban Development (HUD)	A federal agency whose mission is to “create strong, sustainable, inclusive communities and quality affordable homes for all.”
Impact Fees	Fees charged to new development or facility expansion which place a greater demand on the City’s thoroughfare network, parks and recreation facilities, or open space land.
Impervious Surface	Surfaces including rooftops, sidewalks, roads, and parking lots covered by impenetrable materials which repel water such as asphalt, concrete, brick, and stone.
Indirect Costs	The portion of the total cost of a program which is provided by and budgeted in another department or division. Indirect costs are budgeted to more accurately reflect the true cost of a program.
Installment Sales	An accepted financing instrument. Installment Sales do not require voter approval and are generally secured by the project financed (example, see: “Certificates of Participation”)
Interfund Transfer	A transfer from one fund to another fund to either subsidize the activities in that fund or make payment for services provided through that fund.
Intergovernmental Revenues	Revenues received by the City from federal, state, and county government in the form of grants, shared revenues, or entitlements.
Internal Service Fund	A fund used to account for the financing of goods or services provided by one City department for other City departments.
Intragovernmental Revenues	Revenues received by one City department for services provided to another City department.
Investment Income	The interest earned on the City's various investments. City funds are generally invested in U.S. Treasury Notes, Government Agencies, bankers' acceptances, commercial paper, the North Carolina Cash Management Trust Fund, and the State and Local Asset Management Fund.

Land Clearing and Inert Debris Landfill (LCID)	A landfill facility for the acceptance of land clearing and inert debris.
Lease-Purchase Agreement	An alternative method of financing the acquisition of property, construction of City facilities, or acquisition of major equipment. Lease-purchase agreements allow the City to spread the costs of property, facilities, or equipment over a specified period of time.
Licenses and Permits	Revenue received by the City from individuals and corporations for the issuance of various licenses and permits.
Non-City Agency (NCA)	Contract non-profit agencies which are partially funded by City grants. These agencies serve needs in community development, youth, arts, and culture.
Nondepartmental Appropriations	Include appropriations which are not attributable to a specific department, contributions to non-city agencies, debt service payments, and transfers to other funds.
North Carolina Department of Transportation (NCDOT)	State agency responsible for building, repairing, and operating highways, bridges, and other modes of transportation.
One cent (penny) on tax rate	The amount of revenue derived from one cent/penny of property tax assessed against the valuation of property within City limits. In FY19, one cent/penny on the City's property tax rate equals approximately \$2.9 million.
Operating Expenses	Funds budgeted for day-to-day expenses that are necessary to support the City's services and programs. Operating expenses include such items as telephone charges, electrical service, office supplies, gasoline, uniforms, asphalt, etc. Operating expenses do not include salaries and wages, fringe benefits, capital outlay, and other expenses.
Other General Fund	The amount of a department's budget that is not funded by associated revenues.
Other Local Taxes	Includes taxes collected by the State of North Carolina and distributed to local governments. Examples of other local taxes are local option sales tax, intangibles tax, and the hotel/motel occupancy tax.
Outstanding Debt	Existing debt service obligations due in future years.
Personal Property	Personal property includes visible and movable property not permanently affixed to real property. Examples of taxable personal property include automobiles, boats, trailers, and equipment.
Personal Services	Funds budgeted for full time employee salaries, part-time employee salaries, and contractual personal services. Also includes budgeted funds for fringe benefits, retirement plan, and longevity.
Program Revenue	Defined by the City as General Fund revenues collected toward a targeted purpose. Generally these operating revenues are budgeted within one City department.
Property Tax	A tax levied on the assessed value of real and personal property. The property tax rate is expressed as a dollar value per \$100 of assessed valuation. The FY19 City of Durham property tax rate remains flat at 57.86 cents per \$100 of assessed value.

Real Property	Real property includes land, buildings, and items permanently affixed to land or buildings.
Rental Income	Revenue generated by the leasing of various City-owned properties.
Reserve	An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark funds for a specific purpose in the future.
Resources	Property taxes, sales taxes, and other revenue not attributable to a specific department's activities.
Revenue	All funds that the City receives as income. Revenues include property taxes, other local taxes, user fees, intergovernmental revenues, fines, investment income, and rental income.
Revenue Bonds	Bonds issued by the City which are backed by operating revenues of an enterprise fund for which the bond proceeds are intended.
Special Revenue Fund	A fund used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.
State-Shared Revenues	The City receives a share of revenues collected by the State for utility franchise taxes, gasoline taxes, beer and wine taxes, and alcoholic beverage control profits.
Tax Base	The total assessed valuation of real and personal property in the City.
Tax Levy	The total amount of property tax revenue expected to be generated during a fiscal year. The tax levy is a function of the total assessed valuation and the property tax rate.
Transit	Public bus and para-transit (van) services.



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